

USDA Foreign Agricultural Service

# GAIN Report

Global Agricultural Information Network

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY  
USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT  
POLICY

Voluntary  Public

**Date:** 6/12/2012

**GAIN Report Number:** TH2059

## Thailand

**Post:** Bangkok

### **Bangkok Newsletter - June 2012**

**Report Categories:**

Agricultural Situation

Market Development Reports

**Approved By:**

**Prepared By:**

FAS Bangkok Staff

**Report Highlights:**

TH2059 "SAWASDEE THAILAND" provides the latest information on Thai agricultural situation, market access for U.S. products, and upcoming events.

## **General Information:**

### **HOT NEWS**

#### Export Surcharge Applied on Crude Palm Oil: A Move to Control Domestic Prices

On May 18, 2012, the Ministry of Commerce imposed an export surcharge of 10 baht/kilogram (approx. \$317/mt) on crude palm oil (CPO), effective immediately until June 30, 2012. It is the first time in recent history that the Government imposes an export surcharge/tax on agricultural products. The Ministry of Commerce expressed concerns that surging export prices have increased CPO exports, which could reduce supplies to meet domestic demand, potentially leading to runaway domestic retail prices for refined palm oil, which are currently selling at 42 baht/liter (\$1.33/liter). This move is seen more of a political act by the Yingluck Shinawatra Administration as it is facing mounting criticism due to swelling inflation. According to Thai Customs, Thailand's CPO exports significantly increased to 95,205 metric tons in the first quarter of 2012 (Jan-Mar), as compared to 293 metric tons in the same period of 2011. Crude palm oil crushers and oil palm farmers have vehemently opposed such measure and the Cabinet will likely reconsider to suspend the measure before June 30.

### **MARKET ACCESS UPDATE**

#### The USG Demarche on Ractopamine

In early June, the U.S. Government appealed to the Thai Government to support a proposed recommendation by the Joint FAO/WHO Expert Committee on Food Additives (JECFA) on standards for the veterinary drug ractopamine, at the upcoming Codex Alimentarius Commission Meeting July 2-7 in Rome. JECFA has scientifically evaluated the safety of ractopamine in beef and pork however approval of a standard remains blocked due to opposition led by the EU on no scientific grounds. Thailand's support would buoy up the Commission's long-standing and well-established process of adopting standards.

#### New Thai FDA's Primary GMP Standard

The Thai Food and Drug Administration (FDA) notified the WTO of its new requirements for "other processed food in instant package ready to be sold to consumers". Under this measure, new GMP standards for other processed foods in instant packages must be followed. This measure will require that U.S. exporters provide importers with a certificate stating the process, equipment, and food storage (GMP certificate) used in the product's production. The Certificate of Free Sale or a certificate indicating the products meet the aforementioned requirements issued by the government authority or a government accredited organization. More information is available at [New Thai FDA's Primary GMP Standards Report](#)

### **UPCOMING EVENTS**

#### California Raisins Seminar

The Raisin Administrative Committee will feature a live cooking demo by Chef Nathan Mitchell Stamm using California Raisins. Chef Nathan will explain how raisins can be used as a natural substitute for preservatives and fat while enhancing color, flavor and texture properties of bakery products and maintaining a premium, homemade look. The seminar will take place at the Sheraton Grande Sukhumvit Hotel on June 12, 2012. Mr. Nathan Mitchell Stamm is currently the Associate Instructor at Johnson & Wales University, Providence, Rhode Island. More information, please contact Ms. Chanida Thongbut at [chanida@successmarketing.co.th](mailto:chanida@successmarketing.co.th).

#### SUSTA's Buying Mission to Fancy Food Show

The Southern United States Trade Association will sponsor a buying mission to the Fancy Foods Show in Washington D.C. during June 15-20, 2012. Five Thai grocery importers and retailers have been invited to participate in this mission. The mission participants will attend the Fancy Foods Show, meet with qualified U.S. exporters, and visit major U.S. retail stores. This will be a golden opportunity for the participants to experience the breadth, scope, and applications of new U.S. products. More information on Fancy Foods Show is available at [www.fancyfoodshows.com/](http://www.fancyfoodshows.com/)

#### Cochran Program on U.S. Food Ingredients

Three food ingredients importers in Thailand– Brenntag Ingredients, Winner Group Enterprise and Caltech Corporation have been selected to participate in the Cochran Program “U.S. Food Ingredients”. The food industry in Thailand has been expanding swiftly and to differentiate their products, food manufacturers have increasingly been using high quality and innovative food ingredients. The participants will be introduced to a variety of U.S. food ingredients and their applications, trained on the latest food ingredient trends; and on the nutritional properties of U.S. food ingredients. The participants will also attend the IFT Food Expo, which will be held June 25-28, 2012 in Las Vegas, Nevada. More information on the IFT Food Expo is available at [www.am-fe.ift.org/cms/](http://www.am-fe.ift.org/cms/)

#### Life Science Innovation in Chiang Mai, June 27-28

The U.S. Embassy in Thailand in cooperation with the U.S. Consulate General Chiang Mai and Chiang Mai University are organizing a “Life Sciences Innovation Conference from June 27-28 in Chiang Mai, Thailand in support of the Chiang Mai Creative City (CMCC) Initiative. This conference will bring together experts from academia, government and industry in the life sciences field to discuss issues surrounding innovation in biotechnology. The conference’s tagline is “fostering cluster development and collaboration” and will consist of three pillars: medical biotechnology, medical systems, and agricultural biotechnology. The agricultural biotechnology pillar will focus on the need of advancing biotechnology in Thailand if it wants to remain a regional innovator in agriculture.

#### APEC Laboratory Capacity Building Workshop in Malaysia, July 9-12, 2012

Foreign Agricultural Service (FAS) will be coordinating a sub-regional training to build laboratory competency in the areas of analytical methods, validation, and fitness-for-purpose. The event will be held under the auspices of the APEC Food Safety Cooperation Forum (FSCF)’s Partnership Training Initiative Network (PTIN) at the Residue Laboratory Unit of the Pesticide Control Division at the

Ministry of Agriculture in Kuala Lumpur, Malaysia, July 9-12, 2012, and will include participants from Thailand, Indonesia, the Philippines, and Malaysia. The training will support efforts to focus on the priorities that will have the most impact on assuring the smooth flow of goods and strengthening laboratory practices in the APEC region.

#### The U.S. Products and Wine Seminar and Showcase

The Office of Agricultural Affairs together with California Raisins, U.S. Potato Board, U.S. Dry Pea & Lentil Council, and the California Milk Advisory Board will conduct a series of seminars showcasing live cooking demonstrations and table top of new-to-market products. The event will be held at the Royal Cliff Hotel in Pattaya on July 10, 2012 and will target chefs, food and beverage managers, general managers from hotels and restaurants, retailers, and importers. A reknown wine speaker from Singapore, Mr. Lim Hwee Peng, will conduct a seminar on U.S. wines and a sit-down wine and food pairing. More information, please contact [agbangkok@fas.usda.gov](mailto:agbangkok@fas.usda.gov).

#### VIV Asia 2013

The official USDA-endorsed show – VIV Asia 2013 will be held at Bangkok International Trade and Exhibition Center (BITEC), March 13-15, 2013. The following companies confirm to participate: Simmons Engineering, Ibberson International, CLARCOR, Chief Industries, Kuhl Corp., Sloux Stee, AgWorld, National Swine Registry, Amlan, ProByn International, ACG Products, Griffin, Midwest AG, Fornazor Int'l, Delst, Star Labs. More information about the show and participating fee, please contact Elliott Thomas, U.S. Representative for VIV/ILDEX/Horti ASIA Shows, Imex Management, Inc. at [ElliottT@imexmanagement.com](mailto:ElliottT@imexmanagement.com).