

# For Canadian Investment

1) **Swine:** Each year Thailand imports approximately 2,000 to 3,000 head of swine for breeding purposes. Although the United States, Holland, Denmark and Belgium play a vital role in this sector, there is still room to break into Thailand's market.

2) **Poultry:** In 1986, Thailand imported approximately 1.2 million layers/broilers from the United States, Holland and the United Kingdom. With the appointment of a new agent, Canada should be able to capture a reasonable market share.

3) **Embryo Transplants:** The dairy cattle industry is under government promotion. It is believed that there is a good possibility for exporting embryos to Thailand. While embryo transplants are still new, concentration should also be placed on bull semen promotion.

4) **Fish:** The Thai fishing industry, second in importance to agriculture, has expanded rapidly over the last decade. The average fish catch weighs around 2 million tons each year.

Statistics indicate that Thailand imported 43,030 metric tons of fish (fresh, chilled or frozen) from major suppliers such as Japan, the United States, Indonesia and France. Canada is also an exporter of chilled and frozen salmon to Thailand.

5) **Pulp and Paper:** Canada, together with the Scandinavian countries, is well represented in Thailand's market. Buyers in Thailand have good knowledge of the Canadian pulp and paper industry. Canada currently has about 20 to 30 per cent market share in Thailand.

## Energy and Mineral Requirements

For purposes of identifying market opportunities, this sector can be defined as follows:

- (i) Supply of goods and services to the oil and gas industry and the electric power industry,
- (ii) Supply of minerals to Thailand's basic industries.

The Thai market for oil and gas equipment and services is estimated to be \$80-million a year. Thailand currently produces about 35,000 bpd of oil and 367 mcf of natural gas. This output meets about 30 per cent of current domestic requirements.

The Thai market for goods and services used in the electric power industry is estimated to be \$920-million a year. The country's total installed electrical generating capacity is now 6,644 MW. Peak demand is expected to increase by



*Some of Thailand's annual fish catch of 2 million tonnes drying in the sun.*

Photo by: A. Inkpen

about 400 MW a year over the next 10 years.

The Thai market for imported crude minerals is about US\$70-million annually while the import market for base metals is about \$1.2-billion annually.

(i) **Oil and Gas Sector** Proven and possible economically recoverable natural gas reserves are currently indicated to be 12.9 trillion cubic feet (TCF) of which 2 TCF are proven and under development. Most of the gas is offshore.

Proven and possible economically recoverable reserves of petroleum liquids (oil and condensate) are presently estimated at 80 million barrels, most of it onshore.

## Not Developed

Thailand has three refineries (combined capacity 175,000 bpd) and a gas separation plant. The downstream petroleum industry is not yet well developed although construction of an olefins complex will begin soon. The offshore gas is brought ashore by the world's longest (425 km) undersea pipeline.

Production of oil and gas in Thailand is controlled by multinational oil companies operating under a concession sys-

tem run by the Thai government. The Petroleum Authority of Thailand (PTT), a state enterprise, purchases most of the domestic production, as well as imported oil, for refining and distribution throughout the country. The PTT also holds one offshore concession.

## Local Presence Vital

Foreign oil companies purchase supplies and services from companies approved by their headquarters. Local representation is almost always a must.

The major competing suppliers are the United States, Japan, Singapore and the United Kingdom. Petro Canada International Assistance Corp., is active and Canadian expertise is highly regarded.

The best prospects are in areas of gas transmission equipment and services: Work on one 170 km offshore pipeline, and one 400 km onshore pipeline should begin in the next two to three years, exploration equipment and services, geological surveying, contract maintenance and training services. PTT is building a few oil and LPG depots and may eventually build a second gas separation plant.

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