

# Focus on Thailand

World Grain 04.08.2024

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BANGKOK, THAILAND — Although rice production is holding steady, weather-related challenges are a constant worry for Thailand, which relies heavily on the crop as a food staple and export commodity.

More than 60% of its agricultural land is allocated for rice farming, which is heavily dependent on water. Farmers typically grow rice twice a year during the wet and dry seasons. Production estimates for 2023-24 call for 19.9 million tonnes of rice, a 5% drop from 2022-23 due to reduced water availability during off-season production, according to the Foreign Agricultural Service (FAS) of the US Department of Agriculture.

Exports in 2022-23 are expected to increase 14% from the previous year to 8.8 million tonnes, largely due to India's export restrictions, and drop slightly in 2023-24 to 8 million tonnes as exportable rice supplies increase in Vietnam and Cambodia.

All growing regions in Thailand are impacted by erratic weather patterns, in particular droughts and floods, that have increased in frequency and intensity, according to a report from The East-West Center.

“Precipitation, which was once predictable and consistent, has been more volatile and less common during the wet season,” the report said. “Floods and droughts are becoming more frequent, lasting longer, and are more intense and damaging.”

For example, in 2022 monsoon weather brought heavy rains and strong wind that resulted in flash floods, landslides and overflowing riverbanks in at least 25 provinces. But in 2023, rainfall was about 10% below average, and widespread drought is predicted for 2024, said The East-West Center.

Agriculture overall is an important sector in Thailand, employing about 30% of the labor force, according to the United Nations. However, it generated the lowest value added per worker and accounted for 8.81% of the gross domestic product in 2021.

In addition to climate change, the agriculture sector faces other challenges such as poverty, with 40% of farming households' income below the poverty line; high debt levels; an aging workforce; small farm size; and lack of diversity in crops, with two-thirds of households growing one crop, the UN said.

Recovery in the hotel and foodservice sectors as tourism rebounds following the COVID-19 pandemic is expected to boost demand for feed and feed ingredients, the FAS said. Foreign tourists totaled 25 million in 2023 and is projected to reach 31.5 million in 2024, according to the Tourism Authority of Thailand.

Economic recovery is continuing with 1.8% economic growth in 2023 and a projected 4.4% in 2024.