

Organic Agriculture in Thailand

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History of Organic Agriculture

In Thailand, agriculture is the backbone of the country. Most of the people rely on the agriculture sector for their livelihood and generates incomes from it. Across the world, Thailand stands in the top ten list in the export of agricultural products due to its good agro-climatic conditions (Thai Organic Trade Association, 2011).

Organic agriculture is not a new strategy. It was practiced since the 1980s. In 1989, the Alternative Agriculture Network (AAN) was founded as a national network by farmers and local non-government organizations (NGOs) to drive the sustainable agriculture including organic agriculture and to share the knowledge and experiences to grassroots NGOs and farmer leaders. In 1992, a conference concerning organic agriculture was made as a part of the development of sustainable agriculture movement (Ellis *et al.*, 2006).

Panyakul (2003) reported that the government did not support anything for organic farming. However, developing national standards, certification and accreditation were focused on the production of crops in organic agriculture. In the report of Chinvarasopak (2015), it was mentioned that after the 7th National Economic and Social Development Plan, the government planned to have organic agriculture as the alternative strategy of agriculture leading to the sustainable agricultural development (1997-2001).

The producer organizations, private companies, exporters and even NGOs initiated the projects concerning the production of organic products (Panyakul, 2003). In mid 1990s, a national organic certification body was established by cooperating with the consumers to make it a driving force and be compatible with the environmental agricultural system. There are fair-trade projects for organic products which is the dominant project in the organic cum fair-trade projects. Non-agricultural sectors introduced organic projects mainly focusing on large scale producers and contracted trading partners to catch up the opportunities for their businesses. Additionally, the conventional farming systems were changed into organic farming and then organic trades were initiated. Within few years, several organic projects as new business were introduced. At present, they play a main role to drive the organic sector of the country. As NGOs, the agricultural products were traded in both domestic and export markets by introducing fair-trade program. It was mainly focused on small-scale producers and marginalized farmers (Thai Organic Trade Association, 2011).

Ellis *et al.* (2006) stated that there is a potential for value-added organic products in both domestic and export markets. Therefore, there are greatest interest and market potential for processed cereals, fruits and vegetables. In 2003, Sampran Food Company established the processing facilities for organic products. It is the first one ever done in Thailand.

The organic agricultural products were produced not only for domestic markets but also for a market place and trading agreements at the international level with other countries. These are the major points of the organic agriculture public policy formation in the national agenda in 2005 (Mingcha & Pradtana, 2008; Klaidang, 2006). To implement that policy, the Office of Provincial Agricultural Extension under the Department of Agricultural Extension is responsible to promote organic agriculture and the Land Development Department is responsible to promote organic fertilizers. After approving the organic agricultural policy by

the cabinet as part of the national agenda, it was disseminated as the first National Strategic Plan for Organic Agriculture Development (2008-2012) (Chinvarasopak, 2015). In 2008, it was approved by the cabinet to shape the organic agriculture policy by making a framework for relevant agencies (National Economic and Social Development Board, 2008).

Klaidang (2006) stated that organic agriculture policy was set up with the following main objectives:

1. to convert farming system from conventional to organic;
2. to promote chemical free agriculture by 50% within four years;
3. to increase the area under organic farming, and
4. to increase the growing market for organic agricultural products

The government also allocated the budget to fulfill those objectives. As the impact of those objectives, it can improve the quality of life not only for the farmers but also for the consumers. Moreover, it can also lead to competitive sustainable farming system which is suitable with the environment. As a result, it can increase the area under organic agriculture and make safe food and secure food to meet the demand of the growing population (National Economic and Social Development Board, 2008).

In 2012, the National Organic Agriculture Committee was established. It is responsible to set up policies and strategies for Thailand's organic agriculture and to integrate all related plans and measures. The main actors in that committee were the Ministry of Agriculture and Cooperatives, the Ministry of Commerce, and the Ministry of Science and Technology. The National Organic Agriculture Committee will implement the new strategies within three years for developing Thailand's organic agriculture industry from 2014 to 2016 to become a focal point country in the production trade as well as consumption of organic agricultural products (The Government Public Relations Department, 2014).

There are four strategies in implementing the development of Thailand's organic agriculture:

1. to focus on knowledge and innovation management and the creation of a database for organic agriculture;
2. to develop the production of organic agriculture and to have a strong link network;
3. to access strong markets and upgrade the standards of Thailand's organic agricultural products; and
4. to develop the sector of organic agriculture by cooperating with all the actors concerning Thailand's organic agriculture (The Government Public Relations Department, 2014)

The major organic agricultural export products are rice, black tiger prawn, beef, milk, and fish. The market size is still small although there is a high demand for organic products in the international market. The major export countries for organic products include the United States and the European Union, followed by Japan and Australia. At the national level, however, the strategies used in organic agriculture is not yet considered successful (The Government Public Relations Department, 2014).

Types of Organic Farming

According to the result of Mingchai and Yossuck's study (2008a), there are two types of organic farming in Thailand: integrated organic farming system and mono crop organic farming system. In the integrated organic farming system, many varieties of plants are grown in one unit area of land in order to reduce the production costs and to get self-sufficiency by practicing various agricultural farm activities. That type of farming system also drives the environmental friendly production to maintain an ecological balance. The agricultural products were sold to the market with the local quality standard by community. In this type of

farming system, there was a communication between the producers (farmers) and the consumers.

The mono crop organic farming system emphasized on the increase revenue from farming activities. Through production process from farm to table, there was a competition for the market place. That farming system was also considered to be environmentally safe. Due to the mono cropping system, that farming system produced the organic agricultural products with great amount and sold the products to meet international standards.

Organic Production

Although there is progress in the production and policy measures, organic agriculture is still considered on its early stage of development. The farmers and the private sector played a crucial role in the development of organic agriculture although there is little government support. The major crops in the organic agriculture are rice, vegetables and fruits. A large amount of rice are exported and only small quantity is sold in the domestic market. Europe is considered as the main export market for rice. Organic fresh vegetables are sold in the domestic market while baby corn is exported (Thai Organic Trade Association, 2011).

According to the Green Net and Earth Net Foundation, the coverage area of organic farming was just over 2,100 hectares in 2001 and increased to 21,701 hectares in 2005. Although the cultivated area under organic agriculture increased by about 10 times within four years, it is only 0.10% of the total cultivated land of the country. As a percentage of total cultivated area, Thailand's organic farming area stands in the lowest position in the world. However, it is in the middle place among Asia (Ellis *et al.*, 2006). The Government Public Relations Department (2014) reported that the area under organic farming has increased by 0.1% annually since 2006 and in 2011 was 0.2% of the total cultivated agriculture area.

Support organizations

In Thailand's organic sector, the major actors are private companies, government projects, grower cooperatives, grassroots support groups and NGOs. The private sector includes large-scale farmers and contract farmers. The technical advice and financial support are provided to the contract farmers by the companies. Moreover, they also provide the costs for registration of agricultural products to get organic certificate. These companies take advantage by using their names on the organic certification. The entrance of larger Thai-based companies' especially large agro-industrial companies increased throughout the supply chain of the organic products. They also supply the market trade in both domestic and export markets.

In NGOs projects, there are only a few formal cooperatives or farmer organizations. However, the producers created a group and worked together. They provided technical advice to their members through training and provided financial support to cover the production costs. They also provided the processing facilities and marketing mechanisms in terms of collective system (Ellis *et al.*, 2006).

Organic Certifications

In 1995, the Organic Agriculture Certification Thailand or ACT was set up. It plays an important role to provide professional organic certification services for all agricultural production, processing and handling operations (Panyakul, 2003). It offers the organic certification services which are recognized at the international level. ACT's standard offers the organic certificate for crops, wild product harvest, aquaculture, processing and handling. In 2007, a collaborative program of organic certification bodies was organized at the regional

level with the help of ACT in Asia to give the services for the inspection of organic growers. There are several certification bodies for local level in specific regions or at the national level under limited scope. As the government organizations, the Organic Crop Institute under the Department of Agriculture offers certification of crops (except rice), Department of Rice offers certification for organic rice, Organic Aquaculture Farm and Product Certification Center under the Department of Fisheries offers certification for aquaculture and Department of Livestock offers certification for livestock. As private organization, the Northern Organic Standards Organization certifies organic crops in the Northern Thailand. For the international organic certification, there are several foreign certification bodies especially from the European Union (Thai Organic Trade Association, 2011).

From a study by Pattanapant and Shivakoti (2009), there were two private organizations (NOSO and the Organic Agriculture Certification Thailand (ACT)) and one government agency (Organic Crop Institute under the Department of Agriculture) as organic certification bodies in northern Thailand. The products certified by NOSO are sold mainly in the northern region of the country and those certified by ACT and Organic Crop Institute in both domestic and international markets broadly.

Markets Channels

Certified and non-certified organic agriculture are the predominant groups in Thailand's organic agriculture. There was no reliable source of data concerning organic production. Therefore, it is difficult to differentiate organic products from those that are not. In 2002, most of the certified organic products are exported to the international markets. Therefore, there is no balance in supply and demand for the organic products especially for fresh vegetables, rice and beans in the domestic markets. However, certified organic products could be available even in local supermarket and modern trade outlets in 2004 (Ellis *et al.*, 2006).

According to the estimation of Green Net and Earth Net Foundation, the total market for organic products with certification is US\$ 135.44 million in 2009. Out of total, 50% are sold in the domestic market and export market respectively. Organic products are channeled through supermarket chains, specialized shops and direct marketing (Thai Organic Trade Association, 2011). According to the findings of Pattanapant and Shivakoti (2009), in northern Thailand, generally non-certified organic products are sold in the domestic markets while certified organic products are sold to the health-conscious stores, supermarkets and international companies through cooperatives and NGOs.

Recent Benchmark of Thai Organic Agriculture

Year	Event
1991	- Chai Wiwat Agro-industry and Capital Rice Co started organic rice project in Chiang Rai and Phayao. Production was certified by Bioagricert, Italy
1992	- Alternative Agriculture Network organized its first national conference, requested the government to promote sustainable agriculture and organic farming - First Fair Trade rice from Surin was exported to Fair Trade groups in Europe.
1993	- Green Net established
1994	- First public fair on "Chemical-Free Food for Health and Environment", Bangkok. - Capital Rice began selling organic jasmine rice in Thailand and overseas
1995	- ACT was established, and first Thai organic crop standards were drafted.
1996	- Organic rice project established in Yasothon, certified by the Swiss Institute for Market Ecology (IMO).

	- IFOAM-Asia Regional Workshop on "Certification for Organic Agriculture and Alternative Market".
1997	- ACT commenced organic farm inspection and certification.
1999	Thailand Institute of Technological and Scientific Research (TISTR) / Export Promotion Department of the Ministry of Commerce, and the Department of Agriculture (DOA), started drafting organic crop standards.
2000	- ACT obtained IFOAM accreditation from the International Organic Accreditation Service (IOAS), and its first certified products appeared in Thai markets. - The Cabinet approved US\$ 15.8 million (633 million baht) to support a 3-year pilot project on Sustainable Agriculture for Small-Scale Producers. The project was coordinated by the Sustainable Agriculture Foundation and covered 3,500 farming families
2001	- DOA adopted organic crop production standards. - First IFOAM Organic Shrimp Consultation held in Thailand
2002	- Ministry of Agriculture and Cooperative (MoAC) established the National Office of Agricultural and Food Commodity Standards (ACFS), responsible for implementing/enforcing national agricultural and food standards as well as accreditation. - ACFS completed drafting of "Organic Agriculture: the Production, Processing, Labeling and Marketing of Organic Agriculture". They cover crop production, livestock and aquaculture. - Swiss Government recognized the competency of ACT, allowing ACT to conduct organic inspection and certification according to the Swiss government's organic standards. - First produce bearing "Organic Thailand" label appeared in the Thai market.
2003	- First major international conference on organic agriculture held in Thailand - the 2003 International Organic Conference, co-hosted by FAO, Green Net and Earth Net Foundation. - Surin Province set up a large-scale organic project, planning to convert 16,000 households (with 37,760 ha.) into organic jasmine rice farming, of which 2,735 households (covering 2,735 ha) would apply for organic certification from ACT. - ACT was recognized by the Swedish competent authority for organic certification according to EU regulation 2092/91.
2004	- ACFS launched an accreditation programme for organic agriculture. ACT was the first agency to apply for the accreditation. - Organic Agriculture Fair was organized by the MOAC and the Cabinet adopted a resolution to put organic agriculture on the national agenda.
2005	- The government set aside a 1,215.9 million baht budget for the implementation of National Agenda on Organic Agriculture for 2005/06. 23 public agencies were involved. The main objective was to reduce the use of agro-chemicals in conventional farms. - Many governors started organic project in their provinces, but two large scale conversion projects were in Surin and Burirum where thousands of organic rice farming were planned.
2006	- Thai Organic Trader Association (TOTA) registered - National organic action plan was drafted with supports from the International Trade Center - Siam Paragon introduced Gourmet Market with organic ranges
2007	- Thai organic slow down after domestic political instability and military took over of the government - National Organic Development Strategic Plan was established - Certification Alliance (CertAll) established
2008	- Political disarray continues - National Organic Action Plan was approved by the government with a budget of over THB 5 billion planned for 5 years - ACT applied for Canadian recognition (was approved in 2009)

2009	- TOTA started organic incubation programme to increase organic enterprises - ACT applied for EU recognition
2010	- ACFS participated in GOMA activities - TOTA-MoC-GTZ collaboration on local market developments
2011	- MoC initiated Organic & Natural Expo and Organic Symposium, focusing on ASEAN region - National Organic Development Strategy ended, no new plan was developed

Conclusion

In Thailand, organic agriculture has been practiced since the 1980s. It is not a new strategy. In 1989, the farmers and the local non-government organizations established the Alternative Agriculture Network (ANN) for the sustainable agricultural development including organic agriculture. At the initial stage, government did not support the development of organic agriculture. In 2005, the organic agriculture policy was launched in the national agenda. After the policy was approved, it was distributed as the first National Strategic Plan for organic agriculture development. The National Organic Agriculture Committee was founded in 2012 to set up policies and strategies, and to incorporate all related plans and measures. There are three main actors for that committee: the Ministry of Agriculture and Cooperatives, the Ministry of Commerce and the Ministry of Science and Technology. Thailand's organic agriculture sector has progressed in the production and policy measures. However, it is just at an early stage in terms of development. For the development of organic agriculture, the farmers and the private sectors are the main actors. Government and private organizations offer organic certification services. The Organic Agriculture Certification Thailand (ACT) was set up in 1995 to provide the organic certification services for all agricultural production, processing and handling operations. There are two predominant groups in Thailand's organic agriculture: certified and non-certified. Generally, non-certified organic products are sold in the local markets while certified organic products are sold to the supermarkets and international markets. The main organic agricultural products are rice, vegetables and fruits and the major export countries are the United States and the European Union, Japan and Australia. Although there is a market demand for organic agricultural products in both domestic and export markets, market size is still small.

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