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PM assures Japanese investors

PRIME MINISTER Prayut Chan-o-cha yesterday assured Japanese investors during the "Mekong-Five Economic Forum" that they should be confident about investing in Thailand, and elsewhere in the Greater Mekong Subregion (GMS).

The forum was hosted by the Japan External Trade Organisation (JETRO) here in the Japanese capital.

At the event, each GMS country's investment opportunity was discussed with a view to informing Japanese businesses' investment decisions in the area.

The five countries covered by the forum are Cambodia, Laos, Myanmar, Vietnam and Thailand.

China is also a GMS member.

Prayut said Japanese investment in Asean countries had been playing an increasing role in their economic development over the past 30 years, and investment from Japan now accounted for about 70 per cent of total foreign direct investment in Thailand.

This has enabled the Kingdom to become the regional manufacturing base for Japanese makers of automobiles, electrical appliances and electronics, he said.

The five GMS countries involved in the forum have a geographical advantage in Asia with their large combined market of around 300 million people, and their economic growth rates are consistently impressive - with a combined gross domestic product of about US\$664 billion (Bt22.4 trillion) - said the PM.

Some of these countries stand ready to cross the poverty line to become middle-income nations, while those that are middle-income earners are ready to step up to become high-income countries, he added.

Aiming to solve prolonged problems arising from inefficient resource usage and inadequate state-sector transparency, Thailand is determined to invest in transportation infrastructure to boost efficiency and build up connectivity within the nation and with its neighbours, Prayut told the forum.

The government has approved an eight-year infrastructure development programme covering a network of inter-city railways, a network of 10 routes for mass transportation in Bangkok and surrounding areas, a highway network connecting to Thailand's neighbours, water transportation, and the enhancement of air transportation services.

Furthermore, he said, the government is pressing ahead with the development of special border economic zones, in line with Board of Investment privileges.

This is being undertaken in two phases, starting this year, with the focus on collaboration with Thailand's immediate neighbours and other countries and Asean.

There will special internal economic zones for cluster-technology industries, special economic zones for research and development, and innovation, and free zones for tourism. Thailand is also promoting the establishment of international headquarters and international trading centres.

Investment privileges are available for multinational enterprises that set up regional operating offices in the country, that is, for those companies looking for ease of doing business, cost reduction and more flexibility, said the prime minister.

Prayut said Thailand would join hands with Myanmar to develop a deep-sea port at Dawei and a special economic zone linking the two countries.

Thailand will also work with GMS nations to amend rules and regulations as a means of reducing procedures and facilitating trade and investment in the region, he added.

The prime minister, along with the Japanese premier and the president of Myanmar, is also set to witness the three-way signing of a memorandum of intent on the Dawei development project.

Bilateral discussions between the Thai and Japanese prime ministers are expected to take place after the signing of the memorandum.

Prayut told the forum Thailand was currently following the second phase of its road map to drive the country's economy forward, with plans to take this into the third phase.

Moreover, a referendum on a draft constitution will take place early next year, to be followed by a general election, he said.

Meanwhile, in the morning yesterday, JETRO chairman Hiroyuki Ishige met Prayut at the Imperial Hotel in Tokyo to express his admiration for the Thai government's investment promotion policy, the continued efforts to overcome

any obstacles to bilateral trade between the countries, as well to improve stimulus measures to encourage inbound investments to the satisfaction of foreign investors, and especially the Japanese.

These factors create confidence among Japanese investors towards the potential of the Thai economy, he said.

