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Thailand

Food Processing Ingredients

2019

Approved By:
Russ Nicely, Agricultural Counselor
Prepared By:
Sukanya Sirikeratikul, Marketing Specialist

Report Highlights:
Thailand is one of the world’s leading agricultural suppliers, primarily due to its well-developed food processing sector. The country has one of the most advanced food processing industries in Southeast Asia, which enables Thailand to export value-added products to international markets like Europe, Japan, China, and the United States. Major food exports include rice, canned tuna, sugar, chicken meat, cassava products, shrimp, and canned pineapple. According to the National Food Institute, Thai exports grew by 7.3 percent in 2018 to total U.S. $32.2 billion in 2018.

Post:
Bangkok

Market Fact Sheet: Thailand

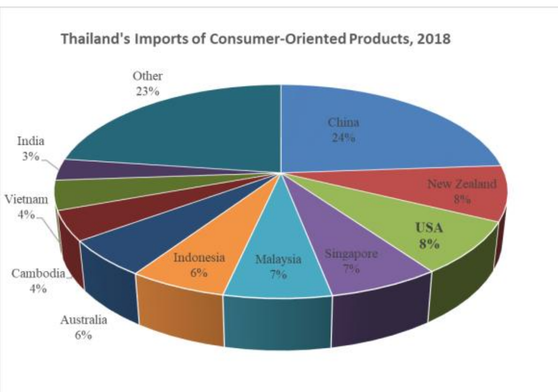
Executive Summary

Thailand is one of the world's leading agricultural suppliers, primarily due to its well-developed food processing sector. The country has one of the most advanced food processing industries in Southeast Asia, which enables Thailand to export value-added products to international markets like Europe, Japan, China, and the United States. The food industry is the country's third largest industry, contributing 23 percent to the country's Gross Domestic Product (GDP). Major food exports include rice, canned tuna, sugar, chicken meat, cassava products, shrimp, and canned pineapple. According to the National Food Institute, Thai exports grew by 7.3 percent in 2018 to total $32.2 billion in 2018.

The macroeconomic situation and key data about the Thai economy can be found in Thailand's Exporter Guide Report dated February 21, 2019.

Imports of Consumer-Oriented Products

In 2018, the United States was the 3rd largest supplier of these products to Thailand with exports valued at . $418 million.



Food Processing Industry

Thailand's food processing industry has developed rapidly and is one of the most developed in South East Asia with more than 10,000 food and beverage processing factories. Most food processors are small-to-medium size and predominantly serve the domestic market. However, there are many medium-to-large food processors that produce higher-value products for domestic and export markets. Main products include frozen shrimp, sugar, poultry, canned tuna, confectionery, snacks, canned pineapple and tapioca. The main Thai processed food export markets are Japan, the United States and the EU. The Thai seafood sector is the third largest in the world, after China and Norway, with 90 percent of output exported. The packaged food industry is highly fragmented, with the top ten companies controlling only about one-third of the sales value.

Quick Facts CY2018

Imports of Consumer-Oriented Products, total: U.S. $5 billion.

Thailand's Food Export Ranking:
(Source: National Food Institute; CY2018)
1st Cassava products (91% of world exports)
1st Canned tuna (32% of world exports)
1st Canned pineapple (35% of world exports)
2nd Rice (23% of world exports)
2nd Sugar (13% of world exports)
11th Ready to Eat products (3% of world exports)

Domestic Food Product Sales 2018

Product	Unit	2017	2018
Soy sauce	liters	80,305,736	88,072,524
Fish sauce	tons	82,080,884	85,204,860
Sugar	tons	1,568,513	1,558,418
Pasteurized milk	tons	950,952	1,009,484
Frozen & chilled chicken meat	tons	1,766,787	1,792,769
Yoghurt drinks	tons	443,002	446,697
Fruit juice	tons	390,729	386,057
Instant Noodles	tons	214,638	216,506
Ice cream	tons	114,938	114,465
Canned sardines	tons	86,733	66,561
Cake	tons	35,962	38,594
Canned tuna	tons	30,536	28,494
Sausage	tons	29,675	30,658
Wafers	tons	29,990	29,960
Canned pineapple	tons	28,725	29,405
Frozen shrimp	tons	18,894	22,225
Cookies	tons	7,739	7,180
Dried fruit and vegetables	tons	6,229	6,261
Ham	tons	3,162	2,962

Source: The Office of Industrial Economics

Food and Beverage Trends in Thailand for 2019:

Health foods (organic, natural derived, clean foods, health snacks); Health beverages (natural ingredients, functional drinks); Ready to eat foods; Frozen meals, Food Delivery; Halal Foods; Food for aging populations; Organic foods; Vegetarian foods; Plant protein-based products; and Processed seafood.

GDP/Population

Population: 69.18 Million
GDP (2018): U.S. $505.2 Billion
GDP per capita: U.S. $ 7,447

For more information, contact:
FAS Bangkok at agbangkok@fas.usda.gov

SECTION I – MARKET SUMMARY

Thailand is one of the world's leading agricultural suppliers, primarily due to its well-developed food processing sector, which enables Thailand to export value-added products to international markets like the European Union (EU), Japan, China, and the United States. The food industry is the country's third largest industry, contributing 23 percent to the country's Gross Domestic Product (GDP). Major food exports include rice, canned tuna, sugar, meat, cassava products, and canned pineapple. According to the National Food Institute, Thai exports will grow by 8 percent in 2019 from a total of U.S. $32.2 billion in 2018.

Thailand's Major Agricultural Product Exports 2017-2018

(Million U.S. Dollar)

Products	2017	2018
Fishes and products	6,221	6,306
Rice and products	5,709	6,171
Meat products	4,057	4,684
Fruits and products	4,213	3,207
Sugar and products	3,005	2,988
Cassava and products	2,143	2,290
Beverages	1,521	1,728
Vegetables and products	842	899
Residues and waste, prepared animal fodder	647	613
Dairy products	305	340
Other agricultural products	4,552	4,922
Total	**33,216**	**34,148**

Source: Office of Agricultural Economics, Ministry of Agriculture and Cooperatives

Thailand's Major Agricultural Product Imports 2017-2018

(Million U.S. Dollar)

Products	2017	2018
Fishes and products	3,688	4,020
Food crops and products	1,530	1,660
Residues and waste, prepared animal fodder	1,854	2,226
Oil plants	1,294	1,269
Fruits and products	1,084	1,034
Other food products	722	813
Vegetables and products	585	738
Milk and products	606	630
Meat Products	520	547
Beverages	351	449
Other agricultural products	2,118	2,057
Total	**14,351**	**15,443**

Source: Office of Agricultural Economics, Ministry of Agriculture and Cooperatives

The country is a major importer of agricultural products, including food ingredients and a wide range of food and beverage products. Thailand also produces innovative and high value products including frozen meals, canned foods, halal foods, food seasonings, food supplements, functional foods, and medical foods. Thailand exports halal products worth $6 billion to more than 57 countries, making the country the world's ninth-largest halal food exporter. Opportunities in Thailand's food processing sector continue to grow as domestic sales of processed foods rise due to strong demand from the retail and food service sectors.

Advantages	Challenges
Thailand has a relatively well-developed food processing sector. The country is a major producer and exporter of processed food products.	Thailand is a country with abundant raw materials, making entry of traditional raw ingredients difficult.
The food processing sector actively develops and introduces new products creating demand for new food ingredients.	Many suppliers of food ingredients in Thailand are able to produce products domestically that meet international standards and high import tariffs help protect national suppliers.
U.S. products are perceived as premium products with consistent quality.	Strong competition on the local market from domestic producers and increasing imports from the EU and other Thailand free trade agreement (FTA) countries such as Australia, China, South Korea, Japan, India, and Peru.
Increasing Thai exports of food products drive demand for food ingredients and the growing number of companies paying attention to quality over cost for food ingredients.	Local production is increasingly substituting traditional food imports. Snack food, salad dressing, sauces, jams and other processed foods that are relatively inexpensive, but have high freight costs, are increasingly produced locally.
The international food service industry is expanding with new companies entering the market. Rapid growth of the fast food sector has stimulated sales of bakery products, dairy products, meat and poultry, etc.	Low cost food ingredients from China.

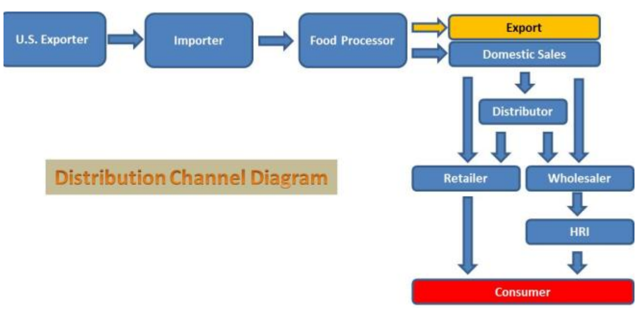
Consumption of bakery products in Thailand is growing due to changing consumer behavior.	Natural ingredients such as minerals, vitamins, fiber, calcium, etc. are still a niche market.
Healthy foods and beverages are becoming increasingly popular due to growing health awareness of the urban population.	High import tariffs for some U.S. products have caused some importers to source products from other countries that have an FTA with Thailand.
Increased foreign investment has raised standards and forced the utilization of higher quality imported food ingredients.	Non-tariff barriers such as requirements for documentation on traceability requirements can delay import and cause trade disruption.
Increasing in new food entrepreneurs sourcing for ingredients for their new and innovative food products.	

SECTION II – ROAD MAP FOR MARKET ENTRY

Entry Strategy

U.S. exporters looking to sell food ingredients to Thailand should establish good relationships with local importers, distributors and agents, the key stakeholders in the imported food ingredients market. The right distributors can offer U.S. exporters valuable market insight and many importers have established relationships with relevant government authorities. Another effective entry strategy is attending local or regional trade shows to establish new contacts and to assess market potential. Post recommends U.S. exporters attend Food Ingredients Asia 2019 (https://www.figlobal.com/asia-thailand). The show has been well attended by Thai buyers and food processors looking for new food ingredients.

Market Structure



There are two main channels for exporting food ingredients to Thailand. The first channel is through importers that have their own distribution network and/or distribute directly to manufacturers. The second channel is through food processors that import directly from the country of origin. However, most food processors import food ingredients through importers to avoid having to maintain large stocks. Only major food processors import directly from the country of origin. Most imported food ingredients are marketed and distributed by exclusive or authorized distributors in Thailand. This allows food ingredient manufacturers to focus and control their technical support while leveraging the distributor’s network of wholesalers, retailers and direct end-users.

Import Procedures

Food import procedures for Thailand are available at Food and Agricultural Import Regulations and Standards Report published on January 11, 2018.

Sector Trends

Thailand’s food processing industry has developed rapidly over the past decade and is one of the most developed in South East Asia, with more than 10,000 food and beverage processing factories. Most food processors are small-to-medium size and predominantly serve the domestic market. However, there are many medium-to-large food processors that produce higher-value products for domestic and export markets. Main products include frozen shrimp, sugar, poultry, canned tuna, confectionery, snacks, canned pineapple and tapioca. The main Thai processed food export markets are Japan, the United States, and the EU. The Thai seafood market is about $5.5 billion, the third largest in the world, after China and Norway, with 90 percent of output exported.

Sales of Packaged Food by Sector 2014-2018 (in U.S. $ millions)

Products	2014	2015	2016	2017	2018
Baby Food	805	790	798	867	931
Baked Goods	735	754	787	882	983
Breakfast Cereals	56	57	61	70	76
Confectionery	641	645	657	714	771
Dairy	2,522	2,539	2,612	2,868	3,168
Edible Oils	586	568	567	610	659
Ice Cream and Frozen Desserts	382	392	418	458	513
Processed Fruit and Vegetables	59	58	58	62	66
Processed Meat and Seafood	470	484	511	577	648
Ready Meals	368	388	416	474	541
Rice, Pasta and Noodles	1,576	1,546	1,552	1,680	1,811
Sauces, Dressings and Condiments	1,103	1,103	1,131	1,243	1,355
Savoury Snacks	1,010	1,043	1,106	1,243	1,359
Soup	11	11	10	11	12
Sweet Biscuits, Snack Bars and Fruit Snacks	313	316	328	363	406
Total	**10,636**	**10,693**	**11,013**	**12,122**	**13,300**

Source: Euromonitor

The packaged food industry is highly fragmented, with the top ten companies controlling only about one-third of the sales value. Thailand's processed food sector uses a variety of inputs including fruits, vegetables, shrimp, seafood, poultry, rice, grains, cereal products, sugar confectioneries, juice, and other beverages.

Major food and beverage processors in Thailand

Company Name	Nature of Business	2018 Sales Value (in U.S. $Million)
Asian Seafoods Cold Storage Pcl.	A manufacturer of processed frozen seafood under the company brands: TCC, ASS, SAKURA, ASIAN SEAFOODS BRAND	299
Charoen Pokphand Foods Pcl.	A manufacturer of semi-cooked and cooked meet as well as ready-meal products including food retail and food outlets.	2,785
Food and Drinks Pcl.	The products of the company include: fruits, vegetables, spices and food in sealed containers, meat products include beef sauce, ready-to-eat, frozen fruits and vegetables, juices and drinks.	24
Haad Thip Pcl.	The Company operates a soft drink manufacturing business as an exclusive bottler of Coca-Cola, Fanta, Sprite and other Coca-Cola's products (i.e. group of "Minute Maid" juices, Aquarius and Namthip, Drinking Water) for the 14 southern provinces of Thailand.	177
Ichitan Group Pcl.	A manufacturer of ready-to drink green tea beverage, herbal drink, and low-sugar ready-to-drink tea beverage, under the brands of Ichitan Green Tea, Yen Yen by Ichitan and Juice Drinks, Non-Carbonated "Bireley's".	161
Malee Group	A manufacturer of canned fruit and fruit juices under "Malee".	166

Pcl.		
President Bakery Pcl.	A manufacturer of bakery products under the brand name “Farmhouse”.	232
Premier Marketing Pcl.	A manufacturer of fish snack products under “Taro” brand, tuna and other seafood products (for human and pet food under the customer brand, all products are exported to overseas), and tomato ketchup, chili sauce and other seasoning sauce under “King’s Kitchen” brand.	138
Sappe Pcl.	A manufacturer of functional beverages, fruit juice/juice drink, functional powder and ready to drink products.	87
S&P Syndicate Pcl.	A manufacturer of bakery products and frozen foods.	235
Seafresh Industry Pcl.	A manufacturer of frozen shrimp including cooked shrimp, raw, shrimp, breaded shrimp, and sushi. Seafresh has exported the majority of products under its own brands such as Seafresh, Sea Angel I, Phoenix, Thai Chia, Go-Go.	245
Sermsuk Pcl.	A manufacturer of soft drinks, non-carbonated soft drinks, herbal drink, energy drink, and sport drink.	86
Surapon Foods Pcl.	A manufacturer of frozen foods including ready-to-cook and ready-to-eat.	157
Thai President Foods Pcl.	A manufacturer of instant noodles, semi-instant foods and biscuit products.	694
Tipco Foods Pcl.	A manufacturer of canned pineapple, pineapple concentrate, mixed fruit juice, and ready-to-drink beverage; for example, herbal drink, mineral water for both domestic and export markets under TIPCO brand.	131
Taokaenoi Food & Marketing Pcl.	A manufacturer of processed seaweed both domestically and internationally under brand "Tao Kae Noi", including other snack and healthy product.	175
Thai Union Group Public Company Limited	A manufacturer of frozen, canned seafood, and snacks of various types especially seafood.	3,628

Consumers demand for food products is shifting to a wider array of processed foods available in large supermarkets from unprocessed foods found in fresh markets. Thailand’s exposure to international foods has led to significant changes in consumer attitudes and consumption patterns. Moreover, the rapid urbanization and the growing number of women in the workforce have also increased demand for processed foods and ready to eat meals. Frozen food products, particularly frozen meals, desserts, and seafood, show the biggest growth. As a result, many retail food outlets are increasing their product lines of ready-to-eat food products.

Domestic Food Product Sales 2018

Product	Unit	2017	2018
Soy sauce	liters	80,305,736	88,072,524
Fish sauce	tons	82,080,884	85,204,860
Sugar	tons	1,568,513	1,558,418
Pasteurized milk	tons	950,952	1,009,484
Frozen & chilled chicken meat	tons	1,766,787	1,792,769
Yoghurt drinks	tons	443,002	446,697
Fruit juice	tons	390,729	386,057
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Ham	tons	3,162	2,962

Source: The Office of Industrial Economics

Demand for these ready-to-eat products are also fueling interests in western processed foods as they are perceived as higher quality than domestically processed foods. With rising demand for processed foods, Thai food processors must import large quantities of food ingredients that are not locally available. The change in the customer behavior based on health and beauty concerns as well as an increasing aging society, are factors that food manufacturers should take into consideration when developing new products to align with consumer needs. Urban dwellers, in particular, have less time for food preparation due to longer working hours and a greater presence of women in the work force.

Consumers' behaviors and decisions will change due to the need of convenience, speed, information accessibility, ability to purchase and pay for products and services anywhere, anytime and any equipment at their convenience. The E-commerce market and online market have started to play a key role and have been integrated into existing offline stores, as a faster and more convenient channel of purchasing and payment, to deliver good and impressive experience to customers.

Major Segments in the Food Processing Industry

Functional and Milk Alternative Beverages – The functional beverage market in Thailand was estimated at $1.7 billion in 2018. Nut-based milk is seen as a strong candidate for growth in term of popularity due to factors such as the relevant health benefits and taste advantages. Consumers are likely to consume organic foods and drinks or clean foods or foods with less processing and more natural ingredients. Examples are sport drinks targeting to consumers who enjoy exercising that present their natural derived ingredients from special geographic sources and health beneficial minerals such as potassium and magnesium, and high protein drinks made from imported pea protein that also highlights health beneficial nutrients such as calcium, L-carnitine and vitamin B1.

Processed Seafood – The processed seafood market in Thailand was estimated at $373 million in 2018. The seafood processors produce and export a variety of products, from basic raw frozen products to value-added products. The canning processors mainly use tuna, sardines, and mackerel as well as other processed seafood products made from salmon, cuttlefish/squid, and pollock. Popular Thai brands include Three Lady Cooks, Roza, Sealect, Hi-Q, Ayam, and Nautilus. The growing awareness of healthy nutritional requirements of children, health conscious consumers, and senior target groups as well as have made this market growth to be promising and the sales expected to reach $570 million in 2023. To get more information about the seafood market in Thailand, the report is available at the Seafood Market Report dated May 8th, 2018.

Ice Cream - Thailand's ice cream market totaled $494 million in 2018. The combined market share of the three leading manufacturers (Unilever Thai, Nestle, and F&N Dairies) is over 80 percent. The best opportunity for U.S. ingredients is in the premium ice cream market segment which has 60 percent market share. There are ample opportunities for the ice cream market to grow in Thailand as ice cream consumption per capita is only 2 liters. Most ice-cream manufacturers are investing in product research and adding new ingredients to ice cream, to market it as low fat or containing healthy ingredients.

Sweet and Savory Snacks - Demand for sweet and savory snacks in Thailand has continued to grow driven by aggressive advertising and marketing activities. Thailand's market for sweet and savory snacks totaled U.S. $1.1 billion in 2018 with a growth rate of 5.9 percent. The snack market is divided into potato snacks (35.1 percent), extruded snacks (29.8 percent), nuts (13.3 percent), fish snacks (8.4 percent), cuttlefish snacks (5.0 percent), prawn crackers (3.9 percent), rice crackers (3.8 percent), and popcorn (0.7 percent). Per capita annual snack consumption is 1.39 kilograms. The snack industry is highly competitive. Pepsi-Cola (Thai) (Frito Lay) is the market leader for potato chips while P.M. Food, manufacturer of fish snacks under the "Taro" brand, is the leader in fish snacks. Taokaenoi Food and Marketing is the leading manufacturer of processed seaweed snacks in Thailand, with over a 70 percent market share. New assortment of nut products are launched into the market from major brands such as Koh-Kah, Khao-Chong, Tong Garden, Blue Diamond, and Nut Walkers. New plant-based snacks using ingredients such as mushrooms, vegetables, and tofu are introduced to the market to cater consumers who demand healthier snacks. Thai consumers have moved towards healthier snack products over the past couple of years, thus, many manufacturers invest in research and development, source new food ingredients, and reformulate their products to reduce the salt, sugar and fat content of their products.

Bakery - President Bakery is the leading baking company in Thailand. White bread remains the most popular bread type in Thailand, followed by whole wheat and multi grain bread. Other major bakery companies include CPRAM, C&W Company, S.T. Bakery, and Cubic. The bread sector is a mature market and faces growing competition from other breakfast and lunch food products. Many bakery manufacturers have distribution channels through modern retailers such as Big C, Tesco Lotus, Tops Supermarket, Gourmet Market, and 7-11, as well as operate their own bakery chains such as S&P, Yamazaki, BreadTalk, Gateaux House, and Saint Etoile by Yamazaki. Major ingredients include wheat flour, fat (shortening and butter), flour mixes, dried fruits, and fillings. Thai bakery processors mainly use locally available raw materials and import specialty ingredients that cannot be sourced domestically. Sales of bakery products grew by 5 percent to reach $870 million in 2018.

Fruit and Vegetable Juices - The market value of Thailand's ready-to-drink fruit and vegetable juices was $340 million in 2018. The leading juice manufacturers include Tipco, Malee, Unif, and Doikham. The premium market segment includes both UHT and pasteurized beverages with 2018 sales of $125 million for 58 million liters. The average annual consumption of fruit juice is 4 liters per capita. Orange juice is the most popular flavor followed closely by apple, guava, grape, tomato, and pineapple. Beverages in every sector have high competition, especially in the read-to-drink market. The competition is higher in the domestic market by launching new products, and different segment. At present, the competition is targeting fruit and vegetables juices and tea that are good for health. Consumers are currently paying attention to information about nutrients and benefits to be received to ensure the quality of food and drinks that are healthy. An excise tax on the amount of sugar, which became effective in September 2017, also impacted fruit and vegetable juices, as this impacted the cost of products causing their selling price to be higher.

Ready-to-Eat Products - In 2018, the ready-to-eat market reached sales of $544 million. CP All continues to lead this market with a 42 percent market share. The company has succeeded by selling ready-to-eat-meals through its 7-Eleven convenience store outlets, which is the category's main distribution channel. Charoen Pokphand Foods led product sales in other distribution channels through its CP brand, followed by S&P Syndicate with its Quick Meal frozen food line. The growth rate of the ready-to-cook and ready-to-eat market in 2018 was 10 percent. With a hurried lifestyle and consumption behavior changing in accordance with the country's population structure, the level of the urbanization, and continuous improvements in the tastes and affordable prices of many products, the market for ready-to-eat products is expanding rapidly in Thailand. As the change in population structure is moving toward an aging society, the food manufacturers have to develop a variety of new products in alignment with these future target consumers' needs.

SECTION III – COMPETITION

In 2018, Thailand's food ingredient imports reached $2.57 billion. The United States is the fourth largest supplier of these products. U.S. products with the highest growth were dairy ingredients, dried fruits, and nuts. The food ingredient market continues to grow due to increases in population, purchasing power, dual income families and new product development. Although domestic ingredients hold the greatest share of the market, these items tend to be low-value. High-value raw and semi-processed products such as grains, vegetable oils, starches, dairy ingredients, specialty bakery ingredients are generally not available locally and must be imported.

Due to Thailand's agricultural resources, most food processors can source same inputs domestically. However, local production facilities lack many higher-value and technology-based ingredients. Importers report that U.S. food ingredient exporters are generally less competitive in terms of price, service, and delivery time, but offer high quality products and consistent service. In order to avoid price competition with other exporting countries, U.S. exporters need to focus on product innovation, services, technical support, quality, and position their products in the middle-high price range. Trade shows such as Food Ingredients Asia and market promotions are highly effective ways to promote U.S. food ingredients and compete with similar products from Europe, Australia, and Canada. U.S. suppliers must be prepared to lend considerable technical support to food processors and distributors to develop products that will boost demand for their ingredients.

Thailand Food Ingredient Imports from the World

Partner Country	Value in Thousands of U.S. Dollars	
	2017	2018
World	2,539,889	2,570,790
China	365,449	478,965
Singapore	307,965	332,625
New Zealand	255,867	260,497
United States	234,825	253,592
Vietnam	208,474	181,801
Australia	164,376	171,331
Indonesia	229,505	119,953
Malaysia	117,802	113,527
Germany	70,832	66,936
Netherlands	77,929	64,745
Other	506,863	526,817

Source: Global Trade Atlas

Thailand's Food Ingredient Imports from the United States

Unit: U.S. Dollars

Description	2017	2018
Food Preparations	163,277,717	174,991,762
Almonds, Fresh Or Dried, Shelled	10,272,602	18,535,130
Milk And Cream, Concentrated Or Sweetened	11,089,204	8,008,232
Almonds, Fresh Or Dried, In Shelled	212,808	7,013,768
Cheese And Curd	8,148,941	6,505,040
Raisins	8,774,636	6,218,819
Malt Ext; Food Prep Of Flour Etc Un 40% Cocoa Etc	4,852,646	4,403,145
Mucilage & Thickner W/N Modified,Frm Veg Prd Nesoi	4,430,331	4,045,673
Vegetable Saps And Extracts	2,689,256	2,919,763
Onions, Dried (Powder Etc), Not Further Prepared	2,326,262	2,687,416
Yeasts	2,618,358	2,342,298
Mucilages/Thicknrs Frm Locust Bean/Seed, Guar Seed	1,747,236	2,007,120
Walnuts, Fresh Or Dried, Shelled	2,613,007	1,699,265
Other Dried Fruits	1,242,682	1,371,888
Milling; Malt; Starch	1,870,916	1,272,734
Essential Citrus Fruit Oils of Orange	226,488	1,264,849
Coloring Matter Of Vegetable Or Animal Origin	1,023,941	942,334
Peanuts, Prepared Or Preserved, Nesoi	872,193	859,351
Concentrates Etc of Essential Oils, Nesoi	129,938	563,564
Vegetables Nesoi & Mixtures, Dried, No Further Preparat	356,335	563,410
Other food ingredeitns	6,049,860	5,376,152
Total Food Ingredients	**234,825,357**	**253,591,713**

Source: Global Trade Atlas

Section IV - Best Product Prospects

Products Present in the Market which have Good Sales Potential

- A growing aging population has increased demand for healthy and functional food ingredients including dried fruits, nuts, pulses, plant-based proteins, proteins and amino acids, vitamins, minerals, prebiotics and dietary fiber, probiotics, carotenoids, essential oils, omega-3 and 6 fatty acids. Also growing demand for organic ingredients, gluten free, plant-based ingredients, and protein boost food ingredients.
- Bakery (both premium and mass market) ingredients including wheat flour, bread improver, dough blend, wheat flour, milk and cream, butter, cheese, dried fruits, potato starch, nuts, pastry fillings, sugar, colors & flavors, etc.
- Emulsifying, foaming, stabilizing and thickening agents. These products are used in frozen foods, bakery products, ice cream, evaporated milk and confectionery products.
- Colors and flavors. These products are used in non-alcohol beverages, ice cream and other dairy products, confectionery products, snack foods, bakery, instant noodles and a wide range of processed meats.
- Sweeteners which are used in non-alcohol beverages and the confectionery industry. Beverage manufacturers are reducing sugar content to minimize the impact from new excise tax.
- Concentrated fruit juice due to growing demand for new flavors.
- Fish fillets for processed seafood, frozen food, and ready-to-eat products.

Products Not Present in Market with Good Sales Potential

Products that can be substituted for traditional ingredients such as preservative-free ingredients that provide extended shelf life and nutrient/functional ingredients. Thai consumers prefer foods that are flavor-intensive, palate-pleasing and healthy.

Products Not Present Because They Face Significant Barriers

Pork products, chicken, and novel ingredients that have a history of use less than five years.

Section V - Post Contact and Further Information

The Foreign Agricultural Service in Bangkok maintains up-to-date 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 comment regarding this report should be directed to the Foreign Agricultural Service in Bangkok at the following addresses:

U.S. Department of Agriculture
Office of Agricultural Affairs
U.S. Embassy
Bangkok Thailand 10330
Tel: + 662 205-5106
Fax: +662 255-2907
Email: agbangkok@fas.usda.gov
Website: www.fas.usda.gov