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Editorial

In the midst of forming the new government in Thailand, foreign investors keep watching the situation closely as the politic has direct effect with the investment's decision. Mr. Veeris Ammarapala, the Governor of the Industrial Estate Authority of Thailand (IEAT) affirms that Japanese investors still trust in Thailand and continuously invest in Eastern Economic Corridor (EEC), *"IEAT plans roadshow to woo Japanese investment in Thailand <https://www.nationthailand.com>, June 13, 2023"*.

During June 26-29, 2023, IEAT held a roadshow in Nagoya, Japan which is the city of the car production of Toyota, Suzuki and Honda Motor. Currently, the highest foreign investment in Thailand is still from Japanese investors or 25% of the total investment. The main industries are automobile and transportation, machine, and electronics. The objective of the roadshow is to persuade the S-Curve and new S-Curve industries especially Electric Vehicle (EV) and electronics to invest in EEC and the Special Economic Zone (SEZ).

No matter what the upcoming government, IEAT promised to continue providing the opportunity for investors with competitive strategy and advance cooperation to stay ahead of other countries. It also plans to strengthen the life-long partnership with Japan by accommodating both of independent and joint venture operations. The move does not only to support economic recovery but also to act as a new paradigm of investment expansion in Thailand.

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1. Lion to expand into pet market

(From Bangkok Post, Thailand, June 6, 2023)

Thailand – Lion Corporation Thailand is expanding into the country's 40-billion-baht pet market. "Lion has been in the Japanese pet food business for decades, and it is the right time to enter the Thai pet market, which is substantial and continues to grow each year", said president Boonyarit Mahamontri. The company targets to 100 million baht in pet business sales within three years. Thailand's pet market value reached 32.2 billion baht in 2018, then rising to 35.4

billion in 2019 and 39 billion in 2020. The mass market segment accounts for 60%, while the standard and premium segments represent 30% and 10% respectively.

2. IEAT Plans roadshow to woo Japanese investment in Thailand

(From www.nationthailand.com, June 13, 2023)

Thailand – The Industrial Estate Authority of Thailand (IEAT) prepares to hold a roadshow in Japan to attract more foreign investment to Thailand. The remaining available areas for sale and lease total about 11,101 acres. The total area of Thailand's industrial estates is 75,178 acres. Each industrial estate zone can accommodate both independent and joint venture operations. Previously, investors from Japan, South Korea and Europe have shown interest in Thai industrial estates as part of their investment expansion in Thailand. "It is believed that the trend of investment expansion in Thailand would continue, both from domestic and foreign investors, as the Thai economy recovers", IEAT Governor Veeris Ammarapala said.

3. Cambodia's exports to Thailand jump nearly 10% in first five months of 2023

(From www.nationthailand.com, June 20, 2023)

The Phnom Penh Post – Cambodia goods exports to Thailand reached US\$480.236 million in the first five months of 2023, up 9.47% year-on-year from US\$438.705 million. Cambodia imported US\$1.225 billion worth of goods from Thailand, down 14.38% year-on-year from US\$1.430 billion and down 29.64% half-on-half from US\$1.741 billion. Thailand was Cambodia's fourth largest merchandise trading partner in 2022, accounting for 8.897% of the global total of \$52.425 billion, compared to the top three: mainland China (US\$11.686 billion; 22.291%), the US (US\$9.281 billion; 17.704%) and Vietnam (US\$6.136 billion; 11.704%).

4. FTI, industrial estate authority aim to improve waste processing standards

(From www.nationthailand.com, June 20, 2023)

Bangkok – The Federation of Thai Industries (FTI), in collaboration with the Industrial Estate Authority of Thailand (IEAT), aims to improve the operational standards of waste processors nationwide as part of its efforts to lead Thailand towards a sustainable supply chain. The move was another significant initiative to prepare Thai manufacturers and industries for global green regulations, such as the European Union's Carbon Border Adjustment Mechanism (CBAM). The entrepreneurs who have not prepared with the regulations would undoubtedly turn into non-tariff trade barriers that lower their ability to compete. The FTI has 60 waste processors as member and the total number of processors nationwide is around 2,000.

5. Foreign firms bring THB45bn to Thailand, down 18% y-o-y

(From www.nationthailand.com, June 20, 2023)

Bangkok – The number of foreign companies setting up operations in Thailand in the first five months this year grew 16% year-on-year but investment dropped 18%. Some 274 foreign investors were granted permission under the Foreign Business Act with investment total of 45.39 billion baht and created 2,999 jobs. The top three countries with highest investment were Japan with 63 projects worth 15.87 billion baht, followed by the US (48 projects, 2.45 billion baht) and Singapore (46 projects, 6.35 billion baht). The Eastern Economic Corridor has 48 new foreign companies which account for 9.44 billion or 21% of the total foreign investment this year. Most of them are Japan, China and Hong Kong, and are in the fields of production management consulting services, technical and engineering services.

6. BOI introduces EV Package to attract Chinese investment

(From www.nationthailand.com, June 20, 2023)

Bangkok – The Board of Investment (BOI) is preparing to launch an EV package to attract Chinese investment and promote the establishment of a hub in Thailand. It highlights the advantages of infrastructure, nationwide industrial estates, and investments in logistics systems to enhance domestic and cross-border connectivity. The BOI will present data at the 26th World Chinese Entrepreneurs Convention (WCEC) in Thailand from June 24-26. The government also provides privileges and supports measures such as sources of quality raw materials and components within the country. The investment promotion statistics from China in the first quarter was 25 billion baht, representing an increase of 87% compared to the previous year.

7. RID to patent first multifunctional UAV in region

(From Bangkok Post, Thailand, June 24, 2023)

Bangkok – The Royal Irrigation Department (RID) will register its self-developed unmanned aerial vehicle (UAV) to obtain a patent, making it the first multifunctional UAV in Southeast Asia. The autonomous drone was jointly researched by the department's Geo-information Division and Office of Engineering Topographical and Geotechnical Survey. The drone will assist the RID's work such as irrigation canal survey pre-and post-flood or remote area survey for dredging. It also can perform emergency responses, including carrying medical equipment and emergency kits to hard-to-reach areas. The department initiated a research project at a budget of just 600,000 baht per drone. It can fly for two hours per operation.

8. BoI urges Thai startups to innovate

(From Bangkok Post, Thailand, June 24, 2023)

Bangkok – The Board of Investment (BoI) has joined hands with the National Innovation Agency to encourage local startups to come up with new business ideas as part of efforts to promote more investments in the country. The BoI is also supervising state financial assistance for startups and entrepreneurs under the 2017 National Competitiveness Enhancement for Targeted Industries Act. In the first three months, foreign direct investment (FDI) skyrocketed by 115% year-on-year to 155 billion baht in value. The number of investment project proposals increased by 10%. South Korean investors topped the list with investment value of 31.4 billion baht, followed by Singapore at 29.7 billion, China at 25 billion and Japan at 24.7 billion.

9. Japanese account for 70% of total investment in Thai industrial estates

(From www.nationthailand.com, June 27, 2023)

Bangkok – The Industrial Estate Authority of Thailand (IEAT) is encouraging the electronics and steel industries to focus on manufacturing products that utilize advanced technologies and innovations, collaborating with Japanese expertise. The IEAT places importance on targeting key industries, such as the electric vehicle, electronics, and the steel industry, to attract investments in Thailand. The focus is on enticing Japanese companies with specializing in advanced technology and innovation. Japanese investors still rank first in terms of investment in industrial estates, with a combined investment value of 3.1 trillion baht.

10. GPO signs deal with South Korean biotech giant

(From Bangkok Post, Thailand, July 6, 2023)

Bangkok – The Government Pharmaceutical Organization (GPO) and South Korea's SK Bioscience signed a "Memorandum of Understanding on Collaboration on Vaccines for Thailand's Public Health Security" with aim to boost regional vaccine security through mutual cooperation. The GPO will receive technology pertaining to an influenza vaccine production method involving cell-based inactivated influenza for both three-strain and four-strain viruses. The company will contribute its expertise and technical knowhow to augment Thailand's manufacturing standards, with goal of attaining WHO pre-qualification.