Remarks by H.E. Abhisit Vejjajiva,
Prime Minister of the Kingdom of Thailand
at the AMCHAM Government Appreciation Dinner
Grand Hyatt Erawan Hotel,
Monday 7 March 2011, 1920 hrs.

Ambassador Kenney,
President and Members of American Chamber of Commerce in Thailand,
Excellencies,
Ladies and Gentlemen,
Sawasdee Krub,

1. A very good evening to you all. And thank you, Ambassador Kenney, for that introduction. It is my second time attending this dinner, hosted by the American Chamber of Commerce in Thailand. I am afraid that last year I missed this but was represented by Deputy Prime Minister Trairong, Minister Korn, Minister Kasit, and other cabinet members. It is certainly a pleasure to be back here.

Excellencies, Ladies and Gentlemen,

2. Over the past two years, Thailand has been through a number of turbulences of practically all types, ranging from those in the political and economic spheres, to those resulting from natural disasters. Yes, the overall situation has been difficult. Nobody can attest to this fact better than me. However, despite what we have been through, Thailand still has achieved what many critics thought was impossible. Thanks to the fundamental strength and resilience of our country and people, together with the confidence and understanding of informed friends and long-term partners like yourselves, we have not only managed to sail out of troubled water, but also made real progress.

(A Year of Advancement in terms of Economic Development and National Reconciliation)

3. When Finance Minister Korn gave his remarks last year, he said that the Thai economy, with all the challenges we were facing, should be able to achieve GDP growth of between 4-4.5 per cent for the year 2010. I am delighted to tell you that, despite all the political difficulties and uncertainties that we had last year, the Thai economy actually expanded close to 8 per cent, its fastest pace since 1995. The rate was also one of the highest in Asia, representing a remarkable rebound compared to the negative growth of 2.3 per cent during the period before the government came to office. The economic recovery is expected to be a sustained one, with an expected GDP growth of up to 4.5 per cent for this year.
4. Also, the total volume of Thailand’s exports in 2010 exceeded 190 billion USD, the highest in Thailand’s history. Such revival was supported by increasing farm income from rising prices of major crops, as well as an expansion in the production capacity in response to higher export-based economic activities. And our tourism sector, which was hit hard during the protests, has quickly recovered and Thailand remains one of the most attractive and friendly tourist destinations in the world.

5. In addition, our unemployment rate has been kept at approximately 1 per cent since the crisis began in the late 2007. Inflation rate in December last year was at 1.4 per cent, year on year. Our macroeconomic fundamentals remain sound and our debt-GDP ratio is stabilizing at 42 per cent, much less than the 50-60 per cent forecast by some of our analysts at the beginning of the crisis. Our foreign exchange reserves today stand at 157 billion USD, still in the world’s top 15.

6. These economic figures speak for themselves. But I know what you are thinking. Can this good news continue, especially with the news of the looming elections?

7. I believe good news will continue to come. In my opinion, the upcoming general elections will lead to more long-term stability and our democratic system will move forth. Thailand will continue to respond to the needs of our business partners and to constructively engage with the international community. The Thai Government will continue to work towards fulfilling the ASEAN Community aspiration. With Thailand’s strong fundamentals and the realisation of the ASEAN Economic Community in 2015, you can rest assured that your business will continue to grow in an open and competitive environment. And of course, ASEAN will be a region with 700 million populations in four years’ time, and its GDP will reach around 2.7 trillion USD. So it is certainly a significant market and is exactly what the ten South East Asian nations now need, given the rise of China and India, to the north and to the west. And of course, ASEAN’s dialogue partnership with the U.S. is 34 years old this year. We already have an ASEAN-US eminent persons group to discuss visionary ideas that will benefit both sides, and we look forward to President Obama’s participation in the East Asia Summit later this year.

(Thai-U.S. Creative Partnership)

Ladies and Gentlemen,

8. This evening’s theme is on the Thai-U.S. Creative Partnership. As the second largest economy in Southeast Asia with one of the best geographical locations in the world, Thailand offers a fertile ground for the growth of creative industries. Our rich national heritage, our culture and our talents are second to none. And Thailand has been ranked by UNCTAD as 17th in the world’s top 20 creative goods exporters. Thailand’s total export value of our creative goods at one point was 4.3 million USD, with an average growth rate of around 5 percent per year.
9. So I am particularly delighted that the Thai-U.S. Creative Partnership was launched last year. In fact, the nature of our relations has been viewed in the eyes of the public as security and trade-based. This Creative partnership will help expand the horizon of possibilities of cooperation between Thailand and the U.S. No longer will our relations be based mainly on one or two main areas. The Thai-U.S. Creative Partnership will do better justice to our longstanding relations and allow us to fully realize the economic potentials of our creative industries, our creative cities and, most importantly, our most creative minds. Both sides have already agreed to start off with seven industries in which Thailand has potentials and the U.S. has interests. These industries are information technology, design, arts and animation/audio-visual, clean energy and green technology, health, food and agro-technology, and financial system to support creative and innovative industries. I fully support these initial seven industries.

10. By connecting our greatest minds – our best scientists, engineers, computer programmers, designers, artists, and entrepreneurs, we can sync business, government and academic efforts, create linkages between universities, and build bridges between our businesses and peoples. I ask that we work together to identify new and dynamic partnerships between them. Not because all this is good for Thailand but because it is good for both Thailand and the U.S. What is more, it will not only be big transnational companies who will gain from this partnership, but both Thai and American SMEs working in knowledge and technology-based industries will also benefit. In this digitally connected world, our SMEs can have their global presence “in a click”, so to speak.

11. Thailand looks to the U.S. as our strategic partner and ally as we continue to promote the accomplishments in many fields, including in our creative industries overseas. The reason for this is clear. Up until today, the U.S. still maintains a lead in the unfolding Creative Economy. Working in what is still the largest consumer market in the world and in the open, democratic, and competitive environment gives American companies a significant edge. Your economic growth is traditionally known to be based on work ethics, creativity and innovation. Your movies, music, art, and all the trendy gadgets are what we enjoy, and your ability to “think outside the box” is what we want to learn from you. At the same time, we also have abundance of creativity to share. We, too, believe that while production can be a result of strenuous labour and hard work, requiring patience and persistence, innovation and creativity are what need to be nourished through education and the environment in which people live, learn and work.

12. So, let me cite a few sectors as examples to reflect my Government’s policy and efforts as well as how we can work more closely together. With regard to design, Thailand has a great potential to become a design center in Asia. While the U.S. is one of the global design centers, Thai designers and design companies do possess great talents and potentials. They can work well with the American
13. In the areas of films, animations, advertisement and entertainment, everyone immediately thinks of Hollywood and the U.S. as a whole is certainly the most important global hub for these businesses. Thailand too has been moving centre stage in these fields in Southeast Asia. There are clearly plenty of emerging opportunities for both sides to work and complement each other in these sectors. Food and food-related businesses, herbal products and innovative health services too are where Thailand is fast forging ahead of our global competitors. As one of the world’s leading food exporters, Thailand should be your natural partner in developing technology that can help build the necessary foundations to ensure global food security.

14. And, of course, let’s not forget the “green energy technology”. I understand that President Obama has set the goal of making America the leader in this field. So let us work together to produce more green patents and turn these green patents into green factories and green jobs for our peoples. To cut global emissions in half over the next 40 years, as scientists recommend, clean technologies must be rolled out on a vast scale. We all know that energy innovations have a lot of potential, but technology deployment always takes time. Entrepreneurs scrounge for capital, investors struggle to manage the risks of emerging technologies, patents get bought and sold but not necessarily used, and incumbent energy companies often hesitate to give up their existing equipment. Clearly, this is an area where our governments can work with your businesses as we push for more focused innovation, more efficient use of capital, and more realistic regulations. Irreversible climate change is already upon us and it is up to us to do the best we can to turn our energy-related innovations into real business opportunities that provide better solutions to our global energy challenges in the least amount of time.

15. I wish to encourage both sides to move forward in full speed in making concrete progress in the Thai-U.S. Creative Partnership. We can expand business opportunities through joint ventures, participation in showcase events, commercialization and marketing of research products in the U.S. market, capacity building of human resources in creative industries, among other possibilities. AMCHAM and the U.S. Chamber of Commerce can help us connect Thai and American talents and business partners.

16. Of course, it would not be fair to talk about our Creative Partnership without talking about intellectual property rights protection, another area which I believe is close to your hearts, and also to mine and to Minister Alongkorn’s heart. Minister Alongkorn has been actively working on IP issues since Day One in his office, to enhance the efficiency of the entire intellectual property system. We are looking to legislate and enforce effective rights protections, upgrade our registration system and streamline procedures for all types of intellectual
property. We remain as committed as ever to the removal of barriers to protecting intellectual property, patents and copyrights in order to provide better certainty to your innovators – as well as ours – as they turn their ideas into energy, industries, and jobs. Our products are also being copied illegally elsewhere and we know how unfair it is. At the same time, we also encourage producers of creative products to consider fair pricing to ensure access to such products by consumers, especially for educational and medical purposes.

17. Last but certainly not least, I am sure that you are all aware of the recent enhancements in August last year by the Board of Investment of Thailand and the Finance Ministry to our existing Regional Operating Headquarters (ROH) scheme. I would like to invite you all to make use of these most generous ROH incentive programmes which we believe will enable Thailand to serve as the top ROH hub in Southeast Asia.

18. I wish to take this opportunity to commend the work that AMCHAM member companies have undertaken in corporate social responsibility. Government alone cannot sufficiently work to bring about positive changes to society. This is why my Government is deeply grateful for the Thai private sector’s active role in addressing corruption, social inequalities, poverty and many other social and economic problems. It is also extremely heartening to see that their American partners are also doing the same in the interest of the Thai people. Your school adoption programmes, your provision of scholarships and IT technologies, your disaster preparedness and relief programmes, to name but a few, will be a legacy imprinted in the minds of many youngsters who are the future of Thailand.

Ladies and Gentlemen,

19. Thailand remains a country that strongly adheres to global values. Democracy, human rights, and inclusiveness for all stakeholders in society are very important to the Thai people. And I reaffirm to you that the Thai people remain as warm and hospitable as you have always known them to be. We welcome your contribution to the stability and peace of our region for the past decades. We welcome and appreciate your investment in our country. We look forward to constructive initiatives by the US in many regional fora in the months ahead, and my Government will continue to work towards ensuring a business-friendly and conducive environment for growth. Our record in many areas, be they customs reform, IPR protection, Map Ta Phut solution, testify to that. At the same time, we ask you to explore all possible venues in contributing back to Thai society, be they through youth empowerment programmes, CSR activities, supporting SMEs as an important engine of growth, or through the unlimited horizon of the Thai-U.S. Creative Partnership. So let us be creative, and let us begin now. Thank you for your attention and Sawasdee Krub.