

<b>THEMATIC TITLE</b>	LEGAL PROBLEMS RELATING TO THE BARGAINING POWER OF THAI FARMERS IN THE CONCLUSION OF CONTRACT FARMING AGREEMENT
<b>KEYWORDS</b>	THE BARGAINING POWER / CONTRACT FARMING
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### **ABSTRACT**

In Thailand, agriculture has been considered the major occupation of Thai people from the past until now. The Royal Thai Government recognizes the importance of the agricultural occupation; therefore, Contract Farming Promotion and Development Act, B.E. 2560 (2017) has been enacted and enforced in order to regulate and supervise the making of agreements in the contract farming which is one of several mechanisms to stabilize incomes of farmers. Even though the above-mentioned law has been enforced, many contract farming agreements still lack balance and fairness as well as the appropriate checks-and-balances mechanism. Consequently, unfair agreements and practices of taking advantage always occur when making contracts which can affect the economic status of small-scale farmers. Farmers have been disadvantaged because they have not recognized or understood all terms and conditions of the agreements issued by the companies. There are also many kinds of problems in making contract farming agreements, such as lacking bargaining power, benefit calculation and unfair benefit-sharing, unfair agreements and standard form contracts, the problem with the amendment or the termination of contract farming agreements, and the problem with the remedies for damages and dispute resolution, etc.

The study of problem-solving guidelines from many foreign legal measures found that the main principles are quite similar. The core concept focuses on promoting the prevention and fairness in order to avoid contractual parties' practices of taking advantage when making agreements. It is stipulated that the agreements shall be submitted to the authorized state officials

to determine and monitor. For the dispute resolution, the impartial committees or arbitrators shall be assigned to resolve disputes before contractual parties bring cases to the court. Although there are not any specific laws on contract farming in UK, its government recognizes the importance of the prevention of unfair contracts and the protection of the contractual parties with less bargaining power. Therefore, UK government has applied the laws regarding unfair contracts to resolve this kind of problem.

In conclusion, to reduce the problems mentioned above, this Independent Study proposes to offer recommendations to the Contract Farming Promotion and Development Commission and Thai public sector to play important roles in promoting measures to regulate and supervise the making of agreement in the form of standard contract. They should encourage the implementation of co-operatives and community enterprise law; as a result, farmers will work together strongly to increase their bargaining power. In addition, they should propose an establishment of Agricultural Welfare Fund in contract farming to create secure lives for farmers as well as an establishment of Quality Control Standards for agricultural products in order to produce agricultural products in accordance with the quantities and qualities as the agricultural business operators have prescribed in the agreement. This will be of great benefit to both parties, farmers and entrepreneurs in contract farming.