Japanese Factory Visit Tour for Development of Food-Value-Chain in ASEAN

AGRO-INDUSTRY
Kasetsart University

MAFF
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ASEAN FOOD industries
HUMAN resource development association

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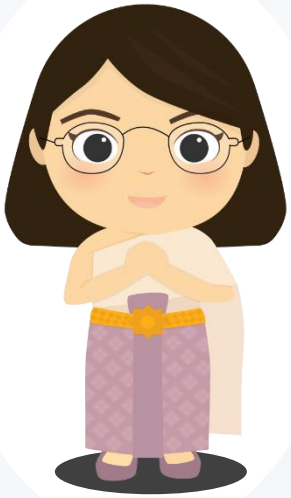


Napawan Limmahakun

Preuk Petsophonsakul

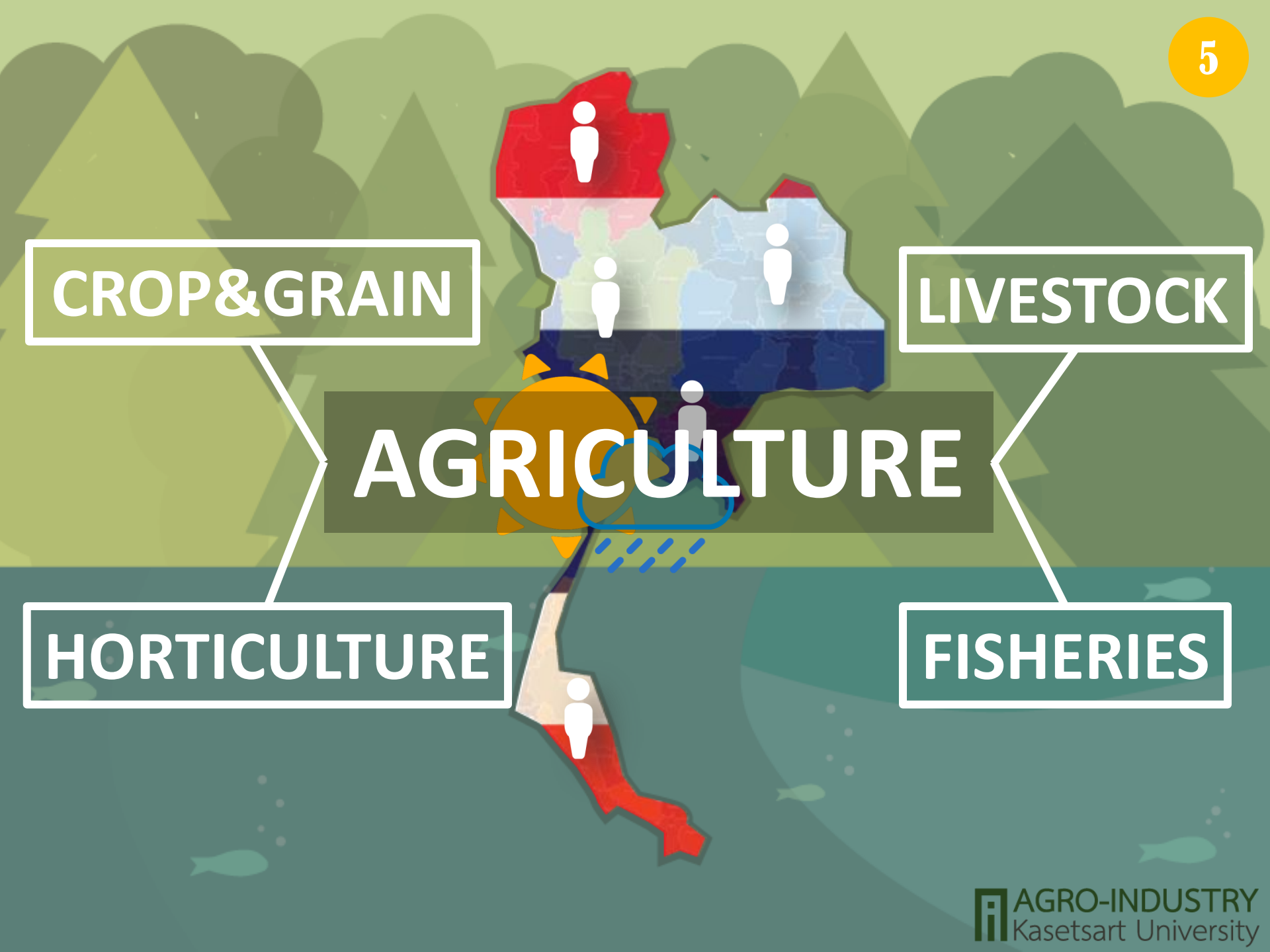
THAILAND

- 77 Provinces
- Area 513,120 km^2
- 68 **Million** Population

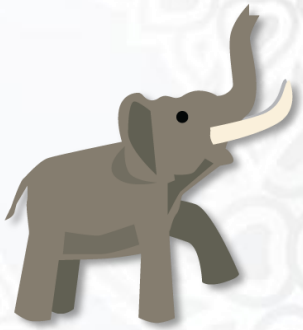
  20^{th} most populous country on earth on 2016
- **Export value**

  Agriculture and agro-industry products : 20%

Located in South East Asia


CROP&GRAIN
LIVESTOCK
AGRICULTURE
HORTICULTURE
FISHERIES

Western
Eastern
Southern



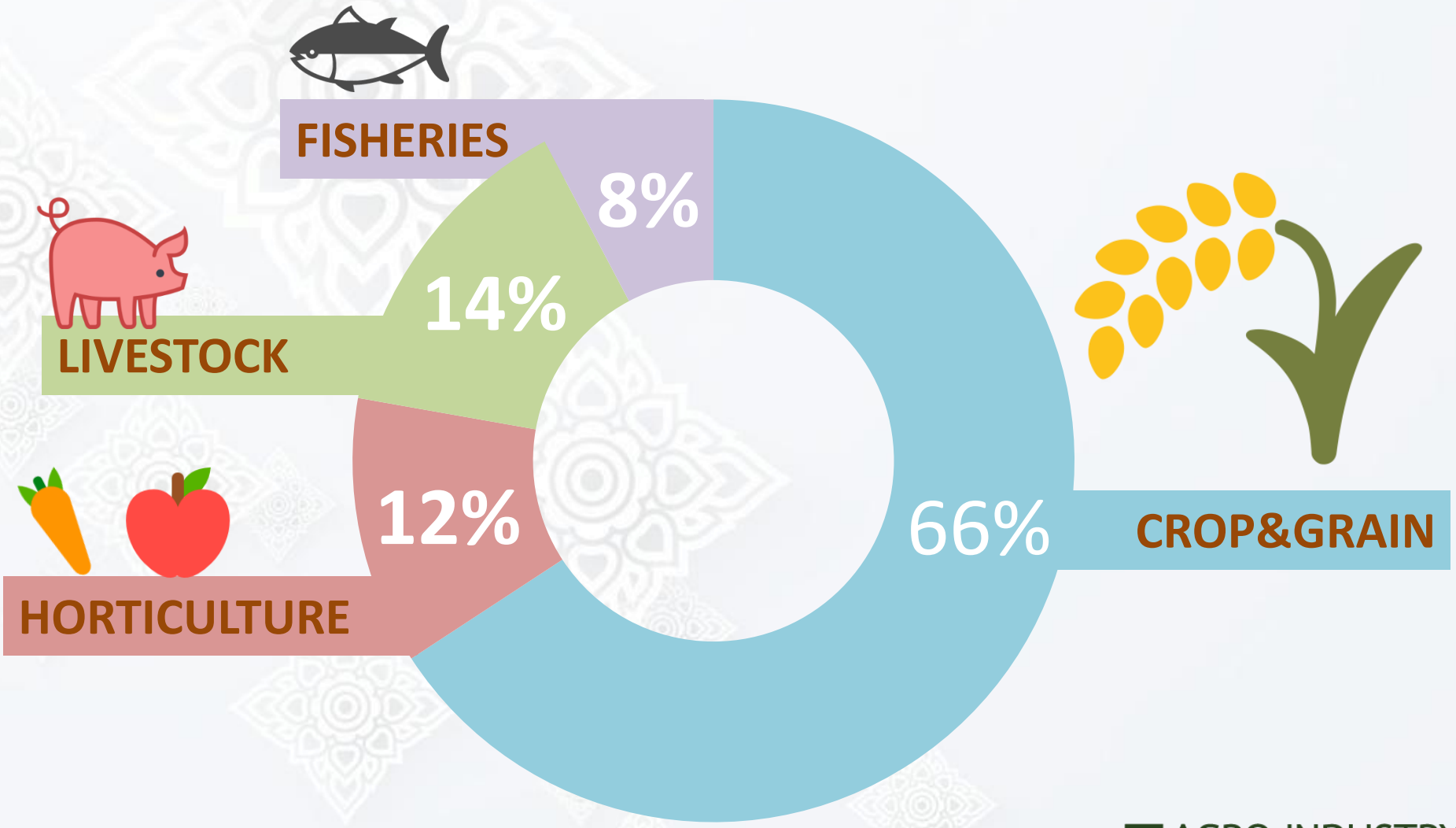
1.Production

2.Manufacture

3.Distribution

4. Consumers

Thailand (Production)



Thailand (Production)

Growth ratio of agriculture
“DECREASE”
When compare industrial

Challenge (Production)

Teenager not do farming

Do not have crop rotation

Less area for farming (real estate)

Use chemical

Applying the knowledge from japan (Production)

Satisfied customer requirement

Educate young generation

Use technology for increase capability

Crop rotation

Efficiency of up stream

Identified condition before planting

provide after sell service

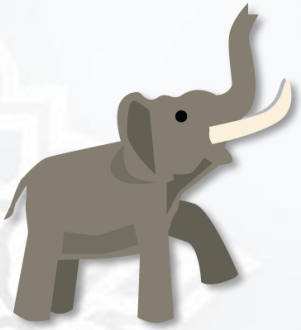
Applying the knowledge from japan (Production)

Provide machinery for mutual benefit of farmer

PASONA

Education for start farmer and support for financial statement

Teaching processing technique



1.Production

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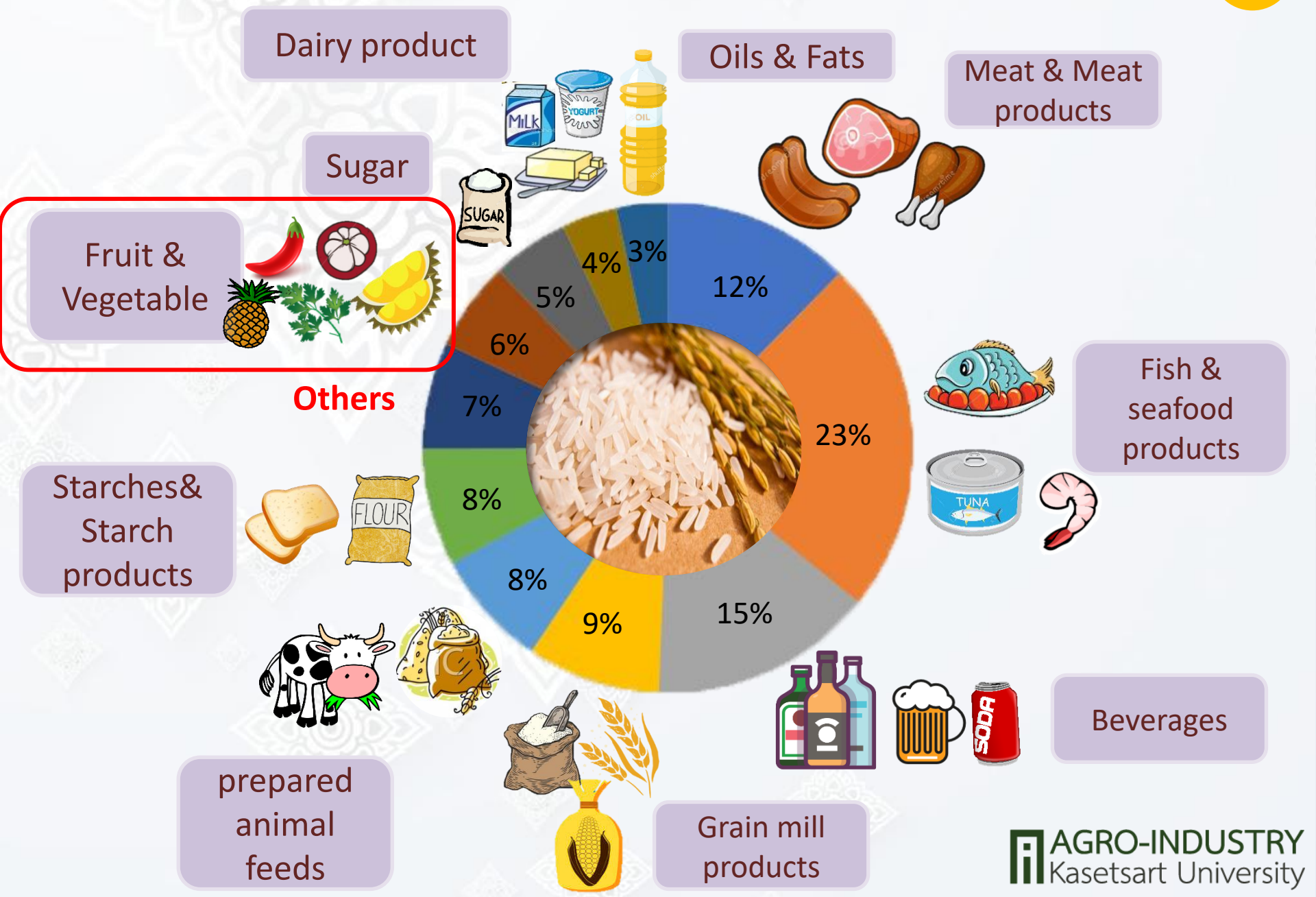
The main exported products of Thailand

The percentage of added value industry



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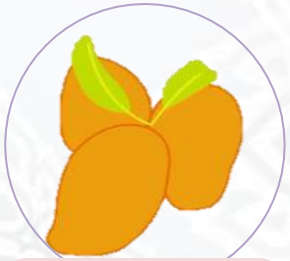
Research and Development (Manufacturer)



Mango

Mango Sheet

Mango juice

Freeze dried mango

Dried mango

Durian

Durian Cracker

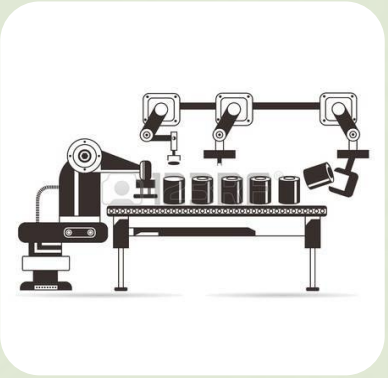
Durian Chip

Freeze dried Durian

Durian shaved ice

Research and Development (Manufacturer)

Challenges of Thailand (Manufacturer)



Updated Innovation Paradigm and processes	Develop innovative Market model for innovation	Focus on Quality control	Standard Control

Applying the knowledges from Japan (Manufacturer)

Support researchers
to research and develop processing technology by setting laboratory room which suit with each product.

Develop innovation
continuously and look forward to the future demand including future trend.

Focus on quality
checking and set a policy of company related to quality control

Aware to food safety and security

Realize about the important of food standard and regulations
in order to expand the target customers around the world.

Applying the knowledges from Japan (Manufacturer)

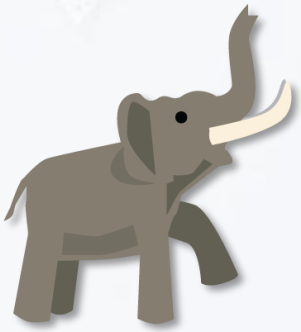
KIKKOMAN

Combine between traditional processing and technology processing for traditional Thai products (e.g. Thai traditional whisky) and create the story of product

「食のみやこ」

Develop packaging of rice

for more attractive and environment friendly



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Food Distribution in Thailand (Distribution)

Wholesale

Talat Thai Market

- The largest wholesale food market in South East Asia
- Food products and all agricultural produces.

Food Distribution in Thailand (Distribution)

Retail

centralplaza

Modern trade

- Serves the need of all ages range for shopping varieties of product Range
- Increasing number of Modern Trade stores such as hypermarket, supermarket and department store

Challenges of Thailand (Distribution)

Wholesale

- Respond with customer requirement
- Maximum price, the best quality
- Provide Facilities for customer

Retail

- Implement environmental concept

Applying the knowledge from Japan (Distribution)

Wholesale

- Establish regulation for goods in wholesale
- Set up auction
- Distribution system to serve their product

Retail

- Follow 17 sustainable development goals
- Aquaculture Stewardship Council (ASC)
- Marine Stewardship Council (MSC)
- Forest Stewardship Council (FSC)
- Fair trade mask
- Organic product

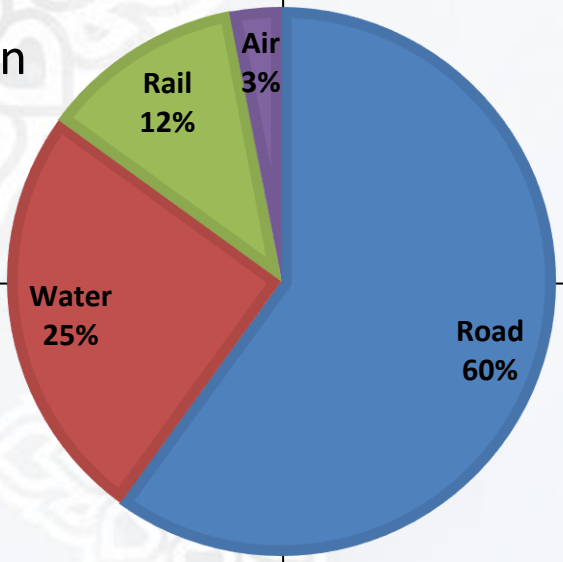
Distribution in Thailand (Distribution)

Rail transport

- ✓ low capital cost
- ✓ mass transportation
- ✗ long time

Water transport

- ✓ low capital cost
- ✓ product size
- ✗ long time



Air transport

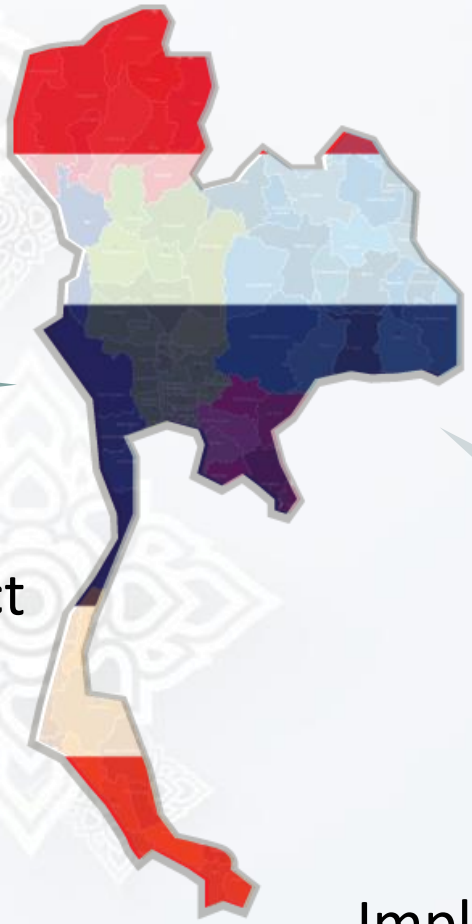
- ✓ Very fast
- ✗ high capital cost
- ✗ product size

Road transport

- ✓ convenient
- ✓ fast
- ✗ high capital cost

Challenges of Thailand (Distribution)

Develop cold chain system



Research the way to protect parcel / prevent damage

Implement traceability system

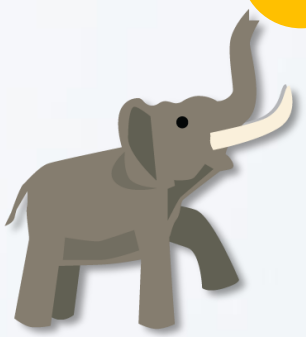
Applying the knowledge from Japan (Distribution)

Find the maximum force that parcel can be receive by doing the research

Use roller fridge in order to transfer the product during transport

Yamato Transport

Set up system for tracking the parcel along the way (RFID)



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Lifestyles in Thailand (Consumers)

Start to Accept western culture to become a multi style

Movement from traditional market to modern trade

New trend in food is “convenience" and "fast“

Digital lifestyle, internet-based communications to better quality of life

Challenges of Thailand (Consumers)

Conservative Thai culture , Thai traditional and Thai food

Implement traditional trade to be famous

1 2 3 4

Provide knowledge to young generation that good food is important for living

Upgrade market for beyond

Applying the knowledge from Japan (Consumers)

Provide knowledge to young generation for conservative culture & traditional

Integrate culture with marketing & Create a story of product

Create customer experience management (CEM)

Educate young generation that good food is important for life

Use internet to bid on flower market

Conclusion

S

- Richness of resources
- Variety of raw material
- Some major product have ability to export

W

- Reducing of the number of farmer
- Limited value added and value creation knowledges
- Research in lab scale, can not apply in commercial
- Weak natural resources management system

O

- Mutual trade agreement between country e.g. FTA
- Healthy food trend of world marker

T

- Economic fluctuation
- Disaster
- Low bargaining power in the world market

TOWS Metrix

S-O

- Continuous improvement in R&D
- Catch up trend of the world and forecast in advance

W-O

- Encourage young generation to do farming
- Strengthen the implementation of innovation to commercial scale

S-T

- Develop warning system of disaster
- Co-creation with partnership

W-T

- Set up the farmer training center

Acknowledgement

FUJI OIL

「食のみやこ」

有斐斎 弘道館
Yuuhisai Koudoukan

TAKII

PASONA

Ota Market

KIKKOMAN

AEON

吉野家
YOSHINOYA

MAFF
Ministry of Agriculture, Forestry and Fisheries
農林水産省

afh

Thank You
For Your Attention