



Office of Commercial Affairs  
Royal Thai Embassy Washington DC.





# THAILAND

## *Strategic Partner to San Diego and the United States*



**Office of Commercial Affairs  
Royal Thai Embassy  
Washington, DC**



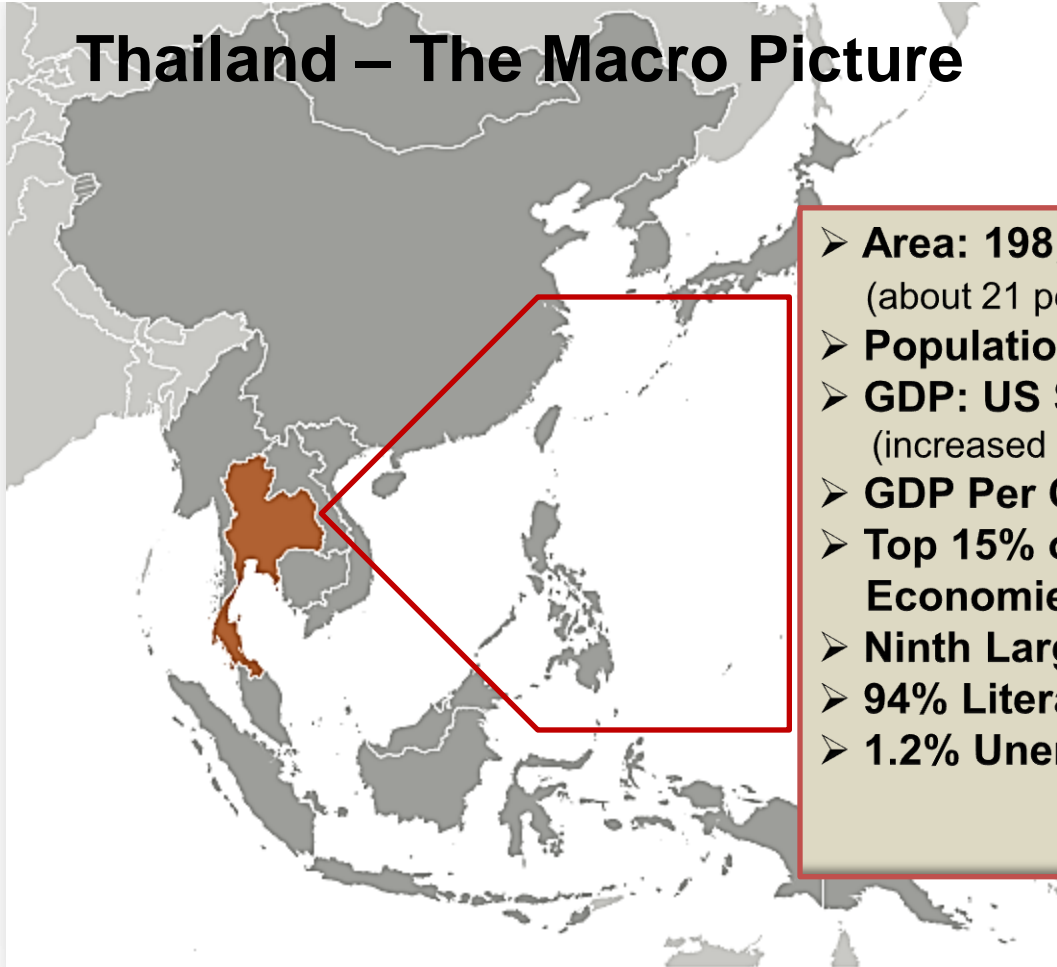
## TODAY'S PRESENTATION

- **Thailand and International Trade**
- **The ASEAN Market**
- **San Diego's Exports to Thailand and ASEAN**
- **Thailand's Exports to San Diego**

# Strategic Partner to the U.S.



## Thailand – The Macro Picture



- **Area: 198,115 sq. miles**  
(about 21 percent larger than California)
- **Population: 68,139,238**
- **GDP: US \$318.8 billion**  
(increased 21 percent in 2010)
- **GDP Per Capita: US \$4,210**
- **Top 15% of the World's Economies**
- **Ninth Largest Shipper to U.S.**
- **94% Literacy Rate**
- **1.2% Unemployment**

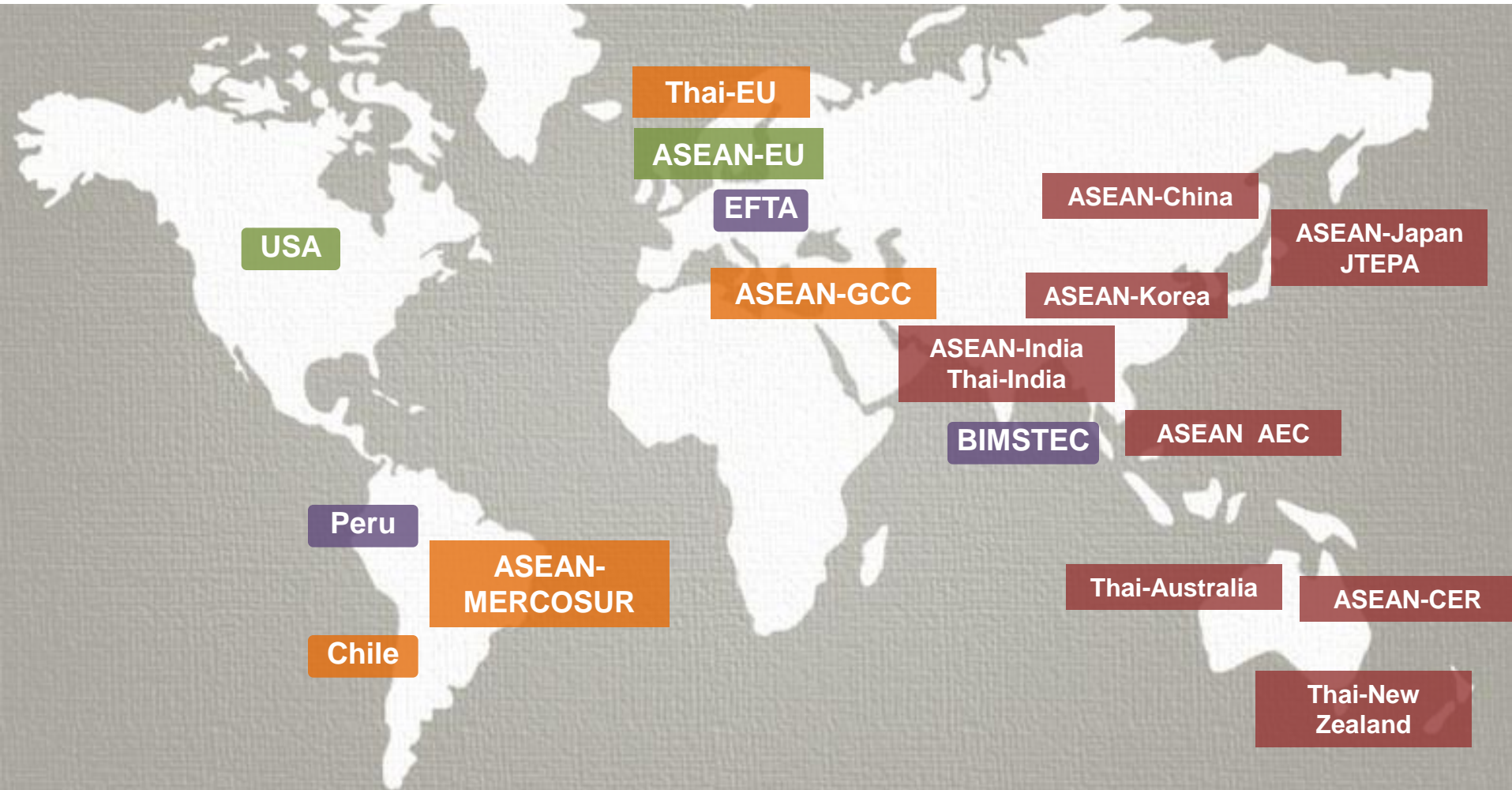
Sources: World Bank and Panjiva



## **70 PERCENT OF THAILAND'S GDP COMES FROM ITS EXPORTS:**

- **Strategic actions to establish bilateral and regional Free Trade Agreements (FTAs).**
- **Gateway to Southeast Asian (ASEAN) markets.**
- **Active member in World Trade Organization (WTO).**
- **In discussion with Trans Pacific Partnership (TPP).**

# Thai Free Trade Agreements: Opportunities for U.S. Investment and Onward Trade



8 FTAs  
in Force

3 Ongoing  
Negotiations

4 New  
Initiatives

2 Pending

Existing FTAs cover  
80% of Thai exports



# Thailand: Gateway to ASEAN Regional Market



MYANMAR



THAILAND



CAMBODIA



SINGAPORE



INDONESIA



LAOS



VIETNAM



MALAYSIA



PHILIPPINES



BRUNEI DARUSSALAM

# Onward Trade to the Association of Southeast Asian Nations



## Thailand...Gateway to ASEAN Regional Market

INDICATORS	ASEAN	THAILAND
<b>POPULATION</b> (Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand, and Vietnam)	<b>600 million</b>	<b>68 million</b>
<b>GDP</b>	<b>US \$1.5 trillion</b> 2.38% of World GDP	<b>US \$318.8 billion</b> 0.5% of World GDP
<b>TOTAL TRADE</b>	<b>US \$1.7 trillion</b>	<b>US \$352.5 billion</b>
<b>FDI</b>	<b>US \$681.9 billion</b>	<b>US \$117.9 billion</b>
<b>TOURISTS</b>	<b>65.1 million</b>	<b>14.6 million</b>



# Thai-U.S. Trade Relationship



## THAILAND: KEY TRADING PARTNER WITH THE UNITED STATES FOR 178 YEARS

In 2010:

- **24<sup>th</sup> largest U.S. trading partner, with bilateral goods trade of \$31 billion**
- **28<sup>th</sup> largest export market for U.S. goods.**
- **19<sup>th</sup> with respect to goods imported by the U.S.**
- **16<sup>th</sup> largest U.S. export market for agricultural products**
  - leading U.S. exports to Thailand include rice, soybeans, wheat, wheat flour, and vegetable oil.

# U.S. Foreign Direct Investment



## THAILAND IS A MAJOR DESTINATION FOR U.S. FOREIGN DIRECT INVESTMENT FOR MANY REASONS, INCLUDING PROTECTION OF INTELLECTUAL PROPERTY:

- **U.S. investment (FDI) in Thailand totaled \$11.2 billion in 2010, up from \$7.6 billion in 2004.**
- **U.S. FDI in Thailand is concentrated in manufacturing, finance, and insurance.**
- **Thailand's investment of FDI in the United States was \$220 million in 2009, up from \$153 million in 2004.**

## Some Familiar U.S. Corporations are Investors in Thailand!



Thailand's robust economic growth has created numerous opportunities for U.S. foreign direct investment in a number of infrastructure sectors, including electrical power, transportation, and renewable energy. Here are some of the familiar U.S. brands that have come to Thailand:





# Thai-U.S. Trade Relationship: U.S. Exports

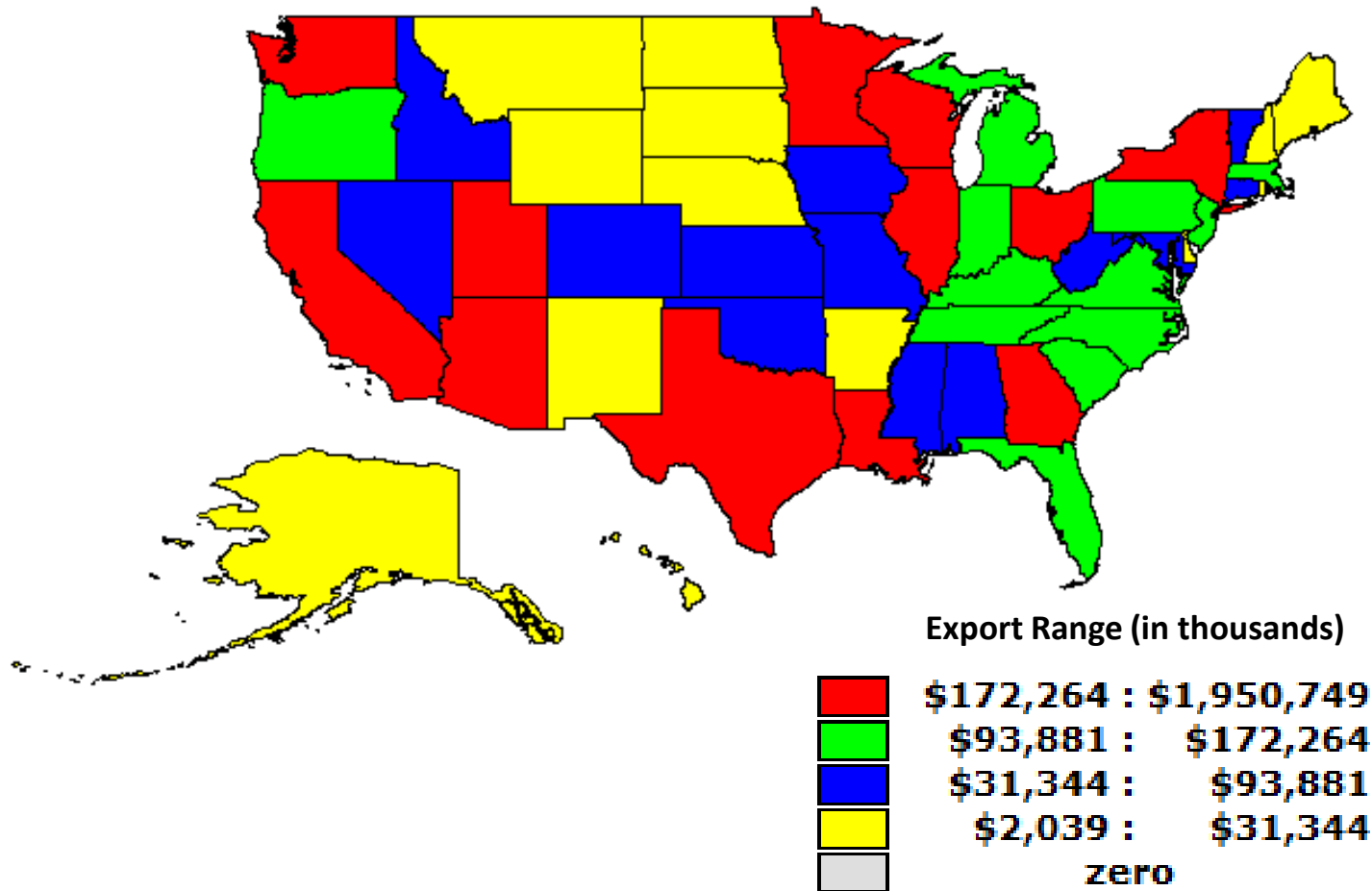


Last year, U.S. exports to Thailand grew by 30 percent, almost double the U.S. growth rate needed to meet the President Obama's objective of doubling U.S. exports in five years!

This stunning growth confirms that Thailand is one of America's key trading partners.

Serving Thailand's market is part of the trade solution to America's unemployment challenges.

# Exports from U.S. States to Thailand

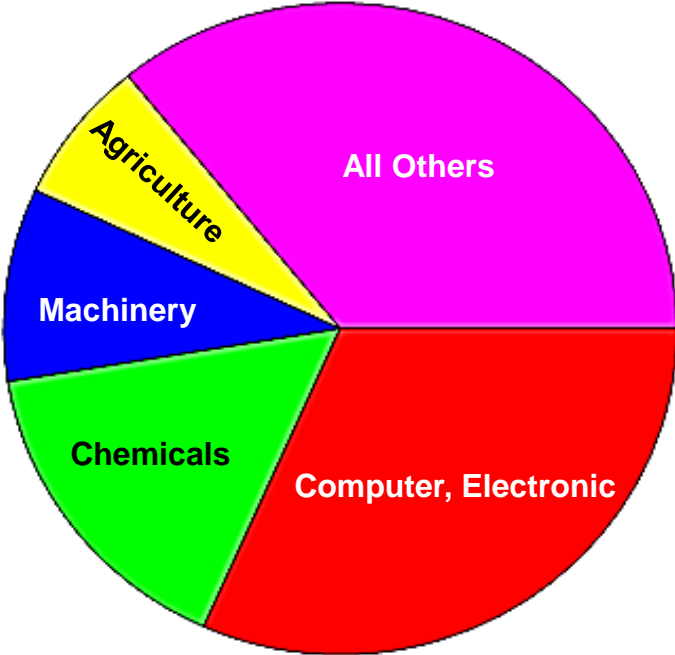


## Top 12 U.S. States' Exports to Thailand (In US\$)

	2005	2006	2007	2008	2009	2010
<b>California</b>	<b>1,699,198,950</b>	<b>1,657,420,793</b>	<b>1,795,247,281</b>	<b>2,005,164,166</b>	<b>1,466,332,446</b>	<b>1,950,748,912</b>
Texas	814,081,666	898,723,189	869,471,128	946,458,862	870,728,194	1,010,773,466
Arizona	519,734,124	443,901,360	492,745,622	468,579,906	306,944,438	606,717,430
New York	542,298,040	442,396,196	425,302,695	461,401,191	365,272,408	422,067,301
Minnesota	398,181,485	497,662,429	309,251,170	181,259,044	186,773,445	370,317,302
Louisiana	139,845,201	194,621,090	261,864,827	229,811,972	187,131,900	360,846,707
Illinois	187,403,978	215,901,764	207,792,475	248,733,993	268,873,354	347,922,419
Washington	229,486,788	868,036,635	685,811,184	355,523,879	244,098,923	254,204,982
Ohio	201,020,964	228,431,304	216,517,177	248,559,822	228,242,272	251,680,504
Wisconsin	66,080,161	75,905,124	187,886,080	247,963,714	207,866,873	229,141,390
Georgia	140,941,898	116,171,652	140,811,951	146,927,081	158,254,265	208,449,355
Utah	40,012,300	28,152,270	41,049,576	163,130,136	46,554,022	172,264,752



# 2010 U.S. Exports to Thailand



334--COMPUTER AND ELECTRONIC PRODUCTS	\$2,839,321,162	(31.6%)
325--CHEMICALS	\$1,414,675,647	(15.8%)
333--MACHINERY, EXCEPT ELECTRICAL	\$860,125,460	(9.6%)
111--AGRICULTURAL PRODUCTS	\$641,632,839	(7.1%)
All Others	\$3,218,695,569	(35.9%)

## Thailand is a Key Destination for Products from San Diego and Nationwide



**San Diego companies exported nearly \$8 million in goods to Thailand in 2010. Exporters and the products they exported included:**

- **Major seafood companies, such as Silversea International, American Albacore Fishing and Bumble Bee export sardines, Pacific salmon, and a wide variety of other fish**
- **Parts for internal combustion engines for automobiles**
- **Toys**

# ASEAN Countries as a Destination for San Diego's Exports



San Diego companies exported \$ 20.3 million in goods to the ten ASEAN countries in 2010. Top exports (in order of value of exports) were:

- **Sardines**
- **Gas turbines**
- **Parts for radios and navigational items**
- **Medicines in measured doses**
- **Frozen fish, including Pacific salmon**
- **Albacore or long-finned tuna**
- **Petroleum oil**
- **Frozen meat**
- **Chemical products**
- **Enzymes**
- **Non-oil lubricating preparations**
- **Kitchen hoods with internal fans**
- **Motor engine parts**
- **Forage products, including rutabagas, hay, clover, and kale**
- **Animal organs**
- **Toys and toy parts**
- **Animal feed preparations**
- **Ferrous waste and scrap**
- **Sweet cookies, waffles, and wafers**



# ASEAN Countries as a Destination for San Diego's Exports



**Because of duty-free market entry within the ASEAN countries, we invite you to invest in Thailand. Opportunities include:**

- **shipping product inputs duty-free into Thailand that can then be made into finished exports both to Thailand and to other ASEAN consumers;**
- **investing in Thai companies that, in partnership, could better serve the ASEAN market of 600 million people;**
- **ASEAN Economic Community (AEC): Transforming ASEAN into a single market and production base by 2015**
  - **In 2010: Import duties on all goods eliminated for ASEAN-6 (Brunei Darussalam, Indonesia, Malaysia, Philippines, Singapore and Thailand)**
  - **In 2015: Removal of all restrictions on trade in services and full elimination of non-tariff barriers**

# ASEAN Countries as an Export Destination with Thailand as a Hub



Many products are shipped from San Diego to Thailand and to other ASEAN markets. These represent initial opportunities where Thailand could be used as an onward hub:

- **Sardines (\$6.3 million exported to Thailand and Malaysia)**
- **Miscellaneous frozen fish (\$1.5 million exported to Thailand and Singapore)**
- **Natural and synthetic vitamins in measured doses (\$5.4 million exported to Malaysia, Philippines and Vietnam)**
- **Lubricating preparations, petroleum, and bituminous oils (\$1.3 million exported to Brunei and Indonesia)**
- **Gas turbines (\$3 million exported to Singapore and Indonesia)**

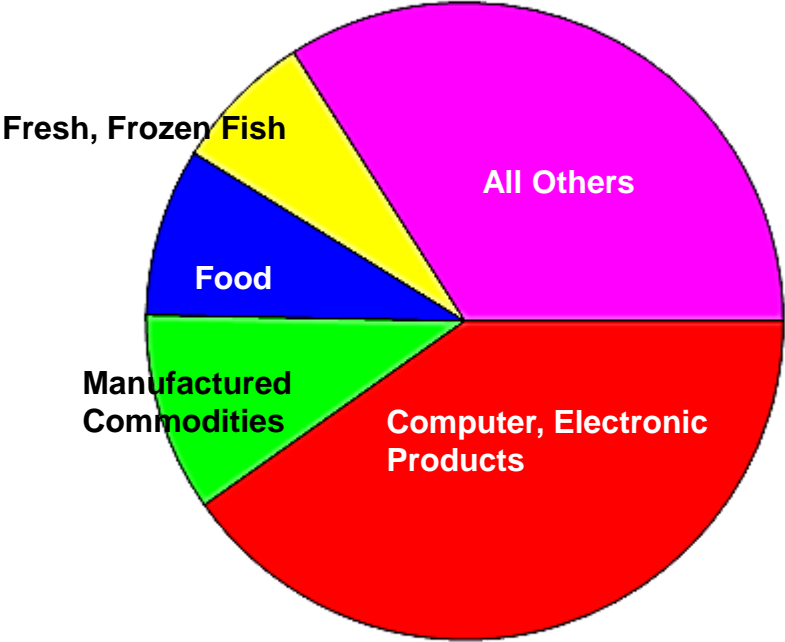
## ASEAN Countries as an Export Destination with Thailand as a Hub



### FDI opportunities in Thailand for San Diego's strengths:

- **Clean water technology**
- **Biotechnology and biomedical technology (3<sup>rd</sup> largest concentration in U.S.)**
- **Green economy (solar, biofuel)**
- **Educational partnerships (e.g., UCSD IRPS)**
- **Health care (e.g., Sauk Institute)**

# 2010 Thai Exports to the U.S.



334--COMPUTER AND ELECTRONIC PRODUCTS	\$9,121,097,180   (40.2%)
339--MISCELLANEOUS MANUFACTURED COMMODITIES	\$2,290,605,548   (10.1%)
311--FOOD MANUFACTURES	\$1,937,447,004   (8.5%)
114--FISH, FRESH/CHILLED/FROZEN & OTHER MARINE PRODUCTS	\$1,617,592,835   (7.1%)
All Others	\$7,719,787,576   (34.0%)

## San Diego is a Key Destination for Products from Thailand



Since July 2007, 218 San Diego companies have imported a wide variety of products from 284 Thai suppliers, such as:

- Canned and frozen tuna, shrimp, and other seafood
- Thai hom mali (jasmine) rice and noodles
- Electric ovens
- Auto seats for babies and children
- Sauces, broths and flavorings
- Ball bearings
- Silicon transistors
- Men's socks
- Eyeglass cases
- Wooden furniture

San Diego is a distribution hub for additional Thai exports, including Fords, Toyotas, and Isuzu cars; auto tires; a wide variety of kitchen appliances; debugging software; medical laboratory supplies; wiring harnesses for autos, boats, and planes; cables; and toys.





Office of Commercial Affairs  
Royal Thai Embassy  
1024 Wisconsin Ave., NW, Suite 202  
Washington, DC 20007

Tel: (202) 467-6790

Fax: (202) 429-2949

E-mail: [inquiries@thaiembdc.org](mailto:inquiries@thaiembdc.org)

Website: [www.oca.thaiembdc.org](http://www.oca.thaiembdc.org)







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