



## FOLLOW-UP OF THE IMPLEMENTATION OF THE WORLD FOOD SUMMIT PLAN OF ACTION

### NATIONAL REPORT

The World Food Summit (WFS) Plan of Action under Commitment Seven (Objective 7.3) called upon governments in partnership with all actors of civil society, in coordination with relevant international institutions and, in conformity with ECOSOC Resolution 1996/36 on the follow-up to the major international UN conferences and summits, *inter-alia*, to:

- Report to the Committee on World Food Security (CFS) on national, sub-regional and regional implementation of the WFS Plan of Action, drawing upon a food insecurity and vulnerability information and mapping systems, once established, as an analytical aid.
- Monitor through the CFS the national, sub-regional, regional and international implementation of the WFS Plan of Action, using reports from national governments, reports on UN agency follow-up and inter-agency coordination, and information from other relevant international institutions.

This Report documents the country progress in the implementation of the WFS Plan of Action. It consists of two sections. Sections I and II constitute the substantive parts of the Report on progress made, policies adopted and actions taken. In particular, Section II deals with programmes and measures taken by the country for each of the seven Commitments under the Plan of Action.

In order to facilitate the completion of the report, the Secretariat has prepared a set of Guidelines which are enclosed herewith.

Country:	Thailand
Date of Report:	15 March 2006

<i>Institution or committee responsible for reporting</i>	
Food Security Committee Office of Agricultural Economics, Ministry of Agricultural and Cooperatives	

<i>Focal Point</i>	
Name	Ms.Korntip Seneewong Na Ayudhaya
Position	Director, Division of International Organization
Telephone	662-579-5832
Fax	662-940-7033
E-mail	Korntip@oae.go.th

## Table of Contents

<u>Section I: Priority Food Security Issues and Progress towards the World Food Summit Goal</u>	3
<u>Section II: Follow up of the WFS Plan of Action</u>	8
<u>Commitments</u>	8
<u>Statistical Annex</u>	13

**Section I: Priority Food Security Issues and Progress Towards the World Food Summit Goal**

*(for completion of Section I of the report please refer to paragraph 5 of the Guidelines)*

**The state of the country's food security situation, in terms of food availability, stability of supplies and access to food and the progress in reaching the hunger reduction targets are described below:**

1. Thailand has experienced a strong recovery, despite a slow start due to the tsunami, the drought and a large rise in oil prices took their toll on domestic demand growth in 2005. Real GDP per capita and incidence of poverty reached and exceeded pre-crisis levels only after 2002. The growth-rate of per capita GDP has risen, but it remains significantly below the boom period of 1987-96, though it has come close to the longer-term trend rate. It could be argued that growth of the boom period was not sustainable and thus settling in at more than 4.6 percent growth in per capita GDP is closer to what is sustainable. Poverty reduction remains high on the national development agenda. Under the recently revised poverty line, incidence of poverty in terms of headcount has fallen from 21.3 percent in 2000 (14.2 percent in 2000 based on the old poverty line) to 11.3 percent in 2004. This decline was mainly contributed by the reduction in the number of poor in the Northeast. The Northeast, which is the most populous region and houses more than half of Thailand's poor, has seen a reduction in headcount from 35 percent of population in 2000 to 17.2 percent in 2004. The government has declared to eradicate poverty in the country by the year 2009. Remarkable progress has been witnessed in an attempt to reduce poverty in Thailand. There has been a dramatic decline on all the key poverty indicators especially, both in term of the poverty rate and absolute number of the poor which has attributed to the betterment of quality of life nationwide.

2. Between 1990 and 2002, the incidence of poverty has been reduced from 27.2 % to 9.8 % and the number of the poor also declined from 15.3 million to 6.2 million and the proportion of people who suffer from hunger in Thailand has declined steadily from 6.9 % in 1990 to 4.2 % in 2002.

**Food availability**

3. Agricultural sector plays an important role in the Thai economy, since the majority of the people or about 54 % are engaged in farming sector and still earn their living from agriculture. Crop production is the most important sub-sector, accounting for 62 % of the total agricultural production followed by fisheries, livestock and simple agro-processing which accounted for 13 %, 10 % and 11 % respectively.

4. Thailand has been able to produce its own food that is sufficient not only to meet the domestic demand but also enough for exporting to other countries. In 2004, rice production was accounted for 29.08 million tons which had increased from 16 % in the year 2002. Broiler production increased about 18 % from 694 million heads in the year 2004 to 819 million heads in the year 2005. Swine production increased about 3.2 % from 10.54 million heads in the year 2004 to 10.88 million heads in the year 2005. Today, Thailand has become a major exporter of food and agriculture product.

5. Over the past three decades, Thailand has successfully utilized innovations in scientific agricultural research and technology to develop a vibrant and dynamic agricultural sector. Farm productivity has increased and the quality of Thai food and agricultural products has also been further enhanced in term of hygienic standard. Public and private investment in agricultural research and development has boosted significant impact in yield increased and land productivity providing competitive edge for the export of Thai food and agricultural products in global markets.

### **Stability of supplies**

6. Thailand is predominantly an agricultural country as well as a food exporting country. Of the total area of 51.36 million hectares, 41 % or more than 21 million hectares are devoted to the expansion of agricultural development.

7. In year 2004, the value of agriculture was valued at US\$ 16.37 billion, or 10 % of the country's total GDP while agricultural and food exports were estimated at US\$ 22.07 billion. FAO has ranked Thailand the 15<sup>th</sup> largest world food exporter. Agriculture exports became the driving force for the national economic growth, generating substantial foreign exchange earning from export potential commodities notably rice, natural rubber, shrimp, cassava (chips, pellets, starch), canned tuna, canned pineapple, sugar and chicken.

8. In response to the government's policy regarding the restructuring of agricultural sector, the Ministry of Agriculture and Cooperative has mapped out formulation plans on poverty-related projects and activities assessment, delivery mechanism, inter-ministerial, budgetary cycle and interagency coordination for monitoring the progress of the successful implementation of the policy. Agricultural initial targets projection for the 2006 has been outlined as illustrated below:

- 1) The GDP in agricultural sector will achieve the target of 18 billion US\$
- 2) Average price for agricultural products is expected to increase by 10 -15 %
- 3) Farmer's income will increase by 15 – 20 %

9. During the past decade, statistics on food production and exporting of agricultural commodities has been reflecting the fact that the supply of food in Thailand is exceeding the domestic demand.

### **Food accessibility and food insecurity still pose a major problem in Thailand**

10. Despite being the world food exporting country, there is a certain perspective especially in the agricultural sector which the farmer has limited purchasing power and currently still facing the problems of food insecurity & vulnerability which the root of problem stemmed from chronic poverty, lack of food accessibility, employment opportunities, ownership of land for cultivation and indebtedness.

11. Focusing on the problem of food security and poverty which is a complex issue and required multilateral approach to deal with, the government has set up the strategies for poverty alleviation policies covering all aspects in order to raise rural income earning opportunity and strengthening the capacity-building measure for the farmer communities.

12. During the year 2004-2008, the government's strategy will emphasize on the restructuring of the national socio-economic in order to improve quality of life for the poor both in urban and rural areas by enhancing self-reliance and creating job opportunities to improve local economy with the aim to modernise Thailand as a society with knowledge-based economy according to His Majesty the King's concept of a Sufficiency Economy.

### **Methodology in Achieving the Hunger Reduction Targets**

13. Government policy is aim to emphasize on social security program to improve the livelihood of the Thai citizen. Currently, numbers of workers under social insurance scheme increased from 5.9 million in 2002 to 8.1 million in August 2005. Also, lifting up minimum daily wage earning in Bangkok from 165 baht per day ( 4 US\$) in 2001 to 187 baht per day ( 5 US\$) in 2005 and raising salaries of civil servants on the couple of occasions, by 8 % increase in 2004 and 5 % in July 2005. The minimum salary base for the newly undergraduated student is now

starting from 7,000 baht (175 US\$).

14. The statistics from national statistical office also indicate that the annual income per household has increased 38.7 % from 79,100 baht (1,978 US\$) in 2001 to 109,700 baht (2,743 US\$) in 2005. The introduction of OTOP project also brought on higher income generation which had accounted for 150,000 million baht (3,750 million US\$) during the past 5 years especially in 2005, the project had further generated its income earning to 54,447 million baht. (1,361 million US\$). Meantwhile, the household saving of 6.3 % accounted for disposable income in 2001, was up to 8 % in 2004.

15. Education: The Government has encouraged a continuous and life-long learning process while bearing in mind the value of the local identity and providing the opportunity for those underprivileged students who wish to complete compulsory education to grade 12. The Ministry of Education is offering the scholarships for the poor and unprivileged children for the amount of 6,000 baht (150 US\$) per year for primary school, 10,000 baht (250 US\$) per year for secondary school, and 20,000 baht (500 US\$) per year for college level. Furthermore, there is also the introduction of Income Contingency Loan (ICL) to extend educational opportunities from vocational college to university level.

16. Public Health Expenditure: Improvements in health status have significantly contributed to the national economic growth meanwhile, the country also faces new health challenges to its health system and its services. In order to keep up with a society in transition and changing conditions, the government has increased the public health insurance expenditure to 96.3 % of total population in 2005, up from 93.7 % in 2003 through the implementation of the 30 baht universal health insurance scheme. Thailand aims to deliver essential health services oriented towards building health rather than treating ill health. Services provided is currently focusing on ensuring equity, equality, efficiency, consumer protection and satisfaction. There are many new conditions leading to health systems reform, for example, the Constitution of 1997, stronger policies on decentralization, as well as laws to decentralize planning process of basic public services and human resources management to local authority units. These changes prompted the Ministry of Public Health to take necessary steps for reforming the total health system including decentralization, health care reform, hospital autonomy, health financing reform, health insurance, quality assurance and community participation.

17. Regarding to nutritional surveillance: Thailand experienced one of the highest economic growth rates in the world in the late 1980's, and concurrently made significant progress in improving the social welfare conditions of its people. At the same time Thailand also achieved a dramatic reduction of malnutrition in pre-school children. But considering that Thailand is a food surplus country with a sound economic development record, malnutrition in considerable magnitude still exists amongst the population. Ample food production in itself is not enough to cope with the mounting challenging of feeding people. Other elements, both economic and social, can also indirectly influence nutritious status. Agriculture production, food prices, purchasing power, marketing mechanism and food habits are examples of important socio-economic factors. However, the proportion of children under the age of five year old with protein and calories deficiency had dropped from 9.8 % in 2001 to 8.7 % in 2003. Attention has also been focused on micro-nutrient deficiency, especially iodine and iron. The micro-nutrient situation has satisfactory improved overall. Thailand has made considerable progress in reducing iodine deficiency disorder. School-aged children having iodine deficiency disorder dropped from 3.3 % in 1997 to 0.7 % in 2004. Iron deficiency order incidence across Thailand also declined from 12.5 % to 5.9 % between 1997 and 2000.

18. The burden of specific nutritional deficiency diseases co-exists with many complex nutritional problems, which put a tremendous strain on the current research organization and its resources. Due to uneven prosperity in society, inadequate consumer protection and unmitigated environmental dangers, Thailand is now enduring a new chapter of nutrition-related health threats

in rapid transition, with malnutrition and other deficiency diseases co-existing with the diseases of affluence. According to the recent statistic evidence which had suggested that the main cause of protein energy malnutrition of Thai people was not poverty or deprivation, but the lack of knowledge and basic nutritional education.

19. In addition, an emerging nutrition concern is not malnutrition but over-nutrition causing the problem of obesity. According to the Fourth National Nutritional Survey in 1995, it had shown that one-quarter of Thai adults (over 20 years old) were categorized as obesity especially among urban children. Commercial bombardments and invasion of processed in rural areas may result in an adverse situation when people sell more nutritious food in favour of buying less nutritious but more prestigious food. In urban areas, there is an accelerated shift from home-based food preparation to processed or pre-cooked food. National and international agribusiness is also clearly visible in the present and will certainly claim an increasing share in people's daily life. Consumer behavior, as never before, is being modified by intensive advertising and quite often by unfounded claim of health benefit of special foods. Some hazardous food habits that may lead to parasitic infestation and other medical problems have also been quite difficult to modify. In these circumstances, although nutrition education may contribute to improve food choice and better utilization of available food supplies, it needs good communication strategies to change people's values and perceptions.

**Evaluation studies (such as impact assessment, comparison between results and objectives) of programmes or projects related to the WFS Plan of Action are attached to this report and listed below:**

1. Thailand Millennium Development Goals Report 2004

**Information on external assistance programmes, including a description of their impact on hunger reduction and lessons learned, is given below:**

**Food Insecurity and Vulnerability Information and Mapping Systems (FIVIMS):**

20. The objective of establishing the Food Insecurity and Vulnerability Information Mapping System (FIVIMS) was to provide accurate, timely and comprehensive information on the identity, location and other details of vulnerable people through nationally focussed and internationally linked mapping systems.

21. The project will also contribute to the reduction of food insecurity and vulnerability that cover not only food accessibility but also serve as a network of country focal points, guidelines for national FIVIMS and conceptual and methodological issues studies. Undoubtedly, better definition will emerge and new vulnerable group will be identified as the FIVIMS empirical vulnerability analysis progresses.

The strategies that will be under taken are:

1. Reform of the health management system
2. Enhance efficiency and accessibility of health services
3. Develop health prevention and promotion technologies
4. Develop a system for consumer health protection
5. Develop human resource on health
6. Promote and encourage effective behavioral change for health
7. Promote health and related studies, and research and development

22. The Government of Thailand has assigned the Ministry of Agriculture and Cooperatives to establish the National FIVIMS where it will be based in Thailand while Office of Agricultural economics (OAE) will take the role of focal point agency.

23. The National FIVIMS in Thailand is oversee by a committee which consists of Ministry of Agricultural and Cooperatives, Ministry of Education, Ministry of Public Health, Ministry of Interior, National Statistical Office and Institute of Nutrition Mahidol University.

24. At present, FIVIMS project in Thailand has already completed the Manual of Operation and is due to be launched soon.

25. The funding support given by the Government of Japan in cooperation with FAO through the Japan Trust Fund Project and also came from the government of Thailand's budget.

## ***Section II: Follow up of the WFS Plan of Action***

***(for completion of Section II of the report please refer to paragraph 6 of the Guidelines)***

This section describes the actions taken under all of the seven Commitments adopted at the World Food Summit. Information is included on policies pursued and/or action programmes implemented, demonstrating, where possible, their impact in terms of contributing to overall social and economic development, poverty alleviation and hunger reduction.

The full text of the WFS Plan of Action is available online at the FAO internet site [http://www.fao.org/monitoringprogress/summit\\_en.html](http://www.fao.org/monitoringprogress/summit_en.html), under the section "Key documents, Rome Declaration on World Food Security".

### ***a) Commitments***

- One        We will ensure an enabling political, social, and economic environment designed to create the best conditions for the eradication of poverty and for durable peace, based on full and equal participation of women and men, which is most conducive to achieving sustainable food security for all.
  
- Two        We will implement policies aimed at eradicating poverty and inequality and improving physical and economic access by all, at all times, to sufficient, nutritionally adequate and safe food and its effective utilization.
  
- Three       We will pursue participatory and sustainable food, agriculture, fisheries, forestry and rural development policies and practices in high and low potential areas, which are essential to adequate and reliable food supplies at the household, national, regional and global levels, and combat pests, drought and desertification, considering the multifunctional character of agriculture.
  
- Four        We will strive to ensure that food, agricultural trade and overall trade policies are conducive to fostering food security for all through a fair and market-oriented world trade system.
  
- Five        We will endeavour to prevent and be prepared for natural disasters and man-made emergencies and to meet transitory and emergency food requirements in ways that encourage recovery, rehabilitation, development and a capacity to satisfy future needs.
  
- Six        We will promote optimal allocation and use of public and private investments to foster human resources, sustainable food, agriculture, fisheries and forestry systems, and rural development, in high and low potential areas.
  
- Seven       We will implement, monitor, and follow-up this Plan of Action at all levels in cooperation with the international community.

**Summary list of the most important programmes contributing to the WFS Plan of Action:**

<u>Programme</u>	Year Initiated	Duration	Total Budget (Million US\$) ***	Status
1. Poverty eradication programmes *	2005	P	5,606	On going
2. 30 baht universal health insurance project	2002	P	7,160	On going
3. Free lunch for student project **	1992	P	859	On going
4. School milk project	1995	P	937	On going
5. Agricultural restructure project	2006	1	873	On going

Note

P = Permanent

\* From Poverty eradication road map

\*\* Budget include

1. Annual Government budget
2. Profit from free lunch for student project funds
3. Subsidize from private section

\*\*\* Total budget = Total spent up to now (except programme No. 5 Agricultural restructure project)

**The policies, strategies and initiatives implemented, and their outcomes, are described below.**

26. The policy will improve the entire system of the administration, mobilize not only individuals, but also communities and the whole nation to achieve poverty alleviation and build mechanisms to enable the poor to utilize assets and resources efficiently and in a sustainable manner. Moreover, with the management by implemented a “Dual Track Policy” which emphasized the importance of stimulating the economy at the level of the grass-roots and the small-and medium-sized enterprises which constitute the majority of the people. The Government further focused on reducing production costs, increasing income and expanding opportunities, while, at the same time, strengthening the competitiveness of the production and service sectors. The Government also paid special attention to restoring economic stability and implementing efficient fiscal policy management.

27. In response to this policy, all government ministries and similar authorities has been formulating plans, projects and activities to solve the problem in an integrated approach. As for the regional sector, the CEO provincial governors must take the responsibility and lead in the implementation of the programs, projects and activities in the plan which simultaneously covers in 3 areas as follows

28. At the grass-roots level, the Government will focus on expanding opportunities, creating income, reducing expenditure, as well as providing access to capital, including money, land ownership and knowledge by accelerating land ownership distribution, expanding the opportunities to gain capital access through Assets Capitalization and promoting cooperative systems and the learning process in new theories of agriculture. In this connection, the Government will proactively solve the poverty problem by founding mobile units known as, “Poverty Eradication Caravan” to cope with the problem, giving advice and services for professional development and providing additional skills training.

29. At the community level, the Government will strengthen the local community process and enable the poor in local communities to gain advantages from favorable external circumstances. The Government will develop agricultural infrastructure in the community, such as local mills, local organic fertilizer buildings in every district and basic agricultural machinery cooperatives, and create logistic systems for agricultural products and an effective marketing system for the “One Tambon One Product (OTOP)” outputs. Furthermore, the Government will improve the financial system to support grass-root economies, ranging from the well-prepared Village Fund to the Village Bank which offers sustainable access to capital sources. The Government perceives that the strength of the community is one of the most important powers to fight against poverty. Therefore, the Government will allocate the budget according to the population of all villages and communities under the Small Medium Large (SML) Scheme to enable them to solve their own problems.

30. At the national level, the Government will facilitate all farmers to have an opportunity and right for the ownership of land in order to increase long-term agricultural productivity to maximize the utilization of land alongside the improvement of soil quality. The Government will increase efficiency of water resource management; allocate water in accordance with the respective areas and the demand of the farmers’ production system; establish the Special Purpose Vehicles (SPV) to manage production, processing, marketing and capital resources to reduce risk for farmers; and establish a system to manage each individual agricultural product to stabilize the price of agricultural products, which will yield a fair return to farmers. The Government will also extend social welfare benefits to illegal laborers and laborers in the agricultural sector.

### Key findings

31. Poverty has fallen over this period, lifting more than 5 million out of poverty between 2001-2004. The incidence of poverty was nearly halved from 21 percent to 11 percent, with incidence in the poorest Northeast region coming down from 35 percent to 17 percent. Despite some sign of successful government's policy which emphasized on problem-solving and opportunities extension approach targeting at majority of people, but there are still unresolved socio-economic problems which the Government still has to deal with, particularly poverty eradication. In addition, the Government will improve the quality of people's life and social welfare services to prepare the country for demographic changes, and to take care of people from cradle to grave. Narcotic Drugs, influential persons, organized crime, human smuggle and state corruption will also be eradicated from the Thai society.

32. At present, an imbalance between industrial and agricultural sectors still exists in the country's economic structure. The industrial manufacturing continues to be run by placing orders or according to the pattern developed by the foreign intellectual property owners, which, in turn, makes the country deeply dependent on the imports of raw materials, capital and technological expertise from abroad. Consequently, Thailand achieves its returns mainly from wages and raw materials, the minor component in the production chain, which can be defined as "Do much, gain little"

33. The agricultural sector, which provides a living for the majority of Thai people, still suffers from the fluctuation of crop prices in the world markets, the risk of natural disasters, the degradation of soil and water resources, and the non-tariff barriers against exported raw materials. Meanwhile, services sectors, especially tourism industry, still rely on natural resources without optimizing the value added. Therefore, the Government intends to restructure the country's economic structure. Otherwise, the economic growth will lead to a cycle of trade deficit and price competition which prevents the country from sustaining that growth.

---