Future directions of the Thai Seafood industry and international trade

LESSONS FROM PRACTICAL CASES

26TH MAY 2016
Development of Thai Seafood Industry

From 1950 Thailand is the Raw Material Supplier to Food Service and Food Industry

Head On Shrimp (Natural Catch -> Black tiger)
Trend of Seafood

From 1980 products

Thailand becoming a major Seafood Processor country on Value Added
Trend of Seafood

From 1985 - present
Quality of Seafood to the World

All the Food Standard start to strength Thailand to deliver Top
Seafood Cluster Reform

In the early 20’s the Thai Seafood and related Industry are forming their alliance as a Strong Cluster.

Part of the Cluster are:

1. Farmer, Hatchery, Feed processor
2. Seafood Market Venders, Raw material broker -> Middleman
3. Processing Factory, Exporter, Agent, Representative of the Buyer
4. Packaging: Carton printer, Bag Printer, Can producer
5. Surveyor, Quality Control Team
6. Machinery
7. Shipping Line, ‘Logistic Provider’
Trend of Seafood

From 2006

All other Concern started to attack Thai Seafood Industry

Present - Future

- Labour issue – since 2009: Child Labour, Labour Right, Immigrant Labour Right, etc
- No GSP for the EU – from 2014 Cooked Seafood products faced duties at 7% and now 14% – 21%
- Private Certification from each Retailor – Supermarket Brand Certification, BRC, IFS, ASC, BAP, MSC,...
- Environmental Friendly: Packaging Material (higher cost), Carbon Footprint, Environmental impact
Issues that Thai Seafood Industry is facing !!!

Lacking of Raw Material

- Farmed Seafood
  - EMS and others
2011 Shrimp 550,000 -> 2016 lower than 300,000 (Lowest in 2014 – 210,000)

- Natural Caught
  - Global Warming
  - IUU

Lacking of skilled Labour - Thai doesn’t want to work
In Fishery Industry .... Immigration Labour needs

Expensive Certification
IUU – Illegal, Unreported, Unregulated Fishing

IUU fishing is a global problem that threatens ocean ecosystems and sustainable fisheries. IUU products often come from fisheries lacking the strong and effective conservation and management measures to which U.S. fishermen are subject.
Current Direction of the World Seafood Market

Reasonable Price
- Control by Retailor – Competitive price and Stock on demand of the retailers
- Competitive Food Service industry

Food Standard  Government level + Private level
=> Health Certificate from Thai DOF

Stable Quality

“Green”

Human and Animal Right – Happy Shrimp by Happy Worker

Customer Service
Future...of Thai Seafood Industry

Price War with Neighbor countries

More Private Standard
- Food Standard
- Worker Welfare
- Social Responsibility

Packaging
- More Green material
- More detail on Labeling
- Smaller Pack
- Reheat able

“Political Policy”
Adaptation to face the Changes

- Flexibility Mind set
- Flexible Production Line
- Strong R&D
- Cost Control
- Supplier Relationship
- Customer Relationship
- Consumer Relationship
- Strong Network and Alliance
Thai + Korea Business Relationship

First stage was started by Community Product such as Frozen Seafood or Canned Fish.

Later On: The trust developed Thailand become Value added Product supply to Korea

Future Stage: Thailand can be Kitchen for Korean Food > Ready to Heat
Thank you

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