

Oil Palm

Cultivation of oil palm in the southern region of Thailand has expanded significantly in recent years. The main factors for this are the relatively high protection given to oil palm cultivation and the rapid rise in the palm oil share of all vegetable oils produced in Thailand. Since trees do not begin to yield until four years and full maturity not occurring for seven years, oil palm requires a long-term investment.

Prospects for further expansion of the palm oil industry are bright due to: (a) satisfactory cultivation conditions in southern Thailand; (b) relatively low land and labour costs compared to other major oil palm producing countries such as Malaysia; (c) high export potential; and (d) a strong domestic market for palm oil.

LIVESTOCK INDUSTRY

Overview

Livestock production is an integral part of the Thai agricultural sector. In 1987, the value of livestock products amounted to 34.4 billion baht representing 17.1% of the total value of agricultural products. Exports of livestock and animal feeds accounted for 4.8% (7.3 billion baht) and 1.9% (2.9 million baht) respectively. Imports of livestock products accounted for 10.6% (5.7 billion baht) of total agricultural imports, and imports of animal feeds accounted for 4.6% (2.5 billion baht).

In the livestock sector, we are discussing the role of the Thai small farmer because 90% of animal agriculture is located on small farmer holdings of 3-10 cows, with 65% of them members of cooperatives.

Livestock production consists of cattle, buffalo, swine and poultry. Cattle and buffalo production has declined with the introduction of small farm tractors which has reduced the demand for draft animals. Cattle fattening has been introduced to substitute for imports of high quality beef which reached approximately 200 tons per year valued at 31 million baht. There are approximately 15,000 heads of cattle for fattening involving 5,600 farmers. Dairy cattle of 109,000 heads in 1988 produced about 102,000 tons of milk per year which supplied only 20% of the domestic population.

Activities Eligible for Investment Promotion

1. Livestock raising or meat processing

- * Hogs
- * Poultry
- * Aquatic Animals
- * Buffaloes
- * Beef Cattle
- * Beef Cattle Raising