

USDA Foreign Agricultural Service

# GAIN Report

Global Agricultural Information Network

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## Thailand

**Post:** Bangkok

### **Potato TRQ for 2010 Announced**

**Report Categories:**

Trade Policy Monitoring

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**Report Highlights:**

TH0020. On December 30, 2009, the Department of Foreign Trade (DFT), Ministry of Commerce, allocated 1,430 metric tons (MT) for seed potatoes and 36,000 MT for potatoes for processing under the 2010 TRQ.

On December 30, 2009, the Department of Foreign Trade (DFT), Ministry of Commerce authorized the allocation of 1,430 MT for seed potatoes and 36,000 MT for potatoes for processing under the 2010 TRQ. This allocation was carried-out by the Sub-Committee on Production and Marketing Management for Garlic, Shallots, Onion, and Potatoes. The import window for seed potatoes is from January 1 to December 31, 2010 while the window for potatoes for processing (stock potatoes) is from July 1 to December 31, 2010. The following companies have been assigned the following in-quota amounts for 2010:

1. Seed potatoes:

1.1 Pepsi-Cola (Thai) Trading Co. Ltd.	1,008 MT
1.2 Berli Jucker Foods Co., Ltd.	375 MT
1.3 Unichamp Co., Ltd.	47 MT
Total	1,430 MT

2. Potatoes for Processing: Three eligible importing companies include:

2.1 Pepsi-Cola (Thai) Trading Co. Ltd.	28,000 MT
2.2 Berli Jucker Foods Co., Ltd.	5,800 MT
2.3 Unichamp Co., Ltd.	2,200 MT
Total	36,000 MT

This allocation is based on the Ministry of Commerce's Notification on the Issuance of Certificates on the Eligibility on Import Duty Payments for Potatoes under the WTO's Agreement on Agriculture for 2009-2011. The notification states that imports of all potatoes are subject to Thailand's WTO committed bound tariff rates and eligible imports must come from WTO member countries or Laos. Additional quotas may be allocated throughout the year upon the request of the aforementioned companies.

Like other agricultural commodities under a TRQ system in Thailand, the Thai Government applies domestic purchase requirements in administrating the TRQ for seed potatoes and stock potatoes. The domestic absorption practice for potatoes was reported in FAS Report: 2009 Potato TRQ and Domestic Absorption ([TH9028](#)).

In 2009, the DFT allocated a TRQ of 7,178 MT for seed potatoes and 36,000 MT for stock potatoes. According to the Thai Customs Department, actual imports of seed potatoes totaled 4,345 MT, accounting for 61 percent of the allocated quota. Meanwhile, stock potato imports were 28,223 MT, accounting for 78 percent of the quota. Trade sources reported that the unfulfilled quota was due to limited supplies of good quality potatoes (both seed and stock potatoes), cheaper domestic supplies, and the ability of chip processors to increase domestic supply through contract farming.

Trade sources reported that chipping potato sales in Thailand grew by 7 percent in 2009 and are expected to grow 8-10 percent in 2010. In 2009, imports of U.S. stock potatoes declined 42 percent from 8,538 MT in 2008 to 4,904 MT losing market share from 29.4 percent to 17.4 percent mostly to Chinese potatoes. Potatoes from China enter Thailand duty free while U.S. potatoes bear a 27 percent duty.

Table: Thailand Stock Potato Imports, 2007-2009, Metric Tons

Thailand Import Statistics							
Commodity: 070190, Potatoes, Fresh Or Chilled Nes							
Country of Origin	Quantity			% Share			% Change 2009/2008
	2007	2008	2009	2007	2008	2009	
China	8,671	11,421	13,756	58.98	39.33	48.74	20.44
Canada	5,976	8,750	8,700	40.65	30.13	30.83	- 0.57
United States	20	8,538	4,904	0.14	29.40	17.38	- 42.56
Australia	2	47	859	0.01	0.16	3.04	1733.90
Myanmar	6	48	3	0.04	0.16	0.01	- 93.39
Others	26	234	1	0.18	0.81	0	-99.57
Total	14,701	29,038	28,223	100.00	100.00	100.00	-2.81