

Thailand's Cassava Industry: Challenges Towards Sustainable Development

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Why did we do cassava in Thailand study?

Regional approach by identifying mutual challenges/issues from partners (Cambodia, Laos PDR, Thailand)

- ▶ identified **mutual research interests** for 2022
- ▶ identified **knowledge/skills needed** for research in 2022

Need assessment process

- **Workshop I:** open discussion on potential research  Value chain
- **Follow-up online survey:** identify crops/skills needed for supporting value chain study
- **Workshop II:** discuss and finalize research topic and capacity strengthening activities
- ▶ **Cassava is 1st priority** interested commodity by Cambodia and Laos (followed by rice and sugarcane)
- ▶ Cassava and cassava product **trade flow, and specific research questions** from each country addressed by using *value chain analysis*.

How did we do it at KU?

- ▶ Identified researchers with skills and interest
- ▶ Reviewed of literatures
- ▶ Provided value chain analysis workshop
- ▶ **Workplan I: Economic and policy analysis**
 - 1) Reviewing government policies, and the role of public and private sectors
 - 2) Providing overview of cassava production and consumption and the trade
 - 3) Estimating the degree of market integration and price transmission in Thailand cassava industry and related markets
- ▶ **Workplan II: Value chain mapping and upgrading**
 - 1) Value chain mapping of actors, activities and values of cassava and its products in Thailand
 - 2) Assessing potential demand under alternative scenarios
 - 3) Proposing approaches for cassava value chain upgrading
- ▶ Regional knowledge sharing seminar on cassava value chain and cassava policy

Findings from Thai cassava study?

- Current long-term **National Strategy** is moving Thailand towards **SDGs** and encouraging the **Bio-Circular-Green Economy** Model by focusing on **STI** knowledge to create added economic value while balancing between the conservation and use of the natural resources.
- Cassava is one of the key commodities in the transformation of the sustainable food system.
- Ageing farmers, labor shortages, low yields, the impact of climate change on agriculture, emerging disease control, integrated value chain management.
- **Supply of cassava does not meet the industry's demand.**
- The imports of cassava roots and chips from Cambodia and Laos noticeably since 2007.
- 95% of the cassava exports from Thailand are basic starch and modified starch.
- Decreased export competitiveness for basic starch.
- Increased export competitiveness in starch residues and modified starch.
- **Thailand focuses more on activities in the midstream (i.e., producing modified starch) rather than activities upstream.**
- Yet, upstream cassava industries continue to be crucial for the development of other domestic value chains, such as those for feed, livestock, ethanol, amino acids, and bioplastic.

Findings from Thai cassava study?

- Cassava price transmission shows dependency on the Chinese market and limited diversification.
- Farmgate prices are influenced by wholesale and export prices of cassava products, but not vice versa.
- Foreign demand for upstream products, standards, and certifications
- Growing competition from other cassava suppliers.
- **Not well coordination** of cassava stakeholders along the value chain.

Implications from Thai cassava study

- Thai government has **clear policies and initiatives** to support the cassava industries, both to address these issues and to advance the creation of products with higher added value.
- Private sector has also positively reacted to the sustainable development agenda.
- Implementation of strategies **needs a clear and supportive action plan** to realize the development goals.
- Promote **sustainable development using STI** following governmental policies.
- Strategies to enhance the market efficiency of the Thai cassava value chain, **including product diversification, export market expansion, and empowering farmers through value-added processing.**
- Enhancing resource efficiency, **adopting circular economy principles, and navigating the complexities of global carbon trade** are opportunities for sustainability advancement.
- The **integration of sustainable practices** across all facets of cassava cultivation, starch production, and waste management is essential to minimizing environmental impacts and securing economic viability.

Implications from Thai cassava study

- Cassava associations could play a stronger role in assessing the production and market situations as well as market opportunities and technological capability to set a roadmap for development.
- Some of the difficulties could be reduced by creating market linkages and strengthening the institutions of cassava farmers.
- Consistent commitment and a clear development path is needed.
- Several research programs and capacity building programs are already existed and shared in the region.
- Lack of monitoring and evaluation of Bio-Circular-Green economy for sustainable policies and measures.
- Research on policy options and/or policy impacts and evaluation would guide the development towards sustainable goals.