

USDA Foreign Agricultural Service

# GAIN Report

Global Agricultural Information Network

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## Thailand

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**Report Highlights:**

TH2024 "SAWASDEE THAILAND" provides the latest information on Thai agricultural situation, market access for U.S. products, and upcoming events.

## **General Information:**

### **HOT NEWS**

#### 2011 Thai-U.S. Agricultural Trade

In 2011, U.S. agricultural exports to Thailand grew 16 percent to \$1.4 billion from 2010. Much of the growth was attributed to higher commodity prices, particularly for cotton and soybeans. Thai imports to the US were valued at \$6.5 billion, increasing the deficit by 18 percent from 2010 to \$5.2 billion. Worldwide Thailand ranks as the United State's fifth largest import source and sixteen largest export destination for agricultural products. Given Thailand's relatively high tariffs for U.S. products and difficult regulatory environment for imports, there is opportunity for reducing the U.S. trade deficit in agricultural through improved market access.

### **MARKET ACCESS UPDATE**

#### U.S. Pork Market Access to Thailand

Thailand's GSP privileges are at risk of being suspended due to Thailand's unfair import restrictions on U.S. pork into Thailand. These unfair practices include: 1) Thailand's ban on imports of pork from any country including the United States that allows the use of ractopamine even though this additives is safe; 2) Even if imports were allowed Thailand imposes an inspection fee that is 10 times greater than the inspection fee for domestic pork; and 3) Thailand would issue import permits in arbitrary manner apparently designed to protect domestic production. For two years, FAS/Bangkok and National Pork Producers Council (NPPC) have raised these concerns with the Thai Government, however all efforts to gain market access have been stonewalled by the Thai authorities. In light of this, the NPPC is considering filing a petition to remove the GSP privileges in the near future if Thailand remains adamant in its position. This petition could negatively impact Thailand's approximately \$500 million of products that received GSP privileges in 2011.

#### Highlights of the ISAAA Chair's Presentation on Modern Biotechnology

On February 22, 2012, the Biotechnology Alliance Association (BAA) in Thailand invited Dr. Clive James, Founder and Chair of the International Service for the Acquisition of Agri-biotech Application (ISAAA), to present the "Global Status of Commercialized Biotech/GM Crops in 2010" in Bangkok. His presentation highlighted the fact that crop biotechnology has been the fastest adopted crop technology, which has had a 94-fold increase from 1.7 million hectares in 1996 to 160 million hectares in 2011. In addition, he pointed out that biotech crops have delivered sustainable and substantial socioeconomic and environmental benefits, with 29 countries planting biotech crops. Dr. James also forecasted that about 10 countries will be added to the current list of biotech crop growing countries by the end of 2015. At the meeting, Thai papaya farmers expressed hopes that the government will soon approve field trials, a necessary step for commercializing biotech crops, as their papaya crops have been decimated by ringspot virus.

## **UPCOMING EVENTS**

### PIZZA Expo Trade Mission 2012

The California Milk Advisory Board (CMAB) has invited Minor Food, the operator of "The Pizza Company", the largest pizza fast food restaurant chain in Thailand to participate in the CMAB sponsored trade mission to "Pizza Expo" the largest pizza trade show which will be held in Las Vegas, NV during March 12-18, 2012. The participants will attend the Pizza Expo, have one-on-one meetings with California cheese exhibitors, and visit California cheese makers. The trade mission is designed to promote California dairy products for Thailand's burgeoning pizza market. More information about "The Pizza Company" is available at [www.pizza.co.th](http://www.pizza.co.th) and [www.minorfoodgroup.com](http://www.minorfoodgroup.com).

### USA Fair 2012

During April 19-22, the American Chamber of Commerce and the U.S. Embassy Bangkok will organize the 2012 USA Fair at Central World in Bangkok. The fair will promote U.S. products and services, and visitors to learn about Americana! It is an excellent consumer-oriented showcase for brands such as Blue Diamond, General Mills, Hershey's, Campbell, E&J Gallo's wines will be participating by showcasing a variety of American food products such as dried fruits, nuts, snacks, wines, and much more to Thai consumers. For more information about this fair, please visit [www.amchamthailand.com](http://www.amchamthailand.com).

### Food and Hotel Asia 2012

Mark your calendars for the largest food show in Southeast Asia, "Food and Hotel Asia 2012"! Food and Hotel Asia will take place in Singapore on April 17-20. In 2010, the year the last show was held, it attracted 51,747 trade attendees from 99 countries. Currently, 43 U.S. participants have confirmed their participation at the U.S. pavilion. Some of these include: AJC International, Advanced Food Products, American Indian Foods, California Milk Advisory Board, Cal-Agrex, Cheney Brothers, Excel Trade, Fresh N Natural Foods, Geller International, Giorgio Foods, Gold Medal Products, Good Life Foods, Lamb Weston, Love and Quiches Dessert, McIlhenny Company, Midamar, Mission Foods, Nature Seal, Oskri Organic, Popcorn Board, Reynolds, Roland Food, Southern U.S. Trade Association, U.S. Dairy Export Council, U.S. Dry Pea & Lentil Council, U.S. Meat Export Federation, USA Poultry & Egg Export Council, and the Western U.S. Agricultural Trade Association. Additional information on this show, please visit [www.foodnhotelasia.com](http://www.foodnhotelasia.com).

### American Hardwood Design Camp IV

A total seven teams consisting of university students, Faculty of Architecture, and four professional designers have created 20 furniture designs using American hardwood. These prototypes will be exhibited on March 14-18, 2012 at the Thailand International Furniture Fair (TIFF), BITEC Bangna. Visitors will have opportunity to see these prototypes for themselves. The TIFF is Thailand's premier furniture event. This year 150 exhibitors will display their latest furniture designs to over 33,000 visitors. More information about the TIFF, please visit <http://www.thailandfurniturefair.com>.

### U.S. Consumer Product Safety Commission (CPSC)

FAS/Bangkok and the U.S. Consumer Product Safety Commission (CPSC) along with the Thai Furniture Industries Association (TFA) will sponsor a seminar on "Safety Requirements for Furniture Sold in the United States". The seminar will be held on March 16 at 1pm – 4pm at BITEC Bangna during the Thailand International Furniture Fair (TIFF). This show is free of charge and all furniture manufactures willing to export to the US should attend this seminar. More information, please contact Arlene I. Flecha, Program Manager for Southeast Asia and Training Exchanges, Office of International Program, U.S. Consumer Product Safety Commission, tel. 301-504-7052, email. [AFlechaCastro@cpsc.gov](mailto:AFlechaCastro@cpsc.gov).

#### COTTON USA's Supply Chain Marketing Annual Meeting

The COTTON USA will have a roundtable meeting with the Supply Chain Marketing (SCM) Thai member mills on March 16, 2012 in Bangkok. The meeting will review its program in 2011, and plan the events for 2012. In addition Allen Terhaar, COTTON USA's Senior Advisor, will present the outlook of Cotton Economics in 2012. There will be around 16 member mills attending the meeting. For more information on COTTON USA, please visit the website: [www.cottonusasupplychain.com](http://www.cottonusasupplychain.com).

#### USW's Overseas Varietal Analysis Program in Bangkok

The U.S. Wheat Association (USW) will conduct its annual Overseas Varietal Analysis (OVA) program at the UFM Baking Center in Bangkok from March 26-30, 2012. Seven participants who are quality control managers from flour mills in Indonesia, Malaysia, the Philippines, and Thailand will conduct the analysis. The program uses analyzes various wheat varieties from the US in order to identify those that are suitable to meet the needs of the SE Asia bakery industry. This allows breeders to determine what varieties have a potential to be grown for this market. In addition, participants will receive additional technical training in bakery analysis and quality evaluation. They will be able to review the quality aspects demand important in other markets in the region. For more information on US Wheat Associates, please visit the website: [www.uswheat.org](http://www.uswheat.org).