

# **One Tambon One Product – Thais Intelligence Towards International Market**

**By Department of Industrial Promotion of Thailand**

The One Tambon One Product (OTOP) project was initiated by the present government and derived from a brainchild project that began in the Japanese town of Oita. Currently, Thailand produces goods and exports were worth over 10 billion baht in 2002 and it is anticipated that exports would soar to over 20 billion baht in 2003. It is hoped that revenue earned by communities would further increase if support is given on a sustainable basis.

The objective of OTOP project is aimed to allow people living in communities to use their skills in manufacturing products while the government and the private sector would render assistance on developing the products and exploring the markets in order to create jobs, income and strengthening the communities. More than 10,000 items are now produced and developed under the OTOP project of which approximately 460 items have been initially selected as outstanding products with fine quality.

Plans are being made by the government-run Committee on OTOP to select outstanding products, boost sales and have named them as model for goods in the future. In an attempt to further develop the products and boost income of the communities on a sustainable basis, the Committee has appointed several sub-committees which would be responsible for assisting the communities by helping them in administration, promoting production and marketing, and developing the quality of products. Sub-committees are appointed from the regional level to provincial, district and sub-district level and the Committee, chaired by Deputy Prime Minister Somkid Jatusripitak, has agreed to establish an office to help coordinate the project at the Prime Minister's Office's Office of the Permanent Secretary. Suvit Maesintree and Chaiyong Ratana-ungkul are now acting director and deputy director respectively of the office.

Government officials from several agencies including Interior, Industry, Agriculture and Cooperatives, and Commerce ministries are now involved in these sub-committees. With a strong determination for strengthening the OTOP, the Committee has set guidelines to select the so-called champions of products, the most outstanding product from each province and on the national level. These guidelines include the strength of brand which

has potential for export, regular production with standards of quality, quality standards which can create customer satisfaction and products which have a history.

The selection process, without doubt, covers every facet starting from production development to sales which focus on creating customer satisfaction. Goods which are selected are divided into six categories which include food – fresh and processed; beverages which are both alcoholic and non-alcoholic including tea, fruit juice, herbal drinks and powdered ginger; clothes and garments which are made of both natural fibre and natural fibre mixed with synthetic fibre, ornamental products including scarfs, hats, bags and necklaces; decorative products and furniture which include household furniture, handicrafts and artificial flowers; arts and souvenir articles that reflect the intelligence of the rural people and culture; and herbal products which are non-food-and-medicines and are made from natural ingredients which are made into cosmetics, herbal shampoo, aroma oil etc.

After the completion of separating the goods into categories, the sub-committees will give stars ranging from one to five. The results will then be forwarded to a judging sub-committee where a contest would be held to select the champion of products based on the market demand. The products are divided into four categories. They are Grade A which comprise goods that can be exported straight away, Grade B for goods that have strong potential, gain recognition in the country and can be developed to international standards with the support of the government, Grade C for goods that can be developed into Grade B through improvement and correcting weaknesses through support given by the government, and Grade D for goods that have low potential and need two measures to improve them. The first measure calls for development which could enable them to move into the Grade C class with support offered by the government and an evaluation must be undertaken from time to time while the second level is for merchandise that is impossible for development and cannot move up to the Grade C class due to extreme poor quality and the government may have to stop production and promote a new product instead.

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