

MOAC Holds Up "Grisada Model" Prototype of National Agricultural Production Plan

Minister of Agriculture and Cooperatives holds up "Grisada Model" based on corn-growing promotion scheme after rice harvesting which is a prototype of agricultural production planning for the country. In the future, farmers must create a group and produce in correspondence to market demand in order to avoid encountering with slump in prices and earning a stable income.

Today (24 January 2019) Mr. Grisada Boonrach - Minister of Agriculture and Cooperatives (MOAC) visited Baan Puey, Village No.5 in NoonTan Sub-district, Nong Ruea District, Khon Kaen Province and followed up on the progress of a corn-growing promotion scheme after rice harvesting under the government's public-private partnership initiative "San Palang Pracharat" at corn-growing plots of Mrs. Thongthiang SudJom and Mr. Samli Lontom, members of the Nong Rua District Agricultural Cooperative.

Mr. Grisada Boonrach said that corn-growing promotion scheme after rice harvesting is an important policy of MOAC, aiming to create a balance of rice production to meet market demand by reducing the areas of rice growing and switching to grow other potential crops whose market management is viable. This year corn-growing promotion scheme is a pilot program as studies of market demand unveiled that corn yield in Thailand is not enough to meet demand. Currently, we produce 5 million tons of corn per year, but the market demand is 8 million tons - 3 million tons is missing. Before implementing this promotion scheme, MOAC studied various agricultural patterns of the developed countries including reports of the assignment directed to Minister Counsellor (Agriculture) from 11 Offices of Agriculture Affairs in 9 countries such as Europe, Australia, China, Japan, etc... So we found that basically farmers created a group and surveyed market demand first prior to growing crops, raising livestock and fishing in order to balance on agricultural products and demand, not oversupply until slump in prices or lower price manipulated by the middleman.

Mr. Grisada said that MOAC has adjusted a working environment by integrating works among concerned Departments. Just before implementing the corn growing promotion scheme, the Land Development Department conducted a land survey to assess proper qualification. The Royal Irrigation Department explored the potential and delivered adequate water supply throughout the growing season of 4 months. The Department of Agricultural Extension gave advice on planting and management. Fertilizer and pest control was recommended by the Department of Agriculture. The Department of Livestock Development coordinated with the Animal Feed Manufacturers Association to make a contract, while the Cooperative Promotion Department supported agricultural cooperatives to become core business units in providing basic seeds and producing factors as well as in collecting and purchasing products to be delivered further to animal feed manufacturers. Currently, the purchasing points were established in all districts of 37 provinces which make farmers not to transport their products to sale for a long distance in which increases the transportation costs. Mr. Grisada said that in Khon Kaen province, farmers have already grown corn for 45 days and are expected to harvest at the end of April or beginning of May. The Animal Feed Manufacturers Association stated that dried corn has high quality and low in moisture due to no rain - less damaged seeds. Furthermore, The Crop Seed Association of Thailand also joined to provide farmers with knowledge sharing, demonstrated plots and coaching all the processes until harvesting. The expected yield of corn per rai is 1,200 kilograms. So, if extra care, farmers can increase yields by up to 1,500 - 1,800 kilograms per rai. For instance, Uttaradit province and

Phitsanulok province are hailed as the successful models. After deducting all production costs, the farmers will earn a profit of 3,000 - 4,000 baht, while rice gained only 300 - 400 baht per rai. Therefore, growing corn received 10 times more profitable than rice. MOAC will use corn growing promotion scheme as a prototype to grow other crops such as soybeans, green beans and vegetable from off-season rice in the following year. This requires large-scale farming or co-operatives so that farmers can reduce production costs and have more bargaining power in selling, fair purchase deals and not being under price manipulation by the middleman as in the past.

According to the farmer's database, Thailand has 7.5 million agricultural households. From now on, we are approaching the National Agricultural Production Plan to ensure that all products are bought with fair deal. In case that there is a disaster, insurance schemes will be held liable to pay for compensation. Henceforth, the government will no longer use large amount of budget to pledge for product or to purchase at market price. The preceding year, hundreds of millions baht was spent on purchasing of product including rent a warehouse for storage, whereas production's quality deteriorates or keep disappearing. Even with the new government, this "Grisada Model" still remain functioning as the guideline for making farmers' income stable and sustainable.

Mr. Wisit Srisuwan - Deputy Director-General of the Cooperative Promotion Department said that Khon Kaen Provincial Agriculture and Cooperatives Office in collaboration with the Farmer Agency participated voluntarily under the government's public-private partnership initiative "San Palang Pracharat" to support corn growing promotion scheme after rice farming season in the amount of 1,053 cases with total plantations of 6,389.75 rai which is expected to produce 9,781 tons of corn yield. There are 64 cooperative members with 315 rai of plantations. The Cooperative will play an important role in driving the promotion scheme by managing the production processes starting from promoting production; supplying seeds and productive factors; coordinating with agricultural technicians to transfer knowledge for maintaining the plantation; harvesting, collecting and finding market and buyers for farmers. Furthermore, in Khon Kaen province, there is Agricultural and Cooperatives Office which is ready to set up 10 corn purchasing points namely, Nong Ruea Agriculture Cooperative Limited, Baan Fang Agriculture Cooperative Limited, Phu Wiang Agriculture Cooperative Limited, Chum Phae Agriculture Cooperative Limited, Nampong Agriculture Cooperative Limited, Khao Suan Kwang Agriculture Cooperative Limited, Kranuan Agriculture Cooperative Limited, Ubonrat Agriculture Cooperative Limited, Mancha Khiri Agriculture Cooperative Limited and Chonnabot Agriculture Cooperative Limited which have equipments, markets including warehouses and drying yards. The locations are completely for collecting corn from farmers before being sold to a private company in Chum Phae district, dehumidified and dried, separated, purified and delivered to the Animal Feed Milling Industry. This promotion scheme is a linkage of integrated corn management cooperation between government, cooperatives and private sectors.

Mr. Wisit said - corn plantation belongs to Mrs. Thongthiang Sud Jom and Mr. Samli Lantom - members of Nong Rua Agricultural Cooperative Ltd. who just switch to corn planting after their first harvest of rice. Anyhow, the original areas were paddy field and vegetable garden growing with groundwater resources. The decision of farmers to participate in corn growing promotion scheme after rice harvesting is due to strong believe in government support measures. Firstly, there is a soft loan with low interest rate of only 0.01 percent per year via the Bank for Agriculture and Agricultural Cooperative (BAAC). Secondly, it is an insurance

scheme if crop is destroyed by a disaster. And finally, government coordinates with the Thai Feed Mill Association enabling private sector to buy corn directly from rice farmers who participate into the promotion scheme. The Co-operative is an intermediary both in supervision and production management for farmers.

Furthermore, Mr. Wisit added that the average cost for producing corn for animal feed in Nong Rua District is 4,980 baht per rai including healthy mature corn. The average yield is expected around 1,500 – 2,000 kgs per rai. The Cooperative will purchase all corn production at mature stage without husking from farmers participating in the promotion scheme- price is sold not lower than 5 baht per kilogram at 27 to 30 percent moisture content. If milled for seed with having improved quality and 14.5 percent moisture content, price is sold at least 8 baht per kilogram. From plantation pilot project after harvesting and selling corn, farmers can earn not less than 9,000 baht per rai. And after deducting production costs, an average profit earned is 4,020 baht per rai. We expected that the corn growing promotion scheme after rice harvesting will generate income for farmers in Khon Kaen province of not less than 48 million baht.

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