

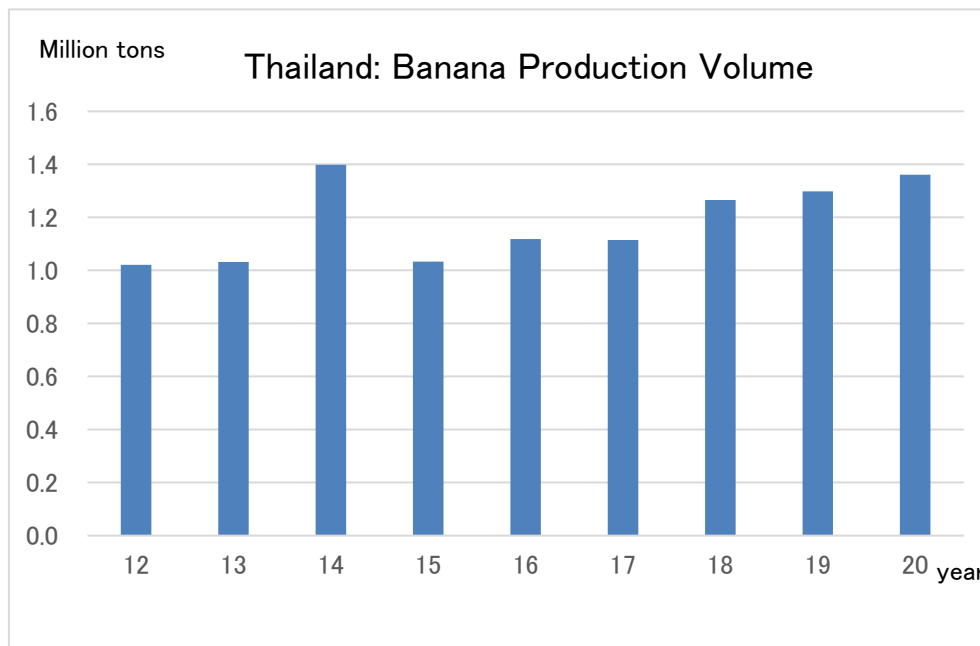
Thailand: Banana industry

<Industry overview> 17th largest producing country in the world

Thailand's banana industry is the 17th largest in the world in terms of production volume and ranks 4th in ASEAN (about 1.36 million tons in 2020: the Food and Agriculture Organization of the United Nations data). Compared to Indonesia and the Philippines, production is small-scale and mostly consumed domestically.

<Production volume> Increasing moderately

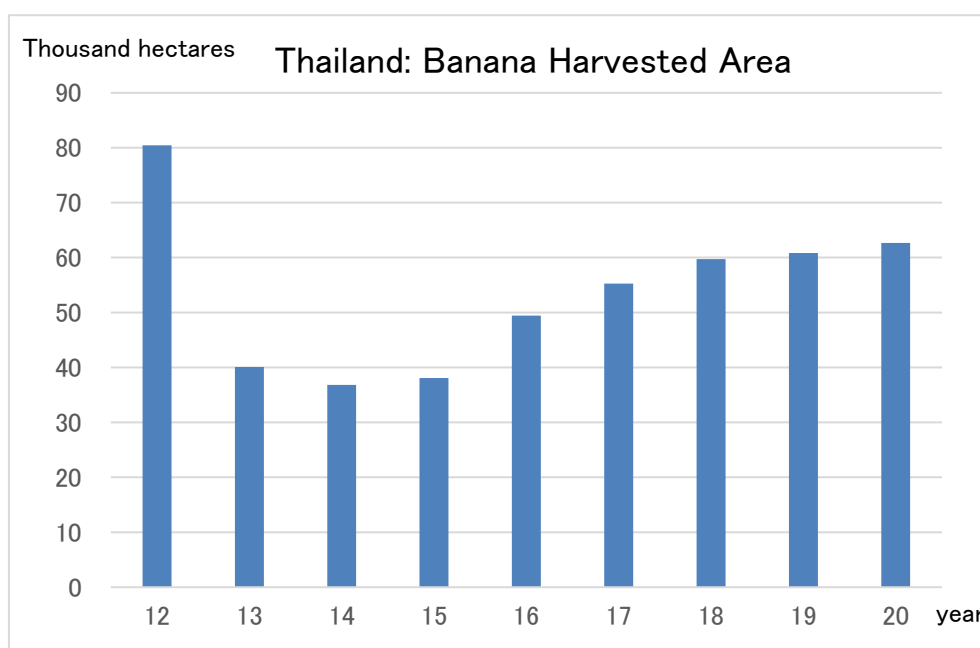
Banana production volume has been increasing moderately, except in 2014. In 2013, it increased by 1% from the previous year to 1.03 million tons, in 2014 it increased by 36% to 1.40 million tons, in 2015 it decreased by 26% to 1.03 million tons, and in 2016 it increased by 8% to 1.12 million tons. In 2017, it was flat at 1.11 million tons, in 2018 it increased by 14% to 1.27 million tons, and in 2019 it increased by 3% to 1.30 million tons. In 2020, it increased by 5% to 1.36 million tons. Production has been somewhat unstable in recent years due to unseasonable weather caused by the El Niño phenomenon, but it is expanding along with the harvested area.



(Data compiled by Ashu Research based on data from the Food and Agriculture Organization of the United Nations)

<Harvest area> Signs of recovery

The harvest area of Bananas, which had been declining, has recently shown signs of recovery. In 2013, it decreased by 50% from the previous year to 40,071 hectares, while in 2014, it decreased by 8% to 36,821 hectares. However, acreage increased by 3% in 2015 to 38,061 hectares, up 30% in 2016 to 49,440 hectares, up 12% in 2017 to 55,250 hectares, and up 8% in 2018 to 59,720 hectares. It continued to grow increasing 2% in 2019 to 60,830 hectares, and up 3% in 2020 to 62,650 hectares. In 2016, Chinese capital relocated plantations from neighboring Laos to northern Thailand. This is due to a ban on new banana plantation development in Laos, aimed at protecting workers and the environment.



(Data compiled by Ashu Research based on data from the Food and Agriculture Organization of the United Nations)

<Industry map> Produced by companies, agricultural cooperatives, unions, etc

Banana production in Thailand is mainly handled by companies, local farmer associations, and agricultural cooperatives.

As for companies, Dole International (*), a subsidiary of Itochu, produces “Dole” brand bananas locally. It outsources its retail operations to Central Retail Corporation, a major local retailer.

Among the farmers’ associations and agricultural cooperatives, the Thungkhawat Gardening Management’s Group (Southern Chumphon province), Banlat Agricultural Cooperative (Central Phetchaburi province), and Chumphon Production Association (Chumphon province) are influential. Mainly growing Homton bananas without pesticides. Homton bananas produced by

Thayang Agricultural Cooperative (Phetchaburi province) have been sold in a single wrapped package by the largest convenience store, “Seven–Eleven”, since around 2015.

*Itochu acquired it in 2013 from Dole, the world’s largest fruit and vegetable major, and positioned it in the fruit and vegetable sector in Asia.

Thailand: Main Banana Producers

Company name		Main features and trends
Company	Dole International Holdings	It is a subsidiary of Itochu. Dole International produces “Dole” brand bananas locally. Retailing is outsourced to Central Retail Corporation, a major local company. Itochu acquired the fruit and vegetable division of Asia from US Dole, the world’s largest fruit and vegetable major, in 2013.
Union	Thungkhawat Farmers Association, Banlat Agricultural Cooperative, Chumphon union	Thungkhawat farmers association (Southern Chumphon province), Banlat agricultural cooperative (Central Phetchaburi province), Chumphon union (Chumphon province), and other produce pesticide-free Homton bananas.

(Data compiled by Ashu Research based on each company’s website and news materials)

(Ashu Research: January 2022)