



International Center for Tropical Agriculture
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Cassava markets, value chains and livelihoods in Asia: implications for Lao PDR

National Cassava Stakeholder Meeting

Vientiane, March 2019

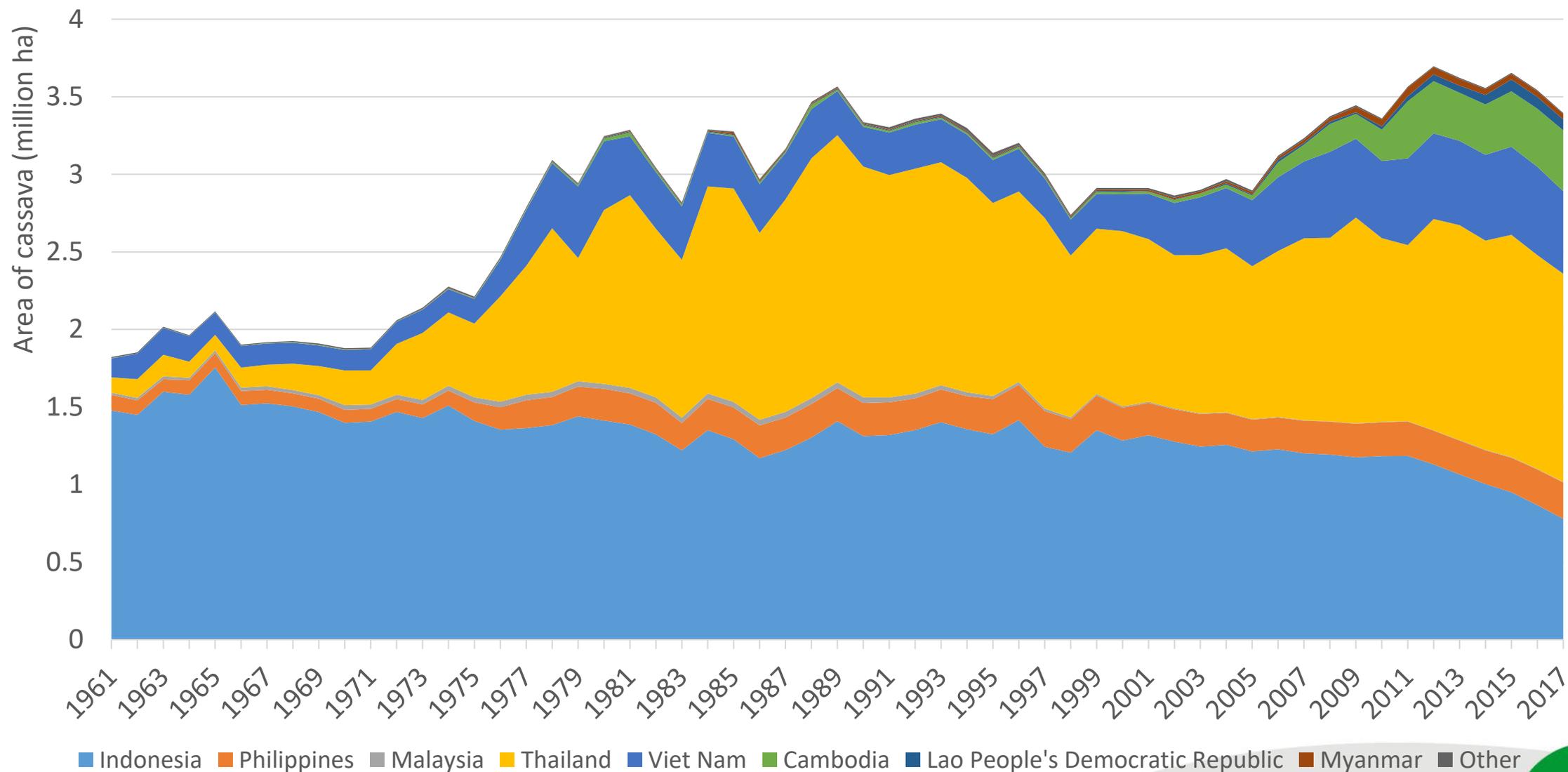
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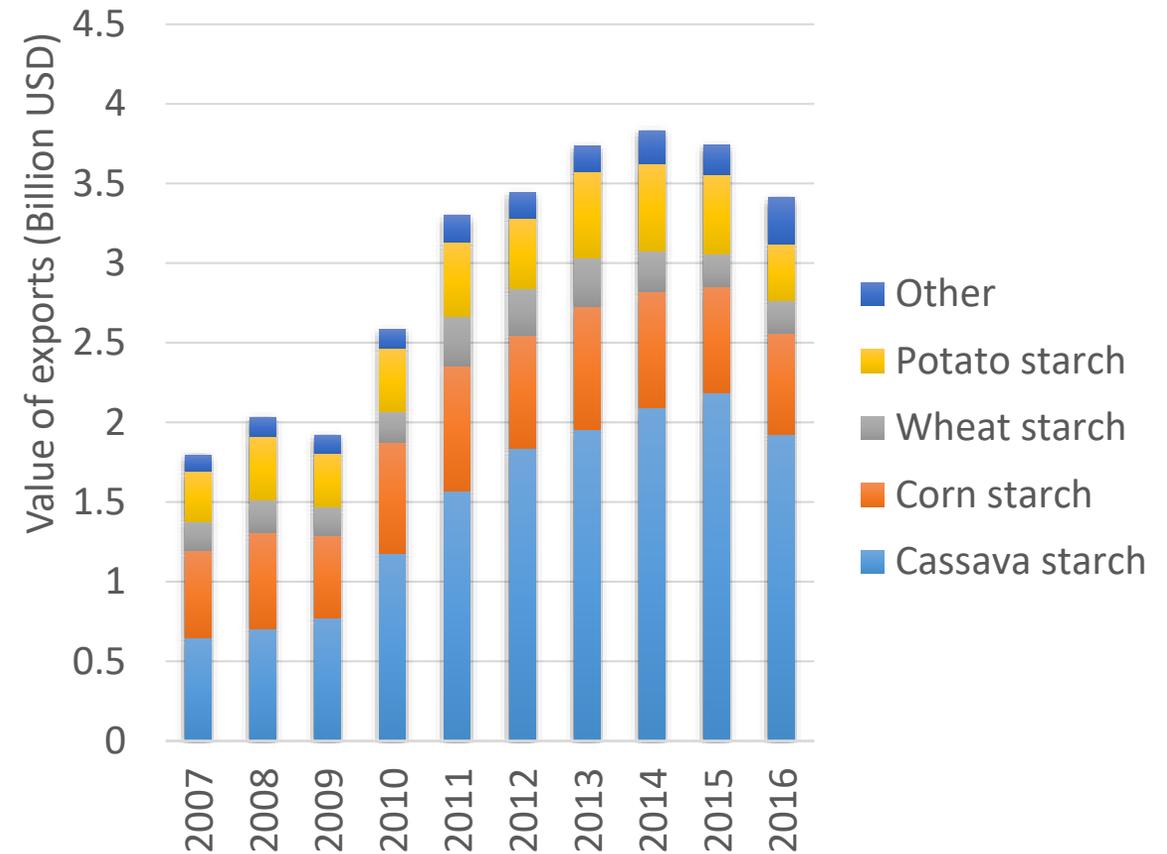
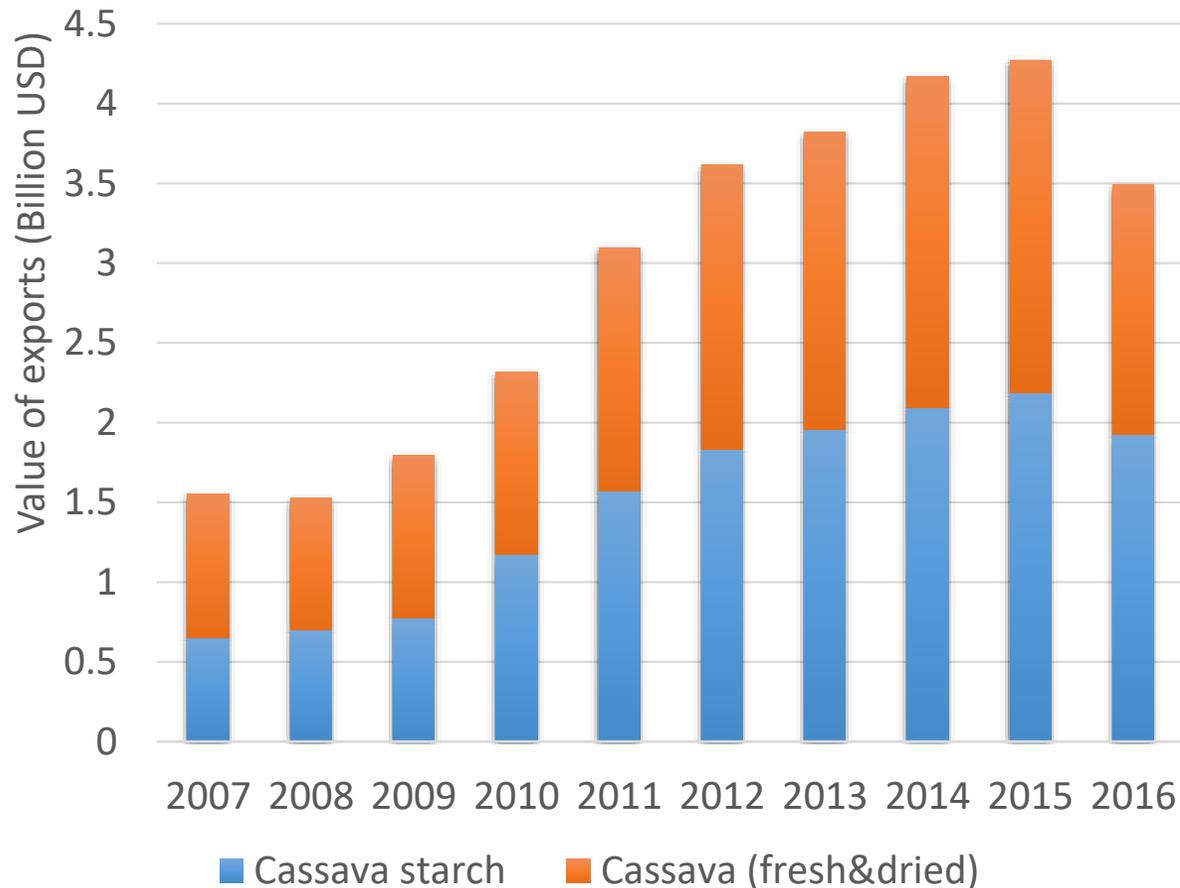
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How much cassava is currently grown in Asia? How much next year?

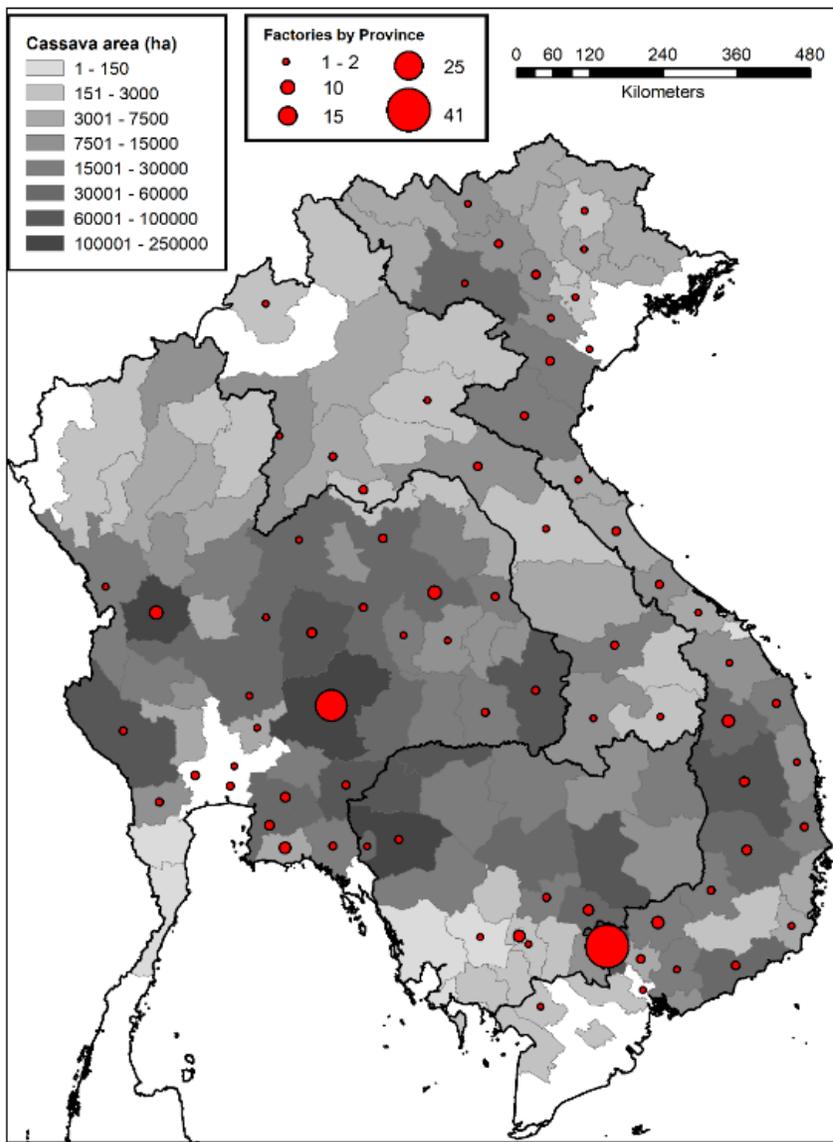


Value of cassava trade and relative importance of cassava starch in global trade

Global trade largely is Southeast Asia exporting to East Asia and Southeast Asia



The regional value chain for cassava products involves large amounts of cross border trade



Cross border trade in fresh roots and dried chips (2016)

Value of cassava (fresh or dried) exports between project countries and world (2016 \$'000)

Importer Exporter	Thailand	Viet Nam	Lao PDR.	Cambodia	China	World
Thailand		5	21	2	1,106,456 (1,139,302)	1,108,946
Viet Nam			6		219,786 (236,045)	256,205
Lao PDR	50,260 (56,418)	11,552 (14,547)			73	62,203
Cambodia	12,872 (260,976)	42 (212,807)			8,355 (15,484)	21,333
Myanmar	12				31	43

Figures in parenthesis is the import value reported by partner countries. In some cases there is significant differences between the recorded export value and import value by the partner country.

Cross border trade in cassava starch (2016)

Value of cassava starch exports between project countries and world (2016 \$'000)

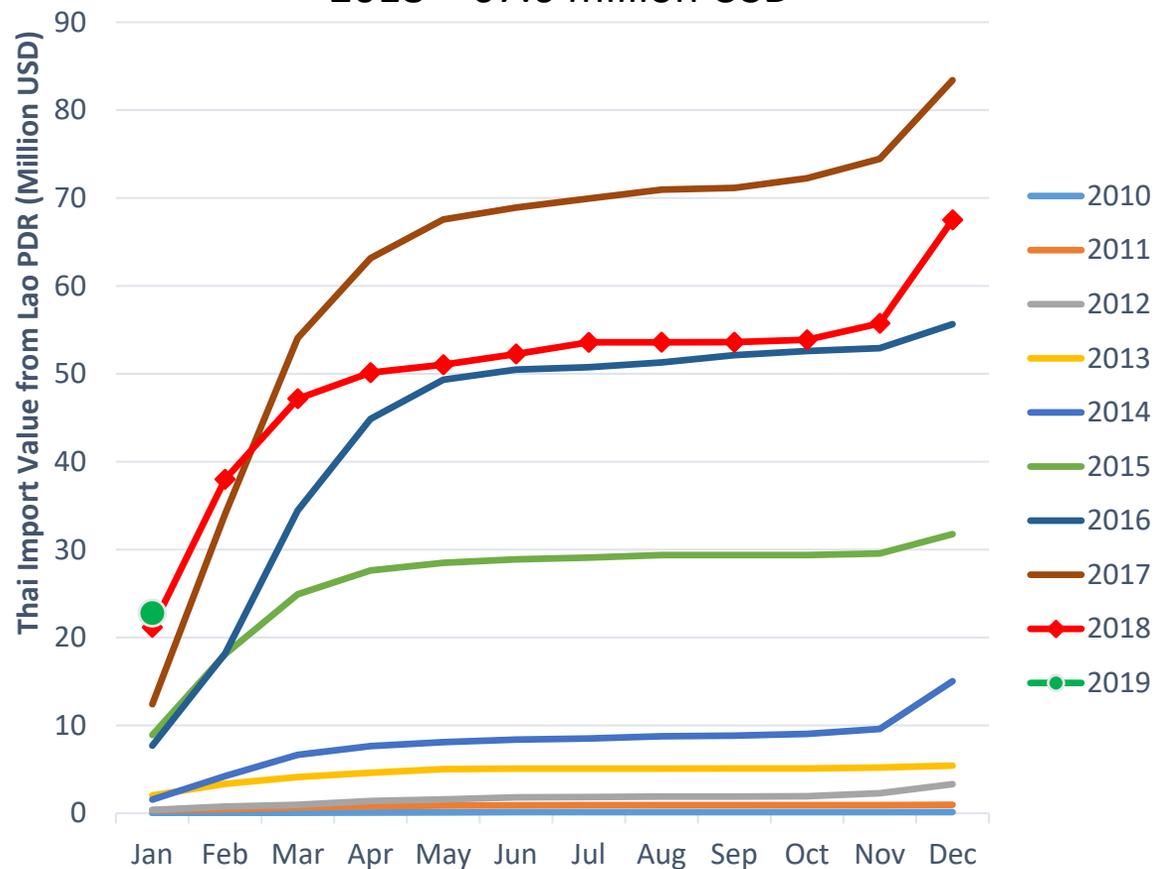
Importer Exporter	Thailand	Viet Nam	Lao PDR	Cambodia	Myanmar	China	Indonesia	World
Thailand		3,460	272	11	751	524,603 (535,697)	198,569	1,112,428
Viet Nam	11			59	146,295	649,604 (181,453)	25,410	738,588
Lao PDR		5,794				2,830 (1,337)		8,982
Cambodia						10,564 (10,428)		13,366
Myanmar								

Cumulative monthly value of imports of cassava from Lao PDR (fresh or dried)

Thailand

2017 = 83.4 million USD

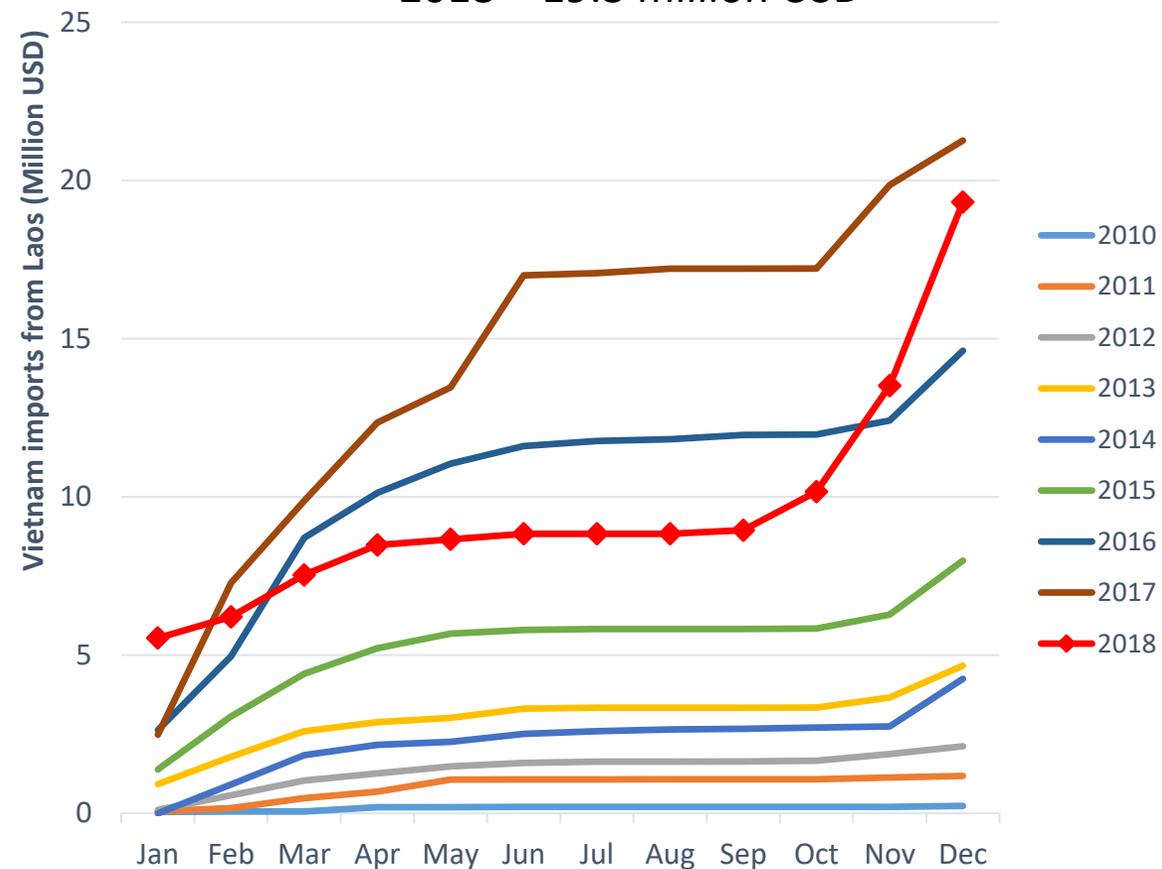
2018 = 67.6 million USD



Vietnam

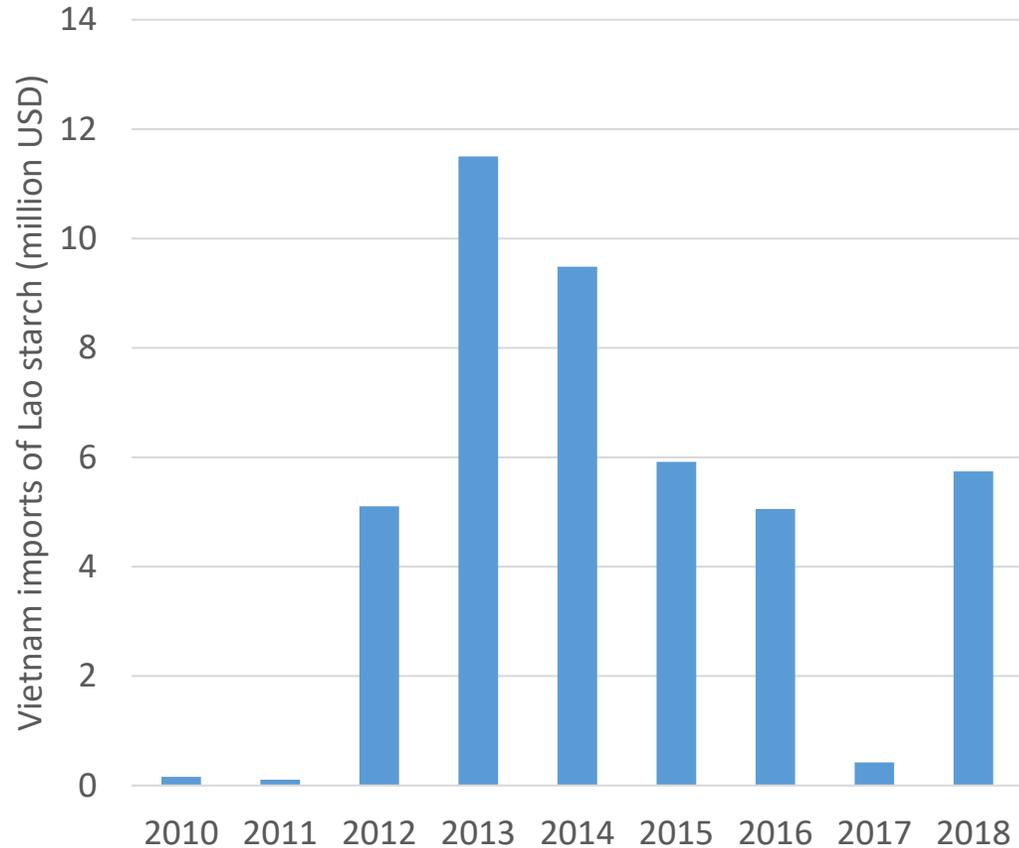
2017 = 21.3 million USD

2018 = 19.3 million USD

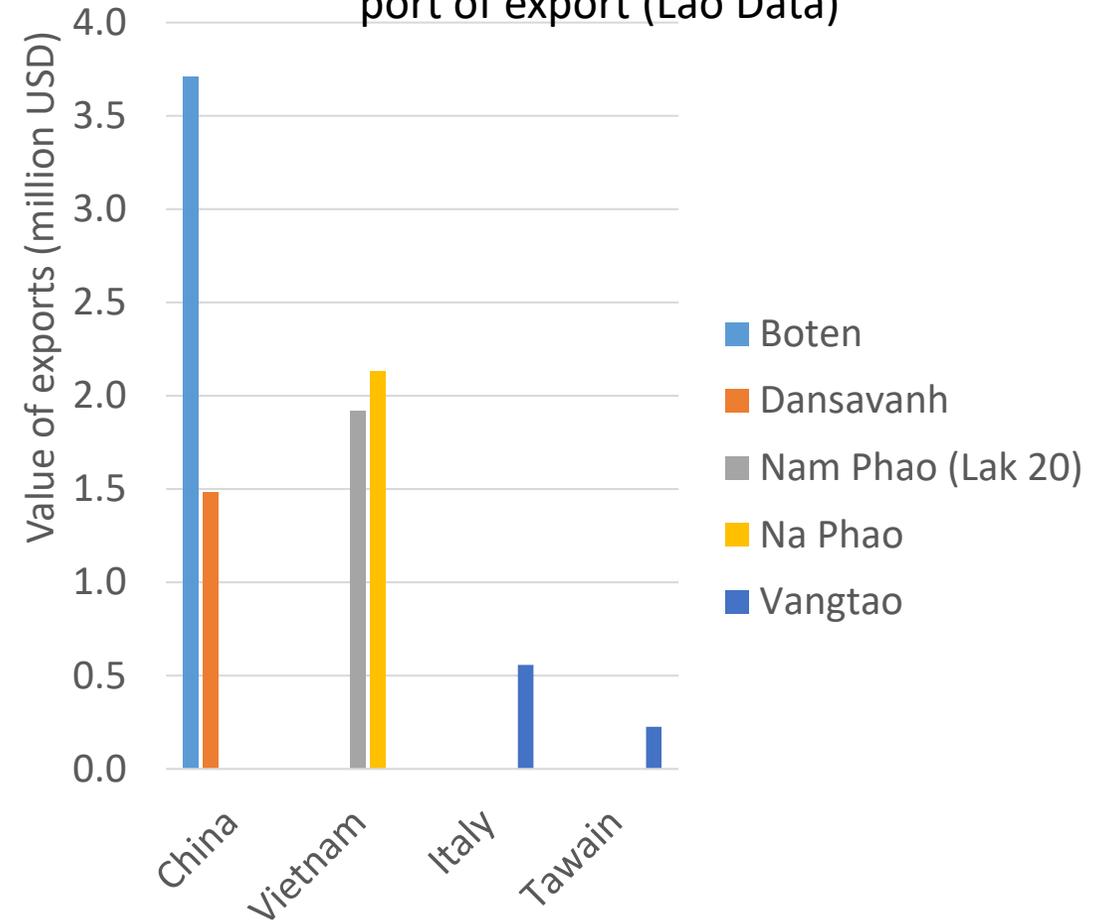


Starch Exports

Value of Vietnam's imports of Lao starch (Vietnam data)



Value Lao starch export by destination and port of export (Lao Data)



What is cassava used for?

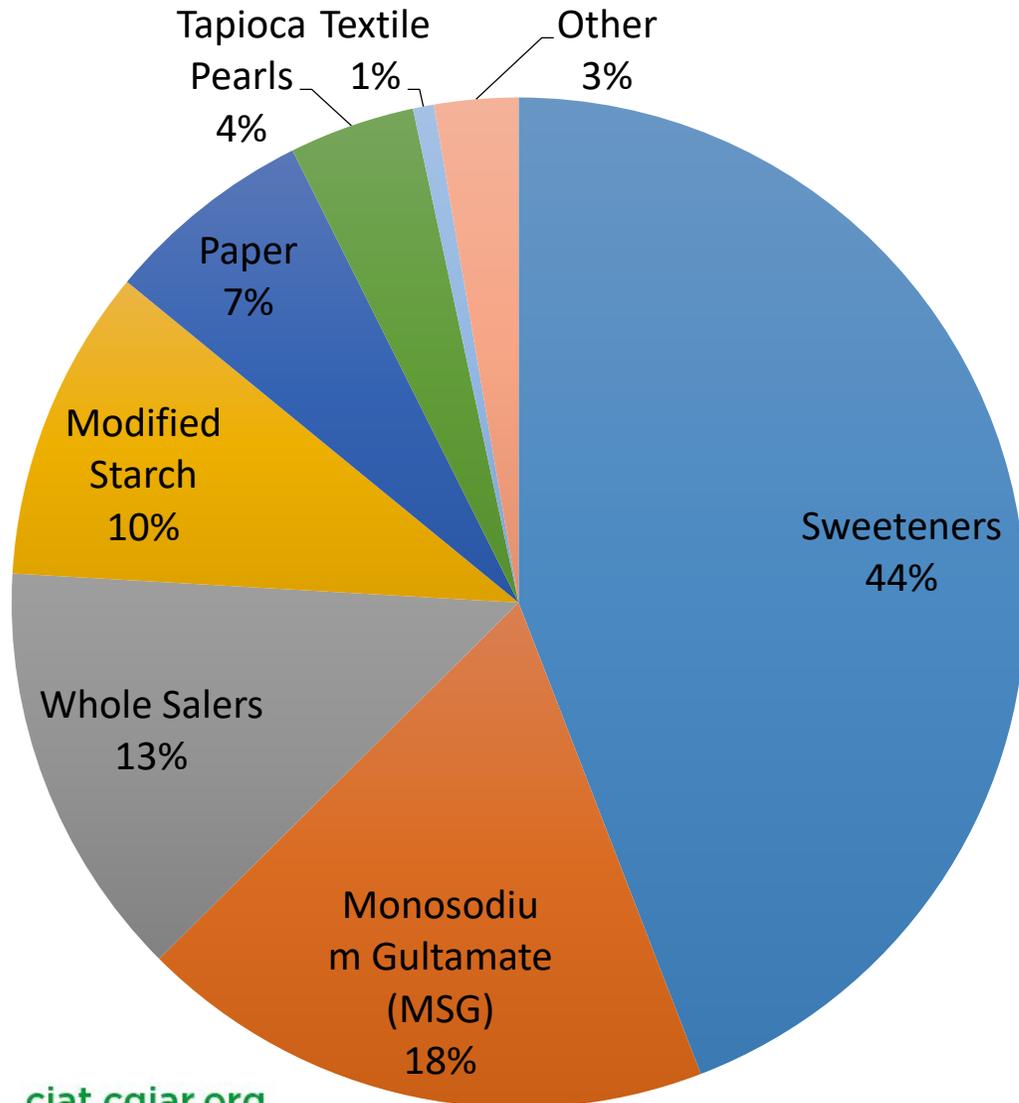
On the demand side – the market outlook for cassava in Asia needs to be considered in the context of substitutes in different applications

1. Global markets where cassava chips compete with other forms of carbohydrate for processing animal feed or ethanol such as **maize, sorghum, wheat, molasses – oil, gas.**
2. Markets where cassava starch competes largely on price with substitutes such as **maize** and **potato** starch, **sugarcane.**
3. Markets where the functional properties of the starch are desired. Consumer preferences, clean label segment, gluten free etc.

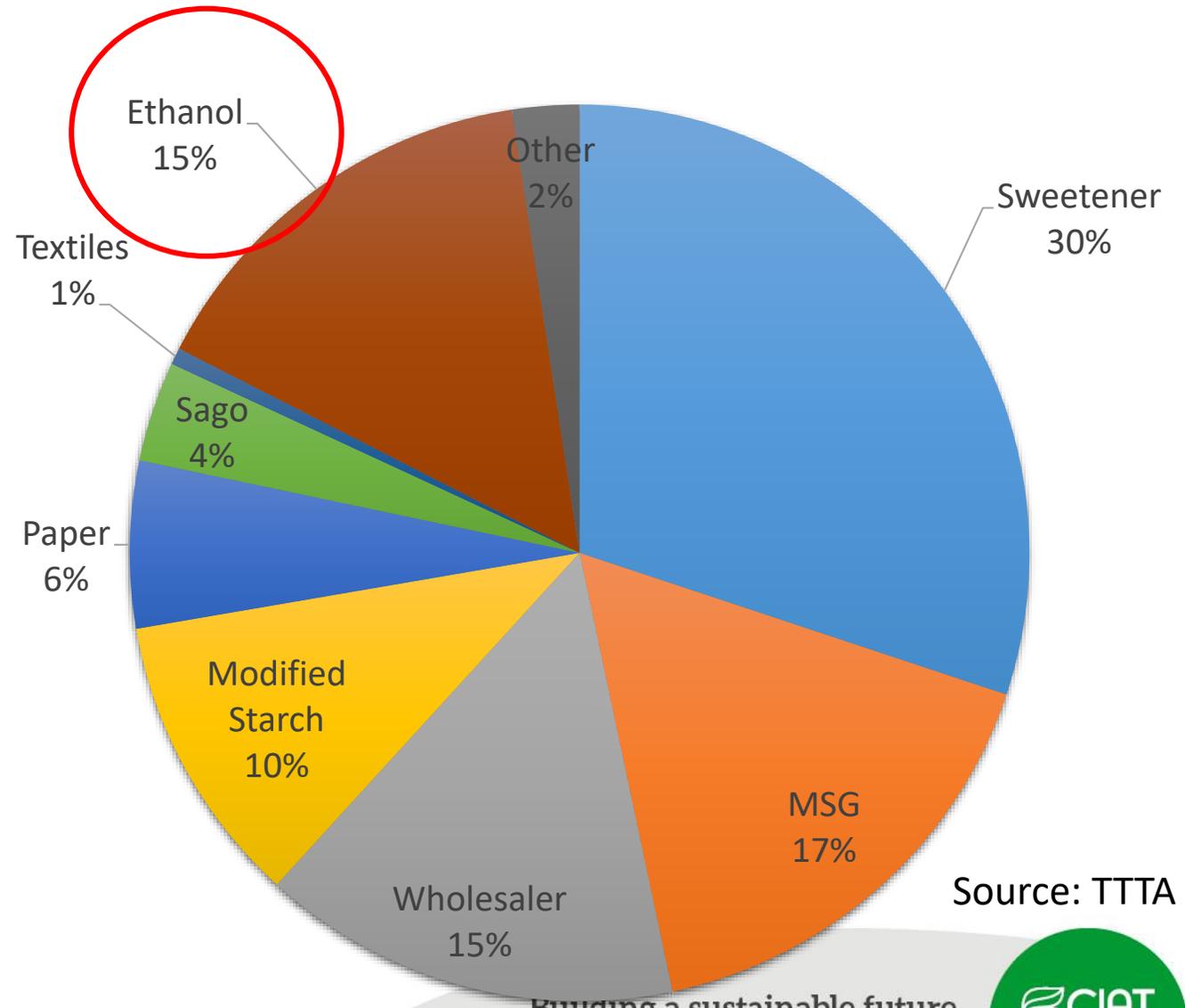


Domestic utilisation of starch in Thailand (14.5% Root Equivalents)

2015 – 1.495 Million MT Starch



2017 – 1.66 Million MT Starch



And on the supply side – the relative competitiveness against other land use in the context of different trends and shocks

- Own price and relative prices to other commodities that can be produced in agro-ecological zones
- Changes in costs of production
 - Changing labour costs and ease of mechanization
- Long term climate trends
- Floods and droughts
- Changes in land suitability and land degradation
- **IMPACT OF PEST AND DISEASE**



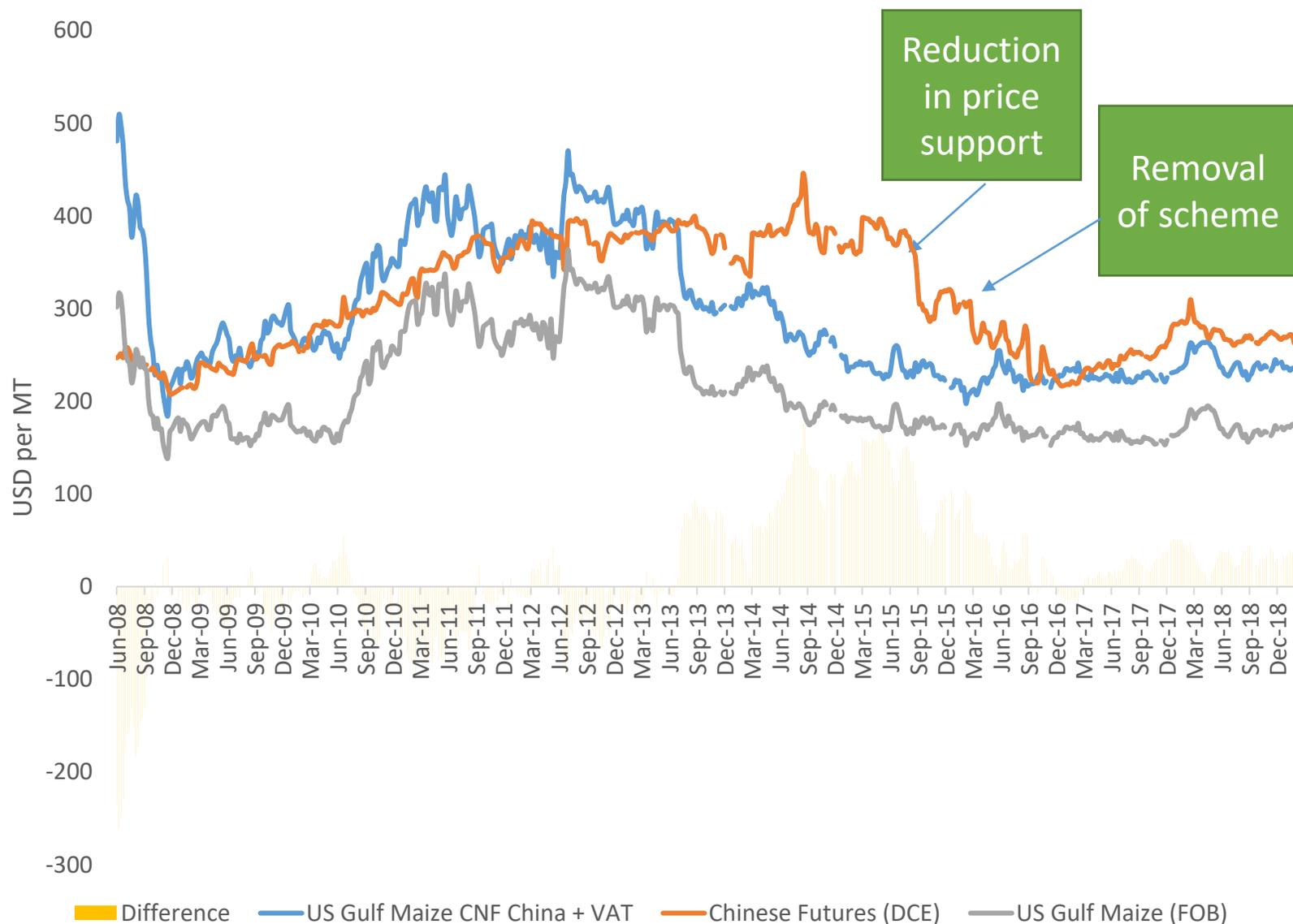
Cassava farmers and processors in Southeast Asia are involved in a constant battle to be competitive



VS



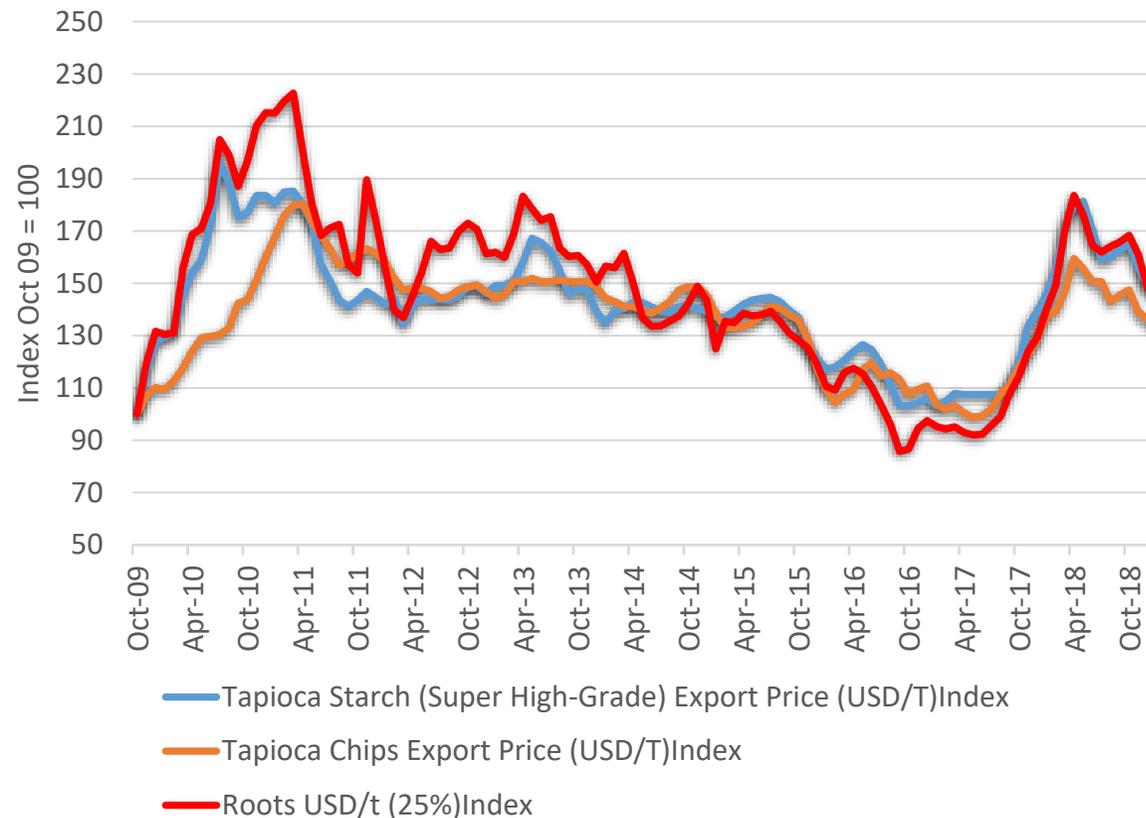
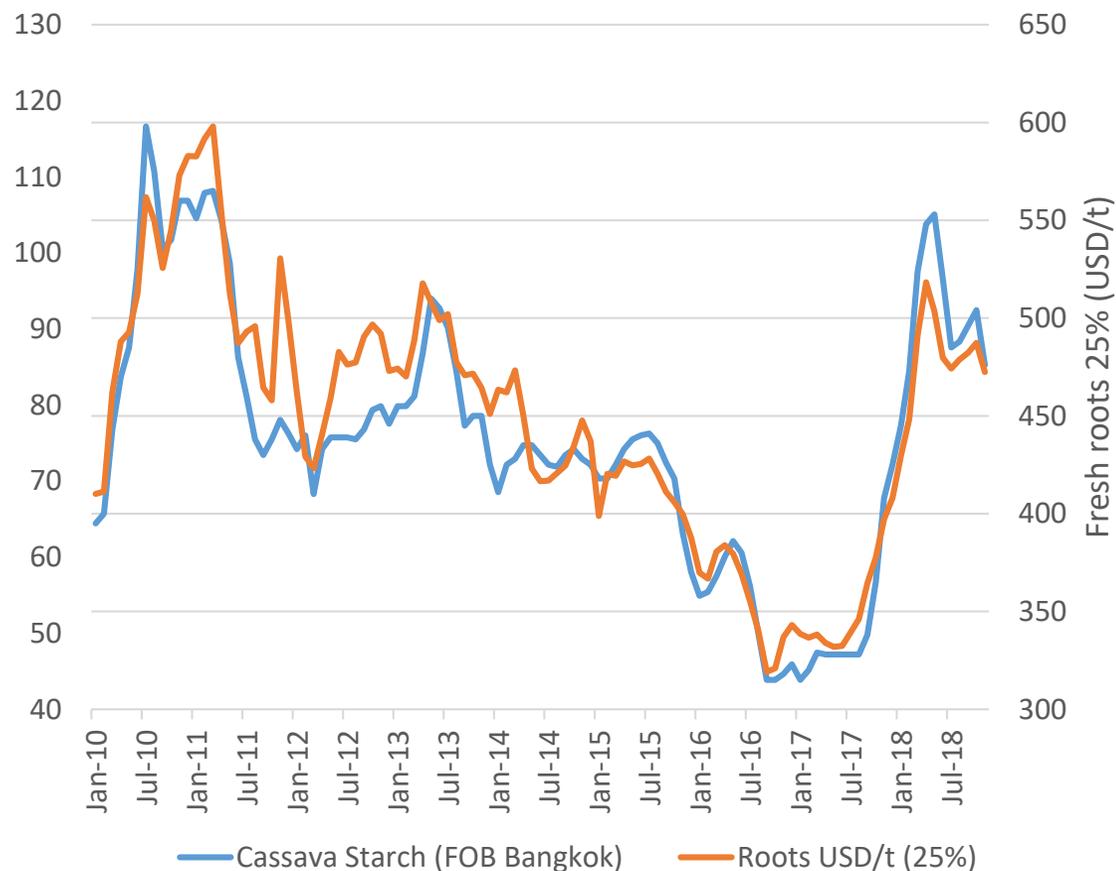
Smallholders cassava farmers part of a larger global carbohydrate market



Large stockpile remains:
Allowed to be used for biofuel

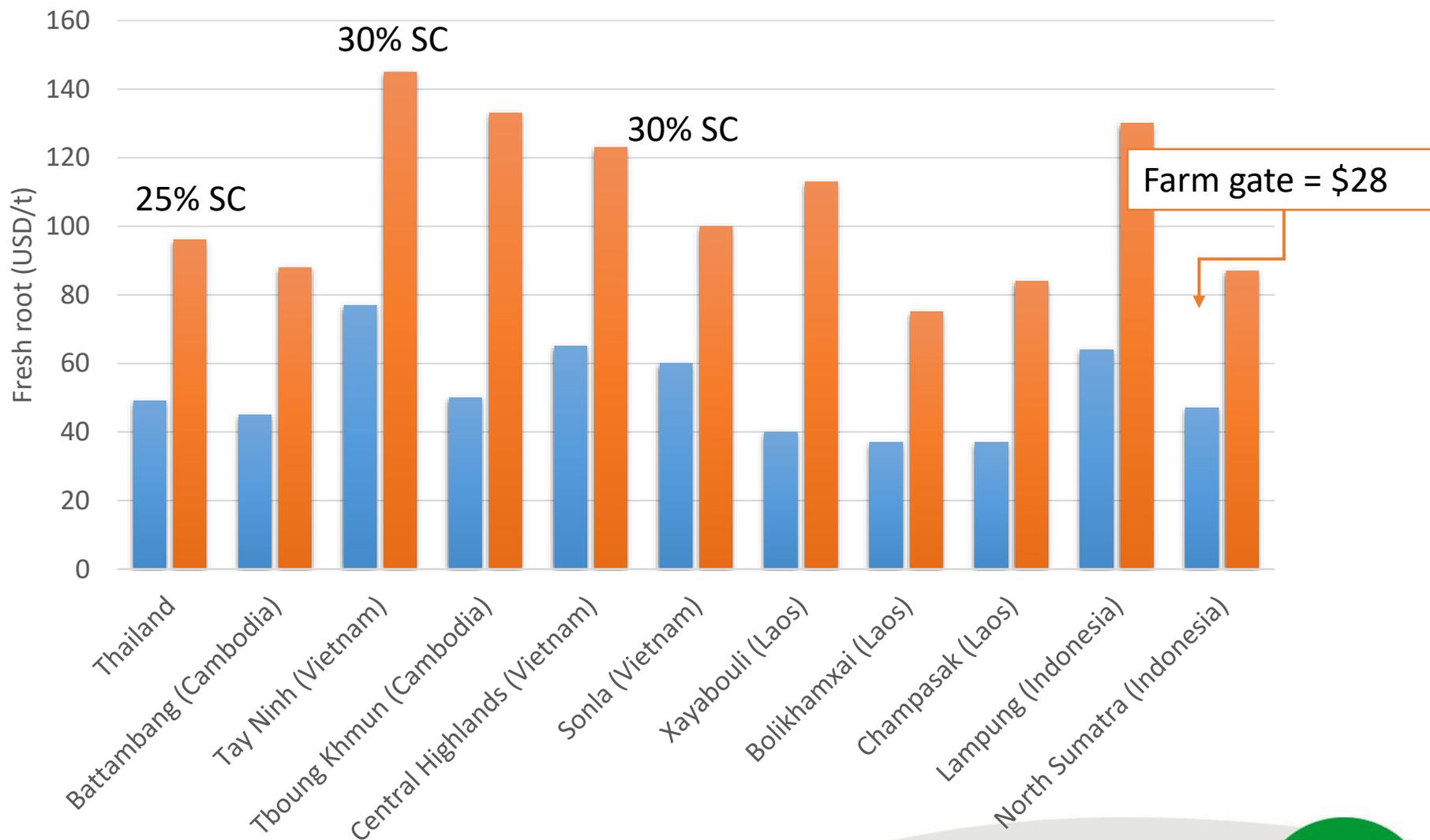
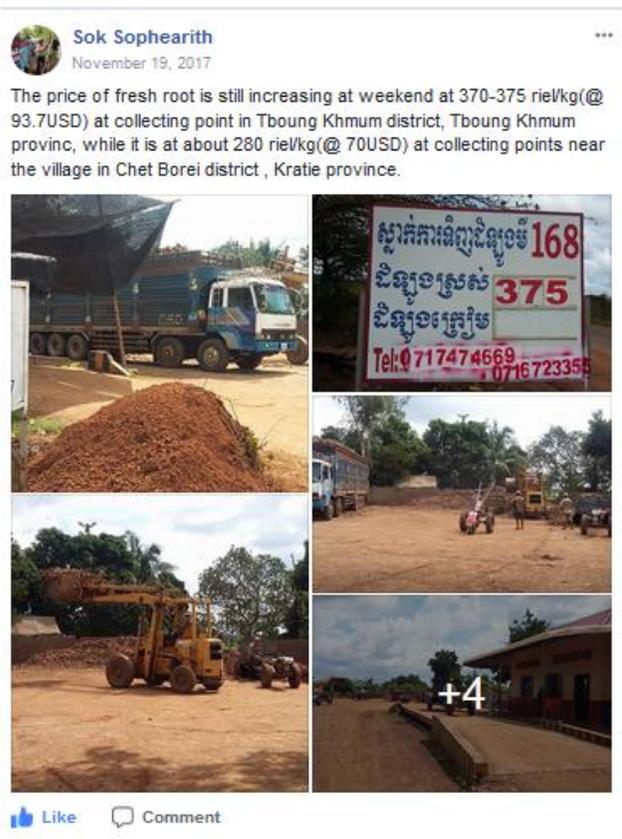


Cassava root, dried chips and starch prices in Thailand (world reference)



Reduction in planted area
 Flooding in Thailand
 Maize price in China
 DISEASE ?

Large price uncertainty - Fresh root prices at collection points & factory



Future of cassava starch?

Drivers of use of cassava starch in food processing sector

Factors influencing growing demand:

1. Desired functional properties in many food applications
2. Reduced cost in modification
3. **Consumer demand and clean label market**

Stronger Demand for Clean Label in Asia Pacific Reveals Ingredion Consumer Research

Email Print Share     

22 Jun 2015 --- Ingredion has highlighted key results of its latest wave of global consumer research conducted in March 2015, showing that clean label is as much on the radars of consumers in Asia Pacific as in many other parts of the world. The online study was conducted across 17 countries; including China, Japan and Australia, in order to provide Ingredion and its customers with key insights into consumer perceptions of ingredients, labels and product positioning.

Since 2011, Ingredion has been conducting the global consumer research study with an independent research partner – MMR Research Worldwide. The survey is repeated annually to help benchmark and identify any shifts in attitudes or patterns, helping Ingredion and its customers to keep ahead of the changing shape of the clean label trend.





Home / Ingredient Finder / BINASOL™ Starch

BINASOL™ Starch

Our BINASOL™ Starch is a tapioca starch line that includes both non-GMO and traditional products. BINASOL™ Starches have bland making them suitable for use in delicately flavoured soups, sauces, and gravies. These tapioca starches may also be used in such as pie fillings.

INTRODUCTION

CLARIA® Functional Clean Label Starch

CLARIA® Functional Clean-Label Starches empower manufacturers to meet increased consumer demand for cleaner labels enabling formulations with similar functionality to a modified food starch.



Also known as Tapioca

Our BINASOL have bland tapioca starch

INTRODUCTION DOWNLOADS APPLICATION HOW WE APPLY IT

Introduction to CLARIA® Functional Clean-Label Starch

Also known as

Clean-label starch, functional clean label starch, starch

CLARIA® Functional Clean-Label Starches labels simply as starch yet perform similarly to modified starches.

Tate & Lyle's line of CLARIA® Functional Clean-Label Starches empowers manufacturers to meet increased consumer demand for cleaner labels enabling formulations with similar functionality to a modified food starch. Globally, consumers are demanding convenient, great tasting foods that have recognisable ingredients on the label. In fact, one-in-four new products today is launched with "cleaner-label" claims. All CLARIA® Functional Clean-label Starch products are certified as non-GMO.



At Tate & Lyle, our texturants range now offers a comprehensive array of Non-GMO offerings for all regions, providing our customers with choices to fit their needs. Our non-GMO ingredients offer the same functionality as their traditional counterparts without compromising on taste or texture, meaning you can offer your consumers everything they're looking for in the foods and beverages they love.

CLARIA® Functional Clean-Label Starches use CLARIA® technology, a proprietary technology that has been shown to provide improved sensory attributes (neutral colour) vs. other functional clean-label starches.

Coupled with Tate & Lyle's commitment to partnership and ingredient innovation, CLARIA® Functional Clean-Label Starches provide manufacturers the opportunity to co-generate the next generation of cleaner-label products.

CLARIA® Bliss Functional Clean-Label Starches

CLARIA® Bliss are functional clean label tapioca-based



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ADM to Add New Line of Specialty Tapioca Starches

07/24/2018

CHICAGO, July 24, 2018—Archer Daniels Midland Company (NYSE: ADM) today introduced a new line of specialty tapioca starches and tapioca maltodextrin ingredients in partnership with Vedan International. ADM's tapioca maltodextrin is non-GMO and is available in an organic version. ADM's tapioca modified starches are also non-GMO.

"Over the past few years, ADM has been focused on expanding the range of our starch-based ingredient options, especially those that are plant-based – to provide cleaner label options and solutions for customers," said Kris DiTommaso, vice president, ADM's starch business. "Tapioca's neutral taste profile allows it to be used in a wide range of applications, and we are pleased to now add tapioca-based modified starches and maltodextrins to our growing starch ingredient portfolio."

Starches help improve stability by binding water in food systems and can also enhance mouthfeel and viscosity. They are ideal in applications such as dressings, sauces, bakery fillings, ice cream, yogurt, bakery, beverages, meat and dry sausage applications.



Conclusion

1. Market and production risk contribute to the vulnerability of smallholder cassava farmers in Asia – debt, distressed land sales, migration by necessity, and other undesirable livelihood choices
2. An understanding of the global market context in which localised cassava value chains operate (farmer-trader-processor) helps recognize the market risk that farmers and processors are exposed to – **but timely information and decision support tools are necessary.**
3. The addition of disease pressure will impact the competitiveness of smallholder cassava farmers in the global carbohydrate market

ACIAR Cassava Value Chain and Livelihood Program

Join the conversation at : <https://www.facebook.com/groups/1462662477369426/>



Australian Government
Australian Centre for
International Agricultural Research



Thank you!



WE'RE PROUD TO
HAVE CELEBRATED 50 YEARS
OF AGRICULTURAL RESEARCH
FOR DEVELOPMENT

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