

TROPICAL FRUIT CULTIVATION AS A SUCCESSFUL BUSINESS VENTURE IN THAILAND

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ABSTRACT

Situated in Southeast Asia between the latitude of 5° to 20° N, Thailand has climatic conditions and geography that are suitable for fruit crops. An estimated 1,000 varieties of wild and cultivated tropical and subtropical fruits are found under various systems including natural growth in the forests, cultivated growth in home gardens and commercial plantations. More than 100 varieties are commercially cultivated for local uses and export. Of these, mango has the largest production areas of more than 300,000 hectares throughout the country followed by longan, durian, pineapple, citrus, rambutan, mangosteen, lychee, banana and others. Most tropical fruits are consumed domestically and approximately 5% are exported. In the world market, Thailand is the largest exporter of canned pineapple, longan, durian and mangosteen. Tropical fruit cultivation is considered a successful business in Thailand and the production areas have been expanded gradually. Good Agricultural Practice (GAP) guideline has been developed by the Department of Agriculture to ensure production safety, environmental safety, productivity, quality and production sustainability of major fruit crops. For export market, fruit production, harvesting and postharvest handling must strictly follow the protocol under a close monitor by an export company and government agency to meet the international standard. In addition to the conventional marketing systems where many middlemen are involved and growers have the lowest power in the supply chain, contract farming has an important role in marketing and currently enhances the success of Thai tropical fruit business. Standard tropical fruit products including fruit juice, concentrate, puree, canned fruits, oven-dried, freeze-dried and different forms of preservation are on high demand for both domestic and international. New products such as prepared fruits (ready to eat) in a nice package has a bright future as a niche that fits well with the current lifestyle of consumers. Free trade agreement (FTA) with China and a more open international trade policy of the United States increase the export value of Thai tropical fruits but at the same time a significant increase in apples and pears from China in domestic markets following FTA has a considerable impact on the Thai fruit industry. A better marketing system and improvement of orchard management to reduce production cost are of importance to secure the success of the Thai tropical fruit business.

Key words: cultivation technologies, fruit cultivars, fruit products, international trade, marketing