

Reforms in Thai agriculture and rural sectors needed for further poverty reduction

Thailand, 31 Aug 2007 -- Bangkok -- Thailand's aim to further reduce the share of poverty to below four percent of the total population by 2015 is an achievable but daunting task, an FAO statement said today.

Reviewing economic progress in the country over the past two decades, FAO re-affirmed the nation's remarkable progress in meeting most of the UN millennium development goals (MDGs) by the target year 2015.

Speaking at a consultative meeting in Bangkok today, FAO's regional chief He Changchui praised the country for embarking on even more ambitious targets called the MDGs Plus.

"It is – however – noted that rural poverty remains a serious problem with 87 percent of the seven million Thai poor people living in rural areas, half of them in the northeast", observed Mr He.

Also in the north of the country and in most of the southern provinces high poverty rates are prevailing, FAO said.

Farmers and agriculture

In recent years, Thai farmers and the agro-industry have successfully shifted toward high-value and safe crops, but measures need to be taken to make further adjustments to remain competitive on world markets, the FAO statement continued.

FAO in particular re-called that Thailand stands as the world number one exporter of rice and natural rubber, and is a leading exporter of chicken meat, shrimp, sugar, fruits and tapioca products.

The country's kitchen-of-the-world motto is globally recognized, while satisfying local demands for food at reasonable prices for consumers.

Challenges

Water scarcity, over-exploitation and inappropriate management of natural resources accompanying rapid economic growth has resulted in environment degradation. He Changchui thus called for increased investment and intervention.

In increasingly competitive world agricultural markets, Thailand is facing various non-tariff barriers including sanitary and phytosanitary measures.

Thailand needs to further reform its agricultural sector towards even more competition, and safer and higher quality food products, FAO said. "Continued investment in agricultural research and development is needed to satisfy changing demands", Mr He added.

The Thai ministry of agriculture and cooperatives is holding a consultative meeting in Bangkok today to refine and finalize a medium-term priority framework for agricultural development.

Deputy agriculture and cooperatives minister Rungruang Isarangkura lay emphasis on five priority areas for reforms: poverty alleviation in rural areas, sustainable management of natural resources and environment; farm sector readjustments and restructuring; food safety and quality improvement; investment in agricultural research and development

FAO and partners from the donor community, United Nations' agencies, government agencies, academic institutions and NGOs are contributing to the process by providing advice and inputs into the framework.