

Welcome and Opening Remarks
Amazing Thailand Roadshow 2012
Langham Hotel, Auckland
Thursday 10 May 2012

Distinguished Guests, Ladies and Gentlemen:

- ❖ I am honoured to be able to welcome you all here this evening and to open the *Amazing Thailand Road show* event for 2012.
- ❖ In particular, I'd like to welcome;
 - Mr Phanom Kaributra, Executive Director of the Tourism Authority of Thailand, with responsibility for South East Asia, South Asia and the South Pacific;
 - Mrs Numphon Boonyawat, Director of the Tourism Authority of Thailand office in Sydney;
 - Mr Tony Smith, Director of Francis Travel Marketing;
 - The many business-people representing the vibrant tourism sector in Thailand;
 - And last but not least, the many representatives of tourism and travel businesses here in New Zealand;

I want to thank all of you for coming here tonight, for showing your faith in Thailand and all the promising prospects Thailand has to offer to tourists as well as tour operators;

Tourism is a very important part of Thailand's economy – it provides the largest source of foreign exchange. Our tourism sector is also among the best and unique in the world, and continues to generate increased income despite economic ups and downs.

Even during major flooding in central parts of Thailand during the latter part of 2011 – there was still an increase in international visitor numbers of 20% on the previous year – making almost 19 million visitors during 2011. From New Zealand there was an increase of around 12% on 2010: in all 89,433 New Zealanders visited Thailand in 2011.

- ❖ Shortly, Mr Anthony Smith will be providing you an overview of the latest products on offer; I believe that will be followed by a short DVD presentation entitled ‘Hearing the Sunshine;’ – I don’t know exactly what the DVD is about, but the title does arouse my curiosity;

Following that, you will have a chance to seek partnerships with your business colleagues from Thailand and to discuss the details of possible future cooperation. Before the end of the evening, around 9.30 pm, I believe there will be a prize draw, so please don’t leave before then!

But first, I’d like to make provide a few points on the future prospects of the tourism industry in Thailand, the implications of a liberalized, single ASEAN market or the ASEAN Economic Community (AEC) by 2015, and why the Thai tourism market will continue to grow and become a promising sector for foreign investors in the years to come, despite ongoing economic difficulties in many parts of the world.

From 2009 onwards, in the wake of a global financial crisis, Thailand made a calculated effort to stimulate its economy, with major investments in infrastructure, support for export industries and incentives to attract foreign investment in a variety of business sectors. This has definitely paid off, with the Thai economy staying strong and steadily growing through the period.

Also, in 2011 the newly elected government faced an intense baptism by fire – or rather by water – as it had to manage the severe flooding caused by monsoon rains several times greater than usual. However, tourist numbers continued to grow despite the floods.

Why? Basically because the main international airport Suvarnabhumi was well protected and the main tourist areas, including the many miles of beautiful white sandy beaches and the imminently dive-able crystal-clear tropical sea waters in the south and east were all unaffected.

For the year 2012, the government has also already planned well ahead to prevent any possibilities of future major flooding. Several integrated measures are already well under way to prevent such flooding by specialised teams of inter-governmental agencies.

There are more important reasons other than a stable political and economic foundation that explain the growth of Thailand's tourism market.

One is the growth of interest in Thailand's neighbours: and Thailand sits among them as the main transport hub connecting the region with other parts of the world. Top class services and tourism facilities in Thailand make tourists prefer to stay in Thailand, and use Thailand as a hub or a home to travel in between neighbouring countries, both for business and leisure.

This is true because statistics already show that the Thai tourism sector earns more income from foreign tourists compared to other ASEAN countries. During the time when tourism was not affected by the global economic crisis, Thailand made about USD 18 billion from foreign tourists, 20% higher than second place Malaysia. Thailand also has advantages; many renowned tourist destinations and attractive unique services such as adventure activities, entertainments, cooking classes and nature tourism (my all-time favourite has to be elephant riding – it's so very slow and gentle, and it doesn't burn fossil fuels...)

Therefore, it is certain that Thailand will benefit from the growing popularity of tourism in Asia.

The World Tourism Organization (UNWTO) forecasts that in the next 10 years, the proportion of tourists traveling to Asia-Pacific will increase from 20% to 27%, while in Europe this will drop from 52% to 46%. ASEAN integration towards a single market, which will also liberate the tourism industry, will top-up opportunities for the Thai hospitality sector to earn additional income. For example, the organizing of package tours throughout ASEAN instead of only in Thailand by networking with travel agencies in other ASEAN countries or establishing branches abroad. On top of this, travel agencies will have an opportunity to advertise and try to sell their package tours to other ASEAN countries.

The other service sectors to be liberalized by 2015 in the AEC apart from tourism are public health, education, and telecommunications sectors. Paired with the open tourism industry, these other sectors will help

complement and offer additional services for tour operators to sell to tourists and increase competitiveness. Thailand has long developed its tourism services towards this direction. It is now already renowned for being a top medical tourism destination.

I encourage you to think out of the box, and imagine how a single market and production base in AEC will boost the tourism sector. There will be an emergence of a new ASEAN expatriate class, resulting from labor mobility in ASEAN, which is already clear by the increasing number of foreign executives in ASEAN countries.

For example, young couples can hop and shop around freely for the best place to have their grand wedding, while working in another country then retire to live in another place with all services provided. As patients, they can choose to stay at the best hospital in any ASEAN country. However, might I add that the best of all these services at affordable prices are already available in Thailand.

Thai tourism can build upon these new service products which, in turn, will bring greater competition in tourism and will lead to the creation of new tourist attractions and recreation developments.

The AEC also allows free flow of goods and people, and a visa-free regime within the ASEAN. Combined with Thailand's already well-connected international aviation hub and excellent infrastructure, Thailand's tourism sector will indeed thrive in the ASEAN single market.

I believe that all these are some of the reasons that make Thailand an attractive holiday option for an extended market of New Zealand tourists, not only will Thailand remain attractive for pleasure, but also for doing business. And, unlike some of the other small island destinations – Thailand is large enough to host a wide variety of attractions, activities, environments and landscapes, so that there will always be more to see and enjoy on the next visit. And I believe that it will be important for your business in the future to attract repeat custom – to encourage people to visit Thailand again and again...

So, I hope you will use this opportunity to learn about Thailand, and to explore the vast possibilities for your business and for your clients in the future.

Thank you.