



## **"SUPPORTING A COMPETITIVE ECONOMY IN THAILAND"**

**Address by Mr Stanley Kang, Chairman, Joint Foreign Chambers of  
Commerce in Thailand (JFCCT [www.jfcct.org](http://www.jfcct.org))**

Your Excellency Prime Minister General Prayuth Chan-ocha

Excellencies, Ministers and Ambassadors

Government Department Heads and Officials

Leaders of Business Organizations

Members of the Joint Foreign Chambers of Commerce in Thailand, other chambers, and guests

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We live in interesting times. While in some cases trade groupings move towards greater integration, elsewhere in the world there are nationalistic or other sentiments driving their economies in the opposite direction. Now, here in Thailand, we see great opportunity for economic leadership; for unlocking of the economy, and we are excited to be part of this.

On behalf of the Joint Foreign Chambers of Commerce in Thailand, an umbrella organization of some 30 foreign Chambers of Commerce and Business Associations in Thailand with a total membership of almost 9,000 companies, I would like to thank Your Excellency for having accepted our invitation and we are very much honored to have you, General Prayuth with us here today.

The citizens of Thailand, the Thai business community, both local and foreign, and others have noted that major changes are necessary and your government, Mr Prime Minister, has set up structures to enable reforms to take place, and has initiated some reforms.



Changes in regards to political and social issues are for Thai citizens to discuss and agree upon; however, as foreign investors and stakeholders in the economy, the foreign business community has been asked to contribute on topics of economic change, which we are pleased to have done and to continue to do. This room today is full of devoted, long standing foreign investors who believe in Thailand and have put down economic and other roots here. In my case for example, my father came to Thailand 35 years ago. I have spent 2/3 of my life in Thailand. I call Thailand my home.

We believe that a **Competitive Economy** is one which brings benefits to citizens, residents and businesses and society as a whole. While there are many sectors in the Thai economy which are competitive, some others are not, and are even protected where they do not need to be. Such protection can and does harm the economy.

The JFCCT and others have long recommended opening up of the services sectors, which would benefit citizens, the economy and Thailand's regional competitiveness. Such liberalization would enable Thailand and its businesses to compete in the 1 trillion US dollar global 'trade in services' market and do so domestically, regionally and globally.

We see liberalization as being not just about equity limits, it also includes the free movement of skills – which means immigration and labour regulation. Availability of sector specific licences and in some cases structural change to allow for market entry and ease of doing business are also relevant

An efficient services infrastructure is a precondition for economic success. Competition in services such as logistics telecommunications, banking, insurance and various higher end services, which supply strategically important inputs for all sectors, is important to the overall economic efficiency and growth, and to capitalize on Thailand's natural geographic central location.



Thailand has the potential to be the centre of excellence in ***tourism and hospitality*** by building on strengths. Possibilities include being a centre for hotel management and culinary education and training,, not just a destination. The growth of tourists from countries that do not commonly use English has been large, but we have major problems providing tour guide and other services to these groups. Tourism Safety & Security is an on-going challenge.

In ***education*** we see a need for producing probing minds and the ability to think critically and capitalize on our strengths of creativity. Often it is the 'soft skills' which are in short supply.

In ***Banking and Financial services*** we note that the lack of available financing, especially for small businesses, is a negative factor in stimulating innovation and competitiveness. World Bank reports show a low ranking for access to finance. Financing options for small businesses are expensive, limited or non-existent.

***Corruption*** increases the cost of doing business and harms competitiveness. It is encouraging to see the policies and actions of your government in the fight against corruption. The foreign business community very much supports these measures through our own policies and actions and looks forward to positive outcomes.

The foreign business community is keen to learn first hand of your policies on how to make Thailand a more competitive economy --thus making it a very attractive place to invest and do business -- and how your Government will sow these seeds given the limited time which your Government has stated it has, and the opportunities which we believe should be taken now.

Thank you