

ADB commits \$2m to promoting climate-smart agriculture in Thailand's North

The Asian Development Bank (ADB) and the government announced a US\$2-million grant to help promote the adoption of climate-smart agriculture in the North of Thailand.



The grant, provided by the Japan Fund for Poverty Reduction, will see local governments teaching highland farmers climate-resilient practices and providing technology for improving productivity, value addition and food traceability, while tapping local knowledge to enhance food security in a changing climate.

“Providing opportunities to raise income will help reduce poverty and income inequality, and boost the resilience of highland communities and their ecosystems,” said Srinivasan Ancha, ADB’s principal climate-change specialist for Southeast Asia. “The grant will improve local governments’ technical and institutional capacities and help them integrate climate-change adaptation in agricultural planning. It will also help boost rural employment and support Thailand’s economic recovery amid the COVID-19 pandemic.”

The grant was launched in a virtual ceremony attended by Agriculture and Cooperatives Minister Chalermchai Sri-on, the ministry’s permanent secretary Thongplew Kongjun, ADB Thailand’s director Hideaki Iwasaki, and Asian Institute of Technology president Eden Woon.

Also present were officials from different ministries including Finance, Commerce, and Natural Resources and Environment, as well as representatives from the Embassy of Japan and the Japan International Cooperation Agency.

Poverty in Thailand is concentrated in the North, with average household incomes there less than half of that in Greater Bangkok. Rural households are aging rapidly as younger generations continue migrating to urban areas. The area also suffers frequent droughts and floods, as well as rising temperatures. Private sector investment in highland agriculture have been limited, largely because of the high cost of logistics and limited capacity of farmers to grow safe, high-quality agri-food products. Unsustainable farming practices and natural resource degradation, exacerbated by climate change, have led to low productivity and unstable incomes.

The technical assistance aims to draw a roadmap for provincial governments to reverse the above trends and attract investment in agriculture, agribusiness and horticulture value chains in order to boost farm

productivity and rural incomes, while reducing greenhouse gas emissions and vulnerability to climate change. Lessons learned from this technical assistance may be applied to similar agricultural systems of Thailand's neighbours, thus offering opportunities for cross-country knowledge sharing through the Greater Mekong Sub-region programme.

The grant will help the government promote climate-friendly agribusiness, identify opportunities for value-added agri-foods, and improve market connectivity, which can promote private sector investments and support post-pandemic economic recovery.

The assistance can help upgrade the skills of returning migrants from urban areas, which is key to addressing income disparities that are worsened by supply chain disruptions amid the pandemic.

ADB has so far committed \$8.55 billion for 100 loans, three grants, and 179 technical assistance projects for Thailand.

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