

## **Thailand: Govt suspends rubber price scheme amid fears of fraud**

NAKHON PHANOM : Rubber traders in this northeastern province are using fraudulent methods to cheat the government's 15 billion baht rubber price intervention scheme, says Damrongsak Phrammanee, head of a government centre that buys rubber products in Nakae district.

He said the centre, which was set up by a Agriculture and Cooperatives Ministry programme aimed at halting the decline in rubber prices, had to temporarily stop purchasing rubber after it found that traders were posing as farmers to sell their products to the centre.

He said this went against the intention of the scheme, which was to benefit farmers.

Mr Damrongsak said an investigation had found that traders posing as farmers had sold 70 tonnes of rubber worth more than 6.5 million baht.

The cabinet had allocated the ministry a 15 billion-baht budget to buy rubber from cooperatives and community businesses at 100 baht a kilogramme for raw rubber sheet and 104 baht/kg for smoked rubber sheet.

Mr Damrongsak said the problem had stemmed partly from the fact that the process to pay farmers under the scheme is slow.

Farmers badly in need of cash are willing to sell their crops to traders for lower prices than those offered under the scheme.

Mr Damrongsak said traders take advantage by buying rubber products at lower prices from cash-strapped farmers and selling to the government at the higher prices guaranteed by the scheme. Farmers were actively colluding in the scam, he said.

Supparirk Takira, who represents rubber farmers in Si Songkhram district, has lodged a complaint with the ministry's Rubber Estate Organisation asking it to look into the matter to put a halt to the fraud by traders.