



Asia Pacific Regional Youth Dialogue, Bangkok, Thailand, Aug 2025

COOPERATIVES IN THAILAND

Contribution of cooperatives to Thailand's economy

- 7,308 cooperatives in Thailand.
- 10.91 million members in cooperatives.
- 35,122 professionals are employed with cooperatives.
- Combined annual turnover of cooperatives is \$78 billion.
- Contribution of cooperatives to the GDP is around 13%.

Source: Cooperative League of Thailand, 2025

Did you know?

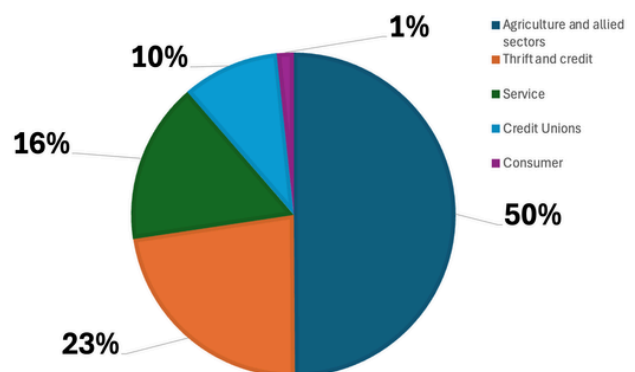
- The cooperative movement in Thailand is 110 years old!
- Prince Phitthayalongkorn is recognised as the Father of Thai cooperatives.
- The first cooperative in Thailand, Wat Chan Cooperative Unlimited Liability, was established in 1916, in Phitsanulok. It was a small village credit cooperative to help severely indebted farmers.
- The Cooperative League of Thailand (CLT) is the national apex body representing all cooperatives in Thailand. It was established in 1968 and is based in Bangkok.
- The Cooperative Promotion Department (CPD) under the Ministry of Agriculture and Cooperatives is responsible for promoting and strengthening the cooperative movement in Thailand. CPD was established in 1972 and works at both central and provincial levels.
- Thailand's Voluntary National Reviews (VNRs) on Sustainable Development Goals (SDGs) in 2017, 2021, and 2025 acknowledged cooperatives' contribution, highlighting their role in SDG 1, 2, 8, 10, 12, and 13.
- ICA has two members from Thailand. CLT became a member in 1974 and the Association of Asian Confederation of Credit Unions (ACCU), in 1992.

The cooperative movement in Thailand

Cooperatives in Thailand have a rich history and play a prime role in assisting the poor and marginalised. The first cooperative was established in 1916 with the aim to improve the livelihood of small and indebted farmers who were affected by the shift from self-sufficient economy to trade economy. Since then, cooperatives have been playing an important role in agriculture, credit, and services sector.

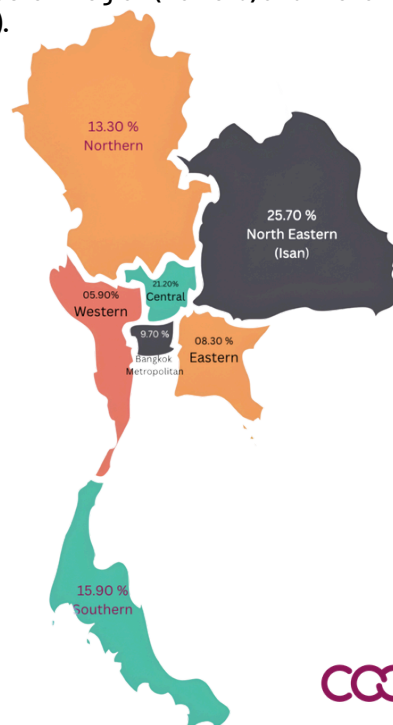
Types of cooperatives

Cooperatives in Thailand are present in the following sectors:



Geographical presence of cooperatives

Cooperatives are present across Thailand, with the highest share in the North Eastern region (25.70%) and the lowest in the Western region (5.90%).



Evolution of the cooperative movement

The evolution of the cooperative movement in Thailand reflects its role as a key instrument of rural development, shaped by successive policy interventions and economic transitions.

→ 1900–1950

- The cooperative movement in Thailand, unlike its other Southeast Asian counterparts, had been a state-sponsored initiative rather than a continuing policy of the colonial era. The movement began in 1916 with the government setting up small village credit cooperatives for severely indebted farmers who suffered from the brunt of a transitioning economy, natural disasters and money lenders foreclosing their lands.
- Cooperatives remained at a nascent stage until the late 1930s with around 700 cooperatives in the country. With the end of World War II, the cooperative movement took an upsurge, with almost 10,000 cooperatives running at full scale in the country. These cooperatives cut across different sectors, including agriculture, land settlement, fisheries, consumer, service and savings and credit. The first cooperative bank was established in 1947 with the support of government capital to enable village credit cooperatives to become owners of their own financing center.

→ 1950–2000

- The period between 1955 and 1968 was characterised by transition in the economy, and brought stagnation to the cooperative movement. The government-cum-credit cooperative-owned Bank for Cooperatives got reorganised into the Bank for Agriculture and Agricultural Cooperatives. The effort to strengthen the cooperative movement was again initiated by the government in the late 1960s with the establishment of the CLT in 1968, as the apex organisation of the cooperative movement.
- This period witnessed establishment of new and model cooperatives. Many small-scale cooperatives were restructured to become large-scale. All cooperatives that came under CLT were registered under the New Cooperative Act 1968. Many credit union cooperatives were also set up in Thailand around this time.

→ 2000–Present

- Post-2000, agricultural cooperatives in Thailand have been progressively strengthened through successive national development plans.
- The Eleventh Plan (2012–2016) promoted cooperatives as tools for farmer self-reliance, sustainability, and improved financial and institutional capacity.
- The Twelfth Plan (2017–2021) encouraged farmer collaboration through cooperatives to achieve economies of scale, adopt technology, manage risks, and expand grassroots financial access.
- The Thirteenth Plan (2023–2027) positions cooperatives as business-oriented institutions to enhance productivity, strengthen value chains, and increase market participation.

Laws on cooperatives

- 1914 - The Amended Association Act, the first cooperative law was passed in Thailand.
- 1916 - The first amendment was made to the law. The law introduced was to register farmers' cooperative in order to help rice growers and indebted farmers.
- 1928 - Cooperative Societies Act was passed and the 1914 Act was repealed.
- 1968- The first amendment to the Cooperative Societies Act was made. The amendment focused on business operations and organisation of cooperatives. The amendment allowed for an amalgamation program which combined the small village credit cooperatives, land improvement and land settlement cooperatives into a largescale cooperative which were officially categorized as agricultural cooperatives.
- 1999 - The second amendment to the law provided for the establishment, registration, operation and management of all cooperatives in Thailand. It also provided for financial assistance to cooperatives through the creation of Cooperative Development Fund and creation of National Cooperative Development Board for promoting the viability and growth of cooperatives.
- 2010 - The third amendment to the law was made which consisted of eighteen sections that amended the previous Act.
- 2019 - The fourth amendment to the law was made comprising 40 sections, strengthening governance, enhancing regulatory oversight, and introducing a financial regulatory framework for savings and credit cooperatives.

Key Highlights Cooperative Act , 2019

- Strengthens the powers of the Registrar to intervene in cooperative governance, including corrective orders, suspension, and removal of boards.
- Introduces stricter governance and accountability standards for directors and managers, including liability for misconduct and negligence.
- Establishes a regulatory framework for savings and credit cooperatives, aligning oversight with financial sector norms.
- Enhances financial transparency through mandatory audits, standardized accounting, and timely reporting requirements.
- Provides for associate membership with limited rights and establishes an Appeals Committee for reviewing regulatory decisions.

Cooperative landscape of Thailand

Thailand's cooperative landscape spans agriculture, credit, and service sectors, with cooperatives playing a central role in supporting small and marginalised communities. They contribute significantly to rural development by improving livelihoods, strengthening financial inclusion, and enhancing value chains, while advancing national goals of economic resilience and sustainable development.

Banlard Agricultural Cooperative Co., Ltd.

Banlard Agricultural Cooperative Co., Ltd., established in 1969 in Phetchaburi, Thailand, was created to address farmers' lack of finance and exploitation by intermediaries. Starting with 1,400 members, it has grown to 10,410 members across 84 groups, with an operational fund of approximately \$58.8 million and deposits of about \$41.5 million (2023). The cooperative provides credit exceeding \$35.2 million, alongside marketing, processing, and retail services.

A key innovation is the "Golden Banana" export project, integrating production, processing, and traceability systems. The cooperative adheres to international certifications including GMP, HACCP, ISO 9001:2015, GAP, and GHP, ensuring quality, safety, and global market compliance. Member welfare includes scholarships, healthcare, pensions, and disaster relief. It has also received the AEC Quality Award (2019) for excellence in ASEAN quality standards.



PC: CLT

Nong Kha Nang Credit Union Cooperative

Nong Kha Nang Credit Union Cooperative, established in 1981 in Phetchaburi, Thailand, was created to address members' lack of savings discipline and access to affordable credit. Starting with 26 members and share capital of approximately \$44, it has grown to serve 12,964 ordinary members across 36,809 accounts, including savings, loan, and welfare funds (as of 31 October 2025). The cooperative provides credit exceeding \$26 million, alongside consumer goods, digital services, and mobile banking.

A key innovation is the "Purple Heart Network" and "Smart Home" projects, integrating technology for online transactions, SMART card usage, and mobile service vehicles. The cooperative adheres to good governance principles, transparency, and the sufficiency economy philosophy. Member welfare includes child, education, medical, elderly pension, funeral, and debt forgiveness benefits. It has received the Sufficiency Economy Philosophy Award (2022), and was named Outstanding Provincial Cooperative (2022/2023).



PC: CLT

Chiang Mai University Cooperative Shop Co. Ltd.

Chiang Mai University Cooperative Shop Co. Ltd. (CMU Coop), established in 1973 in Chiang Mai, Thailand, was created to provide affordable daily essentials, stationery, and university supplies to students and staff while preventing exploitation by external retailers. Starting with 318 members in 1973, it has grown to 3,033 members across 5 branches, with share capital of approximately \$158,000 (2023). The cooperative provides consumer goods, delivery services, and member consignment alongside digital sales platforms and an online application.

A key innovation is the "You order, we send" delivery project, integrating technology to analyse member spending behaviour and enable fast product delivery. The cooperative adheres to international cooperative principles and good governance, ensuring transparency, member participation, and digital accountability. Member welfare includes free emergency sanitary napkins, training programs (Coop X Academy), cooperative youth camps, and support for student clubs. It has also been recognised as a modern cooperative model by the Cooperative Promotion Department of Thailand.



PC: CMU

Bor Sang Umbrella Handicraft and Wood Products, Ltd.

Bor Sang Umbrella Handicraft and Wood Products, Ltd., established in 1941 at Ton Pao sub-district, Sankampaeng District, Chiang Mai, Thailand, was created as the first service cooperative among traditional umbrella maker groups to preserve local craftsmanship and provide stable income for artisans. Initially named Bo Sang Umbrella Makers Cooperative, it started with a small group of villagers and has since expanded its business to cover wider member services. The cooperative produces handmade Saa paper, silk, and cotton umbrellas alongside wood products.

A key innovation is the integration of traditional Lanna artistry with quality production, including the annual Bo Sang Umbrella and Sankampaeng Handicrafts Festival. The cooperative adheres to Geographical Indication (GI) registration (2009), ensuring authenticity and global market compliance. Member welfare includes income stability, skill development, and cultural preservation.



PC: Chiang Mai Ala Carte



- During 2014–2016, Thailand engaged in the International Fund for Agricultural Development (IFAD), funded Strengthening Knowledge Sharing on Innovative Solutions Using Learning Route Methodology in Asia and the Pacific (ROUTASIA) programme, which strengthened cooperative-based knowledge sharing, trained local champions, and promoted innovations in agricultural cooperatives, rural finance, and value chain development across the Asia-Pacific region.
- In 2018, the CLT established the Thai-ASEAN Center and Information Hub to enhance business linkages, trade, information exchange, and coordination among cooperatives across ASEAN.
- In 2019, the CPD hosted the 8th ASEAN Cooperative Business Forum to exchange and share experiences of Thai agricultural cooperatives with ASEAN countries.
- In February 2024, CLT, in collaboration with the Ministry of Agriculture and Cooperatives, established the International Cooperative Cooperation Coordination Center to strengthen partnerships between Thai and international cooperatives through networking, study visits, and knowledge exchange, with participation from regional bodies including ICA-AP.

Engagement with ICA-AP

- Since 2010, Thailand has been the host for and participant of several of the ICA-AP's training and knowledge sharing programs. CLT is a key partner in the ICA – Ministry of Agriculture, Forestry and Fisheries (MAFF), Government of Japan, training program which focuses on leadership and women's empowerment in the agriculture sector.
- Thailand is represented at the ICA-AP Regional Board by Mr. Poramate Intarachumnum, Chairperson, CLT for the 2025–2029 term, following the earlier representation of Mr. Vitoon Naewpanit, former Chairperson of CLT, who served on the Board from 2011 to 2015.
- The 9th Asia-Pacific Co-operative Ministers' Conference held in Bangkok in 2012 recognised the strategic role of cooperatives as a counterbalance to privatisation and in promoting fair globalisation. The conference called for reforms in cooperative laws and policies and emphasized the development of large, professionally managed multipurpose cooperatives and the integration of self-help groups.
- In August 2025, Thailand hosted the Asia-Pacific Regional Youth Dialogue in Bangkok, part of the International Forum "We, the Youth" (IFWY), organised by ICA-AP in partnership with CLT, the United Nations Research Institute for Social Development (UNRISD), and Munhwa Broadcasting Corporation (MBC Korea), bringing together youth leaders to strengthen cooperative engagement and regional collaboration on sustainable development.
- In March 2026, Thailand hosted the first meeting of the newly elected ICA-AP Regional Board in Bangkok, with CLT facilitating regional engagement. The meeting strengthened cooperation among Asia-Pacific members and included a field visit to Nong Pho Dairy Cooperative, showcasing cooperative-led value chain development.

What are cooperatives?

Cooperatives are autonomous associations of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly owned and democratically-controlled enterprise.

Cooperative values

Cooperatives are based on the values of self-help, self-responsibility, democracy, equality, equity, and solidarity. In the tradition of their founders, cooperative members believe in the ethical values of honesty, openness, social responsibility and caring for others.

Cooperative principles

The seven cooperative principles are guidelines by which cooperatives put their values into practice.

1. Voluntary and Open Membership
2. Democratic Member Control
3. Member Economic Participation
4. Autonomy and Independence
5. Education, Training, and Information
6. Cooperation among Cooperatives
7. Concern for Community

References

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About International Cooperative Alliance Asia and Pacific

ICA-AP is one of four regional offices of the ICA. Established in 1960 in New Delhi, India, it unites, promotes, and develops cooperatives in the region. ICA-AP's 123 members from 29 countries spans a variety of sectors, including agriculture, credit and banking, consumer, education, fisheries, forestry, housing, and insurance.

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International Cooperative Alliance

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