

The agro-food processing industries perform a vital role in Thailand's agricultural sector undertaking important marketing functions involving transportation, communication and processing, while serving as channels for technology transfers in each industry.

Thailand's agri-business contributed 51% of total Thai export earnings in 1987. This contribution is expected to grow in the future as Thailand continues to move away from a dependence on raw agricultural exports to more value-added agricultural exports.

Thailand's true potential as a food-processing industry has hardly been scratched. It remains the most promising base for export-oriented production in the region with an abundant and cheap labour pool, easily trained workers, tax holidays and incentives for export-oriented ventures.

### Activities Eligible for Export Promotion

1. Processing or preservation of food
  - \* canning (air-tight containers)
  - \* food preservation
  - \* fruit juice
  - \* sticky rice crackers
  - \* production of pasteurized and/or sterilized milk
2. Meat Processing
  - \* swine
  - \* poultry
  - \* aquatic animals
3. Processing of Agricultural Products
  - \* alfa starch
  - \* nursery block for planting made from agricultural waste

Food processing can be separated into two fields: preservation, which includes canning, juicing, preserving, drying and freezing; and processing, which includes conserves, condiments and fermenting.