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Global Agricultural Information Network

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## Thailand

### Exporter Guide

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**Approved By:**

Bobby Richey, Agricultural Counselor

**Prepared By:**

Sukanya Sirikeratikul, Marketing Specialist

**Report Highlights:**

TH5163: This guide serves as a resource for U.S. companies seeking to do business in Thailand and provides practical tips and information on local business practices, consumer preferences and trends, food standards and regulations, and import and inspection procedures. This report also identifies opportunities and entry approaches for the three major market sectors (food retail, food service, and food processing). Finally, this guide identifies the best high-value product prospects and key contacts.

**Post:**

Bangkok

## Executive Summary:

### Section I. Market Overview

Thailand is Southeast Asia's second largest economy with a Gross Domestic Product (GDP) of \$405 billion. Exports account for more than 56 percent of its GDP. Thailand remains a strong agricultural competitor as it is the world's leading exporter of natural rubber, frozen shrimp, canned tuna, canned pineapples, cooked poultry, and cassava. It is also a major exporter of sugar and rice. According to the National Economic and Social Development Board (NESDB), Thailand's economy is forecasted to grow between 3.0-4.0 percent in 2016 compared to 2.9 percent growth in 2015. The economy is expected to improve in 2016 because of several factors: an increase in government expenditures and investment; the gradual recovery of the global economy and the export prices; the depreciation of Thai baht; and the gradual recovery of agricultural prices. In addition, acceleration in infrastructure projects and continual expansion of the tourism sector will continue to fuel economic growth.

Thailand is the 18<sup>th</sup> largest export market for U.S. agricultural products. In 2014, Thailand imported \$672 million in consumer oriented foods from the United States while total U.S. agricultural exports to Thailand were nearly \$1.3 billion (Table 1).

<b>Table 1: U.S.-Thailand Trade of Consumer Oriented Agricultural Products</b>					
(million; US\$ per year)	2010	2011	2012	2013	2014
U.S. Imports from Thailand	947	1,072	1,162	1,274	1,349
U.S. Exports to Thailand	317	380	401	672	414
<b>Trade Balance</b>	<b>-630</b>	<b>-692</b>	<b>-762</b>	<b>-601</b>	<b>-935</b>

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

<b>Table 2: Change in Thai Food Import Mix from the U.S.</b>					
(million; US\$ per year; % of total)	2010	2011	2012	2013	2014
<b>Bulk &amp; Intermediate</b>	<b>888</b>	<b>1,245</b>	<b>1,146</b>	<b>1,061</b>	<b>1,324</b>
%	63%	66%	64%	53%	68%
<b>Consumer Oriented</b>	<b>317</b>	<b>380</b>	<b>401</b>	<b>672</b>	<b>414</b>
%	22%	20%	22%	33%	21%
<b>Edible Fishery</b>	<b>210</b>	<b>274</b>	<b>253</b>	<b>280</b>	<b>213</b>
%	15%	14%	14%	14%	11%
<b>Total</b>	<b>1,415</b>	<b>1,899</b>	<b>1,800</b>	<b>2,013</b>	<b>1,951</b>

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

Thailand currently has trade arrangements with other Association of Southeast Asian Nation countries (ASEAN), Australia-New Zealand, China, India, Japan, Peru, South Korea, and Chile (Table 3). These

agreements have created additional challenges for U.S. agricultural exports, particularly due to large tariff differentials.

**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
ASEAN Free Trade Area (AFTA)	January 1, 2002 – 5 percent January 1, 2010 – 0 percent
Thailand-Peru	December 31, 2011
Thailand-Chile	November 5, 2015

Duties on imported U.S. 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. Under a new excise tax scheme, import duties, excise taxes, and other surcharges on imported wines could face a total tax burden of between 300-600 percent. The tariff on apples stands at 10 percent, while pears and cherries tariffs are 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
About 34 million middle-to-upper income consumers are eager to purchase imported food products.	U.S. products are not always price-competitive due to high tariffs and shipping costs.
A dynamic and eager younger population (between ages of 15 and 35, which represents 31 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, and frozen potatoes.
Thais in urban areas (51 percent of the population) increasingly spend more on imported food items and have become relatively brand conscious and are changing their eating habits to accept more western style foods.	Local production is increasingly substituting traditional food imports. Locally produced snack foods, salad dressings, sauces, jams and other processed foods are relatively inexpensive.

Increasing purchasing power of consumers in rural areas translates into more discretionary spending on non-traditional agricultural products.	Market penetration for imported products is mostly concentrated in Bangkok and major tourist-destination areas.
The Thai food processing industry is looking for new ingredients and shows a strong interest in importing health and functional food ingredients.	Imports of some U.S. food products are currently subject to restrictive trade barriers, including high import tariffs, rigid food import procedures/legislations, and numerous documentations.
Growing number of retail outlets.	The oligopolistic nature of hypermarkets exerts some control over prices, while convenience stores prefer low priced locally or regionally products over U.S. exports.
Well-developed food service industry.	Strong government protection on local agricultural products such as poultry and livestock products make it difficult for imported products to enter the market.
Growth in the tourism industry and an increase in number of hotels lead to greater demand for imported hotel, restaurant, and institutional food products.	Regional tourists sometimes seek cheaper local food alternatives or food products sourced from their respective countries.
Middle income women give greater attention to health and beauty and are demanding new products from retailers.	Free trade agreements with neighboring Asian countries are decreasing U.S. market share.

## **Section II. Exporter Business Tips**

### Communications

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 who have a good understanding of Thai 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. 05/12/15 means December 5, 2015. To avoid confusion, you may want to spell the name of the month in correspondences.

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 New Year festivals (including Chinese and Thai).

Heavy traffic is the most common excuse for tardiness.

Business cards are always exchanged at the first meeting. 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 considered 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, gauging competitors, preferences, etc.

Localize your products: adjust the product to local tastes, verify consumers' preferences, and set a competitive price.

U.S. exporters should identify the best distribution channel (e.g. local importers, distributors, supermarkets, retailers, etc.) and establish a good relationship with their representatives 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, consistent quality, technical support, and respond to inquiries within 24 hours.

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 Bureau of the Thai Food and Drug Administration (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 in GAIN report [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 replaced by new products that focus on good quality, better packaging, availability, promotions, and competitive prices.

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 Agricultural Import Regulations and Standards report for Thailand. This document contains information on food laws, labeling requirements, food additive regulations, pesticide and other contaminants, import procedure and other key regulations, requirements and specific standards. The report 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](mailto:agbangkok@fas.usda.gov)) with any questions on issues such as standards, tariffs, regulations, labeling or other concerns.

### **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 and working professionals as it is more convenient, entertaining, and provides more free time compared to cooking at home. The growth of food establishments in the market have also contributed to the growing Thai food service sector.

Consumer disposable incomes also continue to rise. In 2014, Thai consumer expenditures on food and beverages reached \$60 billion and per capita disposable income was \$3,294. The typical Thai diet consists of rice, meats, eggs, vegetables, fish, and seafood. In 2014, spending on food and non-

alcoholic beverages accounted for 25 percent of all household expenditures.

## **Retail Sector**

Thailand represents one of the most attractive food and drink markets in the Asia Pacific Region. It is estimated that the overall retail sector expanded between 3 to 5 percent in 2014. Changing Thai consumer lifestyles and a growing urban population offer modern retailers many growth opportunities. The retail market continues to expand rapidly and not only in Bangkok. In every big city, there are new retail developments being constructed ranging from small stores to shopping malls retail establishments. The retail food market structure continues to evolve with hypermarkets, supermarkets, cash and carry, and convenience stores. The latter is continuing to gain market share while traditional retailers gradually decline. Modern food 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. This made Thailand 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, Big C Supercenter of Casino Group of France and cash and carry Netherlands-based Siam Makro, which was acquired by the Thai company "CP All" in August 2013. Locally run supermarkets and convenience stores have also increased in numbers, which include stores such as Villa Market, Tops Marketplace, Foodland Supermarket, and 7-Eleven.

The top four companies in terms of sales value (not including Cash N Carry format of Siam Makro), stayed the same from 2011-2014. CP All continued to aggressively expand outlets throughout the nation. Tesco-Lotus by Ek-Chai Distribution System enjoys various formats of business models from the largest hypermarket to the smallest selling spaces of convenience stores. Big C Supermarket PCL, acquired Carrefour in 2010, promotes its grocery businesses aggressively through various business models from hypermarket to convenience stores. Central Retail has a strong presence in many retail categories such as department stores, supermarkets, convenience specialty stores that focus on coffee, wine, and cheese.

Although supermarkets have fewer number of outlets compared to larger hypermarkets, their influence on the lifestyles of urbanized Thais, expatriates, and upper-income communities has been significant. These companies, particularly because of the market segment on which they focus, offer excellent opportunities for U.S. exporters of consumer food items. The Max Valu supermarket chain owned by the Japanese corporation AEON. Tops and Home Fresh Mart are owned by the Thai group, Central Retail and The Mall Co., Ltd. respectively. Foodland Supermarket caters to local Thais. Villa Market carries a wide range of imported goods and caters to foreigners, particularly western expatriates. UFM Fuji supermarket caters to Japanese expatriates in Thailand and provides a wide range of imported Japanese products. Foodland, Villa, and UFM Fuji are owned by Thai operators, in spite of their foreign positioning.

In 2014, the Thai Retailers Association reported total food retail sales from organized retail chain stores (modern trade retail) of about \$29 billion or 30 percent of total retail sales. Convenience stores showed the biggest growth in this sector at 8.5 percent (2013/2014) followed by 3.5 percent for hypermarket and supermarkets. Competition in the retail food business is expected to remain intense. Most investments

will aim to improve and modernize existing stores, as well as develop store formats that are suited for urban areas and consumer preferences. Many retailers have shown interest in smaller-sized stores, which can better reach communities and serve the needs of new consumers who like to shop near their homes or communities, such as condominium projects. It is projected that competition in the retail food business will be more in the form of innovative channels that meet consumer demand. In addition, retailers will continue to maintain a focus on being able to more effectively serve core customer bases through strategic initiatives that include store layout enhancements, expansions, and improving product assortments that are in line with market demand trends.

The Thai Retailers Association reported that the number of supercenters/hypermarkets in Thailand rose to 341 in 2014, an increase of 4 percent from the previous year. The hypermarket segment has been the best performing sectors as 90 percent of urban Thai shoppers visit at least once a week. Tesco Lotus is large with 190 outlets (135 outlets in 2012) followed by Big C, which took over the France-based Carrefour Group in 2010. In general, hypermarkets offer more than 100,000 stock keeping units (SKUs) of consumer goods and vary in size from 4,000 to 12,000 square meters (sqm). In addition, these hypermarkets offer a wide range of fresh food and packaged food and beverages, which generally account for 60 to 65 percent of their total product assortments. The average Thai consumer spends about \$150 per month on retail products, of which 49 percent is spent on fresh foods. Both Big C and Tesco Lotus have introduced a new store format called “Extra” which offers a greater range of premium products including a wide selection of imported products targeting middle and high income customers. Hypermarket operators are also diversifying their store formats and turning to smaller-scale retail stores including mini-supermarkets and convenience stores due to new government regulations and higher land prices. In addition, expansion in areas along the borders with Malaysia, Laos, and Vietnam is also increasing customer bases.

Big C has three hypermarket formats: Big C Supercenter, Big C Extra, and the “wholesale professional-oriented” format called Big C Jumbo. Big C Supercenter targets low to middle income customer segments while Big C Extra targets middle to high income customer offering a wider range of premium fresh and dry food items as well as a wide selection of imported products, including private label products. Big C Supercenter and Big C Extra offer over 100,000 SKUs of consumer products and food items. Their sizes vary from 4,000 to 12,000 sqm and the sales mix is approximately 60 percent food and 40 percent non-food items. Big C Jumbo stores use a wholesale membership format that target hotels, restaurants, caterers, small and medium size retailers, companies and institutions, and households that buy in large volumes. Big C Jumbo’s sales mix is approximately 80 percent food and 20 percent non-food items. “Big C Market” utilizes supermarket formats that target low-to-middle income customer segments. These stores have smaller selling areas ranging between 750 to 2,000 sqm and a smaller number of items ranging from 10,000 to 15,000 SKUs. Mini Big C convenience store formats target low-to-middle income customer segment and carries up to 4,300 SKUs with an average size of 160 sqm and a sales mix of 90 percent food and 10 percent non-food items.

Tesco Lotus Hypermarket and Tesco Lotus Extra offer 80,000-100,000 SKUs and 60-65 percent of total sales result from food and fresh foods. The Tesco Lotus Department Store or compact hypermarket offer 60,000-80,000 SKUs in 3,000-5,000 sqm while Lotus Express and Tesco-Lotus are smaller sizes of 300-1,500 sqm with 3,000-40,000 SKUs. Tesco Lotus offers imported products in every store format while premium products are available in Tesco Lotus hypermarket format locating in middle income consumers areas.

The supermarket business in Thailand is driven by six major players: 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. This highly competitive segment is concentrated in Bangkok where consumers with greater disposable income and more discerning customers reside. 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. Central Food Retail dominates this segment with 218 outlets nationwide.

The convenience store sector recorded one of the strongest performances over the past five years with the current trend in mergers and acquisitions set to continue. As the fastest growing segment in the retail food sector with over 13,000 stores nationwide, 15 percent of its total sales are targeted to fast moving packaged consumer goods (FMCG). In 2014, the growth of convenience stores was estimated between 10 to 15 percent. The leading player in this sector is 7-Eleven, which accounts for 61 percent of total convenience store sales and has 8,618 outlets in Thailand (as of September 2015), making it the world’s second largest 7-Eleven network after Japan. CP All, the local operator of 7-Eleven, plans to open at least 600 stores in 2016. Tesco has also aggressively expanded its network of smaller Lotus Express stores at gasoline stations and downtown areas with more than 1,500 locations across the country. These are designed to be a direct competitor to 7-eleven. The Central Retail Corporation, the operator of Tops Daily convenience stores, established a joint venture with Family Mart in September 2012 and has converted a number of Tops Daily stores to Family Mart Stores, with 1,175 stores. The company plans to expand to another 3,000 locations in the next to three years. The company focuses on expanding new outlets through franchises. Aeon (Thailand) also plans to expand its convenience store brand “Max Valu Tanjai” nationwide with approximately 20 new outlets every year. Another convenience store, Lawson 108 with 41 stores now, plans to open 100 more stores in 2016.

Over 90 percent of urban Thai shoppers use convenience stores and visit them regularly about 13 times a month. It is reported that an average of 9.7 million customers visit convenience stores each day. Due to its popularity, the Thai convenience retail sector has become enormously competitive as CP All's 7-Eleven chain faces growing competition from Tesco Lotus Express, Mini Big C, Tops Daily, Family Mart and Lawson 108. Consequently, convenience store owners have re-focused their sales strategies on food items and added new food product lines, especially ready-to-eat meals. Foods and beverages account for 70-80 percent of total product assortment in convenience stores.

**Table 5: Number of Convenience Stores in Thailand**

<b>Convenience Stores</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
Stand-alone convenience stores	9,773	9,526	10,404	11,153
• 7-Eleven stores	5,350	5,842	6,373	6,986

• Others	4,423	3,684	4,031	4,167
Convenience stores in gas stations	2,135	1,988	2,062	2,159
• 7-Eleven stores	926	980	1,056	1,141
• Others	1,209	1,008	1,006	1,018
• Total convenience stores	11,908	11,514	12,466	13,312

Source: CP All Plc.

Hypermarkets, supermarkets, and cash and carry establishments present excellent opportunities for U.S. exporters of consumer food items. The main factors U.S. exporters should consider before entering the Thai market are pricing, product shelf life, and consumer preferences. Intense competition in the retail food market, particularly from large-scale modern companies that use price strategies and loan extensions to low-income consumers, have led to the closure of many traditional stores. Thailand's hypermarket sector is dominated by two large companies, which normally gives them bargaining power with suppliers. The convenience sector is not considered to be an attractive channel for U.S. products due to the pricing disadvantages as these stores mostly carry 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 already present in the market as locally or regionally produced food products.

Most food retailers recently modified their marketing strategies by expanding their private label product offerings, instituting money promotions, providing discounts, and starting loyalty programs in order to attract customers and maintain market share. Some supermarkets and hypermarkets have their own private label 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 juices. These private label products provide a good market opportunity for U.S. food ingredients such as raisin, fish and seafood, although some U.S. ingredients, such as frozen potatoes, are not competitive due to lower tariff rates provided by Free Trade Agreements (FTA). The margins on private label products for retailers are double that of branded products and have grown in popularity due to the ability of retailers to price them accordingly. For example, the Central Food Retail has three 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 three 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 these established private labels, there are still significant opportunities for private label products to grow in this market. Currently, the market share in the packaged food category for private label products is less than 5 percent.

**Table 6: Key Food Retailers in Thailand**

Company Name	Store Format	No. of Outlets
Ek-Chai Distribution System Co., Ltd.		1,874
• Tesco Lotus Hypermarket	Hypermarket	135

• Tesco Lotus Extra	Hypermarket	15
• Tesco Lotus Department Store	Compact Hypermarket	40
• Talad Lotus	Supermarket	199
• Lotus Express	Convenience Store	1,485
7-Eleven – CP All Pcl.	Convenience Store	8,127
Siam Makro Pcl. (as of December, 2014)		82
• Makro	Cash and Carry	69
• Siam Frozen Stores	Cash and Carry (focus only on frozen food items)	5
• Makro Food Service	Food Service Operator	8
Big C Supercenter Pcl.		552
• Big C Supercenter and Big C Extra	Hypermarket	118
• Big C Market	Supermarket	48
• Mini Big C	Convenience Store	381
• Big C Jumbo	Cash and Carry	5
Central Food Retail Co., Ltd.		1,358
• Central Food Hall	Supermarket	6
• Tops Marketplace	Supermarket	80
• Tops Supermarket	Supermarket	5
• Tops Daily /Tops Superkoom	Supermarket	69
• Tops Superstore	Supermarket	2
	Supermarket	24
• Family Mart	Convenience Store	1,175
The Mall Group		12
• Home Fresh Mart	Supermarket	7
• Gourmet Market	Supermarket	5

Foodland Supermarket	Supermarket	18
MaxValu - Aeon (Thailand) Co., Ltd		
• MaxValu	Supermarket	28
• MaxValu Tanjai	Mini-Supermarket	47
Villa Market	Supermarket	28
Lawson 108	Convenience Store	41

Source: USDA Foreign Agricultural Service - Bangkok, Thailand (as of October, 2015)

### Entry Strategy – Supermarkets, Hypermarkets, and Cash and Carry

The best method for U.S. exporters to enter these market segments is to select the right local importer to develop their business in Thailand. Direct contact to supermarkets, hypermarkets or cash and carry companies is an option for the retailer that imports directly. The local importer will be a key partner in helping expand business opportunities and minimize the need for exporters to establish direct contact with multiple retail chains. A local importer familiar with market conditions and the regulatory environment can help exporters successfully market their products in this competitive market. 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 SKUs.

### Distribution Channels - Supermarkets, Hypermarkets, and Cash and Carry

The distribution channel for supermarkets, cash and carry, and hypermarkets in Thailand normally begins with the importers, distributors, and then to a central warehouse or directly 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, and 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 SKUs.

U.S. branded foods sold in convenience stores are generally produced in Thailand or neighboring Southeast Asian countries. These products include snack foods, chocolates, cookies, candies, gums, and breakfast cereals. Distributors often import U.S. branded foods from neighboring countries rather than from the United States because of lower costs and preferential tariffs applied under various trade agreements. Sales trends of imported food from neighboring and other FTA countries in convenience

stores will increase in line with consumers' purchasing power. U.S. products are well-received by Thai consumers in convenience stores if the price and quality is similar to what local suppliers and other low cost exporting countries offer.

#### Distribution Channels - Convenience Stores, Gas Marts, and Kiosks

A common distribution channel for convenience stores, gas marts and kiosks starts off with U.S. exporters, U.S. consolidators and/or traders to Thai distributors to convenient stores, gas marts and kiosk distribution centers. Some Thai distributors distribute foodstuffs directly to convenience stores, gas marts, and kiosk outlets. Most of the foodstuffs that are distributed directly to these 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 element in the success of the larger retailers is attributed to the 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 low prices, low consumer purchasing power, the size and traditional distribution channels of this segment, and consumer preference for traditional Thai and Chinese food products.

#### Distribution Channels - Traditional Markets

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

#### Best Market Prospects

The best market prospects for U.S. suppliers include fresh fruits (cherries, grapes, strawberries, oranges, apples, berries), 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 Washington apples (WA), 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 craft beers, seafood including Alaska King crab legs, halibut and other fish, sugar confectionary, soup and broth, 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 hotel and restaurant industry (HRI) food service sector comprises approximately

150,000 outlets including some 100,000 restaurants and more than 5,000 hotels and resorts. The industry has steadily increased in recent years driven by continuous growth in the country's tourism industry as well as a change in consumer behavior as modern urban families tend to eat out more regularly. Hotels, resorts, restaurants and institutional contractors are heavy users of imported food for food preparation and ready-to-eat meals. This sector attracts middle to higher income Thais, Thai corporate businessmen, resident expatriates, and tourists. In 2014, consumer expenditures on hotels and catering per capita were \$509, which was about the same as previous year. The restaurant business in 2014 witnessed several factors leading to the decrease in consumers' expenditure on dining out. These included the economic slowdown, the political unrest, the increase in household debt, and the rise in cost of living. However, the hotel and restaurant sector expanded by 14.3 percent in the first nine months of 2015. On December 2015, the total number of tourists reached 29.5 million surpassing the target of 28.8 million visitors. They generated \$68 billion of income. Growth in the country's tourism sector is expected to continue, with the Tourism Authority of Thailand (TAT) estimating total earnings created by visitors to be \$71 billion and inbound tourists of 32.5 million in 2016.

Thailand's tourism is an important component of the service sector, which generated an estimated \$68 billion for the Thai economy in 2015. Thailand's HRI food service sector is reliant on the tourism industry, thus, the increase in tourist arrivals should bode well for growth in Thailand's HRI sector.

Thailand's high tourism levels and increasing food consumption are expected to continue fueling the growth of the country's HRI food service sector. In addition, many on-going construction projects involving new community shopping malls are expected to serve as perfect venues for global food chains and premium restaurants.

Sales of food and beverages account for about 30 percent of Thailand's hotels and resorts' total revenues. On average, 30 percent of Thailand's HRI food and beverages are imported. The United States has a 15 to 20 percent share of this market. U.S. beef, seafood, cheeses, wines, beers, frozen potatoes, seasonings, etc., are well known in Thailand's hotel and restaurant trade and with airline catering companies. Thai Airways International uses 30 to 40 percent of imported food products in their in-flight catering service.

Casual dining restaurants accounted for approximately 85 percent of total restaurant sales. The outlook for the casual dining restaurant industry remains positive owing to increasing urbanization, escalating disposable income, and less time for home cooking. In addition, overseas studies, international travel, widespread social media have led to an increasingly westernized younger population, with urban dwelling Thais, moving away from traditional open-air food stands to casual dining restaurants. Besides independently local owned restaurants, the establishment of restaurant chains such as Oishi, Fuji, Zen, S&P, Patio, Black Canyon, Pepper Lunch, and MK Suki Restaurant have resulted in more choices in Bangkok and major tourist destinations in Thailand. Within the restaurant business, there is more competition between existing competitors who are expanding the number of outlets and introducing new brands into the market, and with new comers. Sidewalk restaurants are gradually being 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, chain restaurants, pop-up restaurants, and food trucks have boomed in the last few years with this expected to continue in the future. Hot and cold drinks including coffee and ready-to-eat foods are served in convenience stores and stand-alone outlets.

## Entry Strategy

In this sector, 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 specialize in providing high quality U.S. products. Restaurants such as fast food chains or family style restaurants also order and purchase imported food from food service companies or from their affiliates 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 in this sector include U.S. beef, turkey, 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 over 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 products including rice, rubber, cassava, sugar, seafood, poultry meat, frozen, ready-to-eat foods, and processed fruits and vegetables. Thailand has more than 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 still seek high-quality food ingredients at reasonable prices. The United States is considered to be a world leader in food ingredient technology and one of the major food ingredient suppliers to the world. In this market, U.S. suppliers should focus their attention on new functional food ingredients, flavors, and other ingredients that promote the health and wellness benefits in foods.

Thailand imported food ingredients were valued at \$2.5 billion in 2014. Although domestic producers hold the greatest share of the ingredients market, these items tend to be of low-value, raw and semi-processed. These products include grains, vegetable oils, and starches. High-value and more technology-based ingredients are generally not available locally and must be imported, providing an opportunity for U.S. exporters. The food ingredient market continues to grow due to an increase in the population, purchasing power, the number of dual income families, and new product developments.

Demand for food products is shifting away from unprocessed foods found in fresh markets to a wider array of processed foods available in large supermarkets. Thailand's exposure to international food products has led to significant changes in 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 ready meals, desserts, and seafood show the biggest growth. As a result, retail food outlets are increasing their product lines of ready-to-eat food products that are normally found in convenience stores like 7-Eleven, Family Mart, and Lawson 108. Demand for these ready-to-eat products is also fueling interests in western processed food products as they are perceived as being higher quality than domestically processed food.

The snack food market is another market that is considered to be highly competitive with major players being the leaders in each type of snack. Frito-Lay Co., Ltd. is the leader in potato chip segment. P.M. Food Co., Ltd is the leader in fish snack category under "Taro" brand. Tao Kae Noi is the market leader for crispy seaweed snack. With intense market competition and rising demand for processed foods, Thai food processors continue to look for food ingredients that are not locally available in order to develop new products to stimulate sales and create brand recognition among consumers.

Moreover, the Thai health food market still shows signs of growth due to a strong desire among Thai consumers to maintain a healthy lifestyle. As a result, there is growing awareness of functional ingredients such as herbs, fibers, collagen, L-carnitine, minerals, vitamins, omega fatty acids, and probiotic. Sales of health and wellness products reached \$5.1 billion in 2014. The market size for the ready-to-drink fruit juice market reached \$370 million, with total consumption volume for the entire year of 312 million liters. The market value of cereal drinks totaled about \$77 million. The rising demand for health and functional food products has caused Thai food manufacturers to focus on developing new functional foods and beverage products. This presents a lucrative opportunity for the U.S. companies to develop and keep expanding their customer base in this new and growing market.

Although domestic ingredients currently hold the largest share of this market, items such as grains, vegetable oils, and starches tend to be low value, high volume, raw and semi-processed. 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.

### Entry Strategy

The most effective way for U.S. food ingredients exporters to enter this market segment is either to appoint a reputable and experienced local importer/distributor or contact food manufacturers directly. 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 arranging 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 2017.

U.S. agricultural cooperators (non-profit U.S. agricultural trade organizations) are 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, U.S. Soybean Export Council, 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 the food processing sector 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. Thai consumers prefer new foods that are healthy, flavor-intensive, and palate-pleasing. Food ingredients that maximize flavor and healthful benefits will continue to experience growth.

### Distribution System

Food for 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 suppliers. 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		0-5	
7	CRABS	030614		5	
8	SCALLOPS	030721 030729		0	
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 & SHELLLED	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

\*\* More information on tariff reduction on seafood products is available in Gain Report: U.S. Exporters to Benefit from Import Tariff Reductions on Seafood

	PRODUCT	HARMONIZED CODE	QUOTA	TARIFF RATE (for USA)	
				(%)	Volume
24	POPCORN	190490		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.10/1.
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		20-30	
		210420			
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 can facilitate 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](mailto:agbangkok@fas.usda.gov)  
Website: [www.fas.usda.gov](http://www.fas.usda.gov)

#### U.S. Mail:

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

#### Key Contact(s):

Bobby Richey, Agricultural Counselor  
Rey Santella, Agricultural Attaché

### B) Cooperators

Feel free to contact the U.S. non-profit trade organizations, also known as Cooperators that represent specific agricultural commodities. These organizations can help you conduct market development activities that 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, but some have offices in neighboring countries such as Singapore, which have regional responsibilities. The following are some of the cooperators who are responsible for the Thai market:

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](mailto: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](mailto: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](mailto: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](mailto: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@tatch.in.th](mailto:pt@tatch.in.th)

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](mailto: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](mailto:usdec@pacrimassociates.com)

U.S. Dry Pea & Lentil Council  
No. 416, 4th 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](mailto:agsource@loxinfo.co.th)

U.S. Soybean Export Council  
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](mailto:asathai@loxinfo.co.th)

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](mailto: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](mailto:tulip@successmarketing.co.th)

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. The Chamber has an active Food & Agribusiness Committee, which represents 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](mailto: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 Bureau  
Tivanont Road, Muang  
Nonthaburi 11000  
Tel: 662-590-7178  
Fax: 662-591-8460  
E-mail : [food@fda.moph.go.th](mailto: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](mailto: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](mailto: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](mailto: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](mailto:food@fda.moph.go.th)

Other Food Products

Tivanont Road, Muang

Nonthaburi 11000

Tel: 662-590-7220

E-mail: [food@fda.moph.go.th](mailto: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](mailto: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: [cdtdft@moc.go.th](mailto:cdtdft@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](mailto: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](mailto: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](mailto: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

Agricultural Imports From All Countries (\$Mil) / U.S. Market Share (%)	\$11,142 Mil/15.60 %
Consumer Food Imports From All Countries (\$Mil)/U.S. Market Share (%)	\$4,304 Mil/9.61%
Edible Fishery Imports From All Countries (\$Mil) / U.S. Market Share (%)	\$2,635 Mil/8.10%
Total Population (Millions) / Annual Growth Rate (%)	65.12 Mil/0.52%
Urban Population (Millions) Annual Growth Rate (%)	33.3 Mil/2.99%
Number of Major Metropolitan Areas	21 provinces
Size of the Middle Class (Millions) / Growth Rate (%)	34 Mil/0.41%
Per Capita Gross Domestic Product (U.S. Dollars)	\$5,833
Unemployment Rate (%)	0.80%
Per Capita Food Expenditures (U.S. Dollars)	\$757
Percent of Female Population Employed	47%
Exchange Rate (2014)	US\$1=32.48

**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		
	2012	2013	2014	2012	2013	2014	2012	2013	2014
<b>CONSUMER-ORIENTED AGRICULTURAL TOTAL</b>	3,946,280	4,343,730	4,303,629	400,986	672,285	413,668	10.16	15.48	9.61
Snack Foods (Excl. Nuts)	301,869	287,046	281,607	7,906	9,503	8,912	2.62	3.31	3.16
Breakfast Cereals & Pancake Mix	41,726	45,587	42,339	1,692	1,728	1,420	4.05	3.79	3.35
Red Meats, Fresh/Chilled/Frozen	112,801	81,715	131,345	1,430	2,378	2,995	1.27	2.91	2.28
Red Meats, Prepared/Preserved	24,767	44,990	29,305	1,467	1,514	1,811	5.92	3.36	6.18
Poultry Meat	3,851	17,478	16,430	972	2,087	1,903	25.24	11.94	11.58
Dairy Products (Excl. Cheese)	612,544	641,183	808,942	42,788	70,889	64,727	6.99	11.06	8.00
Cheese	42,583	48,925	60,018	3,125	4,728	4,300	7.34	9.66	7.16
Eggs & Products	18,666	21,268	21,834	1,272	2,410	1,173	6.82	11.33	5.37
Fresh Fruits	492,205	535,090	498,471	45,099	45,301	38,607	9.16	8.47	7.75
Fresh Vegetables	167,627	192,378	179,385	5,734	3,508	2,470	3.42	1.82	1.38
Processed Fruit & Vegetables	437,919	426,276	434,274	35,233	39,456	42,217	8.05	9.26	9.72
Fruit & Vegetable Juices	68,046	77,288	66,385	8,589	8,955	8,611	12.62	11.59	12.97
Tree Nuts	99,531	107,620	137,577	15,528	18,976	21,403	15.6	17.63	15.56
Wine & Beer	60,386	68,424	75,957	4,226	3,749	4,017	7.00	5.48	5.29
Nursery Products & Cut Flowers	25,671	22,499	18,655	32	29	90	0.13	0.13	0.48
Pet Foods (Dog & Cat Food)	33,401	43,232	50,423	11,062	8,521	10,995	33.12	19.71	21.81
Other Consumer-Oriented Products	1,402,687	1,682,731	1,450,683	214,831	448,555	198,018	15.32	26.66	13.65
<b>FISH &amp; SEAFOOD PRODUCTS</b>	3,038,105	3,066,280	2,635,176	253,201	280,132	213,332	8.33	9.14	8.10
<b>AGRICULTURAL PRODUCTS TOTAL</b>	10,959,067	10,945,628	11,141,973	1,546,571	1,733,240	1,737,771	14.11	15.84	15.6
<b>AG, FISH &amp; FORESTRY TOTAL</b>	14,797,000	14,786,580	14,487,417	1,841,871	2,051,274	1,989,323	12.45	13.87	13.73

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	2010	2011	2012		2010	2011	2012
China	525,301	686,528	827,244	Taiwan	299,370	286,947	379,163
United States	317,088	380,217	400,986	United States	210,724	274,262	253,201
New Zealand	320,828	397,542	387,402	China	88,633	202,439	247,247
Malaysia	169,700	212,903	332,498	Indonesia	151,631	153,183	241,787
Australia	210,522	244,088	255,863	South Korea	122,487	171,242	197,290
Singapore	103,189	140,300	227,673	Japan	162,181	170,163	188,438
Indonesia	90,203	135,085	150,888	Vanuatu	132,994	127,863	162,247
India	32,966	76,737	130,262	Vietnam	65,907	103,795	134,325
Vietnam	62,957	96,125	127,815	Norway	92,723	105,840	107,894
Netherlands	82,977	127,166	125,895	India	95,433	108,512	107,080
France	75,945	99,256	106,271	Chile	65,220	111,452	90,939
Cambodia	16,677	37,380	95,804	Philippines	30,443	65,528	90,794
Germany	63,777	82,394	85,946	Marshall Islands	38,896	91,641	83,816
Japan	57,635	72,676	83,428	Papua New Guinea	34,973	54,682	74,459
Philippines	56,258	66,532	76,998	Myanmar	66,454	61,448	45,828
Other	323,958	429,202	531,307	Other	462,827	583,967	633,596
World	2,520,410	3,286,741	3,946,280	World	2,116,800	2,689,045	3,038,105

Source: Global Trade Atlas and USDA Bangkok, Thailand

**Table D. Economic Projection 2015 and 2016**

Economic Projection 2015 and 2016					
	Actual Data		Projection		
	2013	2014	2015		2016
			17 Aug 2015	16 Nov 2015	16 Nov 2015
GDP (at current price: Bil.USD)	420.1	404.8	396.2	392.2	386.9
GDP Growth (at constant price, %)	2.8	0.9	2.7-3.2	2.9	3.0-4.0
Investment (at constant prices, %)	-0.8	-2.6	7.0	4.6	9.5
Private (at constant prices, %)	-0.8	-2.0	1.8	-1.3	4.7
Public (at constant prices, %)	-1.0	-4.9	21.8	22.6	11.2
Private Consumption (at constant prices, %)	0.8	0.6	1.8	2.0	2.6
Public Consumption (at constant prices, %)	4.7	1.7	3.8	2.7	3.2
Export volume of goods&services (%)	2.8	-	1.4	0.3	3.1
Export value of goods (Bil.USD)	225.4	224.8	216.9	213.6	220.0
Growth rate (%)	-0.1	-0.3	-3.5	-5.0	3.0
Growth rate (Volume, %)	0.3	0.7	-2.0	-3.0	2.0
Import volume of goods&services (%)	1.4	-5.4	1.6	-0.2	4.0
Import value of goods (Bil.USD)	218.7	200.2	189.2	180.6	190.3
Growth rate (%)	-0.1	-8.5	-5.5	-9.8	5.4
Growth rate (Volume, %)	2.0	-6.8	2.0	-0.1	3.9
Trade balance (Bil.USD)	6.7	24.6	27.7	33.0	29.6
Current account balance (Bil.USD)	-5.2	15.4	18.8	24.9	22.2
Current account to GDP (%)	-1.1	3.8	4.8	6.3	5.7
Inflation (%)					
CPI	2.2	1.9	(-0.7)-(-0.2)	-0.8	1.0-2.0
GDP Deflator	1.6	1.0	(-0.7)-(-0.2)	-0.6	1.0-2.0

Source: Office of the National Economic and Social Development Board, 16 November 2015

<b>Table E. Exchange Rate (2009-2014)</b>						
<b>Exchange Rates</b>						
(Baht per unit of US Dollar annual average)						
	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
US\$	34.29	31.69	30.49	31.08	30.73	32.48
Source: Bank of Thailand						

End of the Report.