

Speech by Her Excellency Ms. Yingluck Shinawatra Prime Minister of the Kingdom of Thailand at an Executive Luncheon with American Investors St. Regis Hotel, New York on 27 September 2012

**Good Afternoon Distinguished Guests,
Ladies and Gentlemen,**

I am pleased to be here with leading representatives of American business, in a city that is a centre of global business. Thank you for coming. I am really looking forward to having a nice lunch with all of you.

But as they say there is no free lunch! So before you get to enjoy this meal, you need to hear what I have to say. And that is on why you should invest in Thailand.

Thailand's main challenge is to maintain economic growth and stability, in particular during times of weaker demand from the Eurozone and other developed economies.

Fortunately, our economic fundamentals and fiscal position are strong. Our unemployment rate is less than 1 percent and we also have moderate inflation. Thailand's growth rebounded very quickly from the floods last year and we are now forecasting growth of 5.5 to 6 percent this year. I hope that with your cooperation we can help achieve this figure.

Because of our pro-growth, pro-business policies, and strong fundamentals, Thailand is rated by the United Nations Conference on Trade and Development as the 8th most attractive location for FDI and the World Bank as the 17th easiest place in the world to do business.

But we must continue to build on this. We need to be well prepared for difficult times ahead, by enhancing competitiveness and strengthening regional growth.

To achieve this, Thailand is implementing one of the region's largest investment plans, covering water management systems and infrastructure development. Around 90 billion U.S. dollars will be invested in projects, ranging from flood control systems to high speed railway links.

On floods, I am pleased to share with you that a short term plan to protect your businesses and your investments from this year's rainy season, is already in place.

This not only includes several layers of flood barriers protecting economic and industrial zones, but more importantly, the roads have been elevated to ensure that logistics and delivery of goods will not be disrupted.

A single command center is in operation to ensure that all will receive real time information on status of floods, weather forecasts and advice on preventions.

For long term flood prevention and comprehensive water management system, we are currently in the process of an international bidding will be transparent, fair and based on domestic laws and regulations.

Let me now turn to investment in infrastructure. Another key priority for us is promoting regional connectivity. Rapid railway links will be built, from Bangkok to Chiang Mai and the northeast. This will be linked further to Laos and China as well as Malaysia and Singapore down south.

Such rail links will allow cargo and passenger trains to move quickly to markets and other destinations throughout the region. In addition, Suvarnabhumi airport and the mass transit system in Bangkok will be expanded.

One key project that I wish to highlight is Myanmar's Dawei deep seaport to be linked to Laem Chabang Seaport and the Gulf of Thailand. This will link the Indian Ocean to the Pacific through a land bridge, providing more outlets for your products.

Indeed, I have just met Myanmar's President and we agreed on a roadmap for moving Myanmar's Dawei project forward as well as on trade, investment and development cooperation.

Looking more broadly to Southeast Asia, the ASEAN Economic Community or AEC is an attractive single market and production base due to a population of over 600 million and a total GDP of almost 2 trillion US dollars.

With upcoming plans to liberalize the remaining sectors on trade in services and to achieve ASEAN Single Window, the AEC will be an even more attractive place to invest. Our strategic location at the heart of Southeast Asia and our developed infrastructure makes Thailand your natural gateway to the AEC.

Ladies and Gentlemen,

The Thai economy of the future will depend more on knowledge-based, low-carbon, and eco-friendly creative industries. That is why we are investing in new innovative technologies through strong R&D programmes to build an economy based on high value-added products and services.

My Government also intends to develop alternative energy sources to ensure energy security. To ensure adequate supply of Thai skilled workers to support this transition to a knowledge-based economy, we are working in partnership with the private sector to enhance their English proficiency and engineering, science and technology skills.

Finally, I will say something that I know all of you would like to hear. Let me reaffirm my Government's commitment to ensuring political stability and democracy, rule of law and good governance. We are determined to stop corruption, cut red tape, reform the legal process and reduce administrative inefficiencies. For us, transparency and a level playing field for businesses are key to our successes.

Next year is the 180th anniversary of Thailand-U.S. relations. Let us celebrate it by expanding further the Thai-U.S. business partnership. You will find in this Government a reliable and dynamic partner.

Thank you.