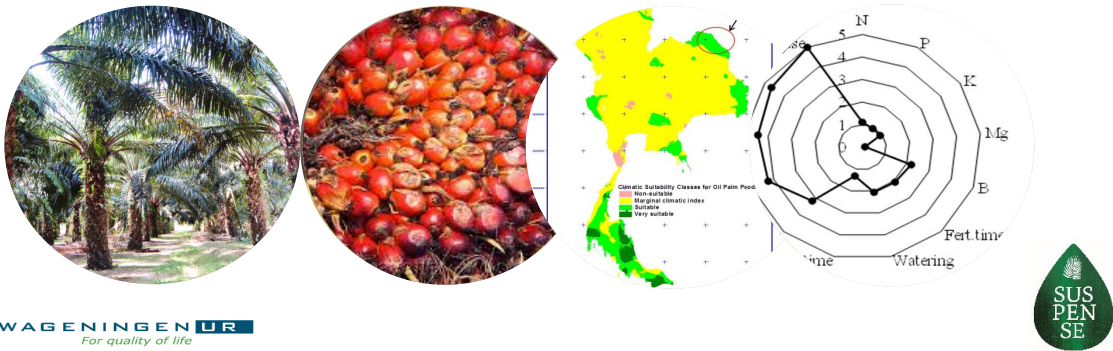


Has oil palm a future in NE Thailand?

Siriluk Somnuek
November 8, 2016



Why oil palm production in Northeast Thailand?

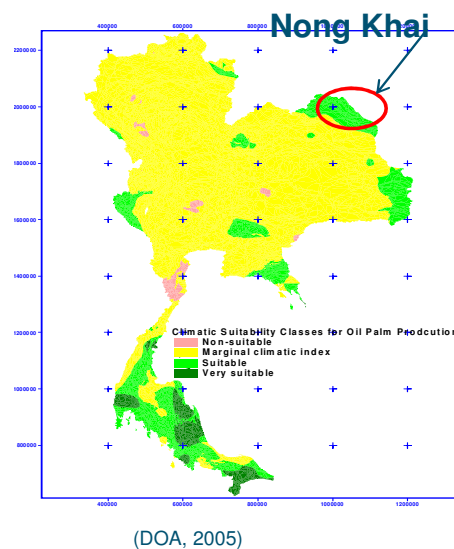
- In 2005 Policy for energy self-sufficiency & sustainability
- In 2006 Policy aiming at expansion of oil palm for biodiesel
- Expansion in the South is below expectation
- Promotion of oil palm production in the North East region



<http://www.siambioenergy.com>

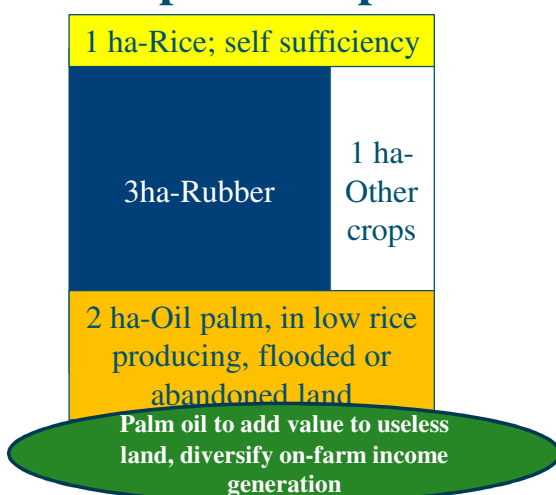
Is it possible to produce oil palm in the NE?

- Only some areas (green) have suitable soils
- Very dry: 6-7 months rainfall < 100 mm.
- Good planting material provided
- Interest-free loans to establish plantation
- Training on Good Agricultural Practices



Who are the farmers in the North East?

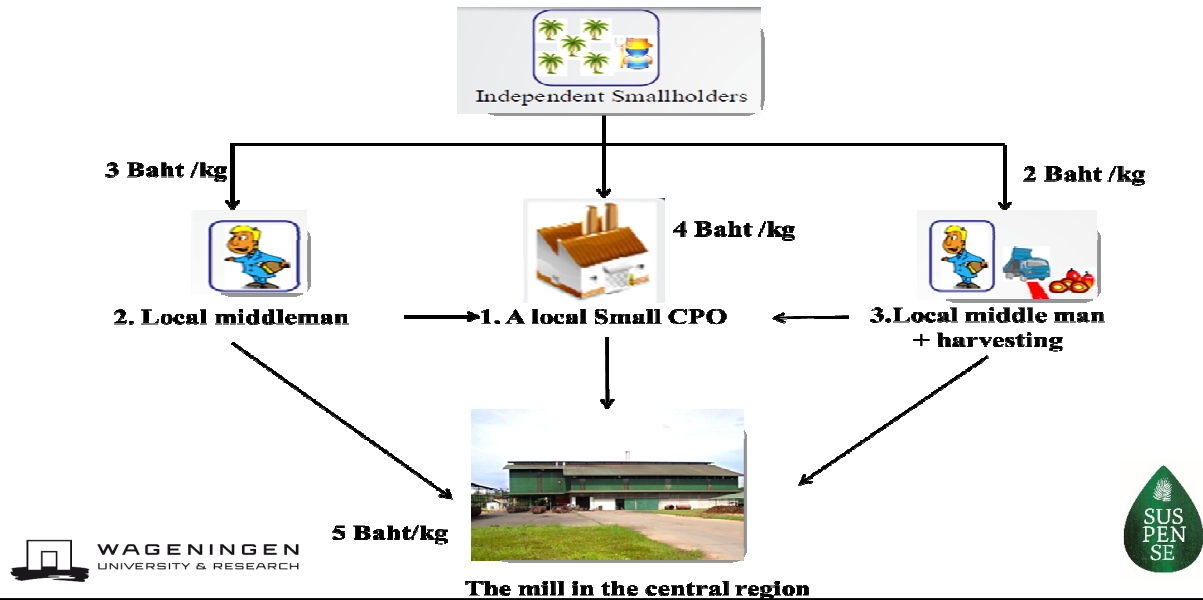
Oil palm adopter



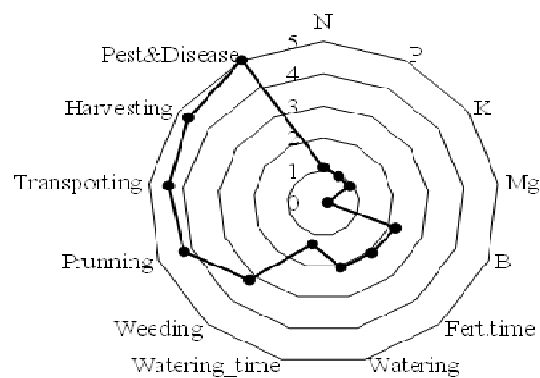
Non- Oil palm adopter



What is the marketing infrastructure?



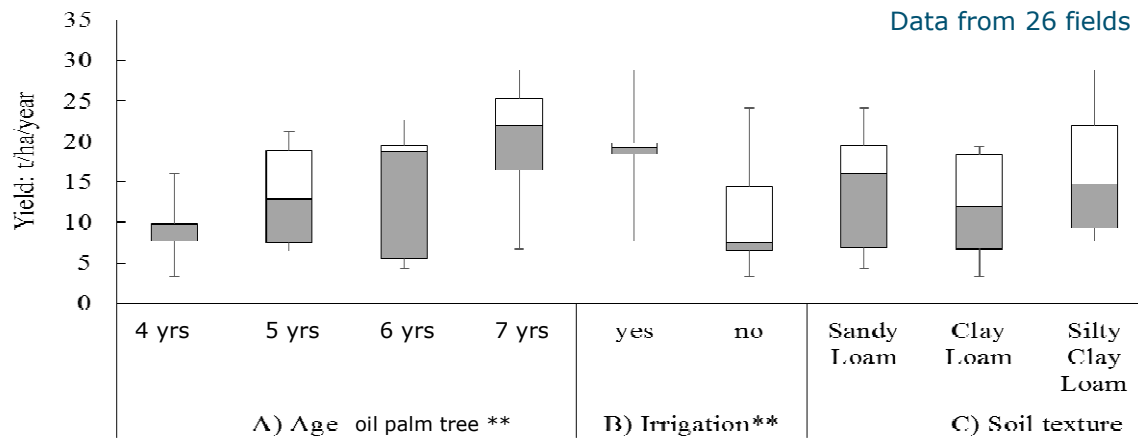
Do farmers apply Good Agricultural Practices?



Survey (n=108)

- Compliance to fertilizer and irrigation recommendations is low
- Compliance depends on income from rice and other crops, age of oil palm and oil palm training (result from regression analysis)

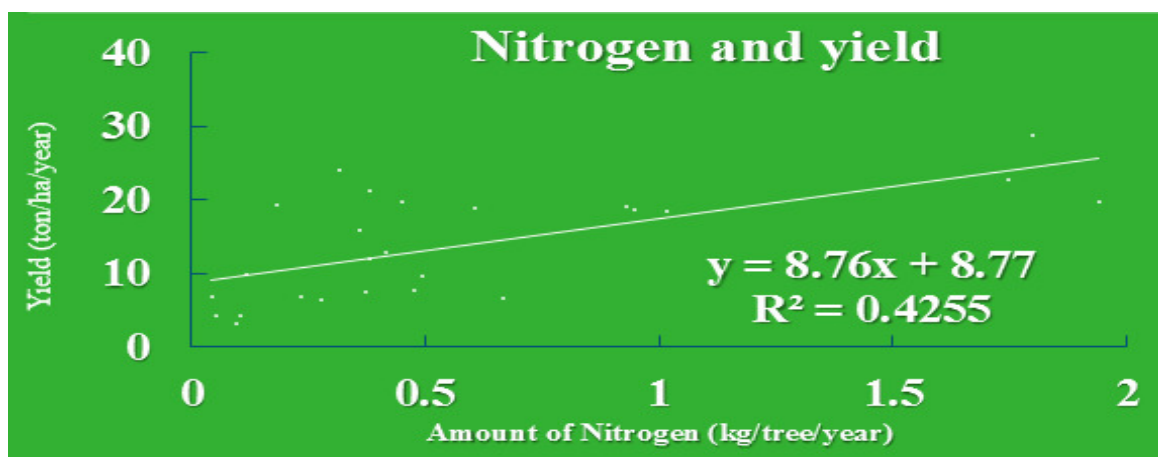
Does GAP lead to high production/ha?



- Yield significantly ($p < 0.05$) differs with tree age and irrigation
- Soil texture does NOT significantly affect yield
- Largest yield of 30 ton/ha in tree with highest age with irrigation



Is there effect of fertilizer application on yield?



NB Application of N is highly correlated with application of other fertilizers so yield effect cannot be attributed to N alone



Oil palm does have a future in NE Thailand!

- For farmers that have sufficient land, income and oil palm training to invest in on-farm diversification
- When market infrastructure leads to regular collection, timely delivery to the mill and attractive farm gate prices
- When irrigation infrastructure and affordable fertilisers are available to overcome soil and rainfall constraints to high yields



Oil palm does have a future in NE Thailand

The new zoning policy prohibits government investments for oil palm in the North East.

- Oil palm development in the North East will hence depend on private sector investments
- A new mill has recently been build in the area showing that the private sector sees the potential



KHOB KHUN KA ขอบคุณค่ะ THANK YOU



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