

**Remarks**  
**By Mr. Suchart Chantaranakaracha**  
**Chairman, Thai National Shippers' Council**  
**At**  
**Japan-Thailand Trade Business and Tourism Forum**  
**Wednesday, April 4, 2007**  
**Imperial Hotel, Tokyo, Japan**

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Distinguished Guests,

Ladies and Gentlemen,

Today, I come on behalf of the Thai National Shippers' Council which represents exporters in Thailand. At present, we have around 2700 members or about 25 percent of exporters in Thailand with the export value 30 percent of the total export value of the country or worth about 1.45 trillion baht. I am here to support the signing of Japan Thailand Economic Partnership Agreement or JTEPA in short, which has been of keen interest of the Thai private sector. I view that JTEPA is another milestone of economic collaboration between Japan and Thailand which has been developed for over a century. Japan is not only a major investor in Thailand, in the year 2006 investment projects worth 110 billion bahts have received investment incentives. Moreover, Japan is the second largest market for products from Thailand especially food, textile and garment, gems and jewelry, electrical and electronics products, Para rubber, furniture so on and so forth. Last year, the value of export from Thailand to Japan was around 1.6 trillions baht, this year we expect that it will increase over 10 percent. However, with the signing of JTEPA, the figures may be as high as 20- 25 percent as the first benefit of JTEPA is the reduction of import tariff in most products and some products will enjoy zero percent tax, which are very inducing for business people. More important than that, the reduction of non tariff barriers and non tariff measures will help enhance trade facilitation between the 2 countries as it provides a wider trade lane which will benefit exporters and business people of both countries. It is really the mutual benefits for both sides.

Secondly, benefit in technology transfer as Japan is known to be rich in her culture and tradition as well as to have advance technology in many areas such as production, management, including logistics and supply chain so on and so forth. JTEPA will

open opportunities for Thai entrepreneurs to learn of those technologies both in depth and width. This is vital for the sustainable development of Thai industries. Moreover, as the Thai National Shippers' Council has worked closely with JETRO, METI and other Japanese organizations such as Japan Institute on Logistics System or JILS, Japan Small Business Research Institute or JSBRI, Association for Overseas Technical Scholarships or AOTS during the past few years in creating awareness and building up capacity of entrepreneurs in Thailand in the field of logistics management, we, therefore, deem that we should continue our collaboration to facilitate the increasing trade volume between Japan and Thailand as well as that between Thailand and other countries that Thailand has concluded the Free Trade Agreement with. This is due to the fact that logistics management is closely related to export. Most importantly, JTEPA will be another channel that we could extend our collaboration on logistics development to respond to the increasing needs of both sides.

Thirdly, JTEPA will provide opportunity for Japanese companies in Thailand to increase trade in the third country markets which Thailand already concluded Free Trade Agreements with and will conclude in the future such as Thailand-India Free Trade Agreement, Thailand-BIMSTEC Free Trade Agreement (BIMSTEC comprises Bangladesh, India, Myanmar, Sri-Lanka, Nepal, Bhutan and Thailand). Only these two Free Trade Agreements, they cover more than thousand million of population, a huge potential market for various kinds of products. Japan can take advantage of having production bases in several of industries in Thailand.

Last but not least, special cooperation in 9 areas namely agriculture, forestry, and fishery; education and human resource development; enhancing business environment; financial services, information and communication technology; science, technology, energy and environment; SMEs; tourism; and trade and investment promotion; of which 9 projects have been signed namely:

- Trade and Investment Promotion for "Kitchen of the World" Project
- Japan-Thailand Steel Industry Cooperation Program
- Automotive Human Resources Development Institute Project
- Initiatives for enhancing Energy Conservation

- Public-private Partnership
- Textile and Apparels Cooperation

I view that all those projects and special cooperation will help lay out the strong economic basis to the public and private sectors of both countries. In addition, it will help enhance the basic business infrastructure in Thailand both in terms capacity building, management technology as well as human capital which will eventually lead to competitiveness of the country in the long term.

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