

Scope and Objectives of proposed EABC Industry Working Group

Background

EABC currently has 12 Working Groups, not all are currently active. The Working Group concept is provided for in the EABC By Laws. Expectations and standards about operation are in the Operating Guidelines. <https://www.eabc-thailand.org/publications/eabc-by-laws-and-operating-guidelines/> The Working Group Chair is expected to play an active role in promoting the subject matter of the Working Group, building consensus and keeping the Working Group relevant, active and strong and to play an active role in the Working Group Chairs meeting and certain other EABC activities, and to contribute to the European Business Position Paper and other publications from time to time.

Objectives and parameters:

Thailand GDP from Manufacturing is projected to trend around THB 742 bn in 2021 and THB 770 bn in 2022. Exports made up about 54% of GDP in 2019, with a drop of 8% -10% expected in 2020. Economic recovery to support exports relies on a range of policy issues.

Industry Working Group aims to focus primarily on the manufacturing sector, which would include a variety of related issues. While the world is in an 'Industrie 4.0 or 4IR' state of development which for Thailand largely means the 'Thailand 4.0 vision with all the necessary business transformation needed.

The Working Group provides a business-driven platform for interactive discussion and formulation of consolidated positions on key manufacturing and related issues facing manufacturers and associated industry suppliers in Thailand and partners and customers in Thailand and abroad.

Related issues include innovation, SME support, digitalization, work permit and visa, economic recovery measures, safe border opening, ease of doing business, guillotine, skills development, IPR, foreign investment (including services liberalization). The Working Group is expected to contribute its perspective to EABCs efforts in these areas.

The goal of the Working Group aims to build valuable opportunities for strategic engagement and partnership between member companies and key governmental/non-governmental stakeholders. Specific objectives include:

- To accelerate manufacture in selected priority sectors including those identified by EEC Office, BOI and others.

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- European Know-how & knowledge Transfer: To identify the most relevant leading business practices and technologies and to introduce the demand side - sophisticated consumer base to help supporting Thailand to be in ideal position to become a leader of innovation-driven economy for Asia.
- Human Resources; Skill development, legislative development on Labour
- Help to build consensus on these topics in the foreign business community, in particular the European business community
- Build strong relationships with government in key parts, including Ministry of Industry and others.
- Contribute to private sector groups and engagement.
- Contribution to positions on innovation, SME support, digitalization, work permit and visa, economic recovery measures, safe border opening, ease of doing business, guillotine, skills development, foreign investment (including services liberalization).
- Collaborate with other Working Groups to achieve these aims

Key issues and recommendations as proposed by the Working Groups are then communicated to relevant Thai authorities and counterparts towards improvement of Thailand economic and sustainability. This Working Group would help collaborative networks.

The WG will in time identify key governmental interactions, likely:

- Ministry of Industry and departments
 - Thai Industrial Standards Institute [TISI]
 - Department of Industrial Promotion
 - Department of Industrial Works
- Ministry of Labour (and departments)
 - The Office of Industrial Economics
- EEC Office
- BOI
- Industrial Estate Authority of Thailand (IEAT)
- OSMEP

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Private sector / NGO engagement would include FTI and others.

Eastern Seaboard Directors Club – Manufacturing Focus Group

Scope of Membership and Composition

1. Participation in this Working Group should be drawn from (i) new EABC members, (ii) existing EABC members who are not active in other Working Groups and (iii), minimally, members active in active Working Groups who are also interested in being part of this Working Group.
2. Avoid cannibalising existing active Working Groups and their activities; thus the scope and objectives and activity should not duplicate and should even avoid the activity of active WGs, where a collaborative approach is the answer to sharing of information and recommendations.

Working group members can range from leading company members in the manufacturing industry, represents the entire value chain of manufacturing, service companies for the industry and dealer/importer/exporter.

EABC membership is important. Offering participation to members of bilateral European Chambers of commerce is a useful introduction.

Working Groups activities plan

1. In-person/ Virtual/hybrid monthly working group meetings or events (frequency to be defined but starting with 1-2 / year considering the existing scenario)
2. Workshop Visit (at least 1 / year): to organize factory tour and relevant production issues / opportunity etc.



Factsheet:

- According to data from the Bank of Thailand, in 2018, the European Union had outstanding direct investments in Thailand 35,529 million USD. The country with the highest outstanding balance in Thailand is the **Netherlands**, US \$ 15,646 million, followed by the **United Kingdom**, US \$ 8,143 million and **Germany** \$ 4,441 million. The net value of direct Thai investments of these countries in 2018 were positive, equal to US \$ 476, 138 and 235 million. That means investment expansion in the past year.
- In the service sector, EU has more investment in Thailand in finance and insurance activities (US \$ 474.66 million) than other services (Inflow) (US \$ 474.66 million). Thailand (Outflow) reached US \$ 1,623.85 million. Investment value followed by wholesale and retail trade. Repair of motor vehicles and motorcycles (US \$ 351.18 million) is the same situation as financial and insurance activities, with an outflow of USD 2,197.59 million in 2016.

Example of some key manufacturing invested in Thailand

 <p>Automotive Industry</p>	  <p>Mercedes-Benz</p>	 <p>Autoliv</p>	 <p>Continental</p>	 <p>GKN</p>
 <p>Electronics Industry</p>	 <p>Schneider Electric</p>	 <p>GPV</p>	 <p>Benchmark electronics</p>	 <p>BOSCH</p>
 <p>Medical Industry</p>	 <p>greiner</p>	 <p>ITRIS GRUPPE</p>	 <p>euromedical SUPPLY OF MEDICAL PRODUCTS</p>	 <p>Logistics Industry</p>
 <p>Food Industry</p>	 <p>Dumex</p>	 <p>GLOBAL BUGS</p>	 <p>Nestle</p>	 <p>Jewelry Industry</p>
				 <p>PANDORA</p>

