

Drought will dry up Thailand's durian exports, warns academic



Economics expert expects Vietnam to cash in big as drier weather affects Thai fruit production

An academic believes the ongoing drought will have a severe impact on Thailand's production of durian this year, and that Vietnam will step in to take over the market.

Assoc Prof Dr Aat Pisanwanich, an expert on international economics and adviser to Intelligent Research Consultancy Co Ltd, recently published a report on the subject, which said the lack of rain will severely impact Thailand's export of durians.

He noted that the fruit had become a leading export crop last year, with its value rising to 140 billion baht, overtaking rubber and tapioca, and trailing slightly behind Thailand's top export commodity, rice.

However, Aat believes the value of exports in the next five years could be hurt by the dwindling production due to drought and strong competition from Vietnam, where the cost of production is half compared to Thailand.



He said that if the government does not take action to deal with drought, the production of Thai durian would drop by 53% over the next five years to just about 640,000 tonnes.

This year's drought alone will bring the production of durian down by 42% or about 540,000 tonnes.

In comparison, he said, the production of durian in Vietnam had risen by 200% over the past 10 years.

Last year, Vietnam produced 800,000 tonnes of durian, up from 270,000 tonnes in 2014. In the first quarter of this year, Vietnam exported 36,800 tonnes of durian to China, compared to just 17,900 tonnes from Thailand.

He said Vietnam can be expected to export 500,000 tonnes of durian to China this year, while Thailand may export some 800,000 tonnes, nearly 200,000 tonnes less than last year.

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