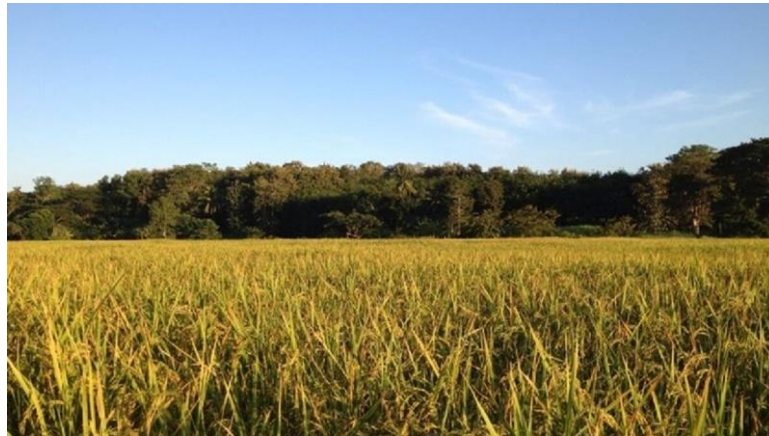


Agriculture and Cooperatives Ministry sees good harvest once Biden takes over



The Agriculture and Cooperatives Ministry sees an opportunity to expand its eco-friendly product markets and witness an expected foreign investment boost after Joe Biden takes over as the new US president. Alongkorn Ponlaboot, adviser to the agriculture and cooperative minister, said the US, as the world's biggest economy, influences global trading in markets that mostly use the US dollar and it is Thailand's second top export market, while the kingdom's international reserve funds are also in US dollars.

He said the new president would ease trade tensions, while a fresh dose of economic stimulus measures would raise government expenditure, expand infrastructure, increase wages and tax big businesses, possibly resulting in a recession of investment.

At the same time, American investors would eye Asian countries as new locations for investment, especially in agricultural, Alongkorn said.

He said free trade with allies would make trading freer but could still hamper China because of the Trans-Pacific Partnership alliance.

New policies would also help American farmers and deal with global overcapacity, prevent market dumping and intensify punishment against trade partners that violate the new US administration's measures, which include human rights violations and environmental issues.

The goal is to make American agriculture the first "net-zero emission" in the world and set up infrastructure that would prepare for climate change.

"The Office of Agricultural Economics has closely watched the US presidential election to analyse the new direction of agriculture and international policies, which are expected to ease. The minister is now focusing on eco-friendly products on which Joe Biden places importance," Alongkorn said.

"Thailand has the opportunity to expand its markets for high-quality items such as organic products. The US's financial policies are likely to be positive news for Thai consumer products and food," he added.

International Agriculture Economics Division director-general Angkana Puttasri said that between 2017-2019, goods worth Bt845 billion were exported to the US, while the export of agricultural products was valued at Bt128 billion, or 15.18 per cent of total exports.

However, 231 Thai products are expected to be excluded from the generalised system of preferences (GSP) list from December 30 after Thailand continued with its policy of restricting imports of certain pork products, she said.

The price of the products excluded from the GSP list will increase after US import duties rise from 0 per cent to 1.9-9.6 per cent.

Some 13 agricultural products that will face ad valorem tax include live plants, fats, plant oil, seasoned vegetables, glucose, glucose syrup and spice, while nine products that will be charged at specific rates include peanuts, beans, plant seed and processed mango.

Thailand has to now reduce its production costs, enhance production efficiency, increase product quality and safety to satisfy consumers, who will have to pay higher prices, she added.

Source: The Nation Thailand on 12 November 2020

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