

Remarks by
H.E. Mr. Chutintorn Gongsakdi, Ambassador of Thailand to India
at the 5th India International MSME and Startup Expo 2018
Friday 22 June 2018, Pragati Maidan, New Delhi

Shri Suresh Prabhu, Minister of Commerce and Industry, and Civil Aviation
Shri Jitendra Singh, Minister of State, Ministry of Development of North Eastern Region
Ladies and Gentlemen

Economic Relations between Thailand and India

- It is an honour to participate in the “5th India International MSME and Startup Expo” today, amidst the vibrancy of Indian MSMEs. Indeed, MSMEs are the lifeblood of all economies.

- In my 15 months as Ambassador of Thailand, I have witnessed a **significant growth of economic relations between our two countries**. Bilateral trade has grown from USD 9 to 10.3 billion during 2016 - 2017. Thailand’s investment in India increased to over USD 360 million, being ranked 26th in Indian FDI Equity inflows in 2017, jumping from 36th in 2016. There are also more than USD 500 million of Indian investments flowing into the Thai economy from 2011- 2017.

- Apart from these statistics, only in the last 3 months I have already met with more than 5 Thai and Indian businesses in various sectors, ranging from cosmetics, leather goods, auto components, telecoms, food, to the hotel and leisure business, that have expressed interest to invest in our respective countries.

Ease of Doing Business for Thais in India

- Many new Thai businesses are moving forward with plans to expand their business in India. A Thai cash & carry outlet named “**LOTS Wholesale Solutions**” will launch the first of twenty outlets in New Delhi next month. **CPF (India)**, a subsidiary unit of the Charoen Pokphand Foods Public Company Limited, a global company, is expanding its **broiler chicken business with 100% end-to-end traceability for Indian consumption and export** to the US and EU, pending agreement in Haryana. **Siam Cement Group Public Company Limited or SCG** which has been conducting its trading business in India over the past 12 years, is moving forward to expand its investment through the establishment of a subsidiary private limited company, pending approval of its company registration. Our Embassy also works 24/7 to **invite more Thai businesses to come to India, including as parts of the supply chain of global businesses from Japan, South Korea and Chinese Taipei**. These developments reflect the confidence of the Thai government and our investors in the potential of the Indian market, credibility of the Government of India and the most improved Ease of Doing Business of India.

- In this connection, I would like to thank **Invest India**, which has continually supported Thai businesses by working as an effective and reliable entry point to connect them with other relevant Indian bodies. I believe that the **entry point is one of the most important elements to help foreign investors to confidently start their business in India**. Therefore, the Government of India may consider strengthening and developing other commercial chambers and institutions, such as MSME Development Forum, to be credible options as effective entry points for foreign investors, which will inevitably include SMEs.

- I would also like to highlight the importance of **bilateral and regional trade agreements** that will facilitate trade and investment. It is time for Thailand, India and all relevant stakeholders to get together to bridge the remaining gaps in our FTA negotiations, including the Regional Comprehensive Economic Partnership or RCEP and the BIMSTEC FTA, which will lead to increased opportunities and competitiveness for our businesses and our economies. This is especially valid in the current climate of rising protectionism and tit-for-tat trade war.

Opportunities for MSME in Thailand and ASEAN

- Thailand's geographical location renders it to be a strategic hub for foreign investors to make and export their products to the Indo-Pacific and the world. We are a member of the ASEAN Community, which has achieved economic integration to facilitate the movement of goods and service professionals among the 10 Member States of 635+ million people. And Thailand's Eastern Economic Corridor or EEC, which is a newly-created special economic zone in Thailand, is also developed to attract foreign investment in innovative industrial and service sectors.

- While "Make in India" is at the heart of the transformation of the Indian economy, "Make in Thailand by India" for India, ASEAN and the world, may also be an option for Indian MSMEs to achieve its growth at the regional level.

Conclusion

- Lastly, I would like to congratulate the MSME Development Forum for its success in organizing the "5th India International MSME and Startup Expo" today. The Royal Thai Embassy always stands ready to welcome Indian businesses to explore the potential of our MSMEs, our country and our ASEAN Community. We are also committed to support Thai businesses in India towards their ventures. Indeed, a prosperous and inclusive future for all MSMEs within a "New India 2022", a "Thailand 4.0" and an ASEAN Community is within the reach of all of us. Thank you for your kind attention.