

# Expectations of Japanese Companies in Thailand for the Thailand 4.0

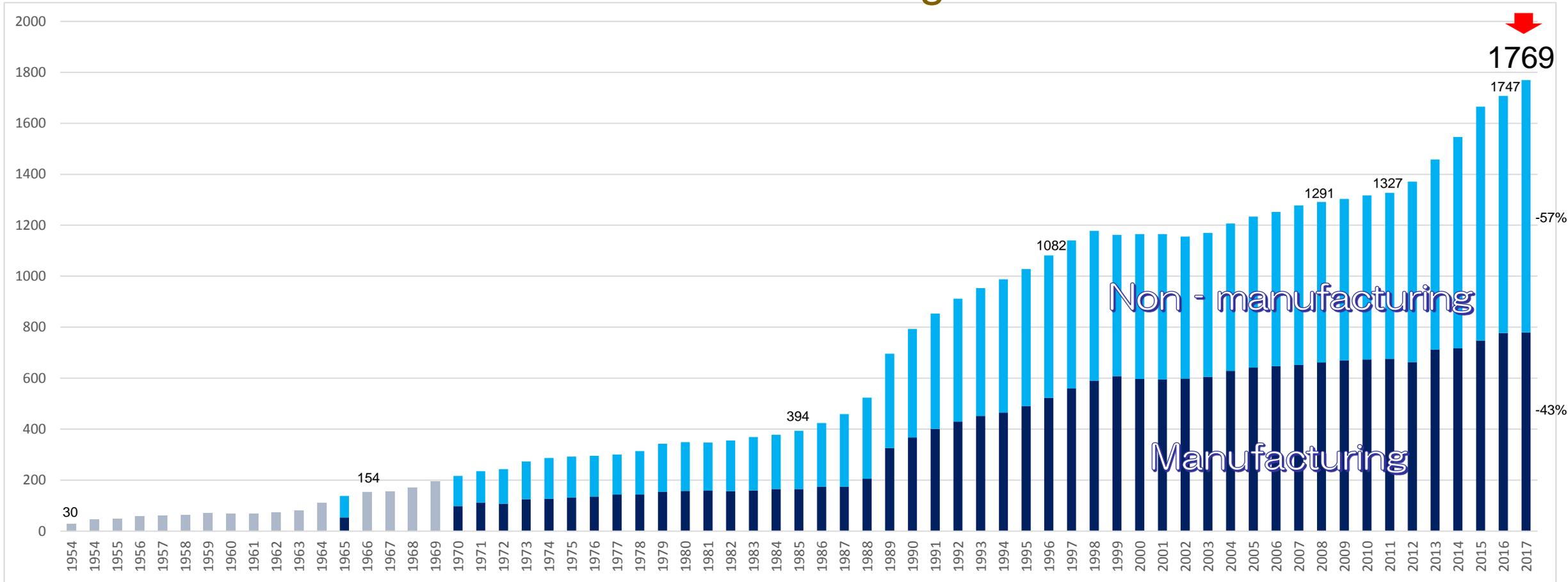
Mr. Soji Sakai

President

Japanese Chamber of Commerce, Bangkok (JCC)

# Successive Investment by Japanese Companies

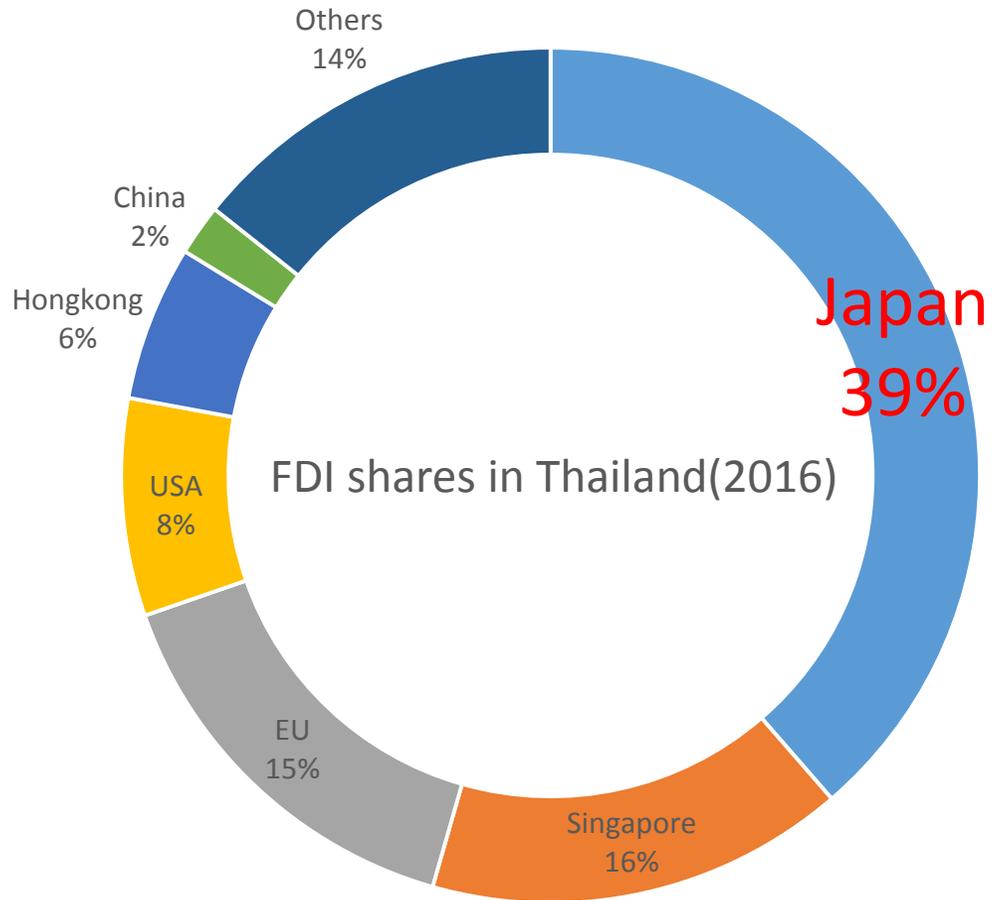
The largest number of JCC members



Type of industries unknown



# Japan as Majority Investor in Thailand



(Source) Bank of Thailand

Ranking of FDI by Japan within ASEAN at end of 2015 based on shares(in stock base)

Country	Rank	Shares
Thailand	1st	36%
Philippines	1st	23%
Malaysia	2nd	15%
Singapore	2nd	7%
Indonesia	4th	10%

(Source) Coordinated Direct Investment Survey (CDIS), IMF

# ● Why Do Japanese Companies Invest in Thailand?

## Continuous Investment and Trade Policies

- Attractive and Stable Investment Policies by Thai Government
- **JTEPA** (AGREEMENT BETWEEN JAPAN AND THE KINGDOM OF THAILAND FOR AN ECONOMIC PARTNERSHIP)

## Industrial Clusters and Supply Chain

- Prominent Thai Industrial Clusters within ASEAN
- Procurement by local supply chains at low cost

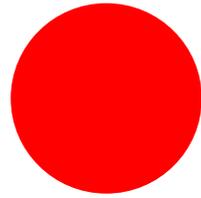
# ● Why Do Japanese Companies Invest in Thailand?

## Advantageous Infrastructure

- Three major airports; Suvarnabhumi, Don Muang, and U-Tapao
- Laem Chabang port
- Stable electric power supply
- Well-paved roads throughout Thailand

## Thai bond of friendship with Japanese

- Satisfactory relationship between Thailand and Japan



# Expectations of Japanese Companies in Thailand for EEC

# Reaction of the Participants in JETRO's Mission

- ◆ 24.8% of participants has a specific investment plan within 4 years.
- ◆ 50.5% suggested the possibility to consider investment in Thailand in the future.
- ◆ 14.0% of companies without any base in Thailand answered to have a specific plan.
- ◆ 35.2% of companies with some base in Thailand have a specific plan.

## ◎Survey Outline

### 1. Survey targets

Total of 439 persons who joined in JETRO's mission

### 2. Period

In November and the beginning of December 2017

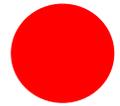
### 3. Response

Number of valid replies:110 Response rate: 25.1%

(Source) JETRO

## ➤ Investment Plan for Japanese Companies which have no function and some functions in Thailand

Investment Plan	(New investment)	(Existing firms)	Total
A new investment plan for investment within 6 months.	(8.0%)	(19.6%)	13.9%
A new investment plan for investment within 2 years.	(0.0%)	(7.8%)	4.0%
A new investment plan for medium and long term (2-4 years).	(6.0%)	(7.8%)	6.9%
A possibility of investing in Thailand from now on.	(54.0%)	(47.1%)	50.5%
No plan to invest	(32.0%)	(17.6%)	24.8%
Total	(100.0%)	(100.0%)	100.0%



# Expectations of Japanese Companies in Thailand towards the Thailand 4.0

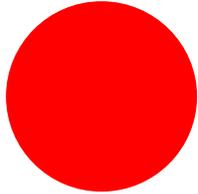
1. Ceaseless Connectivity with Pre-existing Industries

2. Infrastructure

3. Connectivity with Neighboring Countries

4. Human Resource Development

5. Investment Incentive policies

 Thank you