

# **“How to reform Thailand export when there’s no EU’s GSP?”**

**Wednesday 24<sup>th</sup> September 2014**

**at the Queen Sirikit National Convention Center**

**By Chartchai Singhadeja**

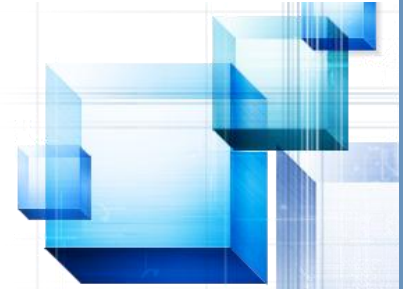
**Executive Director**

**Thailand Garment Manufacturers Association**

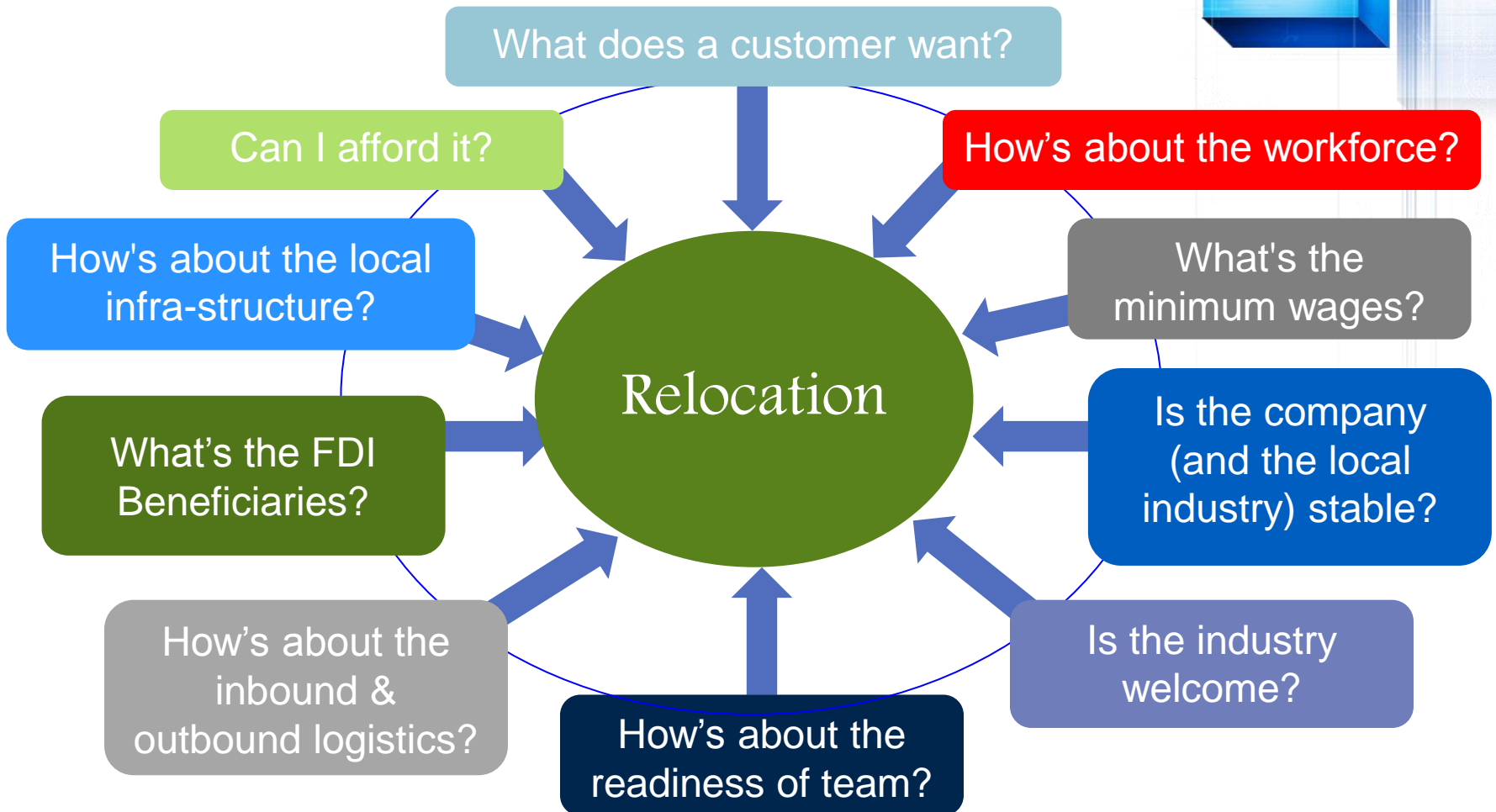
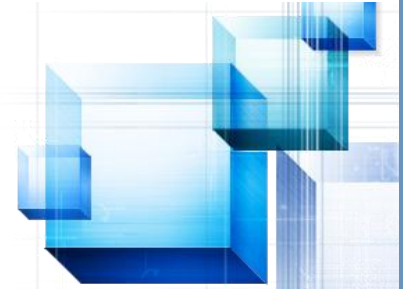
## List of beneficiaries under the new EU's GSP

- **Standard GSP beneficiaries** 40 partners, the EU's allows developing country exporters to pay less or no duties on their exports to the EU.
- **GSP plus beneficiaries** are granted to countries which ratify and implement international conventions relating to human and labour rights, environment and good governance.  
For new EU's GSP, all eligible countries must apply for new GSP+ benefits, including countries which benefit from GSP+ today.
  - \* New list is now empty.
- **EBA (Everything But Arms)** 49 partners, arrangement for least developed countries (LDCs), which grants duty-free quota-free access to all products, except for arms and ammunitions.

# BIG Move for future

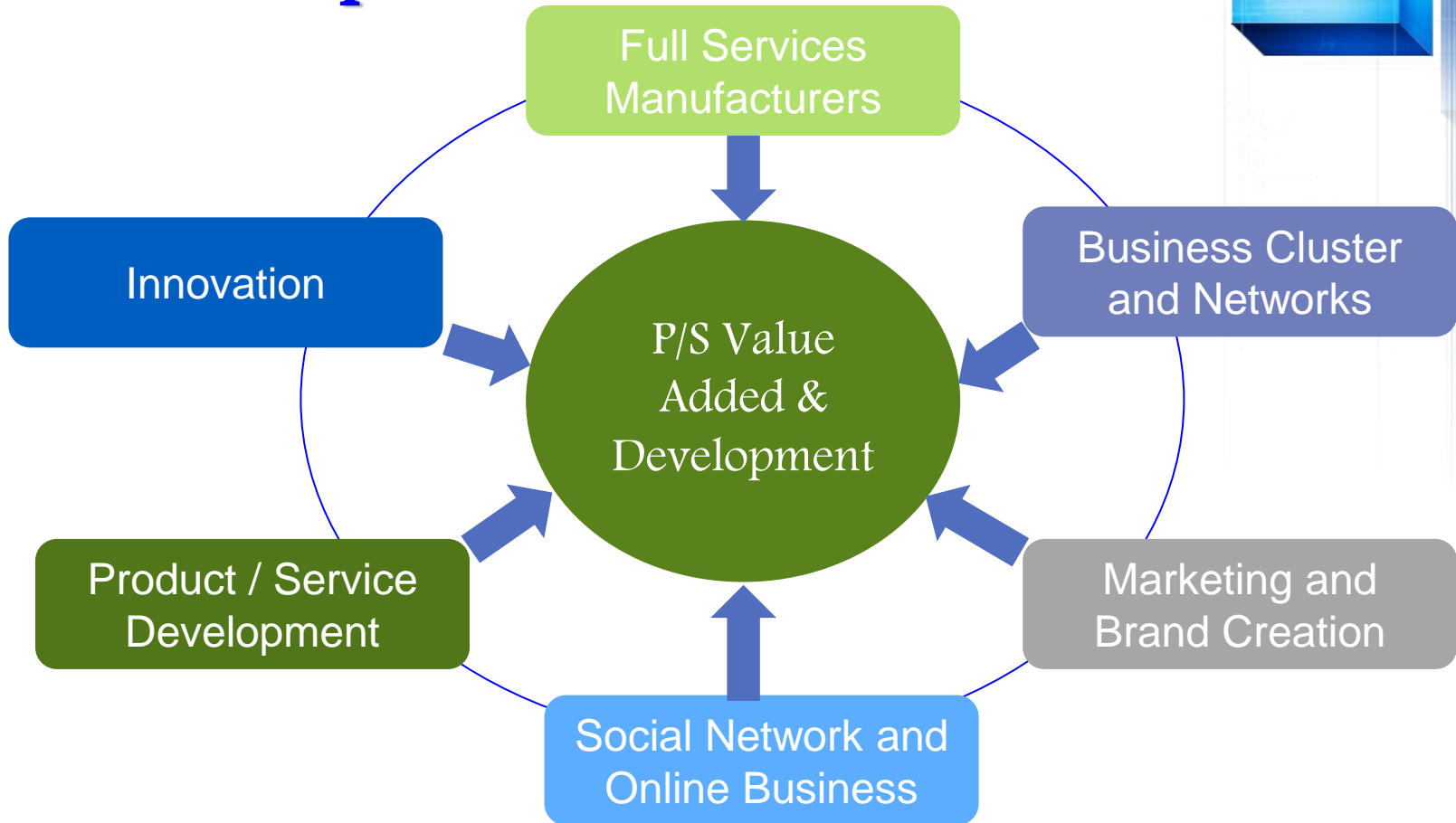


- (1) Relocation
- (2) Product/Service Value Added  
+ Development
- (3) Cost Efficiency

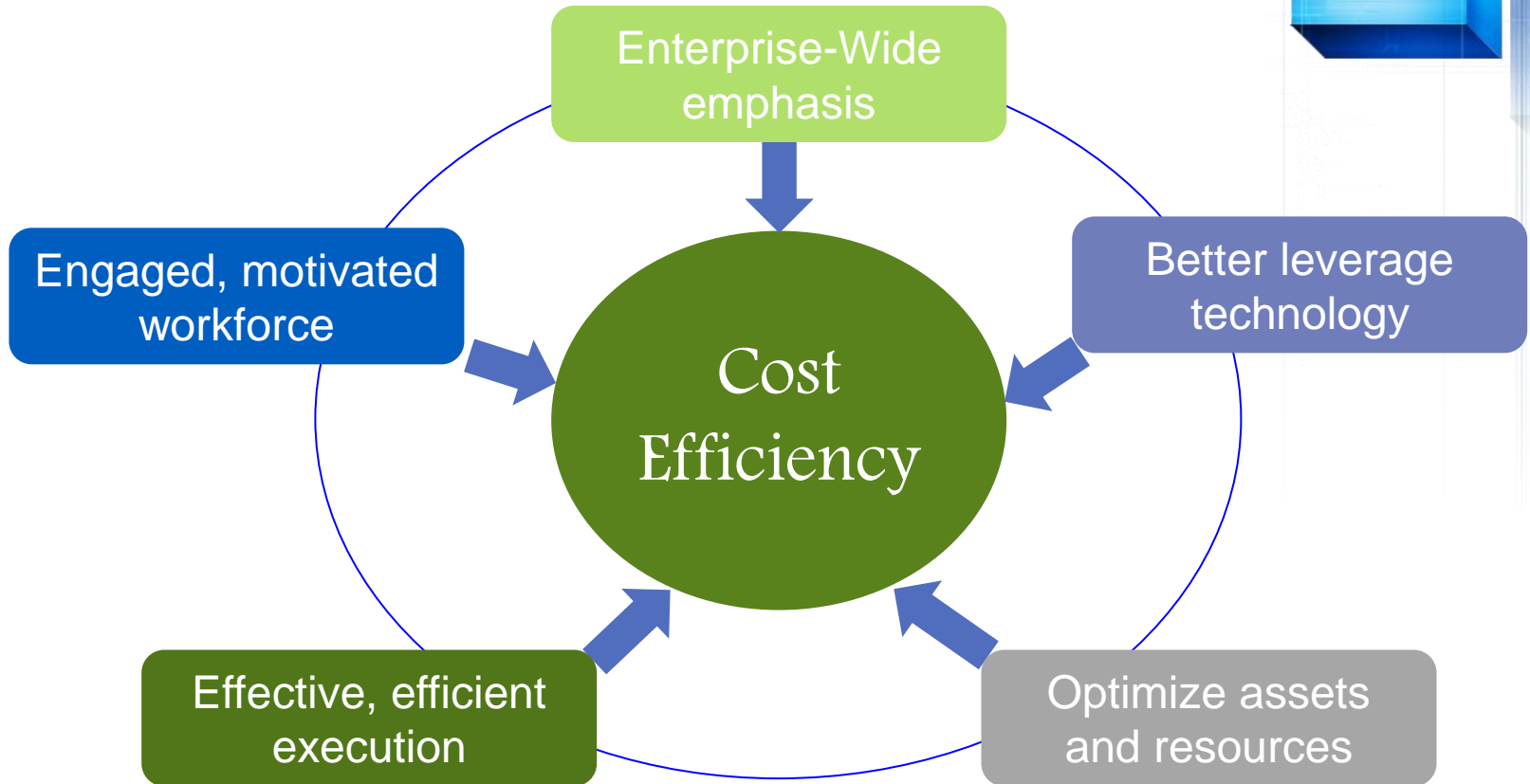
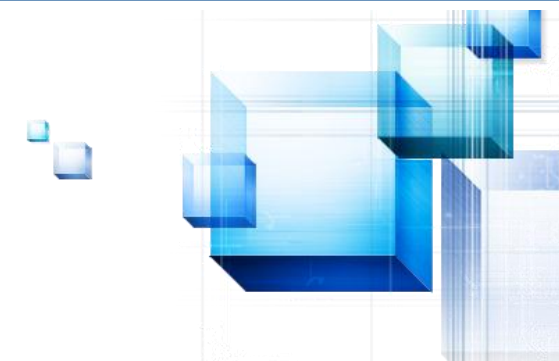




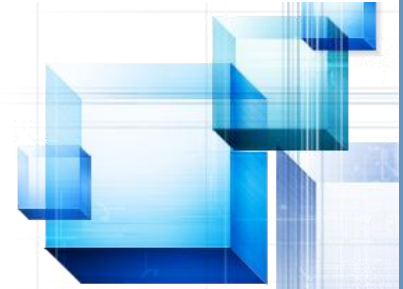
# Product/Service Value Added & Development



# Cost Efficiency

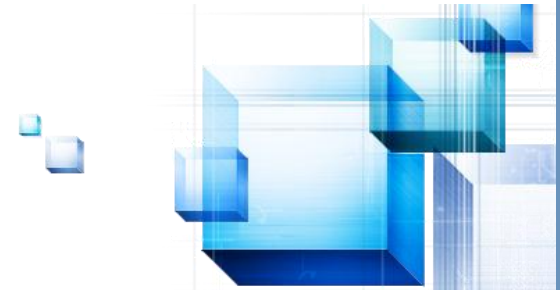


# Guideline and Suggestions



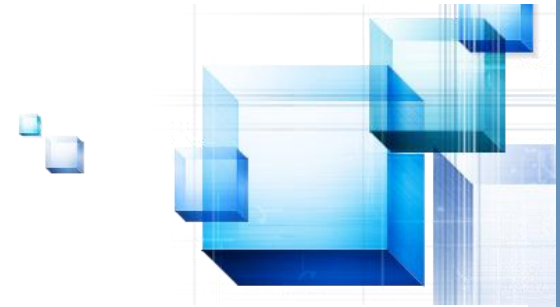
**Industry Guideline**

**Comments & Suggestions**



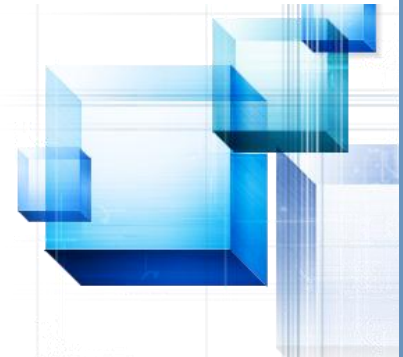
## Manufacturers

- Expanding operations to neighboring countries and/or investing in several neighboring countries such as Laos, Vietnam, Cambodia,, Indonesia, or even China, etc. to reduce the risk of doing business.
- Developing self-interest for more attractive selling points, making an outstanding of a company and making customers to buy from others more difficult.
- Sharing the knowledge and experience acquired, publish & convey, extend and/or exchange to those in the industry.
- Urging government to promote and encourage the overseas investment of Thai entrepreneurs.



## Brands

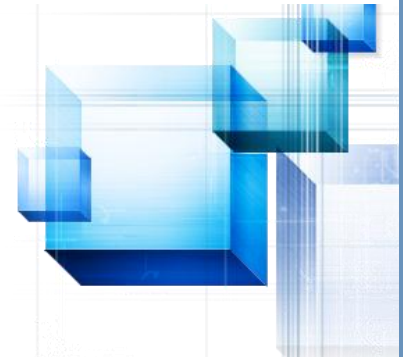
- Focusing on brand development of those that make people interesting in branding and/or people interested in branding having more potential.
- Interested in more of the process of product development, develop products to be accepted by the market and work more in marketing strategies.
- Creating a model of doing business as a global business model with a smart teamwork, strong production and trading networks (Business Sourcing & Networking) that contribute to moving towards overseas trade and investment much more.
- For those who has its own brand must find a way to create its brand to be more universal.



## The entrepreneur and Executive

### **“The focus of policy and strategic direction”**

- It should be a development of:
  - The policy and strategy of the business activities both in domestic and overseas in accordance with the changing circumstances of the world trade.
  - The planning of income / business profit goals along with the control system within and between countries.
- Knowledge and qualifications require such as strategic thinking skill, strategic planning skill, management and budgeting skill, HRM skill, change management skill, knowledge management skill, etc.



## The middle management

### **“The focus of management of the success”**

- It should be a development of:
  - How to drive business activities both in domestic and overseas to achieve defined plan and goals.
  - How to make business revenue/profit for both head office and branches.
- Knowledge and qualifications require such as focus-on-result management, resources management, working for achievement, quick decision and appropriate to the situation, communication skill, problem analysis and problem solving, time management, job deployment, management of knowledge transfer, etc.



## HRD in the industry

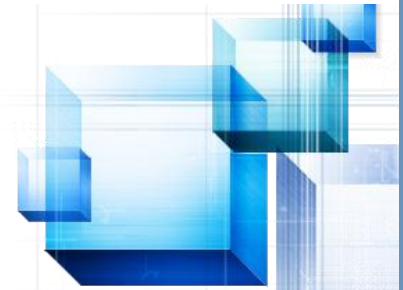
At the executive level and the operational level.

**“The focus of the successful of practices”**

- It should be a development of:
  - Promoting a staff-learning and a network of corporate knowledge.
  - Creating a knowledge exchanging between employees of parents company and local staff, including the development of performance standards under the guidance of a model of good practice.
- Knowledge and qualifications require such as leadership skill, production process control, quality control, production planning, communications, problem analysis, time management, work deployment. transfer of knowledge, etc.



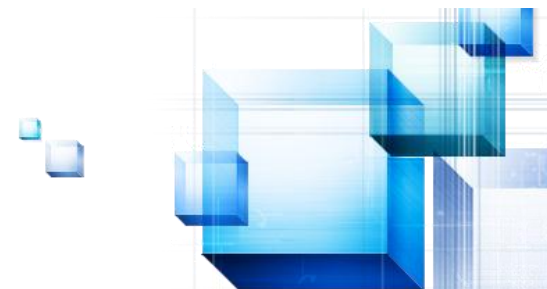
## Comments and Suggestions



- Additional measures for financial and tax to promote and support Thai investors such as subsidies, reduce the double taxation, etc., including allowance of the cost deduction of the Thai investors in the study of overseas investment opportunities and the research and development expenses for the overseas markets.
- Consideration of the financial support measures such as risk insurance, credit enhancement, etc., by Bank of Thailand, The Thai Bankers' Association and/or any other relevant banks as well as discussing with the commercial banks for more of comments on financial measures such as opening more overseas branches and/or in the target countries to promote and encourage investment in areas directly with Thai investors.
- Support and provision of potential cluster to open new overseas trade markets.



## Comments and Suggestions



- Important roles of government to push the issues for Thai investors in term of G to G negotiation, such as investment protection, amendments to the laws and regulations of foreign investment in the target countries which is a barrier to Thai investors, amendments of laws and regulations relating to the transport of goods across the border, support a creation of process that facilitates Thai investors to invest in target countries to be done easily, convenient and faster, etc.
- Government's support and resolving technical barriers to trade and investment of Thai investors in the target countries, the implementation of standards of origin to ensure the benefits of trade & investment in target investment countries, facilitate the rules and procedures of export and return of goods sold in the target countries.
- Government & related agencies' implementation of the integrated services for Thai investors to trade and invest in the target countries in every aspect.



# Thank You

[www.thaigarment.org](http://www.thaigarment.org)

By Chartchai Singhadeja