



Market Trends and Export of Thai Fruits

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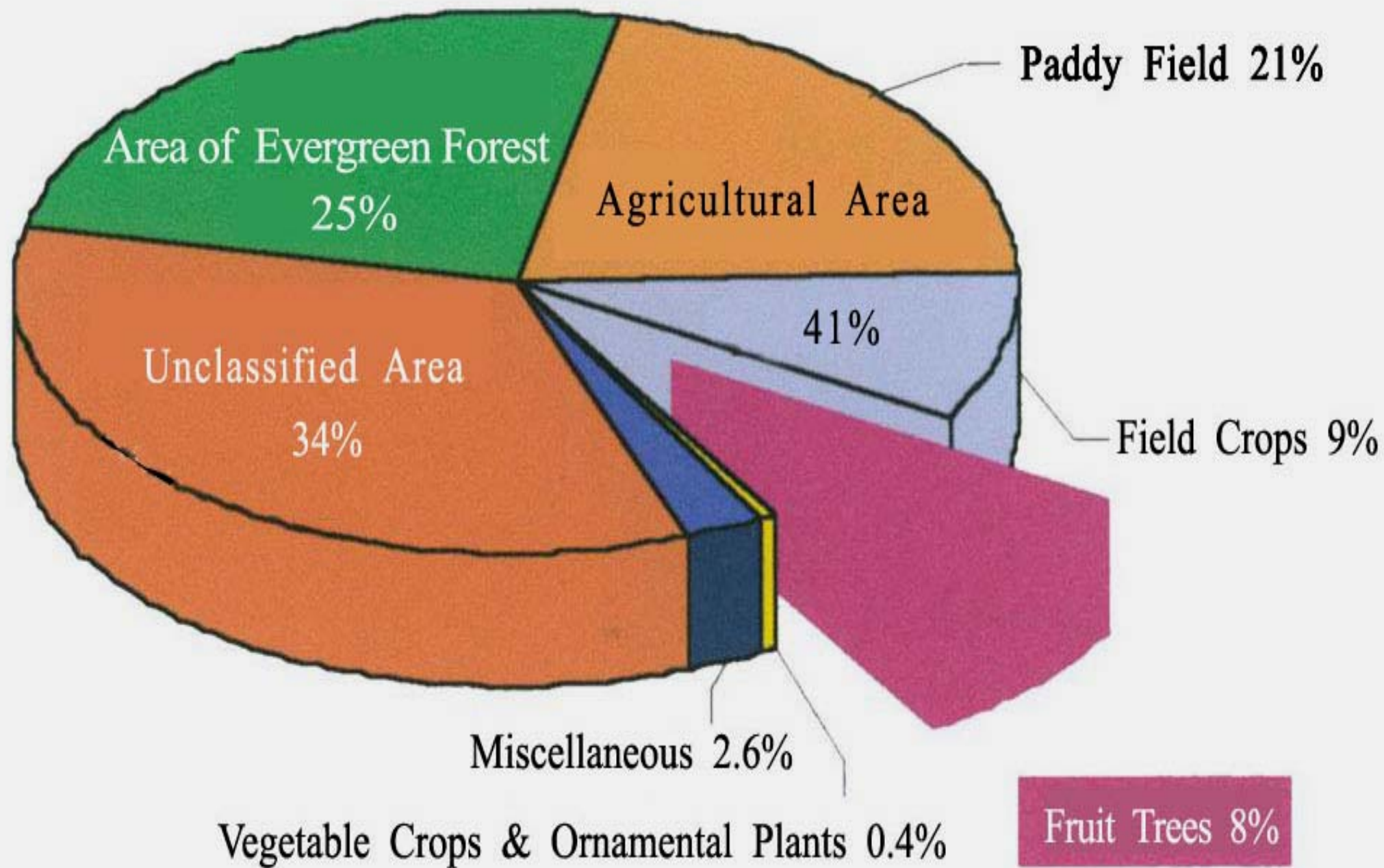


Outline

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- 2. Major Fruits of Thailand**
- 3. Marketing of Major Fruits of Thailand**
- 4. National Policies**
- 5. Strength and Weakness of
Thai Fruit Industry**

1. Introduction

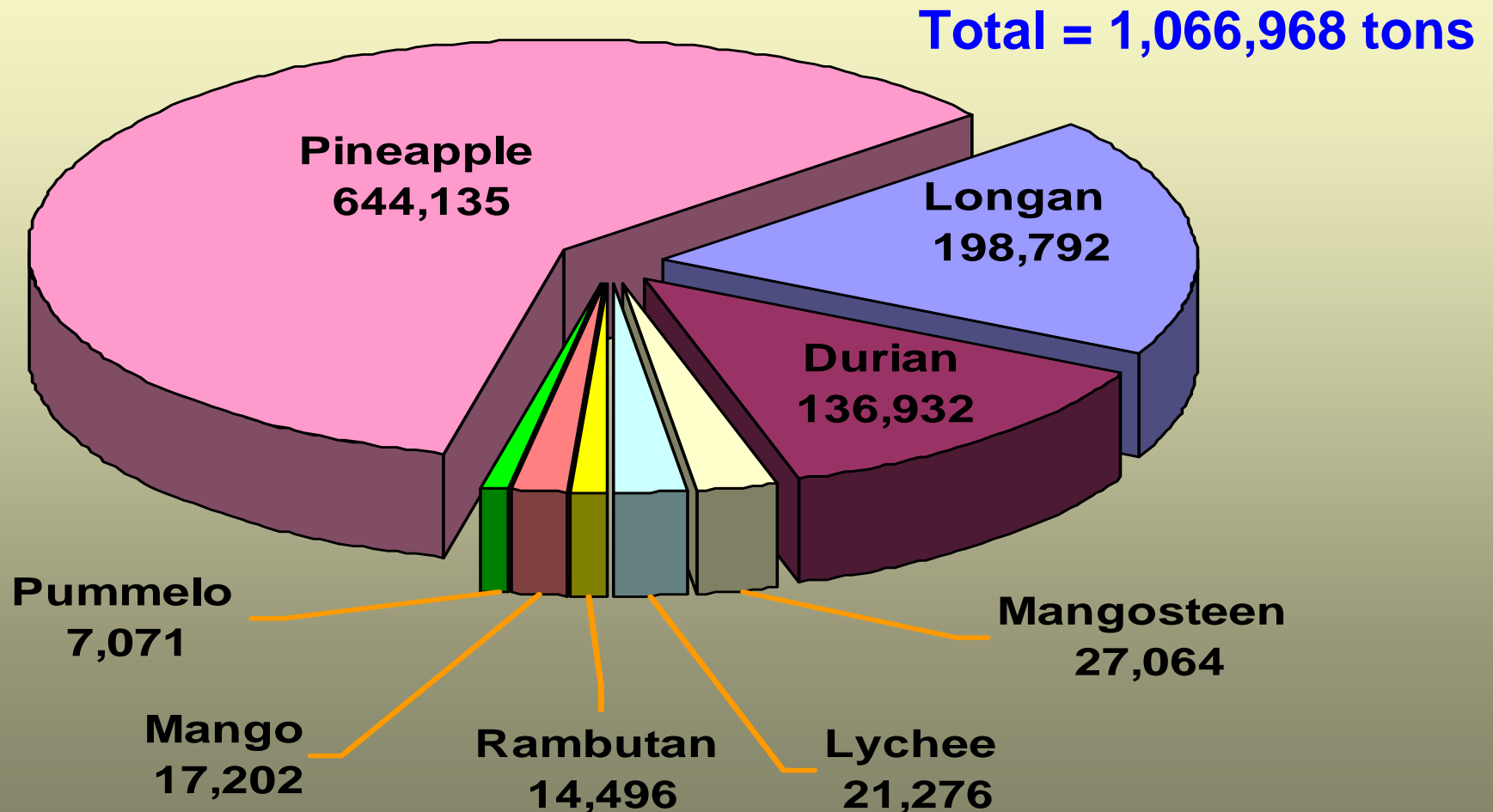
- ❖ Thailand has an area of 51.31 mill. ha
- ❖ Population of 65 mill.
- ❖ Located in SE Asia, 98-108°E, 25-30°N
- ❖ Aver. rainfall: 1,200-1,600 mm
- ❖ Aver. temp.: 25-30°C
- ❖ Suitable to produce a wide range of tropical and sub-tropical fruits



2. Major Fruits of Thailand

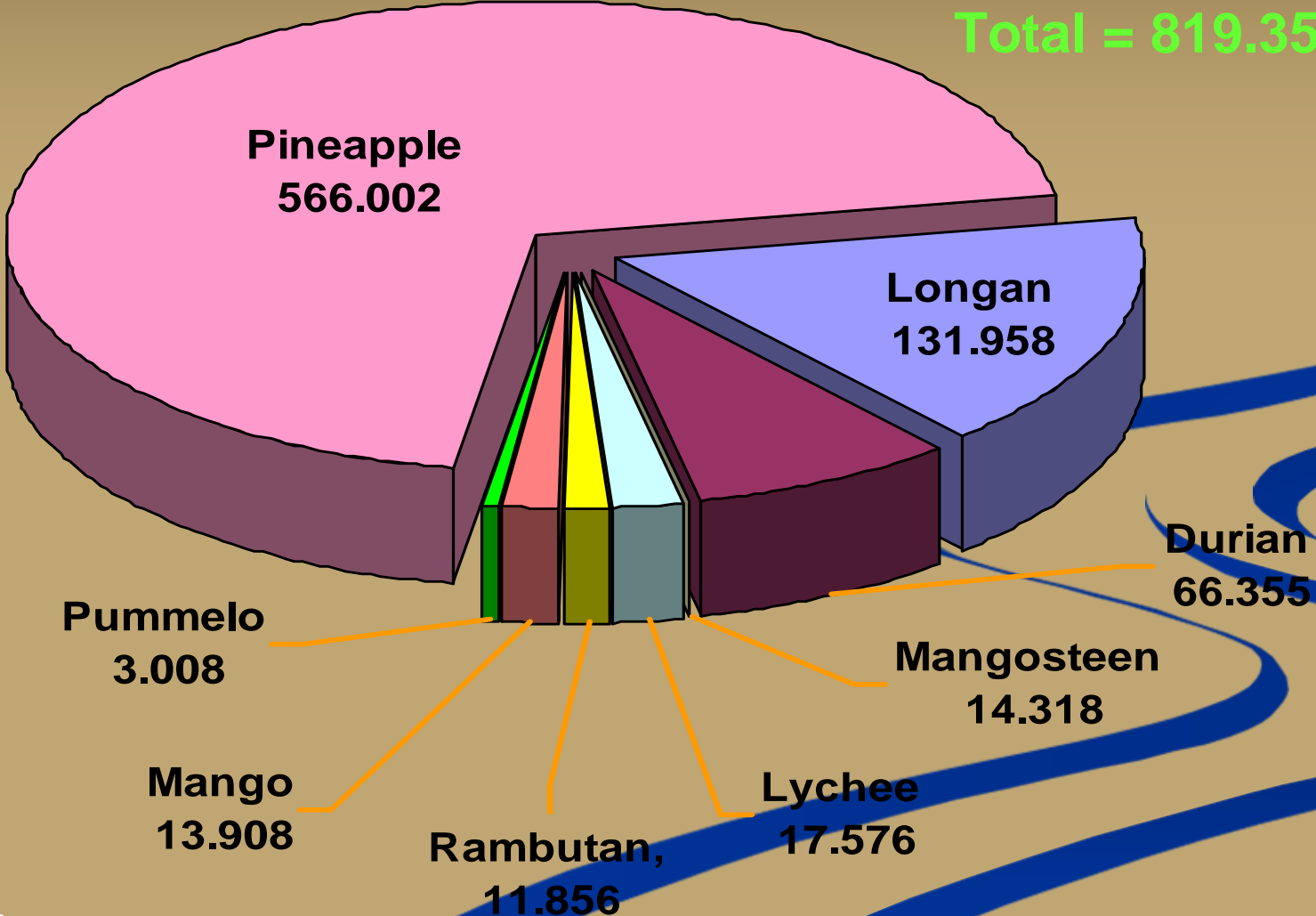
- ❖ Thailand is one of the most abundant sources of tropical fruits in the world**
- ❖ It has high diversification in tropical fruits**
- ❖ Some subtropical fruits are also grown**
- ❖ Thai fruits are popular among consumers throughout the world**

Volume of export of major fruits (fresh fruits and products) of Thailand, average of 2003-2005



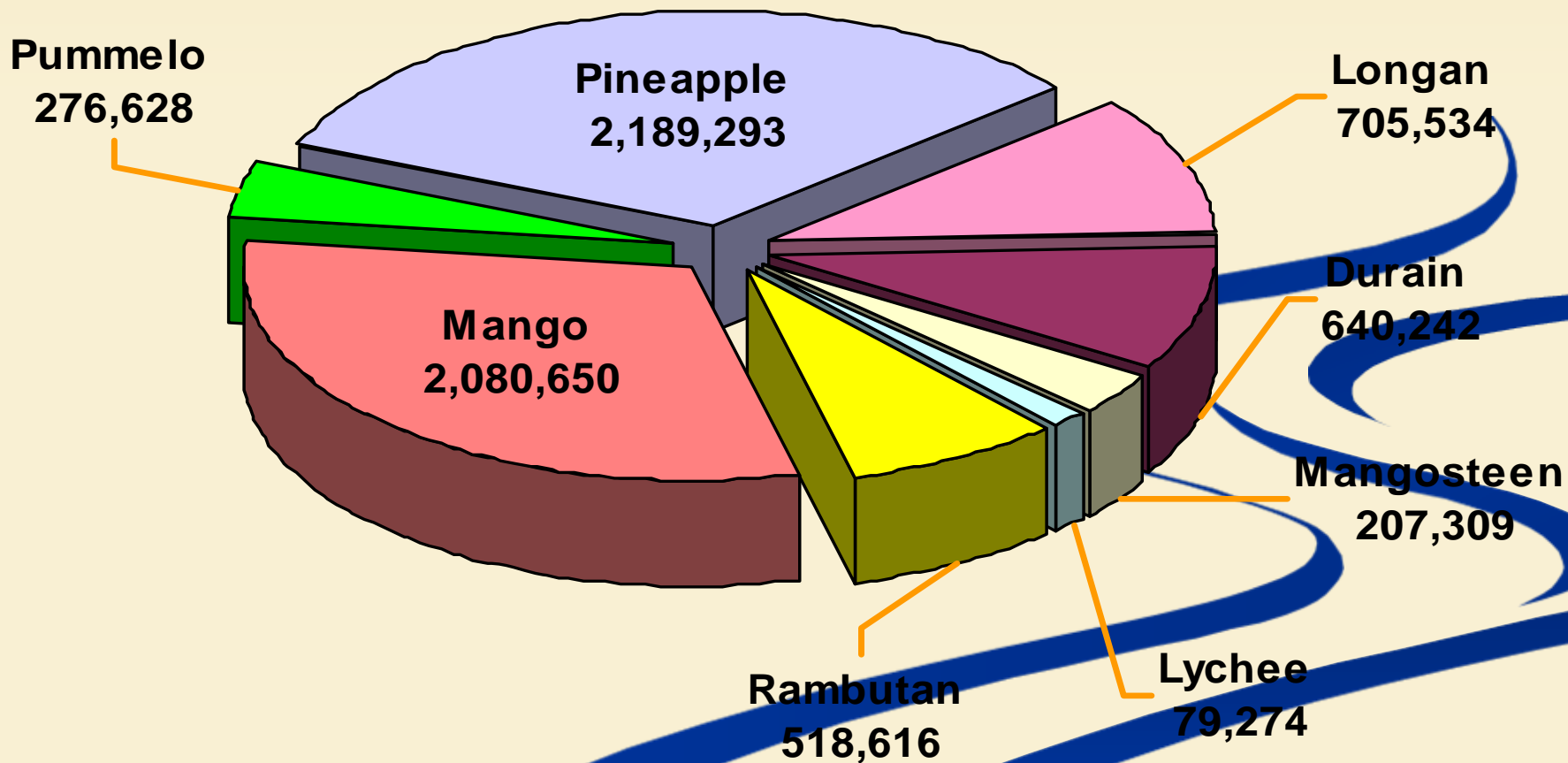
Value of export of major fruits (fresh fruits and products) of Thailand, average 2003-2005

Total = 819.357 US\$ mill.



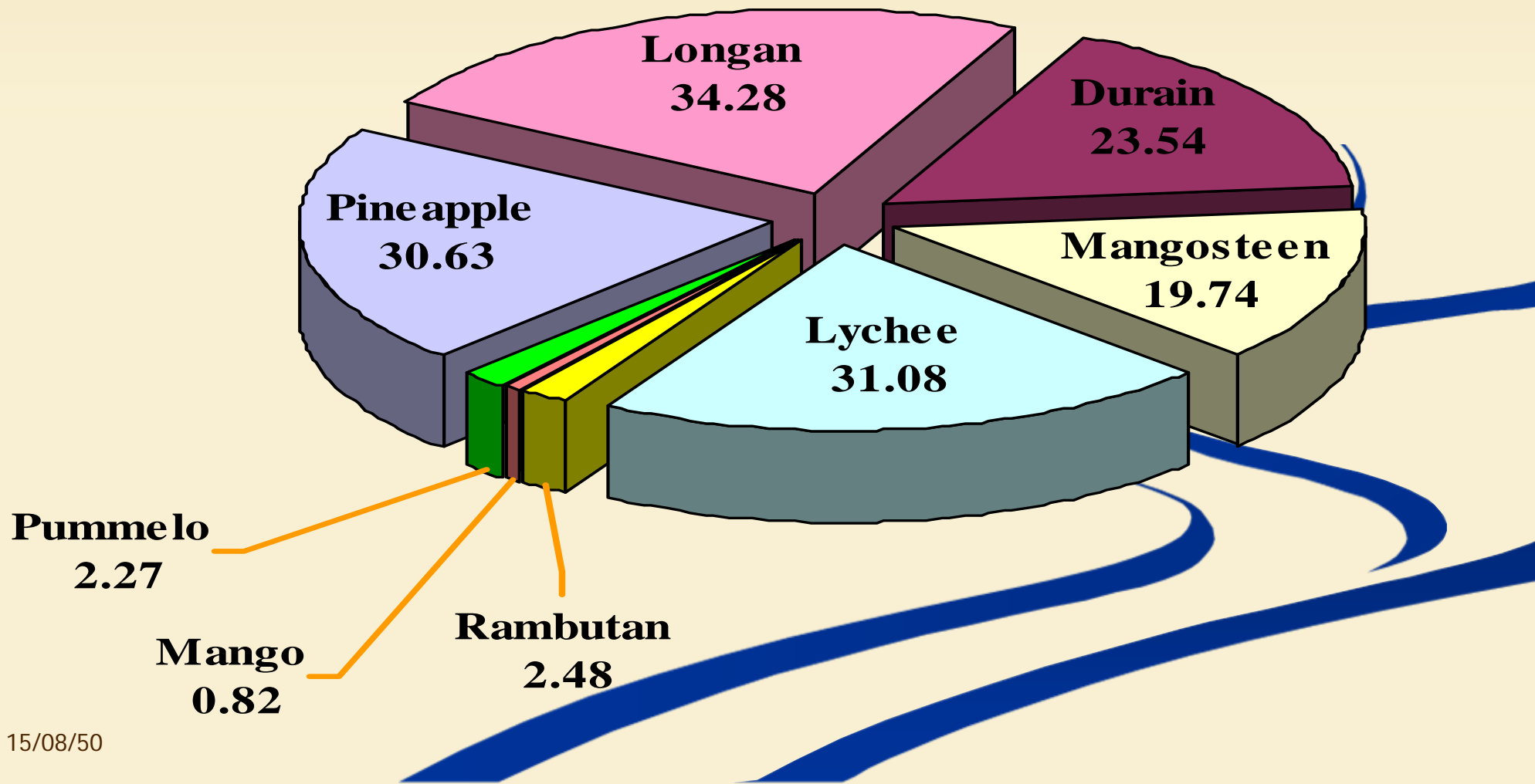
Total production of major fruits of Thailand, 2005

Total = 6,697,546 tons



Percent export of major fruits of Thailand, 2005

Average = 17.40 %



2.1 Longan (*Dimocarpus longana*)

- ❖ Originated in S. China, spread to many countries in Asia: Thailand, India, Myanmar, Sri Lanka
- ❖ Many cultivars developed with thick flesh, small seed, heavy bearer
- ❖ Some acclimatized in other regions with hot & humid climate
- ❖ Off-season cultivars also developed



100 year-old longan tree



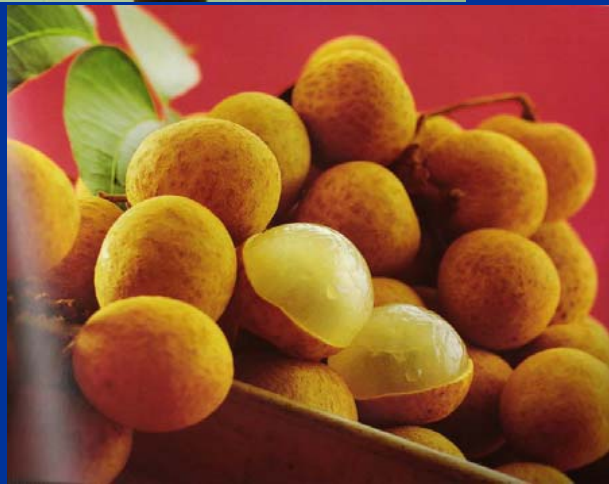
Wonderful setting





Longan

- ◆ 11.1% of total fruit area
- ◆ Commercial cultivars include: 'I Do', 'Haeo', 'Biao Khiao' & 'Si Chomphu'



In 2005:

- ❖ **Area planted: 153,000 ha**
- ❖ **Total production: 706,000 tons**
- ❖ **Export: 242,000 tons = US\$ 143 mill.**
- ❖ **34.3% of total production**
- ❖ **World's largest exporter**
- ❖ **'I Do' occupies 75%; 'Haeo', 'Biao Khiao', 'Si Chomphu', 7% each**

2.2 Durian (*Durio zebethinus*)

- ❖ Originated in Borneo
- ❖ Presently grown in all ASEAN countries
- ❖ Most famous fruit of SE Asia
- ❖ ‘King of Fruits’ and ‘Fruit of Kings’
- ❖ ‘Tastes like heaven, smells like hell’
- ❖ Thai durian has very good taste and mild aroma, some with shriveled seeds

Durian



- ◆ 11% of total fruit area
- ◆ World's largest producer and exporter
- ◆ Commercial cultivars include: 'Mon Thong' 'Chani' 'Kan Yao' 'Kradum'



In 2005:

- ❖ **Area planted: 132,000 ha**
- ❖ **Total production: 640,000 tons**
- ❖ **Export: 150,000 tons**
= US\$ 77.4 mill.
- ❖ **23.54% of total production**









KC FRESH
The Quality and Safety you can trust

**EXPORT QUALITY
READY TO EAT**
All fruit have been washed and trimmed
at standard of 100% LF and 0% GM, Served for Soft (Thailand) LM

Durian

Best before **26/01/05** Net Wt **200g**

Best stored in a refrigerator for quality control



Durian

2.3 Mangosteen ***(Garcinia mangostana)***

- ❖ **Originated in Sunda Islands**
- ❖ **'Queen of Fruits'**
- ❖ **Widely grown in SE Asia and other tropical countries in the Americas**
- ❖ **Thai mangosteen attracts foreigners**
- ❖ **Marketed in Europe and Middle East & many Asian countries such as Japan and China**

Mangosteen

- ◆ 5% of total fruit area
- ◆ Grown in the East and the South



In 2005:

- ❖ **Area planted: 67,000 ha**
- ❖ **Total production: 207,000 tons**
- ❖ **Export: 41,000 tons = US\$ 21 mill.**
- ❖ **19.74% of total production**
- ❖ **World's largest exporter**

In 2005:

- ❖ **Area planted: 67,000 ha**
- ❖ **Total production: 207,000 tons**
- ❖ **Export: 41,000 tons = US\$ 21 mill.**
- ❖ **19.74% of total production**
- ❖ **World's largest exporter**



2.4 Lychee (*Litchi chinensis*)

- ❖ Originated in Southern China
- ❖ Introduced from China during the reign of King Rama II, grown in the lowland near Bangkok
- ❖ Acclimatized to new habitat and bear fruit annually – ‘Khom’, ‘Chakkraphat’
- ❖ Main production area in the North
- ❖ New cultivars developed by Thai farmers include ‘Hong Huai’, ‘Kim Cheng’, ‘O Hia’

Lychee

- ◆ 2.1% of total fruit area
- ◆ Commercial cultivars include: 'Hong Huai', 'O Hia', 'Chakkraphat'



In 2005:

- ❖ **Area planted: 28,000 ha**
- ❖ **Total production: 79,000 tons**
- ❖ **Export: 25,000 tons**
= US\$ 18.5 mill.
- ❖ **31.1% of total production**



2.5 Rambutan (*Nephelium lappaceum*)

- Originated in Malaysia and Indonesia
- Grown in most ASEAN countries
- Two cultivars 'Rong Rian' (77%) and 'Si Chomphu' (23%) have loosened seed coat easily separable from juicy pulp
- De-seeded rambutan stuffed with a chunk of pineapple and canned in syrup is a unique blend of taste of the two fruits

Rambutan



- ◆ 7% of total fruit area
- ◆ Commercial cultivars include:

* 'Rong Rian'

* 'Si Chomphu'

In 2005:

- ❖ **Area planted: 84,000 ha**
- ❖ **Total production: 519,000 tons**
- ❖ **Export: 84,000 tons**
= US\$ 11.55 mill.
- ❖ **2.48% of total production**
- ❖ **Largest producer and exporter of
canned rambutan**





‘Si Chomphu’



‘Rong Rian’

2.6 Mango (*Mangifera indica*)

- **Native to Indo-Myanmar region, cultivated 4000 years ago**
- **Popular in Thailand and other Asian countries**
- **Many cultivars, some are very sweet, eaten with glutinous rice; others are eaten green**

Mango

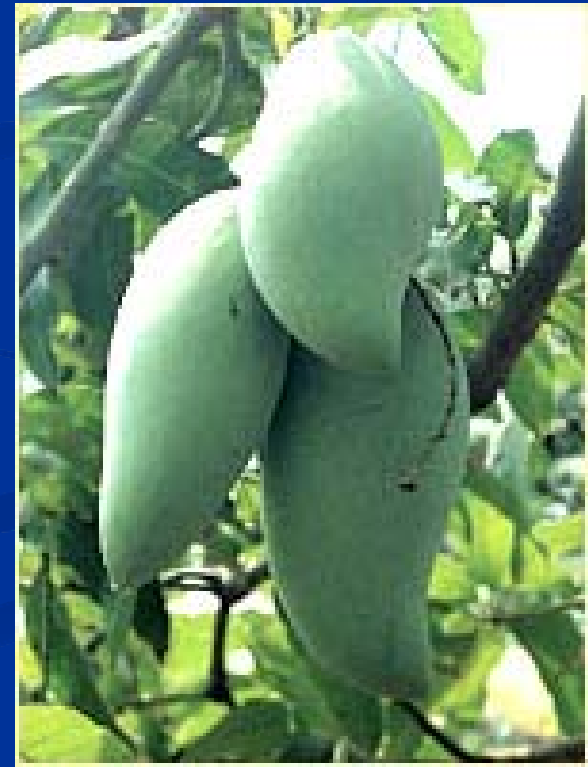
- ◆ 21% of total fruit area

- ◆ 20 cultivars grown

commercially, e.g. 'Nam Dok

'Mai Si Thong', 'Khiao Sawoei',

'Thong Dam' 'Maha Chanok'



In 2005:

- ❖ **Area planted: 316,000 ha**
- ❖ **Total production: 2.08 mill. tons**
- ❖ **Export: 17,000 tons**
= US\$ 13.16 mill.
- ❖ **0.82% of total production**





'Maha Chanok'



**‘Kaeo’- mango
for processing**



‘Nam Dok Mai Si Thong’



'Khiao Sawoei'



'Nang Klang Wan'



'Raet'

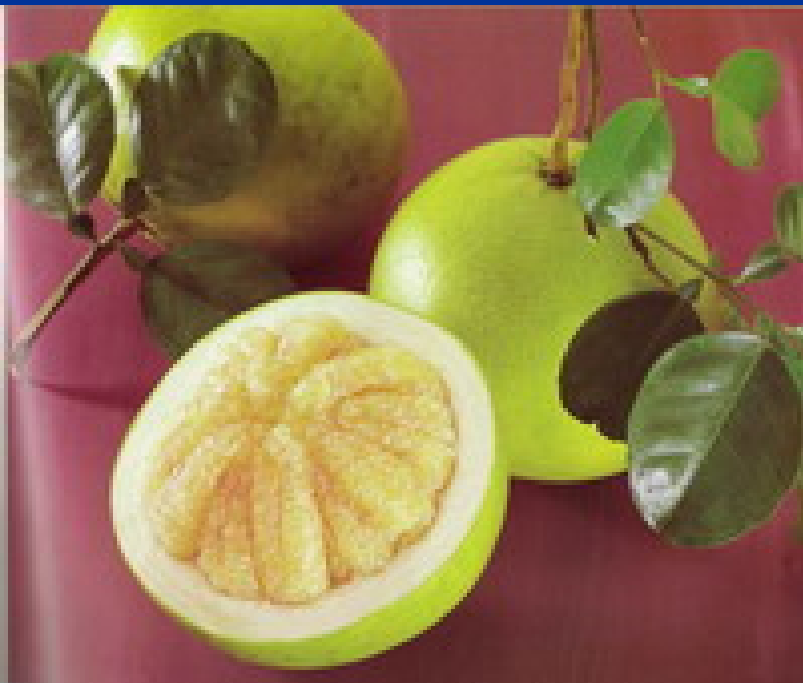
2.7 Pummelo (*Citrus maxima*)

- Considered one of the best fruits of SE Asia where it originated
- Largest of all citrus fruits, with thick skin, making it suitable for long-storage period
- Edible pulp is juicy, tasteful and rich in vitamins A, B1, C
- Thai pummelos are superior in quality having exceptional taste and flavor with no seed

Pummelo

- ◆ 3% of total fruit area
- ◆ Commercial cultivars

include: 'Thong Di',
'Khao Namphueng',
'Khao Paen', 'Khao
Phuang', 'Khao Yai',
'Khao Taengkwa',
'Tha Khoi'



In 2005:

- ❖ **Area planted: 31,000 ha**
- ❖ **Total production: 277,000 tons**
- ❖ **Export: 6,000 tons**
= US\$ 2.85 mill.
- ❖ **2.27% of total production**



‘Khao Paen’

‘Thong Di’



2.8 Pineapple

- **Originated in tropical South America**
- **Spread over many tropical countries, esp. ASEAN countries**
- **Highly adaptive to growing conditions in Thailand**



Pineapple

- ◆ World's largest producer
(19% of world's total output)
- ◆ Commercial cultivars include:



- ◆ Pattawia (Smooth Cayenne)
- ◆ Phuket (Malacca Queen)
- ◆ Nang Lae



In 2005:

- ❖ **Area planted: 96,000 ha**
- ❖ **Total production: 2.2 mill. tons**
- ❖ **Export: 671,000 tons = US\$ 551 mill.**
- ❖ **30.63% of total production**
- ❖ **Ranks first in the world in the export of canned pineapple**



‘Phetchaburi’

15/08/50



‘Phuket’



‘Si Racha’

The background of the slide is a vibrant collage of various fruits. On the left, there are several whole lemons and some sliced into wedges. In the center, a large pineapple is prominent, with a slice cut out. Below it, there are several mangoes, some whole and some sliced. On the right, there are several small bowls containing sliced fruits, possibly papaya or mango. The overall color palette is dominated by yellows, oranges, and greens, representing fresh tropical produce.

3. Marketing of Major Fruits of Thailand



3.1 Domestic Market

3.1.1 Marketing System

- ❖ **Supply and demand are important mechanism mobilizing commodities from production origin to consumers**
- ❖ **Operates from local traders through wholesalers to retailers**
- ❖ **Transportation is the most important component of marketing cost**
- ❖ **Fruit processing is highly developed**



CP-MEIJI

Thai Fresh
Mango
FOR JAPAN



Thai Fresh
Mango
FOR JAPAN



ส้มสายชูกุ้ง



มังคุด

Mangosteen

山竹
正大水果



Mangosteen

山竹
正大水果



山竹
正大水果



FOR JAPAN
Thai Fresh

Mangosteen

FOR JAPAN

CP Fruit Safe

3.1.2 Price Determination

- ❖ **Local traders offer farmers a buying price based on market info. of the previous days**
- ❖ **Advanced farmers contact wholesalers directly, arrange shipment, and inform price later on**
- ❖ **Having good transportation facilities, truck merchants & farmers step in trading business**
- ❖ **Some farmers sell produces directly in big cities**



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3.1.3 Wholesale Markets

- ❖ **Previously only two existed: At Pak Khlong Talat and Wang Maha Nak**
- ❖ **Now many exist in Bangkok, its outskirts & neighboring provinces**
- ❖ **Market competitiveness has become more intense than ever**

3.1.4 Marketing Infrastructure

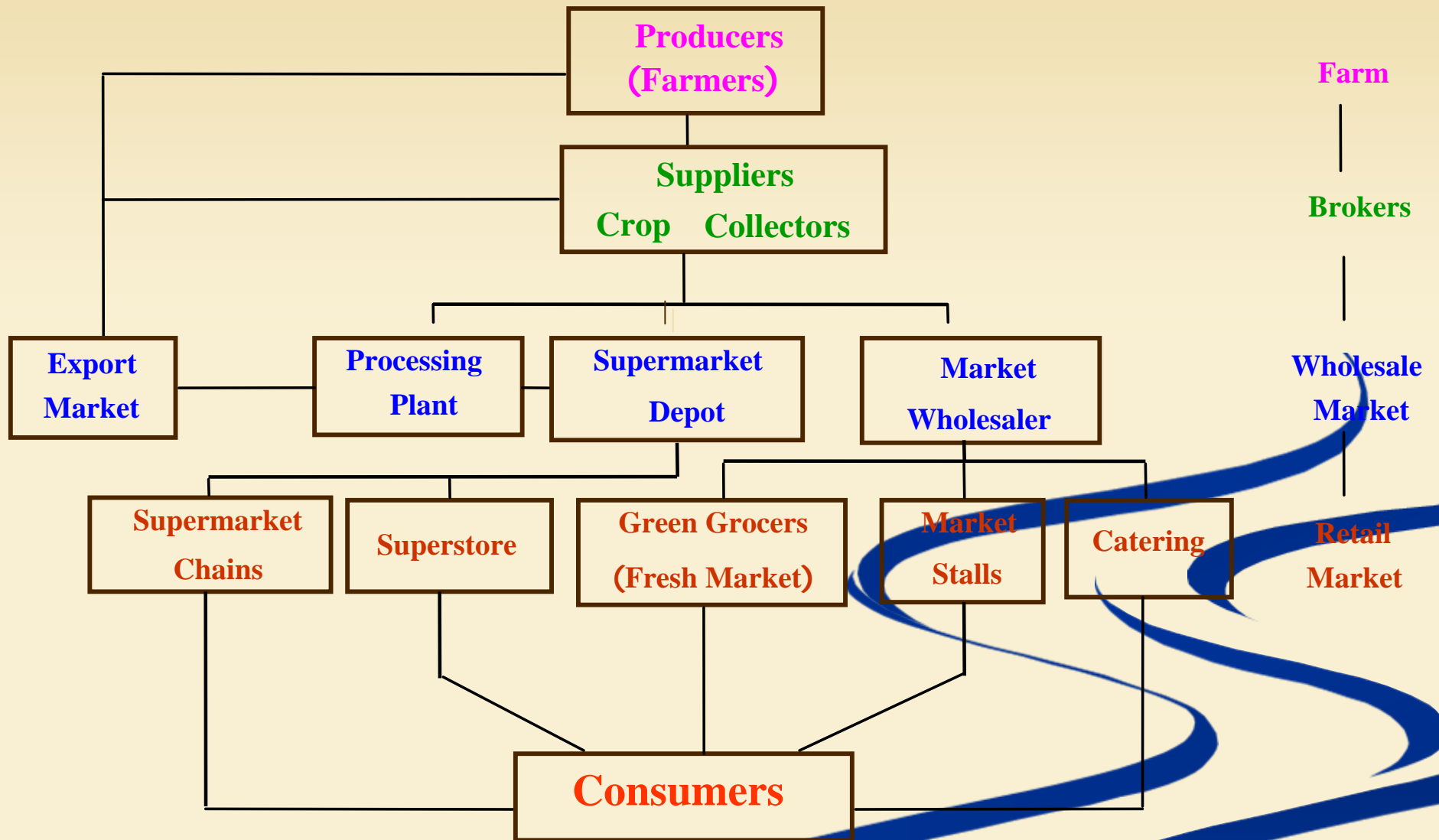
- ❖ **A “one-stop” service policy developed at central markets**
- ❖ **To shortcut handling, grading, packaging, quality control, custom facilities**

3.1.5 Marketing Channels

- ❖ **Main channel: From farm through brokers - wholesalers - retailers - consumers**
- ❖ **80% domestic market.**
- ❖ **20% fresh and processed fruits for export**



MONTHONG 全枕
CHANEE 青枕
KRADUM 甲倫



Marketing channels of fresh and processed fruits in Thailand

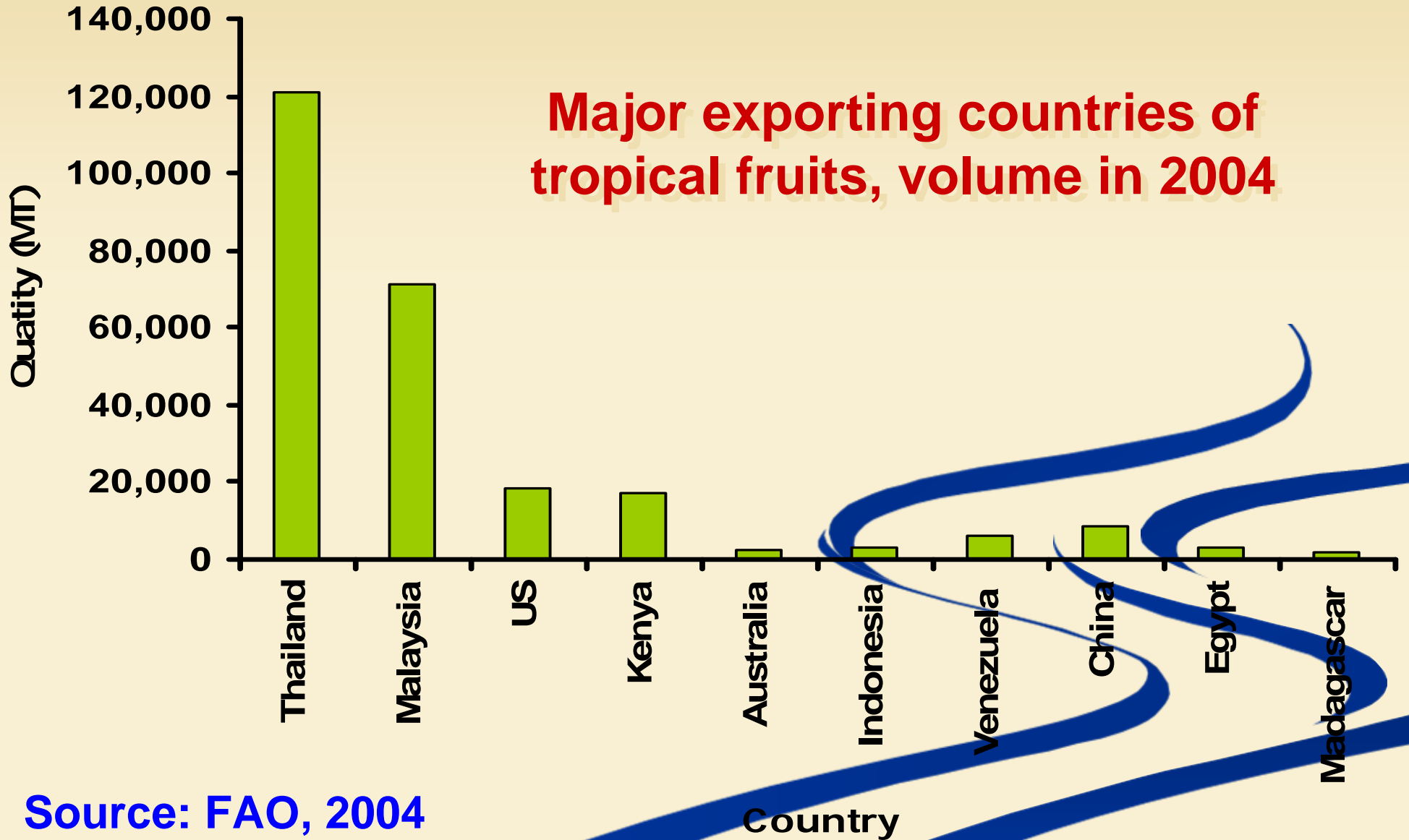
3.1.6 Modern-Trade System

- ❖ **Two big wholesale markets near Bangkok: Talat Thai and Si Mum Mueang**
- ❖ **Several exists in the provinces**
- ❖ **Retail markets: hypermarkets, supermarkets, convenience stores**
- ❖ **Buy fruits from wholesale markets or brokers linked to growers' networks**



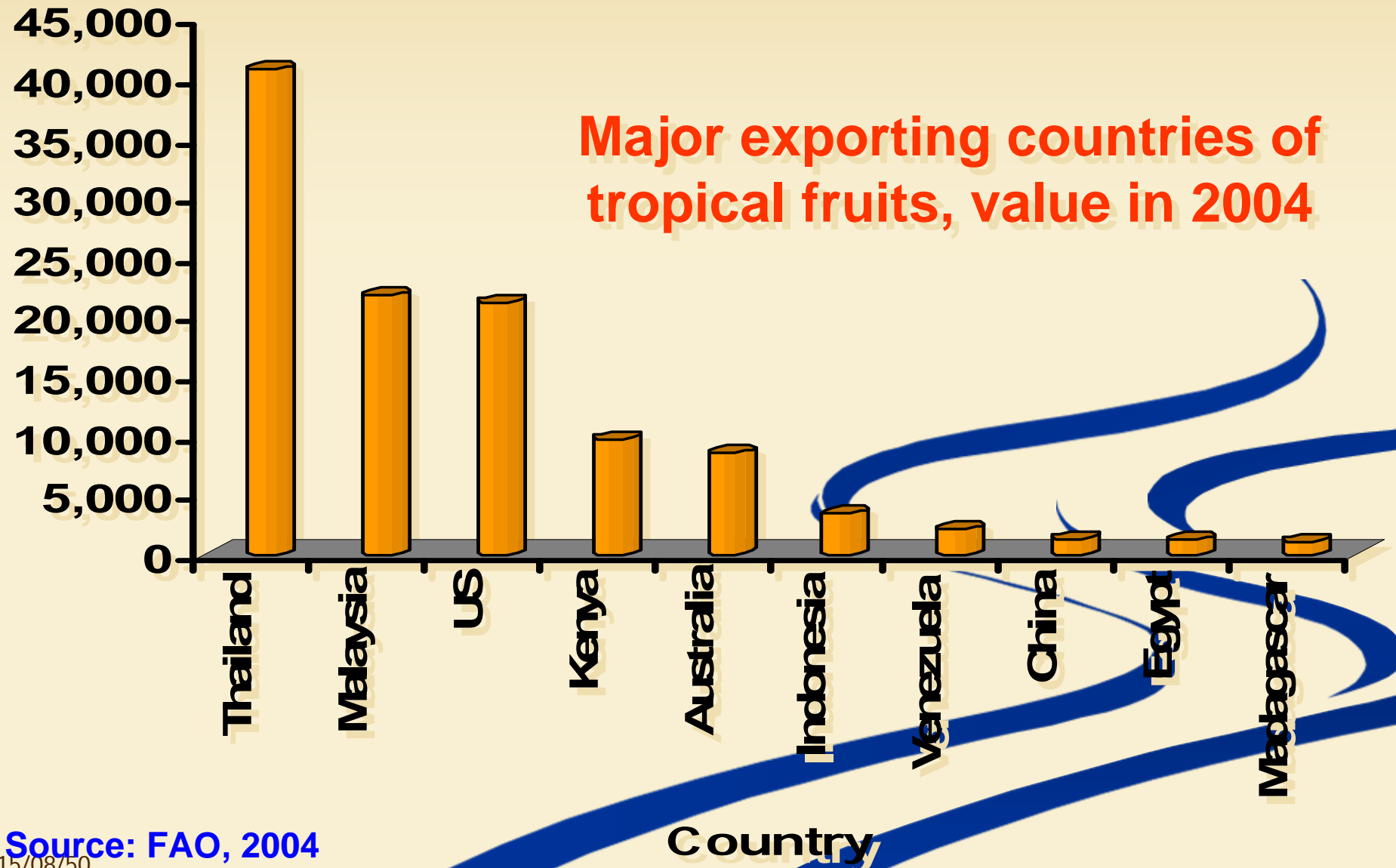
3.2 Export Market

Major exporting countries of tropical fruits, volume in 2004



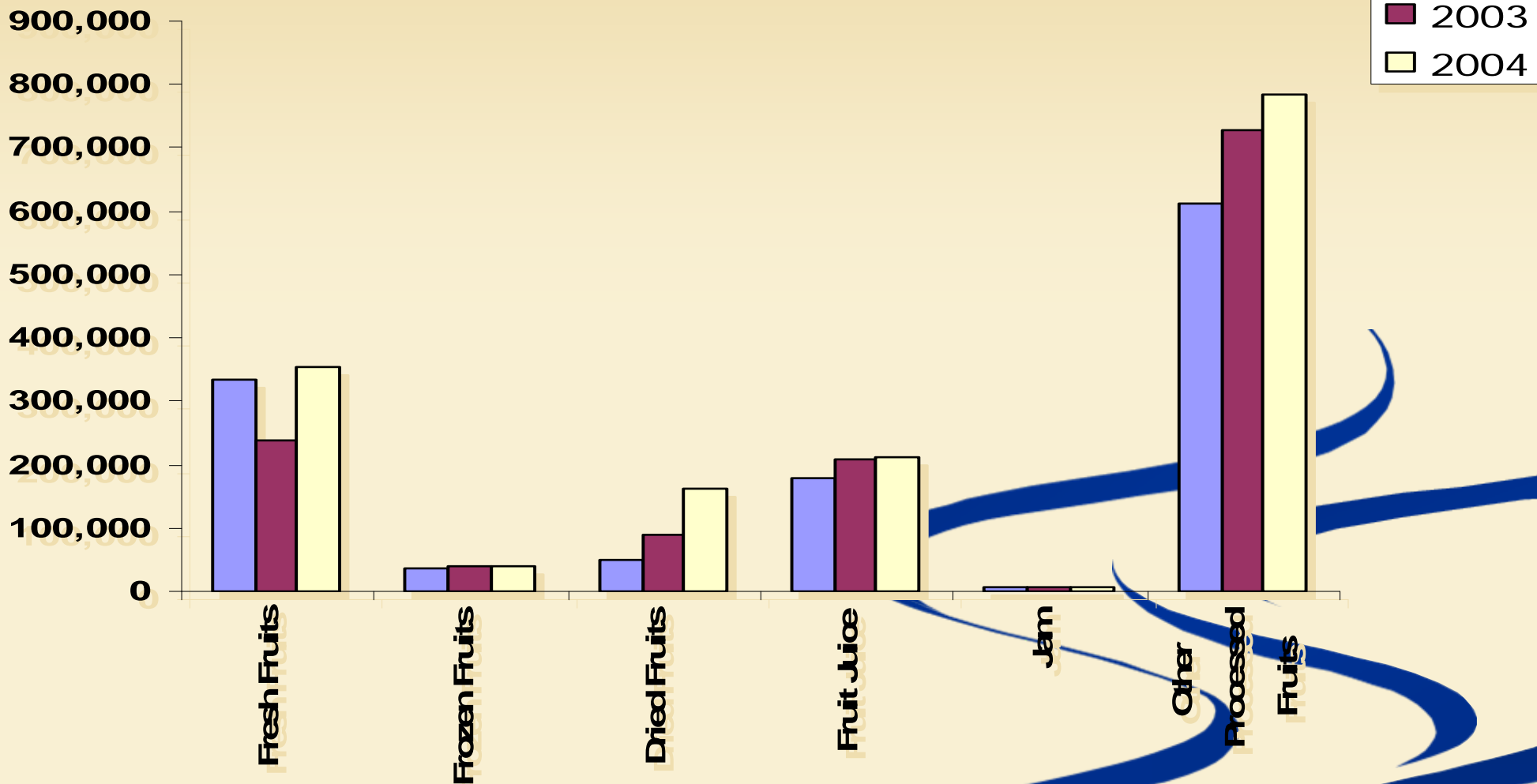
Source: FAO, 2004

Value (000 US\$)



Source: FAO, 2004
15/08/50

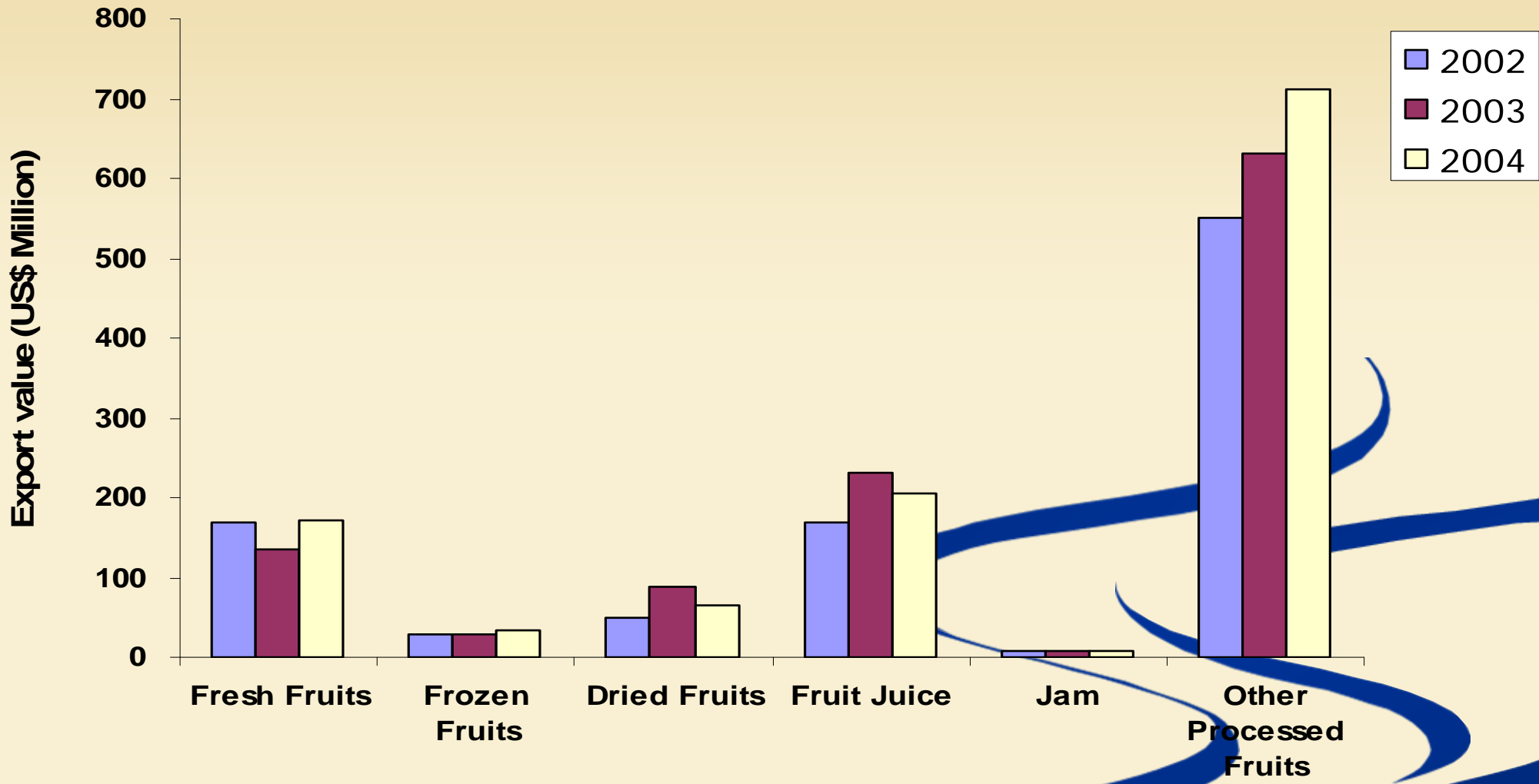
Quantity (Mt)



Details

Volume of export of various products of tropical fruits from Thailand

15/08/50



Details

Value of export of various products of tropical fruits from Thailand

4. National Policies

- ❖ **Free Trade Area (FTA) policy: Proactive strategy in opening markets for trade, investment, service, custom procedure and intellectual property**
- ❖ **FTA between China & Thailand: Import increased by 128% while export increased by 70%**
- ❖ **More FTA: India, Australia, Japan, US, Bahrain, Peru, S. Korea, Bhutan, Bangladesh, Sri Lanka**

5.1 Strength of Thai Fruit Industry

- ❖ **Being small growers, they handle business effectively**
- ❖ **Good logistics for local and export markets**
- ❖ **Suitable climatic condition yielding good quality fruits**

5.2 Weakness of Thai Fruit Industry

- ❖ **Growers not well organized**
- ❖ **Growers do not have experience**
- ❖ **High cost of production as compared to market price**
- ❖ **Labor shortage**



Thank you