

USDA Foreign Agricultural Service

# GAIN Report

Global Agricultural Information Network

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## **Thailand**

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**Approved By:**

**Prepared By:**

FAS Bangkok Staff

**Report Highlights:**

TH2048 "SAWASDEE THAILAND" provides the latest information on Thai agricultural situation, market access for U.S. products, and upcoming events.

## **General Information:**

### **HOT NEWS**

#### Thai Cabinet Agrees to Import Palm Oil to Alleviate Short Suppliers

On April 17, the Cabinet agreed to import 40,000 metric tons of palm oil to alleviate palm oil shortages and increasing prices. However, only the Public Warehouse Organization (PWO), a government enterprise, is eligible to import, and will limit the imported amount to 10,000 metric tons per import in order to prevent a possible decline in domestic prices that could hurt palm farmers.

#### Market Access for U.S. Beef Not Affected by new BSE Finding

On May 1, the Thai Department of Livestock Development (DLD) officially notified USDA/APHIS/Bangkok that the imports of U.S. boneless beef under 30 months can continue unhindered due to the timely information provided by Office of Agricultural Affairs (OAA). The information submitted by the OAA assuaged concerns by noting that the finding does not pose a threat to human health due to the safeguards in place. This is good news for U.S. beef as unsubstantiated reports claimed that Thailand had effectively shut down all imports of U.S. beef after the finding on April 24th.

#### The EU Reopens Uncooked Chicken Market to Thailand

On April 3, 2012, Thailand's Agricultural Affairs Office in Belgium notified Thailand's Minister of Agriculture that the EU's Standing Committee on the Food Chain and Animal Health will reopen its market for Thai frozen uncooked chicken by July 1, 2012. Thailand's uncooked chicken was banned on January 23, 2004 when an outbreak of highly pathogenic avian influenza (HPAI) bird-flu was detected. Trade sources have indicated that Thailand would be able to export 50,000 metric tons of uncooked chicken meat to the EU in the second half of 2012 (July 1 - December 31). The EU allocates Thailand a quota of 92,610 metric tons of its total quota of 264,245 metric tons for uncooked salted poultry meat (EU HS Code 02109939). The in-quota tariff is 15.4 per cent while the out-of-quota rate will be 1,300 €/ton.

### **MARKET ACCESS UPDATE**

#### Pet Food Market Opportunity in Thailand

In 2010, Thailand imported dog and cat food valued at \$32.6 million with the US leading in market share with 34 percent, followed by Australia 22 percent, and France 21 percent. The increase in growth is due to rising consumer incomes which allows for owners to offer better care to their pets in terms of health and well being through enhanced nutrition. According to Euromonitor, in 2011 dog treats' sales are expected to increase in value by 19 percent as compared to the lower yet significant 17 percent growth in 2010. However, dry pet food is the leading seller as it accounted for 82 percent of total pet food volume sales in 2010. Imported premium brands are mainly sold through pet specialist retailers

such as pet superstores, pet shops and veterinary clinics with supermarket retailers playing a secondary role.

### Dried Distillers Grains with Soluble (DDGS)

The Ministry of Agriculture has established a 23.5 percent minimum protein level for dried distillers grains with soluble (DDGS). This is an acceptable level for U.S. exporters who had concerns on the initial proposed minimum level of 26 percent. The Ministry also appears to have tabled discussions on proposed sanitary standards on DDGS, as such U.S. trade should proceed uninterrupted.

## **UPCOMING EVENTS**

### US Wheat Associates (USW) Short Courses in Bangkok

The U.S. Wheat Associates (USW) Singapore will conduct three short courses at the UFM Baking and Cooking School in Bangkok from end of April - July 2012. The first one is the "Baking Science and Technology Short Course" from April 30 - June 8, 2012. The second course is the "Frozen Dough Technology Course" from June 18-29. The last one is the "Cookie & Cracker Technology Course" from July 27-29, 2012. The courses will be presented by USW Singapore-based Bakery Consultant Mr. Roy Chung, and Biscuit/Bakery and Noodle Technologist Mr. Phua Lock Yang. For more detailed information, please visit the USW website, as followed: [www.uswheat.org](http://www.uswheat.org).

### The 2012 Cotton Day

The Cotton Council International (CCI) will conduct the 2012 Cotton Day in Bangkok at the Central Grand at Central World. This is the fourth Cotton Day celebration in Thailand, as a way to celebrate and appreciate the lasting and fruitful relationship between the Thai and U.S. cotton industries. This year Cotton Day will include the launching of the COTTON USA Bear Ambassador Campaign along with a fashion show nationwide. Ambassador to Thailand, Kristie Kenney, will deliver the opening remarks at the splendid event. For more details, please visit the COTTON USA website at [www.cottonusa.org](http://www.cottonusa.org).

### California Raisin Technical Seminar in Thailand

The California Raisin Administrative Committee (RAC) will hold the "California Raisin Technical Seminar" on June 12 at the Sheraton Grande Sukhumvit Hotel in Bangkok. Over 100 participants from bakery shops and chains, retailers, and importers in Thailand will be at the seminar. The seminar will feature demonstrations using a wide variety of applications of California raisins in bakery products by well-known Chef Natham Michell Stamm. Chef Stamm was named one of the "Top 10 Bread Bakers of 2011" by Dessert Professional. He is a Certified Executive Pastry Chef with the American Culinary Federation and an active member of the Bread Bakers Guild of America. He is also a frequent contributor to professional magazines and trade journals. For more information about California raisins, please visit [www.raisins.org](http://www.raisins.org).

### American Hardwood Design Camp V

The twenty prototypes using American hardwood that were created at the American Hardwood Design Camp IV were showcased at the Thailand International Furniture Fair (TIFF) from March 14-18, 2012, at the Bangkok International Trade and Exhibition Center (BITEC). The prototypes were displayed for the interest and entertainment of the 18,889 visitors that attended the fair. At the Design Camp Pavilion, DCM Judith Cefkin delivered welcoming remarks and held a reception for the throng of visitors that the Pavilion attracted. For 2013, AHEC and FAS/Bangkok plan to have the Thai Interior Designers Association (TIDA) and the Association of Siamese Architects Under Royal Patronage (ASA) participate in the Camp as they have influence in the market trends of wood use for indoor decoration and flooring, two areas which American hardwood could be highly competitive.