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Exporter Guide

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Report Highlights:

TH1162: In 2010 and 2011, the Thai economy continued to grow notwithstanding political and climate setbacks. Despite these setbacks, GDP growth was 7.8 percent and 1.5 percent for 2010 and 2011, respectively. This growth was attributed to a strong global trade recovery, record commodity prices, and a strong demand from China as in 2010 it surpassed the US as the leading export destination. In 2012, the economy is expected to rebound and grow a healthy 4.5-5.5 percent on strong consumer demand as the government has budgeted funds to rehabilitate the flooded areas and has implemented policy measures that will increase the incomes of wage earners and farmers. As such, strong consumer

demand should lead to an increase in discretionary spending on non-traditional agricultural products.

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Section I. Market Overview

Thailand is Southeast Asia's second largest economy with a GDP of \$318 billion in 2010, and very export-dependent as exports account for over 67 percent of its GDP. The industry sector accounts for 44 percent of the economy which is led by a strong automotive (11 percent) and electronic sector (9 percent). The service sector also accounts for 44 percent of GDP with banking and finance, and tourism sectors as the main driving forces, while the agricultural sector accounts for 12 percent of GDP. Thailand remains a strong agricultural competitor as it is the world's number one exporter of natural rubber, rice, frozen shrimp, canned tuna, canned pineapples, cooked poultry and cassava, and the number two exporter of sugar.

In 2010 and 2011, the Thai economy continued to grow notwithstanding political and climate setbacks. In 2010, the "red shirt" movement took over the main commercial section in Bangkok paralyzing economic activity for six weeks until an army crackdown ended the takeover. In 2011, record rainwater led to widespread flooding severely affected the Central Province, the country's economic center, from June to December. Some of the more significant damage was the flooding in seven industrial estates that contain 9,850 factories with an investment value of \$27 billion. Despite these setbacks, GDP growth was 7.8 percent and 1.5 percent for 2010 and 2011, respectively. This growth was attributed to a strong global trade recovery, record commodity prices, and a strong demand from China as in 2010 it surpassed the US as the leading export destination and in 2011 is expected to retain the number one spot.

In 2012, the economy is expected to rebound and grow a healthy 4.5-5.5 percent on strong consumer demand as consumer spending is expected to increase given that the government has budgeted funds to rehabilitate the flooded areas, and to compensate affected businesses and homes. The government is also implementing policies that will increase workers' income as it will raise the minimum wage in Bangkok and six other provinces from baht 200 (\$6.77)/day to baht 300 (\$10)/day by April 1, 2012. For the other provinces, the wage will increase by an average of 40 percent by April 1 and then to baht 300 (\$10)/day by 2013. However, it is worthy to note that historically Thailand has had one of the world's lowest unemployment rates, which in August of 2011 stood at 0.6 percent. The government has also implemented a Paddy Pledging Program under which Thai farmers will be able to sell their rice to the government at prices that are currently 50 percent above market prices. It is expected that this program will inject an additional baht 60 billion (\$2 billion) to the economy. As such, strong consumer demand should lead to an increase in discretionary spending on non-traditional agricultural products.

Thailand has also maintained a long-standing trade surplus in consumer oriented agricultural products with the US, which in 2010 was of \$883 million as it exported \$1.3 billion and imported \$317 million (Table 1). This puts Thailand as the 17th largest export market for U.S. agricultural products including fish and forestry products. In 2010, Thailand imported \$317 million in consumer oriented foods from the US while U.S. imports from Thailand were \$1,200 million. Total exports of U.S. foods (including bulk and intermediate, consumer oriented, and edible fishery) to Thailand have shown tremendous

growth over the past five years. For example, exports to Thailand jumped from \$795 million in 2006 to \$1,416 in 2010 (Table 2). In this period, bulk and intermediate products and consumer oriented goods grew by 10 percent and fish and seafood products grew by 36 percent. In 2010, the mix of products exported to Thailand from the U.S. remained constant; bulk and intermediate goods account for 63 percent, consumer-oriented products with 22 percent and edible fishery products with 15 percent.

Table 1: U.S.-Thailand Trade of Consumer Oriented Agricultural Products

(m; US\$ per year)	2006	2007	2008	2009	2010
Imports from Thailand	1,035	1,015	1,158	1,073	1,200
Exports to Thailand	202	271	334	254	317
Trade Balance	-833	-744	-823	-820	-883

Source: Global Trade Atlas and USDA Foreign Agricultural Service - Bangkok, Thailand

Table 2: Change in Thai Food Import Mix from the U.S.

(m; US\$ per year; % of total)	2006	2007	2008	2009	2010
Bulk & Intermediate	549	765	894	805	888
%	69%	69%	64%	64%	63%
Consumer Oriented	202	271	334	254	317
%	25%	25%	24%	20%	22%
Edible Fishery	45	66	174	208	211
%	6%	6%	12%	16%	15%
Total	795	1,103	1,402	1,266	1,416

Source: Global Trade Atlas and USDA Foreign Agricultural Service - Bangkok, Thailand

In January 1, 2010 Thailand continued the implementation of additional trade arrangements, which adds an extra burden on U.S. agricultural products, in addition to facing high tariffs, by having a significant tariff disadvantage with major agricultural competitors such as Australia, China and New Zealand. Thailand currently has trade arrangements with ASEAN, Australia-New Zealand, China, India, Japan, Peru, and South Korea (Table 3).

Table 3: A list of free trade agreements with Thailand

Country	Trade Agreement Effective Date
Thailand-Australia	January 1, 2005
Thailand-New Zealand	July 1, 2005
Thailand-Japan	November 1, 2007
Thailand-India	September 1, 2004
ASEAN-China	October 1, 2003
ASEAN-Korea	January 1, 2010
ASEAN-Australia-New Zealand	March 12, 2010
ASEAN-India	January 1, 2010
ASEAN-Japan	June 1, 2009
AFTA	January 1, 2002 – 5 percent January 1, 2010 – 0 percent

Thailand-Peru	The negotiation was signed on October 17, 2003 but the agreement has not come into force yet.
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Duties on imported consumer-ready food products range between 30 and 60 percent. Tariffs on meats, fresh fruits and vegetables, and processed foods are equally high, even for items with little or no domestic production. Frozen potatoes, for example, are not produced in Thailand, but face a tariff of 30 percent. When import duties, excise taxes, and other surcharges are calculated, imported wines face a total tax burden of 390 percent. The tariff on apples stands at 10 percent, while pears and cherries face tariffs as high as 30 and 40 percent respectively. Section IV of this report has a detailed list of bound duties on major U.S. agricultural exports.

Advantages	Challenges
Over 25 million middle to upper income consumers eager to purchase imported food products.	U.S. products are not always price-competitive compared to products produced locally and imported from other regional countries due to high tariffs and shipping costs.
A dynamic and eager younger population (between ages of 20 and 35), which represents 26 percent of total population, is willing to try new products and receptive to trends that fit their westernized lifestyles.	Free trade agreements between Thailand and other countries, particularly China, Australia, New Zealand, Japan and Korea have made U.S. products less competitive especially on high value consumer products such as meats, wine, spirits, cherries, peaches, plums, pears, frozen potatoes.
Thais in urban areas (33 percent of the population) have become relatively brand conscious and are changing their eating habits to accept more western style food increasingly spends on imported food items.	Local production is increasingly substituting traditional food imports. Snack foods, salad dressings, sauces, jams and other processed foods that are relatively inexpensive, but have high freight costs, are increasingly being produced locally.
Increasing purchasing power of the rural sector translates into more discretionary spending on non-traditional agricultural products.	Market penetration for imported products is concentrated in Bangkok and major tourist-destination provinces mostly.
Strong Baht versus weak U.S. Dollar.	Imports of some U.S. food products are currently subject to restrictive trade barriers, including high import tariffs, rigid food import procedures/legislations, and abundant documentation.
Proliferation of Thai retail sector.	Due to the oligopolistic nature of hypermarkets, these are able to exert some control over prices, while the convenience store sector eschews U.S. products for those produced locally or regionally.
Well developed food service industry	Government strong protection on local agricultural products such as poultry and livestock products that can be jeopardized by imported substituted products.
A growth in tourism industry and an increase in number of hotels lead to greater demand for imported hotel,	The regional tourists sometimes look for cheaper local food alternatives or food products sourced from their countries.

restaurant, and institutional food products.	
Thai food processing industry is looking for new ingredients and a strong interest in health and functional food ingredients	Again, higher tariff rates than countries that have free trade agreements with Thailand is taking a hit on market share.

Section II. Exporter Business Tips

The following includes observations collected from a variety of sources on best practices of exporting food products to Thailand. They are organized under three topics: communicating, meeting, and exporting.

Communicating

- When greeting a Thai, use the word Khun (pronounced coon) in place of "Mr." or "Mrs." and the person's first name, which is the first name on his or her business card. For example, a Westerner with the name "Peter Moore" would be called "Khun Peter". Among Thais, family names are not usually used. Most Thais refer to each other by their first names only. Never refer to yourself with the word Khun; simply say your first name. Thais will probably address you by using "Mr." or "Mrs." and your first name.
- Introductions: foreign companies may write directly to Thai companies, although personal introductions will always enhance a firm's credibility and acceptance.
- Most Thais greet someone by bowing slightly towards them while bringing the hands pressed together in a praying position between the chest and forehead. The exact location of the hand depends on the level of respect being offered — the height and depth of a person's bow indicates social status. This gesture, known as a "wai", can be used when greeting someone on arrival and departure, and also when saying, "I am sorry" or "thank you."
- It would behoove foreign businesses to hire a representative or agent with local connections and good understanding on food and agriculture regulations and food import procedures. Networking with government officials and/or correct authorities can be the key to doing business successfully in Thailand.
- Keep in mind that in most of Asia, calendar dates are shown in the day/month/year format; ex. 05/12/11 means December 5, 2011. To avoid confusion, you may want to use the full date in correspondence.
- Have some fun by learning a few words of the local language, especially social greetings. This displays interest in the country.

Meetings

- Avoid business visits during the New Year Festivals (both the Chinese and Thai ones).
- Heavy traffic is the most common excuse for tardiness.
- Business cards are always exchanged at the first meeting. It is important to carry plenty; failure to offer a business card may make Thais suspicious of your position and authority. Be sure your card indicates your position and responsibility. And be sure to have your personal information in Thai on the back of the card. Don't throw or slide your card.

- Begin initial meetings with casual conversation on such topics as your travels, the beauties of Thailand, possibly questions about your counterpart's overseas experiences.
- Avoid topics relating to politics, the royal family, and religion. A little praise of the country and the Thai people goes a long way.
- Never touch or point with your feet. It is consider rude to cross your legs and point your feet at someone. Thais place a great importance on appearance and politeness.

Exporting

- It is essential to visit the market to conduct market research, especially for product testing, price comparisons, competitors, preferences, etc.,.
- Localize your products: adjusting the product for local tastes, verifying consumers' preferences and setting your products' price to be very competitive.
- U.S. exporters should locate the best distribution channel (e.g. local importers, distributors, supermarkets, retailers, etc.) and establish a good relationship with them, as they are very useful in facilitating and promoting exports of U.S. consumer-ready foods to Thailand.
- Trade fair participation is another way to raise awareness of your product.
- In Thailand, some large manufacturers and retailers import raw materials or products directly while medium, small manufacturers, retailers, as well as hotels, prefer to purchase products from local importers.
- Successful U.S. exporters must provide reliable product availability, consistently quality, technical support, and accurately responding to inquiries within 24 hours as Australia and New Zealand are just a phone call away in a similar time zone.
- Understand that there is likely only one decision-maker in a company, and that person often is not the purchasing manager.
- Product Registration: Applications for product registration should be submitted to the Food Control Division, FDA. The approximate amount of time required for product registration, starting from submitting the application, is about one month. However, delays are usually caused by inaccurate or unacceptable details in the documents. There is little chance for licensing a product unless the manufacturer or exporter provides the necessary details required by the FDA. More information on food product registration in Thailand is available at [TH8116](#).
- The product should be packed and shipped for a tropical climate and have clear storage instructions.
- When introducing new products, several factors should be kept in mind. Middle to upper income Thai consumers have an aversion to low quality products and are attracted to branded products. They also tend to be image conscious. Existing brand loyalties are most likely to be broken by new products that are of good quality, well packaged, distributed, promoted and competitively priced.
- Be patient and think long term. It is not unusual to visit the market 2-3 times before details are finalized.
- Study the most recent [Food and Agriculture Import Regulations and Standards \(FAIRS\) Report](#) for Thailand. This concise document - covering food laws, labeling requirements, food additive regulations, pesticide and other contaminants, import procedure and other key regulations, requirements and specific standards-should be required reading for all exporters and is available on the internet at <http://www.fas.usda.gov>
- Contact the Foreign Agricultural Service in the U.S. Embassy, Bangkok (agbangkok@fas.usda.gov) with any questions on issues such as standards, tariffs, regulations, labeling, or other concerns. In addition, FAS office in Bangkok has prepared the monthly newsletter "SAWASDEE THAILAND"

providing the latest information on the Thai agricultural situation and U.S. export opportunities to U.S. exporters. For subscription of this newsletter, please contact FAS office in Bangkok.

Section III. Market Sector Structure & Trends

The retail market accounts for more than 70 percent of total food spending, while consumers are allocating a lower proportion of their expenditures to food service (30 percent). This reflects a tendency among low and middle income Thais to cook at home rather than dine out, particularly in rural areas. However, eating out and patronizing restaurants is growing among the younger generation, as well as working professionals, as it is more convenient and efficient than cooking at home. Some people rarely cook at home as they can buy foods, which are cheaper, and more varied than they could make themselves. Furthermore, the increasing number of food establishments in the market has also resulted in a considerable increase in food service.

Retail Sector

Thailand represents one of the most attractive food and drink markets in the Asia Pacific Region. The country's retail sector is a vital component of the Thai economy and retail sales in Thailand are predicted to continue growing despite concerns surrounding the world economic downturn and domestic political uncertainty. In 2010, retail sales accounted for 16 percent of GDP and the industry accounted for 15 percent of total employment. According to the Thai Retailers Association, the retail market for 2011 will grow by 7 percent as consumer spending improves due to rising income levels through wage increases and continued strong farm income as well as changing shopping patterns.

The retail market structure continues to evolve, with modern retailers such as hypermarkets, supermarkets, cash and carry, and convenience stores gaining market share while traditional retailers gradually decline. Modern retailing accounts for approximately 70 percent of total retail sales as the flow of local shoppers has been diverted from wet markets and grocery stores to hypermarkets and supermarkets. These changes began in 2000 when Thailand's retail sector experienced an increase in new investments from both local and foreign players, which has situated Thailand as the second most dynamic retail market in Asia after China. The majority of these investments have come from the leading international retail chains such as hypermarket UK-based Tesco with its Tesco Lotus stores and Big C Supercenter of Casino Guichard-Perrachon of France. Cash and carry Netherlands-based Siam Makro and from locally run supermarkets and convenience stores, which include brands such as Villa Market, Tops Marketplace, Foodland Supermarket, and 7-Eleven.

In 2010, the total retail market sales were \$17 billion out of which 40 percent was from hypermarket sector, 16 percent from the cash and carry sector, 13 percent from the supermarket sector, and 31 percent from convenience stores. In 2011, competition in the retail business will remain intense and most investment by the retailers will be aimed to improve and modernize existing branches, as well as develop store formats as good locations in urban areas, space limitations under the Zoning law, and consumer preferences will limit new construction projects. It is projected that retail business competition in the future will be more in the form of innovative channels that meet consumer demand, such as branches that will be tailored to specific areas, and offering innovative and convenient products to meet customers' needs.

The hypermarket segment has been very successful as 90 percent of urban Thai shoppers use hypermarkets at least once a week. The average Thai consumer spends about \$150 per month on retail products, of which 49 percent is spent on fresh foods. In November 2010, Big C Super Center acquired the business operations of the Thailand Carrefour Group, a French-based retailer, for a value of baht 35.5 billion (\$1.2 billion). This takeover allowed BigC to expand its customer base in both Bangkok and the provinces and becoming the hypermarket with the most outlets. As a result of this acquisition, there are only two hypermarkets left, BigC and Tesco Lotus. In 2011, both Big C and Tesco Lotus introduced a new store format called “Extra” which offers a greater range of premium products targeting middle and high income customers. These hypermarkets offer a wide range of fresh food and packaged food and beverages, which generally account for 50-60 percent of their total assortments.

Siam Makro used to be the only major player of cash and carry retail store format in Thailand targets to professional customers, small retailers, hotels, restaurants, and catering institute customers. However, early this year, Big C has launched the first ever “Big C Jumbo” cash and carry store to further expand their food professional customer base.

The supermarket business in Thailand is driven by six major players, which are Central Food Retail (Central Food Hall and Tops Marketplace), The Mall Group (Home Fresh Mart and Gourmet Market), Foodland Supermarket, Villa Market, MaxValu Supermarket, and UFM Fuji. Central Food Retail dominates this segment with 213 outlets nationwide. This highly competitive segment is concentrated in Bangkok where higher levels of consumer income and sophisticated customer base support this retail format. The supermarket sector tends to cater to medium and upper income consumers by offering a wide range of premium products and a broader assortment of local and imported processed food, fruits and vegetables, meat and seafood, and beverage products.

The convenience store sector is the fastest growing retail sector with nearly 11,000 convenience stores nationwide that sell 15 percent of the total packaged FMCG (fast moving consumer goods). The leading player is 7-Eleven, which accounts for 53 percent of total sales and 6,206 outlets making it the world’s third largest 7-Eleven network after Japan and the US. CP All, the local operator of 7-Eleven, plans to open 500 new outlets a year in order to reach its goal of 7,000 outlets by 2013. Over 90 percent of urban Thai shoppers use convenience stores and visit them regularly on an average of 13 times a month. It is reported that an average of 7.6 million customers visit convenience stores each day. Due to their popularity, the Thai convenience retail sector has become enormously competitive as CP All's 7-Eleven chain faces growing competition from Tesco Lotus Express, Tops Daily, and FamilyMart. This has led convenience stores to focus sales on food items and adding new food product lines, especially ready to eat products, to reach 70 percent of total product assortment in order to attract more visiting customers to consume these higher margin products.

These hypermarkets, supermarkets, and cash and carry represent excellent opportunities for U.S. exporters of consumer food items. The main factors U.S. exporters should consider for U.S. food products are pricing, shelf life of the product, and consumer preferences. Intense competition in the retail market, particularly from these large-scale modern companies that use price strategies and loan extensions to low-income consumers led to the closure of many traditional stores. It is to be noted that the hypermarket business in Thailand is in effect an oligopoly, dominated by two large companies, they normally have high bargaining power with suppliers. The convenience sector is not considered to be an attractive channel for U.S. products due to the pricing disadvantage as these stores mostly rely on

locally and regional produced goods. U.S. exporters should be aware that many U.S. branded food products such as snack foods, candy, chocolate and breakfast cereals are present in the market as locally or regionally produced food products.

The global slowdown in 2009 led modern retailers to increase their focus on expanding their house brand product offerings, offering value for money promotions and discounts, as well as creating loyalty and encouraging continuous purchasing through membership cards in order to attract customers and maintain market share. Some supermarkets and hypermarkets house brands for ready-to-eat foods, ready-to-cook prepared foods, home-made bakery items, sausages, water, cooking oil, rice, sauces, dairy products and fruit juice use U.S. food ingredients. However, some of these ingredients such as frozen fries and dried fruits have been affected due to lower tariff rates from FTA countries and other lower cost countries. The margins on house-brand products for the retailers are double that of branded products and have grown in popularity due to the ability of retailers to price them accordingly. For example, Central Food Retail has 3 brands of private labels, namely “My Choice” for ready-to-eat products; “Cooking for Fun” for specialty products such as olive oil, pasta, and rice; and “Tops” brand for premium consumer products. Big C also has 3 private label brands, which are “Happy Baht” for price sensitive customers; “Big C” for medium end customers; and “Big C Advance” for high end customers. Despite this situation, there are significant opportunities for the house brand products to grow in this market since the market share in the packaged food category of house brand products is less than 5 percent. They also have their own distribution centers to ensure product freshness and operation efficiency.

Table4: Key Food Retailers in Thailand

Company Name	Store Format	Estimated Value Sales 2010 (in US\$ million)	No. of Outlets
Ek-Chai Distribution System Co., Ltd.		4,374	785
- Tesco Lotus Hypermarket	Hypermarket		99
- Tesco Lotus Value	Compact Hypermarket		33
- Talad Lotus	Supermarket		103
- Lotus Express	Convenience Store		541
- Plus Shopping Mall	Shopping Mall		1
- @Oasis, @Park, and @Garden	Community Mall		8
7-Eleven – CP All Pcl.	Convenience Store	5,257	6,206
Siam Makro Pcl.	Cash and Carry	2,798	51
BigC Supercenter Pcl.		2,187	159
- Big C and Extra Big C	Hypermarket		105
- Big C Market	Supermarket		11
- Mini Big C	Convenience Store		42
- Big C Jumbo	Cash and Carry		1
Central Food Retail Co., Ltd.		925	124

- Central Food Hall	Supermarket		3
- Tops Marketplace	Supermarket		40
- Tops Supermarket	Supermarket		60
- Tops Daily	Supermarket		110
The Mall Group		841	11
- Home Fresh Mart	Supermarket		7
- Gourmet Market	Supermarket		4
Foodland Supermarket	Supermarket	126	11
MaxValu - Aeon (Thailand) Co., Ltd	Supermarket	126	29
Villa Market	Supermarket	126	22
Source: Euromonitor and USDA Foreign Agricultural Service – Bangkok, Thailand			

Entry Strategy – Supermarkets, Hypermarkets and Cash and Carry

The best method for U.S. exporters is to contact supermarkets, hypermarkets or cash and carry directly and in case any retailers who do not have their own import division, appointing local importers or agents will best meet the needs of the exporter. U.S. exporters should be aware that many multinational retailers in Thailand charge listing fees or a listing allowance for new products. The fee will be charged in accordance with a formula based on the number of retail outlets and SKU (stock keeping unit).

Distribution Channels - Supermarkets, Hypermarkets and Cash and Carry

The distribution channel for supermarkets, cash and carry, and hypermarkets in Thailand normally begins with importers and goes to distributors, then to a central warehouse or direct to retail outlets. The foodstuffs will be kept either in the importers' warehouse, distributors' warehouse, or a central warehouse before delivery. Some supermarkets, superstores and hypermarkets operated by multinational operators import food products directly and keep them at their own distribution centers before delivery to each outlet.

Entry Strategy - Convenience Stores, Gas Marts & Kiosks

The best method for U.S. exporters to enter this market segment is to contact the head office of convenience stores, gas marts and kiosks. U.S. exporters should be aware of the listing fee or listing allowance that may be charged by large convenience store chains. The fee will be charged in accordance with a formula based on the number of outlets and SKU.

U.S. branded foods sold in these stores are generally produced in Thailand or neighboring Southeast Asian countries. These products include snack foods, chocolates, cookies, candies, gums and breakfast cereal. Distributors often import U.S. branded foods from neighboring countries rather than from the United States because of the low cost and AFTA preferential tariffs. Sales trends of imported food in C-stores versus locally produced goods will decrease gradually from five to zero percent, in line with the purchasing power of the target group. U.S. products will be well received by Thai consumers in C-stores if price and quality is similar to what local suppliers offer.

Distribution Channels - Convenience Stores, Gas Marts & Kiosks

A common distribution channel for convenience stores, gas marts and kiosks originates from U.S. exporters to U.S. consolidators and traders to Thai distributors to C-stores, gas marts and kiosk distribution centers. Some Thai distributors distribute foodstuffs directly to C-stores, gas marts and kiosk outlets. Most of the foodstuffs that are distributed directly to the outlets are fresh, including baked goods and dairy products. The flow pattern of different retailers varies depending on the sales volume and number of outlets. A key ingredient in the success of the larger retailers is control of their own distribution centers.

Entry Strategy - Traditional Markets

For U.S. exporters, Thai traditional wet markets are more difficult to enter considering the expected purchase price of products, low consumer purchasing power, the size and traditional distribution channels of the outlets, and consumer preference for traditional Thai and Chinese food.

Distribution Channels - Traditional Markets

Usually local manufacturers will have their own distributors to distribute their products. Some local producers are under supervision of a Royal Project in which assigned distributors manage the distribution.

Best Market Prospects

The best market prospects for U.S. suppliers include fresh fruits (cherries, grapes, strawberries, oranges, and apples), nuts (walnuts, hazel nuts, and pistachios), breakfast cereal, frozen seafood (scallop, lobster, fish, mussel), dried fruits (raisin), fruit juices, jam, vegetable oils, candy, chocolate, chocolate milk mix, dairy products (cheese, cheese spread, cream cheese, whipped cream, cheese sticks, cheese dip and ice-cream), pie fillings, processed meat, American spices, seasonings and sauces, snack foods (crisp bread, , syrup, vinegar, wine, spirits and pet food.

The best selling U.S. food products are fresh fruits (cherries, grapes, and WA apples), frozen fries, scallops, snack foods, breakfast cereal, wine, dried fruits, popcorn, and pet foods. Products that are not currently present in the market in significant quantities but have good sales potential are American bourbon and whisky, seafood including Alaska King crab legs, halibut and other fish, sugar confectionary, soup and broth, cookies, biscuits and wafers, candy, stone fruits (peaches, plums, nectarines), processed meat, chocolate milk mix, cheese, dip sauce, other cooking products.

HRI Food Service Sector

Thailand's large HRI food service sector comprises approximately 150,000 outlets including some 100,000 restaurants and more than 5,000 hotels and resorts. Hotels, resorts, restaurants and institutional contracts are the heavy users of imported food for food preparation and ready-to-eat meals at restaurants, catering services for airlines and cruise lines. This is because this sector attracts middle to higher income Thais, Thai corporate businessmen, resident expatriates, and tourists. Consumer

expenditure on hotels and catering per capita was \$261, a 15 percent increase from the previous year. The international tourist arrivals to Thailand during January-October, 2011 totaled 15.8 million, up 25 percent, and the average hotel occupancy rate was at 65 percent, which is 61 percent increased over the same period in 2010. Thailand's tourism is an important component of the service sector and generated approximately \$16 billion revenue in 2010. Given that Thailand's HRI food service sector is inevitably reliant on the tourism industry; more tourist arrivals should serve as a benefit to Thailand HRI sector growth. In addition, Thailand's high tourism levels, healthy economic growth forecast and strong per capita food consumption growth will continue to fuel the growth of the country's HRI food service sector.

Food and beverage sales in hotels and resorts account for about 30 percent of total revenues. The average rate of imported food versus locally produced food in the entire HRI sector is 30 percent; the U.S. has approximately 15-20 percent of the imported product share. U.S. beef, seafood (lobster, Alaska king crab legs, scallops, etc.), wines, frozen potatoes, seasonings, etc are well known in the hotel/restaurant trade, and with airline catering companies. Thai Airways International uses 30-40 percent imported food in their in-flight catering service.

Other than a plenty of independently local owned restaurants, the establishment of chain restaurants such as Oishi, Fuji, Zen, S&P, Black Canyon, Pepper Lunch, and MK Suki Restaurant are also available in Bangkok and major tourist destinations in Thailand. Sidewalk restaurants have been replaced by food centers and food courts, which are more hygienic and more convenient. Food centers and food courts can be seen in most department stores and office buildings. Fast food and chain restaurants have boomed for the last few years and are expected to continue expanding for the next few years. Hot and cold drinks including coffee and ready-to-eat foods are served in convenience stores and stand alone outlets.

Table5: Consumer Expenditure on Food and Beverages 2006-2010

(m; US\$)	2006	2007	2008	2009	2010
Food	29,584	35,512	43,369	42,655	50,053
Bread and Cereals	5,415	6,505	8,483	8,505	9,731
Meat	3,655	4,168	5,092	5,249	6,152
Fish and Seafood	3,429	3,739	4,039	3,970	5,004
Milk, Cheese, and Eggs	2,506	3,013	3,338	3,570	4,303
Oils and Fats	991	1,247	1,844	1,706	1,945
Fruits	3,202	3,944	4,620	4,568	5,426
Vegetables	8,026	10,079	12,778	11,888	14,130
Sugar and Confectionery	836	947	1,096	1,092	1,231
Other Food	1,525	1,870	2,079	2,106	2,131
Non-Alcoholic Beverages	4,627	5,472	6,024	6,170	7,078
Alcoholic Beverages	4,782	5,505	5,799	5,605	6,493
Wine	113	132	154	153	185
Spirits	2,312	2,497	2,712	2,832	3,425
Beer	2,356	2,876	2,934	2,621	2,883

Source: Euromonitor and USDA Foreign Agricultural Service - Bangkok, Thailand

Entry Strategy

Direct contact with local food service importers is the best entry for U.S. exporters. Normally hotels

and resorts do not import food directly. It is easier for hotels and resorts to order from food service companies because they have specialized in providing high quality U.S. products to the five-star hotel and restaurant industry. Restaurants such as fast food chains or family style restaurants, also order and purchase imported food from food service companies or from their affiliate companies who act as their distributors. Five star hotels and resorts are highly recommended for U.S. exporters. International food restaurants located in prime areas of Bangkok, Phuket, Hua Hin, Krabi, Chiang Mai, Samui Island and Pattaya are secondary recommendations for U.S. exporters. Direct contact with Thai Airways International's catering department is also recommended.

Best Market Prospects

Best market prospects for U.S. suppliers include U.S. beef, turkeys, seafood such as U.S. fish (halibut, king salmon, cod), Alaska king crab, scallop, mussels, and oysters; spices, seasonings and sauces; baking products, canned foods (soup, fruit and vegetables), dairy products (cheese, cheese spread, cream cheese, whipped cream, sour cream, cheese dip, ice-cream, dips), fresh fruits and vegetables (radish, celery, carrots, apples, grapes, cherries, avocados, blueberries, grapefruit, oranges), frozen berries, pie fillings, frozen peas, fruit juice (apple, prune, orange, grape, sparkling white grape), jam and jelly, nuts (walnuts, hazel nuts, macadamia nuts), dried fruits, pickles, ready-to-mix pancakes, cookies, muffins and cake, syrup, vinegar, wine and whisky.

Food Processing Sector

Thailand's food processing industry has developed rapidly throughout the past decade and is one of the most developed in South East Asia. Additionally, Thailand is a leading supplier of a wide variety of commodities and/or products including rice, rubber, cassava, sugar, seafood, poultry meat, frozen, ready-to-eat foods, and processed fruits and vegetables. There are over 10,000 food and beverage processing factories consisting of small, medium and large-scale plants. Most of these factories, which are small to medium size, serve mostly the domestic market, while medium to large food processors tend to produce higher-valued products for the domestic and export markets.

Thailand's food processing sector is heavily export-oriented with more than 50 percent of production sold outside the country. Despite the global economic situation, Thai food manufacturers will still seek high-quality food ingredients at reasonable prices. The US is considered to be a world leader in food ingredient technology and one of the major food ingredient suppliers to the world. U.S. suppliers should focus their attention on new functional food ingredients, flavors and other ingredients for promoting health and wellness benefits in foods.

In 2010, Thailand's food ingredient imports exceeded \$1.6 billion, a 36 percent increase from the previous year. Although domestic ingredients hold the greatest share of the market, these items tend to be low-value, high-volume raw and semi-processed products such as grains, vegetable oils, and starches. High-value and more technology-based ingredients are generally not available locally and must be imported. The food ingredient market continues to grow due to increases in population and in purchasing power, increases in the number of dual income families; and new product development.

The following are some general characteristics of the Thai food processing industry:

- Thailand has earned foreign currency from exports of processed foods since 1970. Thereafter, Thai

agriculture successfully diversified into high-value products, livestock and fisheries and is among the world's leading exporters of several commodities.

- The Thai market for raw materials is growing. Raw inputs for the food processing sector are primarily supplied by Thai companies. Nevertheless, the import market for these ingredients has been growing continuously, reaching 1.4 billion in 2010. The growth in demand for raw materials is due to increased localized production of processed products that are in high demand and are expensive to ship long distances.
- An increasing shift in using imported ingredients for new products.
- A move toward higher quality ingredients. Some companies are moving towards higher-quality ingredients despite higher cost.
- Major food exporters have expanded their production capacity through new machinery purchases or upgrades to meet demand for a variety of products in the major markets and to satisfy international quality standards including HACCP and ISO.

Reflecting rising and income levels in Thailand, demand for food products is shifting from unprocessed foods from fresh markets to a wider array of processed foods available in large supermarkets. As a result, the need for processed versions of Thai cuisine is growing steadily. The same applies to Western processed food products as they are perceived as being higher quality than domestically processed food. With rising demand for processed foods, Thai food processors must import large quantities of food ingredients that are not locally available. The Thai health food market has a high tendency of growth due to a strong desire among the Thai consumers to maintain a healthy lifestyle and the growing awareness of functional ingredients such as herbs, minerals, vitamins, omega fatty acids and probiotic. This trend is now driving the Thai functional foods and beverages market and causing the Thai food manufacturers to focus on new product development and search for ingredients that have excellent functions in order to serve the rising demand of health and functional food products. For example, the local fruit juice manufacturer in Thailand, Tipco, has launched its new nutritional innovative products, including concentrated pomegranate juice, which has 120 percent more concentration than ordinary pomegranate juice and germinated rice drink product, consists of as many as 9 varieties of germinated brown rice. This presents a lucrative opportunity for the U.S. companies to develop and keep expanding their customer base in this new growing market.

Although domestic ingredients hold the largest share of the market, at the moment, these items tend to be low value, high volume, raw and semi-processed products such as grains, vegetable oils, and starches. Higher value and further processed products are generally not available locally and must be imported. Expected expansion in the food processing industry should provide many export opportunities for U.S. food ingredient exporters in the medium- and long-term as this market segment continues to grow.

Entry Strategy

The most effective way for U.S. food ingredients exporters to enter the Thai market is either appoint a reputable and experienced local importer/distributor or contact directly to the food manufacturers. Local firms usually have a good understanding of the market and know how to make direct contact with food manufacturers, government officials and other key contacts. A good local importer/distributor can also provide valuable support in arranging meetings with the manufacturers especially their R&D and manufacturing divisions, translating technical information, and help arrange other marketing and sales

activities. Trade shows are also highly effective ways to promote new food ingredient products. Food Ingredients Asia, a well attended food trade show, will be held in Thailand again in 2013.

U.S. market development cooperators are also active in Thailand and other Southeast Asia countries. These groups offer many marketing opportunities for U.S. firms, including trade team visits, technical seminars, local promotional events, and other activities. Cooperators with active programs in Thailand and other regional countries include the U.S. Grains Council, U.S. Meat Export Federation, U.S. Poultry & Egg Export Council, U.S. Dry Pea and Lentil Council, U.S. Dairy Export Council, California Raisin Administrative Committee, U.S. Wheat Association, American Soybean Association, U.S. Potato Board, various U.S. fruit and nut associations, as well as several state and regional groups such as WUSATA, SUSTA, and Food Export Association of the Midwest USA.

Best Market Prospects

The best market prospects for food processing include dried fruit and nuts, wheat, starches, dehydrated potatoes, soybeans, food additives, colorings, flavorings, starch, meat, whey, milk powder, juice concentrates and other baking ingredients. Products that can substitute for traditional ingredients, such as preservative-free ingredients that provide extended shelf life and nutrient/functional ingredients have strong potential in Thailand. Thai consumers prefer new foods that are flavor-intensive, palate-pleasing and healthy. Food ingredients that maximize flavor and healthful benefits will continue to experience growth in Thailand.

Distribution System

Food processing generally is distributed through two channels. The first is through traditional importers, who re-sell to local distributors or distribute through their own marketing and delivery network to end-users. As Thailand's food processing industry has grown and become more sophisticated over the past few decades, food manufacturers are increasingly importing directly from foreign supplies. This is especially true for large, integrated food processors, which are well oriented for international trade.

Section IV. Tariff

	PRODUCT	HARMONIZED CODE	QUOTA	TARIFF RATE (for USA)	
				(%)	Volume
1	BEEF (Fresh and Frozen)*	0201 0202		50	
2	BEEF OFFALS*	020610		30	
3	PORK MEAT	020329		30	
4	MEAT OF SHEEP/LAMB	0204		30	
5	TURKEY	020724-020727		30	
6	SALMON,TUNAS,COD,SARDINES MACKEREL AND OTHER FISH	0303		5	
7	CRABS	030614		5	
8	SCALLOPS	030721 030729		5	
9	SKIMMED MILK	0402	X	5 (in-quota) 216 (out-quota)	
10	CHEESE & CURD	0406		30	
11	DRIED PEAS, BEANS,LENTILS	0713		5	

12	ALMONDS, FRESH/DRIED IN SHELL & SHELLED	080211 080212		10	Bt.8.50/kg
13	PISTACHIOS, FRESH/DRIED	080250		10	Bt.8.50/kg
14	ORANGE	080520		40	Bt.33.50/kg
15	GRAPEFRUIT, FRESH/DRIED	080540		40	Bt.33.50/kg
16	GRAPES, FRESH	080610		30	Bt.25.00/kg
17	RAISINS	080620		30	Bt.25.00/kg
18	APPLE (FRESH)	080810		10	Bt.3.00/kg
19	PEARS & QUINCES	080820		30	Bt.15.00/kg
20	CHERRIES (FRESH)	080920		40	Bt.33.50/kg
21	PEACHES, INCL NECTARINES	080930		40	Bt.33.50/kg
22	PLUMS AND SLOES	080940		40	Bt.33.50/kg
23	COFFEE	0901	X	30 (in-quota) 90 (out-quota)	

Remark: *Inspection fee by Livestock Department is equal to Baht5/kg. for beef and Baht20/kg. for offals

	PRODUCT	HARMONIZED CODE	QUOTA	TARIFF RATE (for USA)	
				(%)	Volume
24	POPCORN	10059010		30	
25	SAUSAGES	1601		30	
26	SUGAR CONFECTIONERY	170410		30	
		170490			
27	CHOCOLATE & FOOD PREP. WITH COCOA	1806		10	
28	MILKFOOD FOR INFANTS	190110		30	
29	BREAKFAST CEREAL	190410		20	
30	FROZEN FRIES	200410		30	Bt.25.00/kg
31	JAMS, FRUIT JELLIES	2007		30	Bt.25.00/kg
32	PEANUTS	200811		30	Bt.25.00/kg
33	ALMOND (ROSTED)	200819		30	Bt.25.00/kg
34	CANNED PEACH	200870		30	Bt.25.00/kg
35	FRUIT & VEG JUICE	2009		30	Bt.10/l.
36	INSTANT COFFEE	210111	X	40 (in-quota)	
		210112		49 (out-quota)	
37	INSTANT TEA	210120		30	
38	TOMATO KETCHUP	210320		30	
39	MUSTARD	210330		30	
40	OTHER SAUCES & PREP	210390		5	
41	SOUPS & BROTHS & PREPARATION	210410 210420		20-30	
42	BEER	2203		60	
43	CHAMPAGNE	220410		54	
44	WINE	220421		54	
		220429			
46	WHISKIES	220830		60	
47	DOG&CAT FOOD	230910		9	

Section V. Key Contacts & Further Information

A) U.S. Department of Agriculture, Foreign Agricultural Service

The Foreign Agricultural Service in Bangkok maintains current information covering food and agricultural import opportunities in Thailand and would be pleased to assist in facilitating U.S. exports and entry to the Thai market. Questions or comments regarding this report should be directed to following:

Local:

Office of Agricultural Affairs
U.S. Embassy
120-122 Wireless Road
Bangkok 10330 Thailand
Tel: 662-205-5106
Fax: 662-255-2907
E-mail: agbangkok@fas.usda.gov
Website: www.fas.usda.gov

U.S. Mail:
Office of Agricultural Affairs
U.S. Embassy, Box 41
APO AP 96546

Key Contact(s):
John Wade, Agricultural Counselor
Orestes Vasquez, Agricultural Attaché

B) Cooperators

Feel free to contact the U.S. non-profit organizations, representing U.S. agricultural products by conducting market development activities to promote various U.S. commodities and high value products in Thailand and other Asian markets. Please note: some of these organizations are located in Thailand and others in neighboring countries such as Singapore have regional responsibilities.

American Soybean Association
Thailand Representative
59/43 Baan Klangmuang
Ladprao 71 Road
Bangkok 10230
Tel. 662-539-5373, 539-5332
Fax 662-539-5256
E-mail: asathai@loxinfo.co.th

CALIFORNIA MILK ADVISORY BOARD

At Success Marketing Co., Ltd.
7th Floor, Room 7-01,
Ploenchit Center
2 Sukhumvit Road, Klongtoey
Bangkok 10110 Thailand
Contact: Ms. Theeravee Ungkuvorakul, Managing Director
Tel: (662) 656-7921
Fax: (662) 656-7931
Email: theeravee@successmarketing.co.th

California Table Grape Commission
48 Toh Guan Road East
#02-129 Enterprise Hub
Singapore 608586
Tel: 65-6515-6113
Fax: 65-6278-4372
E-mail: Richelieu@lieumktg.com.sg

Cotton Council International (Thailand)
2 Soi Farm Wattana,
Phrakanong, Klongtoey,
Bangkok, 10110 Thailand
Tel: 662-253-8604
Fax: 662-381-1437
Email: kraipob@pangsapa.com

Cotton Incorporated
2 Soi Farm Wattana,
Phrakanong, Klongtoey,
Bangkok, 10110 Thailand
Tel: 6689-030-3380
Fax: 662-381-1437
Email: pailin@pangsapa.com

Northwest Cherry Board
208 Ram-Inthra Soi 19, Ram-Inthra Road
Bankhen, Anusao-waree
Bangkok 10220, Thailand
Tel. 662-521-2170
Fax. 662-970-8208
E-mail: pt@waapples.com

Raisin Administrative Committee
48 Toh Guan Road East
#02-129 Enterprise Hub
Singapore 608586
Tel: 65-6515-6113
Fax: 65-6278-4372
E-mail: Richelieu@lieumktg.com.sg

U.S. Dairy Export Council
Southeast Asian Representative Office
P.O. Box 1492
Nana Post Office

Bangkok 10112
Tel. 662-254-3768
Fax 662-254-3769
E-mail: usdec@pacrimassociates.com

U.S. Dry Pea & Lentil Council
No. 416, 4 th Fl., Ambassador's Court
76/1 Soi Langsuan
Ploenchit Road
Bangkok 10330
Tel. 662-251-8655/6, 251-8669, 251-8772
Fax 662-251-0390
E-mail: agsource@loxinfo.co.th

U.S. Meat Export Federation
627A Aljunied Road
04-04 Biztech Centre
Singapore 389842
Tel: 656-733-4255-6
Fax: 656-732-1977
E-mail: singapore@usmef.com.sg

USA Poultry & Egg Export Council
#15-04 Liat Towers
541, Orchard Road
Singapore 238881
Tel: 656-737-1726
Fax: 656-737-1727
E-mail: usapeec_sing@pacific.net.sg

U.S. Wheat Associates
#15-02 Liat Towers
541 Orchard Road
Singapore 238881
Tel: 656-737-4311
Fax: 656-733-9359
E-mail: msamson@uswheat.org

United States Potato Board
2 Soi Farm Wattana,
Phrakanong, Klongtoey,
Bangkok, 10110 Thailand
Tel: 662-253-8604
Fax: 662-381-1437

Email: kraipob@pangsapa.com

Washington Apple Commission
At Success Marketing Co., Ltd.
7th Floor, Room 7-01,
Ploenchit Center
2 Sukhumvit Road, Klongtoey
Bangkok 10110 Thailand
Contact: Ms. Apiradee (Tulip) Phanuroote, Manager
Tel: (662) 656-7921
Fax: (662) 656-7931
Email: tulip@successmarketing.co.th

Wine Institute of California
48 Toh Guan Road East
#02-129 Enterprise Hub
Singapore 608586
Tel: 65 6515 6113
Fax: 65 6278 4372
E-mail: Richelieu@lieumktg.com.sg

C) American Chamber of Commerce in Thailand

The American Chamber of Commerce in Thailand serves as point of contact and exchange for members of the American business community; it also serves as a valuable resource of information and interaction for members. The Chamber has an active Food & Agribusiness Committee, which represents Chamber member firms on issues concerning food, agriculture, and agribusiness. The Committee also promotes a dialogue on these issues between the American food and agricultural community and Thai decision-makers in the public and private sectors.

7th Fl., GPF Witthayu
Tower A, 93/1 Wireless Road,
Lumpini, Pathumwan,
Bangkok 10330
Tel: 662-254-1041
Fax: 662-251-1605
E-mail: info@amchamthailand.com
Key Contact(s): Judy Benn, Executive Director

D) Thai Government

These are the major regulatory government agencies that deal with food and agricultural products.

Food & Drug Administration, Ministry of Public Health

Import License, Product Registration & Label Approval

Food Control Division
Tivanont Road, Muang
Nonthaburi 11000
Tel: 662-590-7178
Fax: 662-591-8460
E-mail : food@fda.moph.go.th

Food Products from Animals
Tivanont Road, Muang
Nonthaburi 11000
Tel: 662-590-7207/8
E-mail: food@fda.moph.go.th

Food Products from Plants
Tivanont Road, Muang
Nonthaburi 11000
Tel: 662-590-7023
E-mail: food@fda.moph.go.th

Chemicals and Food Additives
Tivanont Road, Muang
Nonthaburi 11000
Tel: 662-590-7209, 590-7219
E-mail: food@fda.moph.go.th

Food for Special Purposes and Food Supplement
Tivanont Road, Muang
Nonthaburi 11000
Tel: 662-590-7205, 590-7098
E-mail: food@fda.moph.go.th

Other Food Products
Tivanont Road, Muang
Nonthaburi 11000
Tel: 662-590-7220
E-mail: food@fda.moph.go.th

Food Inspection
Inspection Division
Tivanont Road, Muang
Nonthaburi 11000
Tel. 662-590-7323
Fax 662-591-8477
E-mail: food@fda.moph.go.th

Department of Medical Sciences
Ministry of Public Health
Soi Bumratnaradul Hospital
Muang, Nonthaburi 11000
Tel: 662-951-0000 Ext. 99561
Fax: 662-951-1023
Email: <mailto:wanida.b@dmsc.mail.go.th>

Department of Foreign Trade, Ministry of Commerce

Import Control
Commodity Trade Division
Sanam Bin Nam-Nonthaburi Road
Nonthaburi 11000
Tel: 662-547-4737
E- mail: cddft@moc.go.th

Commodity Division
Sanam Bin Nam-Nonthaburi Road
Nonthaburi 11000
Tel: 662-547-4801

Grain Division
Sanam Bin Nam-Nonthaburi Road
Nonthaburi 11000
Tel. 662-547-4820

Department of Livestock, Ministry of Agriculture and Cooperatives

Animal Quarantine Inspection Services
Phyathai Road
Bangkok 10400
Tel. 662-653-4444 Ext. 4110
Fax 662-653-4865
E-mail: dcontrol8@dld.go.th

Bangkok Seaport Animal Quarantine Station
Klong Toey Port
Bangkok 10110
Tel. 662-249-2112
Fax 662-249-4358

Bangkok Airport Animal Quarantine Station

Suvarnabhumi Airport
Bangkok
Tel: 662-134-0731-2
Fax: 662-134-0733

Department of Fisheries, Ministry of Agriculture & Cooperatives
Marine Animals
Chief of Fisheries Administration & Management Section
Fisheries Resources Conservation Division
Kasetsart University, Chatuchak
Bangkok 10900
Tel: 662-562-0600/15 Ext 3509
Fax: 662-562-0528
E-mail: fishtradeins@dof.thaigov.net

Department of Agriculture, Ministry of Agriculture and Cooperatives
Plant Quarantine Subdivision
Agricultural Regulatory Division
Chatuchak, Bangkok 10900
Tel: 662-940-6573, 940-6670 Ext. 108
Fax: 662-579-4129
E-mail: ard@doa.go.th

Excise Department, Ministry of Finance
License of Alcoholic Beverages
License Subdivision
Bureau of Tax Administration 1
Excise Department
1488 Nakhon Chaisri Road
Bangkok 10300
Tel: 662-243-0525

Department of Intellectual Property, Ministry of Commerce
Application for Patent and Trademark
Services and Information Division
Department of Intellectual Property
338 Rachadapisek Road
Huay Kwang, Bangkok 10320
Tel: 662-275-4854
Fax: 662-276-0061

Customs Department, Ministry of Finance
Import Formalities Division
Klong Toey, Bangkok 10110

Tel: 662-249-4266, 671-5250
 Fax: 662-249-4297

Legal Affairs Bureau
 Klong Toey, Bangkok 10110
 Tel: 662-671-7560 Ext. 9310, 9311
 Fax: 662-671-7626

Appendix I. Statistics

Table A. Key Trade and Demographic Information

Agricultural Imports From All Countries (\$Mil) / U.S. Market Share (%)	\$6,045 Mil/18%
Consumer Food Imports From All Countries (\$Mil)/U.S. Market Share (%)	\$1,970 Mil/13%
Edible Fishery Imports From All Countries (\$Mil) / U.S. Market Share (%)	\$1,935 Mil/11%
Total Population (Millions) / Annual Growth Rate (%)	63.53 Mil/0.21%
Urban Population (Millions) Annual Growth Rate (%)	21.1 Mil/3.23%
Number of Major Metropolitan Areas	37 provinces
Size of the Middle Class (Millions) / Growth Rate (%)	18.73 Mil/-8%
Per Capita Gross Domestic Product (U.S. Dollars)	\$3,923
Unemployment Rate (%)	1.50%
Per Capita Food Expenditures (U.S. Dollars)	\$477
Percent of Female Population Employed	46%
Exchange Rate (2008)	US\$1=34.29

Table B. Consumer Food & Edible Fishery Product Imports

Thailand Imports (In Thousands of Dollars)	Imports from the World			Imports from the US			U.S. Market Share		
	2008	2009	2010	2008	2009	2010	2008	2009	2010
CONSUMER-ORIENTED									
AGRICULTURAL TOTAL	2,270,870	1,969,643	2,520,438	334,417	253,506	317,088	14.73	12.87	12.58
Snack Foods (Excl. Nuts)	136,350	140,299	170,735	7,012	6,767	5,406	5.14	4.82	3.17
Breakfast Cereals & Pancake Mix	28,063	25,782	29,803	1,214	1,201	1,333	4.33	4.66	4.47
Red Meats, Fresh/Chilled/Frozen	25,950	25,111	36,635	525	500	815	2.02	1.99	2.22
Red Meats, Prepared/Preserved	6,323	5,743	7,368	630	610	1,101	9.97	10.63	14.94
Poultry Meat	1,850	978	1,709	767	499	461	41.47	50.98	26.98
Dairy Products (Excl. Cheese)	580,854	289,730	496,955	87,258	27,514	53,954	15.02	9.5	10.86
Cheese	26,296	24,685	33,895	640	965	1,190	2.43	3.91	3.51
Eggs & Products	14,609	11,320	13,064	453	1,356	2,698	3.1	11.98	20.65
Fresh Fruits	219,168	257,246	284,362	27,396	28,343	32,720	12.5	11.02	11.51
Fresh Vegetables	83,647	92,959	105,333	4,635	2,670	201	5.54	2.87	0.19
Processed Fruit & Vegetables	213,960	196,801	251,454	50,299	23,655	34,286	23.51	12.02	13.64
Fruit & Vegetable Juices	42,463	45,981	62,813	9,901	18,941	18,872	23.32	41.19	30.05
Tree Nuts	38,061	39,036	61,610	6,951	8,361	12,499	18.26	21.42	20.29
Wine & Beer	52,482	42,956	39,155	1,289	1,774	1,589	2.46	4.13	4.06
Nursery Products & Cut Flowers	8,041	12,056	14,276	40	228	111	0.5	1.89	0.78
Pet Foods (Dog & Cat Food)	20,768	30,187	32,600	7,699	8,598	11,124	37.07	28.48	34.12
Other Consumer-Oriented Products	771,985	728,771	878,672	127,706	121,521	138,728	16.54	16.67	15.79
FISH & SEAFOOD PRODUCTS	2,395,932	1,934,623	2,117,919	174,013	207,880	210,724	7.26	10.75	9.95
AGRICULTURAL PRODUCTS TOTAL	7,305,071	6,045,133	7,821,407	1,228,085	1,058,322	1,204,895	16.81	17.51	15.41
AG, FISH & FORESTRY TOTAL	10,369,795	8,502,396	10,624,798	1,433,154	1,294,816	1,444,172	13.82	15.23	13.59

Source: Global Trade Atlas and USDA Bangkok, Thailand

Table C. Top 15 Suppliers of Consumer Foods & Edible Fishery Products

CONSUMER-ORIENTED AGRICULTURAL IMPORTS				FISH & SEAFOOD PRODUCTS			
\$1,000	2008	2009	2010		2008	2009	2010
China	393,710	432,828	525,301	Taiwan	341,816	219,088	299,370
New Zealand	309,325	201,506	320,828	United States	174,004	207,880	210,724
United States	334,406	253,506	317,088	Japan	221,741	127,614	162,132
Australia	190,024	169,900	210,532	Indonesia	209,498	148,752	151,607
Malaysia	159,926	138,562	169,700	Vanuatu	176,258	103,048	132,994
Singapore	97,489	85,962	103,189	South Korea	145,610	146,191	122,552
Indonesia	63,088	70,703	90,203	India	49,668	58,675	95,433
Netherlands	87,409	70,592	82,977	Norway	88,714	68,501	92,730
France	78,840	66,908	75,945	China	143,346	110,316	88,633
Germany	73,277	40,019	63,777	Myanmar	74,658	72,302	66,454
Vietnam	34,096	39,038	62,957	Vietnam	54,797	64,742	66,000
Japan	48,057	48,104	57,653	Chile	67,768	50,317	65,222
Philippines	49,303	43,556	56,258	Marshall Islands	32,376	16,023	38,896
India	40,902	24,384	32,966	Papua New Guinea	26,428	29,180	34,973
Canada	17,726	25,902	27,483	Malaysia	40,202	33,446	32,400
Other	287,358	258,175	323,582	Other	547,145	478,546	457,798
World	2,264,939	1,969,643	2,520,438	World	2,394,030	1,934,623	2,117,919

Source: Global Trade Atlas and USDA Bangkok, Thailand

Table D. Economic Projection 2011 and 2012

Economic Projection 2011 and 2012					
	Actual Data		Projection		
	2009	2010	2011		2012
			22 Aug 2011	21 Nov 11	21 Nov 11
GDP (at current price: Bil.USD)	263.3	317.8	362.3	355.4	380.2
GDP Growth (at constant price, %)	-2.3	7.8	3.5-4.0	1.5	4.5-5.5
Investment (at constant prices, %)	-9.2	9.4	6.2	4.7	10.3
Private (at constant prices, %)	-13.1	13.8	8.7	8.8	11.0
Public (at constant prices, %)	2.7	-2.2	-1.5	-7.9	8.0
Consumption (at constant prices, %)	0.1	5.1	3.3	2.3	4.0
Private (at constant prices, %)	-1.1	4.8	3.3	2.5	4.4
Public (at constant prices, %)	7.5	6.4	3.0	1.2	2.0
Export volume of goods&services (Volume, %)	-12.5	14.7	9.8	10.9	11.3
Export value of goods (Bil.USD)	150.7	193.7	225.7	226.9	270.0
Growth rate (%)	-14.0	28.5	16.5	17.2	19.0
Growth rate (Volume, %)	-13.6	17.3	9.7	10.7	12.0
Import volume of goods&services (Volume, %)	-21.5	21.5	11.3	13.7	14.7
Import value of goods (Bil.USD)	118.1	161.4	217.8	205.3	256.6
Growth rate (%)	-25.2	36.7	21.3	27.2	25.0
Growth rate (Volume, %)	-23.1	26.5	12.5	16.7	17.0
Trade balance (Bil.USD)	32.6	32.2	8.0	21.7	13.5
Current account balance (Bil.USD)	21.9	13.7	8.8	7.7	4.5
Current account to GDP (%)	8.3	4.4	2.4	2.2	1.2
Inflation (%)					
CPI	-0.9	3.3	3.6-4.0	3.8	3.5-4.0
GDP Deflator	1.9	3.7	3.6-4.0	4.0	3.5-4.0

Source: Office of the National Economic and Social Development Board, 22 November 2011

Table E. Exchange Rate (2005-2010)

Exchange Rates						
(Baht per unit of US Dollar annual average)						
	2005	2006	2007	2008	2009	2010
US\$	40.22	37.88	34.52	33.31	34.29	31.69

Source: Bank of Thailand

