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USE OF FARMERS'REGISTRATION FOR

AGRICULTURAL POLICY IMPLEMENTATION IN THAILAND

Use of Farmers' Registration for Agricultural Policy Implementation in Thailand

By

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1. Fact about Thailand Agriculture

- 1.1 Thailand GDP at market price in 2007 was 8,493.7 billion baht (about \$ 242.7 billion) and GDP for agricultural sector was 913.9 billion baht (about \$ 26.1 billion) or 10.8 percents of total GDP.
- 1.2 The population in 2007 was estimated at 63 million of which 23.8 million people or 37.3 percents was agricultural population.
- 1.3 Total land area of the country is 320.7 million rais (51.3 million hectares) while the agricultural land is 130.3 million rais (20.8 million hectares) or about 40 percents of the total land area (Table 1).
- 1.4 There is no unique definition for small farmer in Thailand but most of farmers are considered as small farmers according to the farm size. The average land holding is only 22 rais (3.5 hectares) per household and about 95 percents of total farm household hold the land less than 60 rais or less than 10 hectares. (Table 2)
- 1.5 The average cash farm income was 131,193 baht per farm in 2007/08. The average cash farm expenditure was 73,861 baht. The net cash farm income was 57,332 baht. This is in general not sufficient for household expenditure. The average income from non-agricultural activities was 83,513 baht which is higher than the net farm income. The non-agricultural income is about 39 percents of total cash income of the farm household which is quite significant (Table 3).
- 1.6 Most of the farmland is rainfed, only 25 percents of the total agricultural land is irrigated.Therefore, it is very risky in farming under this situation.

- 1.7 During 2003-2007 the government spent 8,313 million baht or average 1,623 baht per year to farmers for the compensation of the damage due to flood and drought. In 2008 the compensation of the damage had jumped to 3,823 million baht.
- 1.8 The export is considered as the engine of growth for the Thai economy. Export earning constitutes about 70 percents of the total GDP. Moreover, the quantity exported as percentage of the total production for many agricultural products are very high. For example, 50 percents for rice, 60 percents for cassava, 75 percents for sugar and 85 percents for para rubber. As a result, the domestic prices of these commodities were fluctuated and very sensitive to the world prices.
- 1.9 In 2007, Thailand ranked 14th in the world in terms of agricultural export with the market share of about 2 percents. Many agricultural commodities ranked very high in the world market. For example rubber, rice, cassava, canned pineapple and shrimp ranked 1st while sugar and chicken ranked 2nd and 5th, respectively.
- 1.10 Despite the good performance in export, many farmers remain very poor or live under the poverty line. One of the critical problems facing them, especially small farmers, is the inability to access relevant information. Therefore the agricultural information dissemination system need to be improved.

2. Government Policy on Agriculture

- 2.1 The following agricultural policies of the present government (Mr. Abhisit Vejjajiva's Administration) announced on 17 December 2008 may require the farmers' registration:
- 2.1.1 Urgent Policies to be implemented in the first year
 - 1) Implement measures to efficiently maintain pricing stability of agricultural produce through tools and mechanisms of the state and expedite the establishment of the agricultural risk insurance system , which includes a risk insurance system for agricultural pricing through advance market mechanism and insurance for crops in case of natural disasters.

- 2) Establish the National Farmers' Council so that farmers can participate in policy making processes and systematic planning of agricultural development.
- 3) Set up a system to protect and promote the interests of farmers as well as promote empowerment of farmers in a sustainable manner.
- 2.1.2 Economic Restructuring Policy (Agricultural Sector)
 - Zoning farmland to define proper areas for food and energy crop production in an efficient way that ensures appropriate and fair price for energy crop to enhance farmers' income security.
 - Ensure the stability of agricultural product prices and marketing by establishing a risk insurance scheme for agricultural product prices.
 - 3) Ensure food security through the promotion of farming according to His Majesty 's initiative, expansion of the learning process and development of the New Theory of Agriculture.

3. **Objectives**

- 3.1 The objectives of the farmers' registration which jointly carry out by the Department of Agricultural Extension (DOAE) and Office of Agricultural Economic (OAE) of the Ministry of Agriculture and Cooperatives are as follows :
 - 1) to establish farmers data base for agricultural development planning; and
 - to facilitate in implementing government policies such as price intervention, compensation for natural disaster and other welfare programs for farmers.

4. **Procedure**

- 4.1 Two types of form are used in the registration :
 - 1) General form for all farmers

2) Specific form for growers of each commodity under the government

scheme such as rice, corn and casava

- 4.2 The general form consists of 2 parts , part 1 is the application form for farmers and keep it in the provincial agricultural extension office and part 2 is the form for farmers to keep it and use as the evidence for registration of the specific commodity.
- 4.3 For part 1, the information registered includes :
 - 1) Farmer name, identification number and address
 - 2) Section 1, type of business:

A. private B. Legal entity ,such as cooperative, company and others

3) Section 2 , characteristic of registered farmer.

a) Career-principal career and second career (use time concept)

b) Source of income- major income and minor income

- 4) Section 3, Number and name of each household member with included I.D number, sex ,year of birth, agricultural or non-agricultural worker ,membership of particular organization
- 5) Section 4, Type of land holding (agriculture / non-agriculture) and type of land tenure (Owner ,rental, others)
- 6) Section 5, planted area, harvested area, production in previous year, location, type of land tenure and source of water supply for each parcel of land.
- Section 6, total area , harvest area ,production location , type of land venue , and source of worker supply for each crop in each paired of site land
- 8) Section 7, number of livestock (inventory and production and farm location for each type of livestock

- 9) Section 8, area and production of aquaculture and farm site for each type of aquaculture raised
- 10) Section 9, information on notification(notify / not notify) of rice, corn, oil palm and para rubber growing in the current year (2009)
- 11) In the last section, the registered farmer has to certify all the above information before signing his name on this form together with the signature of the agricultural official and witness.
- 4.4 To facilitate the farmer in applying for registration, the mobile team of the DOAE consisting of official and temporary employee, are dispatched to each village which has been publicized in advance.
- 4.5 The target for this registration is 5.7 farm households. The filed work is scheduled between 1 July 30 September 2009.
- 4.6 The important information as registered by the farmers is then posted in the public area in each village for scrutinize by interested groups. If there is any objection, the official of DOAE has to investigate and correcting it.
- 4.7 For specific commodity registration such as rice, the registered information includes:
 - 1) Farmer name and identification number and address
 - Planted area, type of rice (non-glutinous rice or glutinous rice), variety, planting date, expected harvesting date and expected production in each field
- 4.8 The location and type of land title (certificate) of each field have to be specified, and a copy of the aforementioned documents must be given to the official to keep in the office.
- 4.9 The information in specific crop registration is the current crop year and will be used for participating in the government program on minimum price guarantee scheme in this year.
- 4.10 For corn and cassava the required information, in general, is very similar.

- 4.11 Upon completion of the form and the data are processed and also posted in the general public similar to the general farm registration. However, for the specific crop registration, the committee consisting of official from DOAE (District and Provincial staff) and staff of local administration will be set up to carry out the public hearing session in each sub-district to scrutinize all collected information. If there is any objection then all the controversial cases will be investigated. If there is no objection then 10 percents of the registered farmers will be randomly checked. The above procedures are needed to prevent farmers from cheating (over report) in order to take advantage of the government scheme. This step is necessary for making this scheme transparent and fair to all farmers.
- 4.12 For the specific crop registration, after the information is verified by the committee, the farmer will receive a document enabling him to participate in the minimum price guarantee scheme.

5. Coverage and definition

- 5.1 For the general registration, all farmers must register if they want to take advantage of the government program which may be come out any time later on.
- 5.2 The person who are eligible for registration have to meet one of the following conditions:
 - 1) Growing paddy (rice) or field crop at least 1 rai
 - 2) Growing vegetable and or ornamental crops at least 1/4 rai
 - 3) Having pure orchard and / or growing tree crops at least 1 rai or 15 trees
 - 4) Having mixed orchard and or growing mixed tree crops at least 1 rai or 15 trees
 - 5) Raising milk cow at least 1 cow
 - 6) Raising cattle at least 2 heads
 - 7) Raising pig and or sheep and or goat at least 5 heads.
 - 8) Raising poultry at least 50 birds

- 9) Having aquaculture worth at least 8,000 baht
- 10) Having income from one or more of the above activities worth at least 8,000 baht
- 5.3 There are 345 crops, 39 kinds of livestock and poultry and 83 species of the aquaculture included in the general farm registration.
- 5.4 The target for rice registration is 3.7 million farms . For corn and cassava, the target is 0.475 and 0.504 million farms respectively.

6. **Utilization of the Registration**

- 6.1 In the past the specific commodity registration was mostly used in commodity mortgage scheme. The farmer had to register before they could participate in the project. Under this scheme, even though farmers could enjoy the high mortgage price, the farmer could not mortgage more than the quota set by the government and of course not more than he could produce as shown in the registration. This implies that this scheme is emphasized on helping small farmers. Nevertheless, it became the government burden after execution this scheme for some time.
- 6.2 In the present year the mortgage scheme will be abolished and will be substituted by the minimum price guarantee scheme with the maximum quota for each farmer (equal quota for all farmers). The crop registration is also required to participate under this scheme. Under this scheme farmers can sell their agricultural products in normal market. If the market price is below the minimum price they will get the difference from the government.
- 6.3 In the future, it is anticipated that the commodity registration will be incorporated into the general farmers registration which may be updated 2-3 times a year to keep up with the change in agricultural activities of each farmer. The updated registration then can be used in any agricultural policy or program such as agricultural zoning, compensation for the damage due to natural disaster and other government welfare program.

7. **Problems and Recommendations**

- 7.1 Registration is a time consuming activity and needs experience personnel to finish the work in very short period (3 months). Hiring temporary workers may be not efficient because they can quit the job any time and thus need a training again. So cooperation with other departments and local administration is recommended.
- 7.2 Many agricultural activities last very short period and very easily change from one to the other in response to prices especially for annual crops. Therefore, the information in the registration need to be updated 2-3 times a year.
- 7.3 Since there is a tendency to over report (register) on the actual production by farmer in order to take advantage of certain government scheme, the disciplinary action such as not allow to participate in the program for certain period should be adopted for those who are cheating.

Table 1 : Agricultural Land Utilization in Thailand

Unit: 1,000 rais

Year	Total Land	Farm holding Land		Forest Land		Unclassified Land	
		area	%	area	%	area	%
2002	320,697	130,892	40.81	106,319	33.15	83,486	27.75
2003	320,697	130,682	40.75	106,319	33.15	83,696	26.03
2004	320,697	130,480	40.69	104,744	32.66	85,473	26.1
2005	320,697	130,276	40.62	104,744	32.66	85,677	26.65
2006	320,697	130,291	40.63	104,744	32.66	85,662	26.71
2007	320,697	130,353	40.65	104,744	32.66	85,599	26.69

Note : 6.25 rais = 1 hectare, 2.5 rais = 1 acre

Source : Office of Agricultural Economics (OAE)

Item	%	
Farm Size		
≤ 2 rais (0.32 hectares)	4.03	
>2 - <= 10 rais (1.6 hectares)	23.90	
> 10 - <= 20 rais (3.2 hectares)	29.37	
> 20 - <= 30 rais (4.8 hectares)	17.38	
> 30 - <= 40 rais (6.4 hectares)	10.71	
>40 - <= 50 rais (8.0 hectares)	5.34	
> 50 - <= 60 rais (9.6 hectares)	3.57	
> 60 - <= 70 rais (11.2 hectares)	2.08	
> 70 rais	3.62	
Total	100.00	
Average Farm Size (Rais)	22.5	
Number of Farm Household (Farms)	5,782,108	

Table 2 : Distribution of Farm Size in Thailand, 2007/08

Note : 6.25 rais = 1 hectare, 2.5 rais = 1 acre

Source : Office of Agricultural Economics (OAE)

Table 3 : Income and Expenditure of Farm Household in Thailand

Item	Crop year				
Item	2005/06	2006/07	2007/08		
Cash Income (Baht/H.H)	167,994	193,497	214,706		
- Agriculture (Baht/H.H)	99,305	114,631	131,193		
- Off-farm (Baht/H.H)	68,689	78,866	83,513		
Ag Income (%)	59.11	59.24	61.10		
Cash Expenditure (Baht/H.H)	137,802	148,726	169,229		
- Agriculture (Baht/H.H)	57,292	64,261	73,861		
- Non-Ag. (Bath/H.H)	80,510	84,465	95,368		
Ag Exp. (%)	41.58	43.21	43.65		

Note : Exchange rate, as of 31 July 2009, 1 US\$ = 34.18 Bahts

Source : Office of Agricultural Economics (OAE)