

New Thai export pact

B36bn in sales to China in several deals

BEIJING : Thailand yesterday signed a memorandum of understanding with China to sell rice, tapioca, rubber, fresh fruits, gems and jewellery worth about 36 billion baht.

Details of export co-operation on agricultural and industrial products will be worked out by Thailand's Export Promotion Department and the Northern International Group of Tianjin, said Commerce Minister Porntiva Nakasai. She announced the agreement on the sidelines of the Thai Agricultural Products Caravan 2009, which was opened yesterday in Beijing by Prime Minister Abhisit Vejjajiva. The Foreign Trade Department has also agreed to sell 1 million tonnes of tapioca chips to Cofco Limited, China's largest edible oil and food importer and exporter and a leading food manufacturer, she said.

Power Unity has signed a 10-year contract with China's Shan Dong Lu Yuan Wine to supply 3 million tonnes of tapioca chips for about 3.85 billion baht. Thai Hua Rubber Plc has agreed to sell 100,000 tonnes of rubber worth 5.5 billion baht to China United Rubber Corporation.

The fruit firm Patcharavipa Sweet Tamarind and China's Tai Na International Group have also reached a deal on setting up a distribution network for 15,000 tonnes of fresh fruit a year worth 1 billion baht, said Mrs Porntiva. As well, Thai rice exporters have signed five deals with Chinese importers for a total of 145,000 tonnes. In addition, the Thai Gem & Jewelry Traders Association and the Gold Traders Association have signed an agreement to expand co-operation in gems and jewellery between the two countries.

Jiesheng Fang, deputy secretary-general of Gems & Jewelry Trade Association of China, said a Thai-China Gems and Jewelry Trade Association would soon be set up to promote co-operation. "Thailand is currently the world's key production source of coloured stones, while China is not," said Mr Fang.

"More importantly, China's consumption of gems and jewellery has experienced robust growth over the past three years, with the industry's annual sales now amounting to 700 billion baht, compared with 500 billion baht in the past three years."

Representatives of the Thai Chamber of Commerce from 75 provinces also participated yesterday in a seminar on trade and investment between Thailand and China with more than 200 Chinese executives and the China Council for the Promotion of International Trade (CCPIT). Business matchmaking for more than 100 companies took place at the event.

Mrs Porntiva also met her counterpart from China's General Administration of Quality Supervision, Inspection and Quarantine of the People's Republic of China (AQSIQ) to request faster quarantine procedures for fresh fruits from Thailand. The agricultural and fruit exhibition in Beijing follows an earlier event in Tianjin. The Thai government plans to hold three more such events this year in Dalian, Shenyang and Xi'an. The roadshows aim to bolster sales of Thai agricultural products in northern China, as currently most of Thailand's agricultural trade with China is with the south of the country.