Promoting Inclusive Business in Agriculture and Food in Thailand

During the first UN Food Systems Summit (UNFSS) which was held in 2021, the Government of Thailand highlighted the country’s desire to become the “kitchen of the world”, and that we need “to work together to transform our food systems towards greater sustainability and balance in all dimensions [and that] most importantly, we need to strengthen food security and ensure equitable access to safe and healthy food for all to achieve the SDGs”.¹

To achieve this, the Government of Thailand adopted the 'Three-S' model (food Safety, food Security, and Sustainability of natural resources and agro-ecology) and is also advancing the Bio-Circular-Green Economy Model to pursue sustainable, balanced, and inclusive economic and social growth. Promoting inclusive business in Thailand can support this transformation.

Inclusive businesses models are specific innovative business models that explicitly seek to address the needs of low-income groups by “providing goods, services, and livelihoods on a commercially viable basis, either at scale or scalable, to people living at the base of the economic pyramid making them part of the value chain of companies’ core business as suppliers, distributors, retailers, or customers”.²

There are multiple valuable models of inclusive business - many in the agribusiness sector - across Asia and the Pacific, that are commercially viable and have social impact at scale. Inclusive business in agriculture shape core business processes in the agri-food and processing sector to address the needs of low-income smallholder farmers and create value for these groups as well as the company. For agri-businesses to be inclusive and remain commercially viable, an innovative mindset and partnerships at the local and regional level, and along the value chain, are critical.

Governments can encourage more inclusive businesses to emerge and thrive through policies that generate greater awareness on these business models, recognise and reward them with targeted incentives, and facilitate services and investments that enable firms to develop inclusive business models.

Given the critical importance of inclusive business for supporting social impact at scale, ASEAN member states adopted in 2017 the ASEAN Inclusive Business Framework and in 2020 adopted the Guidelines for Promoting Inclusive Businesses in ASEAN (this is the first sub-region to do so). In addition, several ASEAN countries - in particular Cambodia, Malaysia and Viet Nam - are in the process of adopting strategies to promote inclusive businesses. There are opportunities to support the implementation of such strategies, learn from these efforts, and replicate best practices in Thailand.

The United Nations Economic and Social Commission for Asia and the Pacific (ESCAP), in collaboration with the Bill & Melinda Gates Foundation, have launched the “Regional Inclusive Business Models in Agriculture and Food Systems” initiative to accelerate the adoption of and promote at the institutional level, innovative business models that support inclusive agricultural transformation and agribusiness development by improving access to technologies, services, and platforms in Thailand and Southeast Asia. In Thailand, ESCAP will partner with the Office of SMEs Promotion (OSMEP) for the development of the programme.

¹ https://www.wwf.or.th/en/?370317/The-time-for-action-is-now-Thailands-commitments-to-the-UN-Food-Systems-Summit