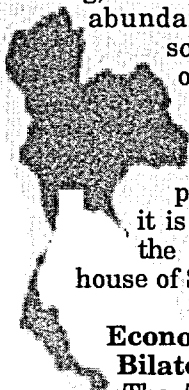


THAILAND

Poised to be Southeast Asia Industrial Powerhouse

Thailand, in the centre of a market of 170 million people in the Greater Mekong Region, is an attractive trade and investment partner for Canada. It has a strong, vibrant private sector, abundant natural resources, and an openness to foreign ideas and expertise. As it undergoes rapid transformation, it is poised to become the industrial powerhouse of Southeast Asia.



Economic Overview, Bilateral Trade

The Thai economy is among Asia's most successful and resilient. The country's Gross Domestic Product (GDP) growth rate averaged 11.4 per cent between 1988 and 1993, when the total GDP reached \$137 billion. An OECD (Organization for Economic Cooperation and Development) study has predicted that Thailand would rank among the 10 largest economies in the world by the year 2010.

Total bilateral trade between the two countries was almost \$1.8 billion in 1995, making Thailand Canada's 20th largest export market and second largest in ASEAN (Association of Southeast Asian Nations). Canadian exports increased by 47 per cent over 1994, reaching \$575 million, with the main exports being organic chemicals, mechanical and electrical machinery and equipment, pulp and paper, and wheat. Canada imported a record \$1.2 billion worth of goods from Thailand in 1995, with agricultural and fisheries products and textiles leading the way.

Partnerships, Investment Promoted

Thailand's ability to attract Foreign Direct Investment (FDI),

which today represents about 60 per cent of total investment in Thailand, is one of the main reasons for the country's success. High GDP and export growth rates and Thai government steps to enhance free and open trade and investment attract foreign investors.

In recent years, there has been considerable interest by Canadian firms to establish a presence in Thailand. While Canadian FDI in Thailand fell to \$359 million in 1995 (from \$535 million in 1994) this figure is a significant increase over 1990 (\$25 million).

Thailand's Board of Investment encourages joint ventures with local partners and other long-term commercial agreements, particularly if they provide new technology. There are about 30 agreements for joint ventures or technology transfers between Thai and Canadian firms, representing over \$100 million, in manufacturing and services, food processing, metal fabrication, petrochemicals and many other fields.

Enterprise Thailand Canada, is a government program designed to assist Canadian companies seeking to invest in this dynamic market and to match Thai firms with suitable Canadian firms.

Opportunities

The Thai government's emphasis on upgrading human resources in the public and private sectors, improving quality of life, reducing pollution, diversifying trade and improving urban transportation and telecommunications infrastructure is creating tremendous opportunities for Canada, particularly in areas such as: urban waste management and human resources development; advanced technology and telecommunications products and services; urban transport systems and equipment; services for airport expansion, aircraft and avionics, and in port and railway expansion.

With electricity demand expected to jump by more than 10 per cent annually for at least another decade, Canadian know-how is especially needed in power generation and oil and gas exploration.

Thailand's concern for the environment is also very strong, prompting the government to look for expertise in waste-water, chemical and toxic-waste treatment; air treatment and pollution measurement and control systems.

Bangkok a Team Canada Beacon

Thailand's impressive economic performance has made Bangkok one of the major consumer markets in Asia. Already, the Greater Bangkok Area has a population of 18 million people, with a per capita GNP exceeding \$9,500. Team Canada will introduce Canadians to the tremendous opportunities in this new consumer market in tourism, education and food products.

Team Canada: Who Benefits

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Canadians.

Note: A special "Task Force" has been established within the Department of Foreign Affairs and International Trade (DFAIT) to coordinate registration, accreditation, logistical arrangements and payment of fees by Team Canada 1997 participants.

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