

Thai food exports thrive amid global challenges

In a collaborative effort, the Federation of Thai Industries (FTI), the Thai Chamber of Commerce (TCC) and the National Food Institute, delve into the trajectory of the agricultural and food business sector amid global uncertainties.



Anong Pajitrapaporn, executive director of the Industry Ministry's National Food Institute, highlighted the sector's resilience.

Thai food exports in the first nine months of this year reached 1.16 trillion baht, marking a 4.6% increase, buoyed by drought conditions that curtailed agricultural production, driving demand across ASEAN and South Asia.

Despite a dip in Thai agricultural production, exports saw a surge due to increased market demand owing to the effects of El Niño, particularly in fresh fruits, rice, and sugar.

The Chinese and ASEAN markets played key roles, with a notable expansion of orders for fresh fruits, rice and sugar.

However, certain product categories faced contractions due to economic slowdowns in major trading partners like the US, Europe, China and Japan.

Challenges in agricultural raw material production, including cassava, pineapple and skipjack tuna, posed hurdles except for shrimp, which encountered low prices.

Projections for 2023 estimate Thai food exports to reach 1.55 trillion baht, marking a 5.5% increase, while the forecast for next year expects a 6.5% growth, reaching 1.65 trillion baht.

This growth is underpinned by the new government's stimulation policy, a growing domestic economy and emerging markets in the service and tourism sectors.

The Thai food industry has been propelled by concerns about food security among trading partners, El Niño-induced impacts, increased food demand and a stable Thai baht.

A favourable exchange rate in 2024, averaging at around 35 baht to the greenback, should support international tourism recovery and contribute to Thailand's balance of payments.

Chantanon Wannakejohn, secretary-general of the Office of Agricultural Economics, said the agricultural economic trend's expected growth of 1.5 to 2.5% compared to the previous year.

Government policies, consumer demand and improved farm management are driving factors, contributing to the positive trajectory.

Despite potential risks from weather fluctuations, disease outbreaks and insects, Thailand's food industry has remained robust, increasing its share in the global food market to 2.47% from last year's 2.25%.

Thailand is now the 12th largest food exporter globally, presenting significant economic opportunities despite looming challenges.

This year's achievements underscore Thailand's rise in the global food market, positioning it as a key player in the industry's evolution, Chantanon said.

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