TAIA & UK Trade Mission Meeting

Mrs. Piengjai Keawsuwan
President of TAIA

24th March, 2014
Boardroom 4, QSNCC
Agenda

1. Introduction of TAIA
2. Thai Automotive Industry Overview
3. Q & A
Introduction of TAIA
TAIA Vision & Key Policies

**Vision:**

Encourage and support the development of Thailand automotive and auto-parts industry for prosperity, strength, and competitive advantage of the industry, to be recognized in both domestic and international level with transparency, clarity, and equality in its operations.

**Key Policies:**

- To play an important role in the development of Thai automotive and auto parts industry and to create good image & well accepted in both domestic and international level.
- To increase automotive and auto parts industry’s competitiveness
- To monitor and follow-up movements of automotive and auto-parts industry in order
- To analyze trend / impact to members.
- To develop human resources for automotive and auto-parts industry
- To build-up new generation people involved in TAIA’s activities
- To strengthen relationships among TAIA’s members.
TAIA Network in Thailand

PRIVATE SECTOR

TAIA

TAPMA
<Auto Parts>

FTI
<Federation of industry>
  
  AIC

  APIC

TSAE
<Auto Engineer>

GOVERNMENT

Industry
Commerce
Finance
Transport
Energy
Environment
PM’s Office

TAI
Thailand Automotive Institute
<Independent institute under MOI Foundation sponsorship>
TAIA Organization

Honorary President
President
Advisor

Senior Vice President
Vice President
Secretary General
Treasurer
Registrar

Working Group

Economy Regulation & Taxation (WG001)
Data & Statistics (WG002)
Foreign Affairs (WG003)
Technical Issues (WG004)
Motorcycle Issues (WG005)

Truck & Bus Issues
Auto-Parts & Spare Parts
Human Resources
PR, GR & Activities
History

- 1981  Establishment
- 2004  Become OICA membership
- 2006  Become IMMA membership via FAMI

Members

- Ordinary members (Manufacturers)  115
- Extraordinary members (Non-manufacturers)  17

Former Presidents
- Mr. Kavee (Nissan)
- Mr. Ninnart (Toyota)
- Mr. Adisak (Honda)
- Mr. Suparat (Toyota)

Current
- Mrs. Piengjai (Nissan)

Parts
- Automobiles  95
- Motorcycles  4
Thai Automotive Industry Overview
### Overview of Thai Automotive Industry (4 wheels)

<table>
<thead>
<tr>
<th>Year 2012</th>
<th>Year 2013</th>
<th>Year 2014f</th>
</tr>
</thead>
<tbody>
<tr>
<td>Production</td>
<td>2,453,717 Units</td>
<td>2,457,057 Units</td>
</tr>
<tr>
<td>Domestic Sales</td>
<td>1,436,335 Units</td>
<td>1,330,672 Units</td>
</tr>
<tr>
<td>Export</td>
<td>1,026,671 Units</td>
<td>1,128,152 Units</td>
</tr>
</tbody>
</table>

**Source:** Thai Automotive Industry Association
World ranking of Automotive Production by Country

Thailand production ranking no.10 globally

Source: International Organization of Motor Vehicle Manufacturers, OICA
Thai Automotive Industry Structure

Assemblers
(Car 17 companies, Motorcycle 8 companies)

Labor 100,000 persons

Foreign Joint Venture

Tier 1
(total 700 companies)

- Engines, Drivetrains, Steering, Suspension, Brakewheel, Tire, Interiors, Electronics and Elec. System

Foreign Majority 47%
Thai Majority 30%
Pure Thai 23%

Local Suppliers

Tire 1,2,3 Labor 600,000 persons

Tier 2,3
(2,000 companies)

- Stamping, plastics, rubber, machining, casting, forging, function, electrical, trimming

[ LSEs: Large Scale Enterprises       SMEs: Small & Medium Enterprises ]

Source: TAI & TAPMA as of 2013
Product Categories in Thailand

- **Pickup 1 ton**: 50%
- **Passenger Car**: 29%
- **Eco-Car**: 14%
- **PPV**: 5%
- **Bus/Truck**: 2%

Source: Automotive Industry Club, FTI (2013)
Domestic Sales 2013

- Eco-Car: 11%
- Truck & Bus: 5%
- PPV: 5%
- Pick-up 1 ton: 42%
- Passenger Car: 37%

Total units: 1,330,672

Source: The Thai Automotive Industry Association
CBU Export 2013

Export by type

- P/U 1 ton: 59%
- PPV: 5%
- P-car: 36%

Export by region

- Asia: 21%
- Ocenia: 21%
- Middle East: 30%
- C&S: 14%
- EU: 8%
- Africa: 6%

1,128,152 units

Source: The Thai Automotive Industry Association
Production ratio for domestic & export - 4 wheels

- Source: The Thai Automotive Industry Association
# Overview of Thai Automotive Industry (2 wheels)

<table>
<thead>
<tr>
<th>Year</th>
<th>Production</th>
<th>Domestic Sales</th>
<th>Export</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>2,606,161 Units</td>
<td>2,130,067 Units</td>
<td>313,991 Units</td>
</tr>
<tr>
<td>2013</td>
<td>2,218,625 Units</td>
<td>2,004,498 Units</td>
<td>333,780 Units</td>
</tr>
<tr>
<td>2014f</td>
<td>2,232,000 Units</td>
<td>1,899,000 Units</td>
<td>330,000 Units</td>
</tr>
</tbody>
</table>

Source: Thai Automotive Industry Association
Production ratio for domestic & export - 2 wheels

Source: Thai Automotive Industry Association
## Export Values

<table>
<thead>
<tr>
<th>Principal Exports</th>
<th>2012</th>
<th>2013</th>
<th>2013 Jan-13</th>
<th>2014 Jan-14</th>
<th>Growth Rate (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spark-ignition reciprocating internal combustion piston engines and parts thereof</td>
<td>3,204.94</td>
<td>3,347.60</td>
<td>274.79</td>
<td>305.37</td>
<td>4.45</td>
</tr>
<tr>
<td>Transmission shafts and cranks</td>
<td>324.40</td>
<td>321.05</td>
<td>24.56</td>
<td>26.52</td>
<td>-1.03</td>
</tr>
<tr>
<td>Electrical equipment for spark-ignition internal combustion engines and parts thereof</td>
<td>378.90</td>
<td>400.95</td>
<td>31.62</td>
<td>32.34</td>
<td>5.82</td>
</tr>
<tr>
<td>Ignition wiring sets sets used in vehicles</td>
<td>471.56</td>
<td>434.34</td>
<td>33.95</td>
<td>33.75</td>
<td>-7.89</td>
</tr>
<tr>
<td>Electric accumulators and parts thereof</td>
<td>709.83</td>
<td>782.63</td>
<td>52.93</td>
<td>69.90</td>
<td>10.26</td>
</tr>
<tr>
<td>Pneumatic tyres and innertubes of rubber</td>
<td>3,484.68</td>
<td>3,625.36</td>
<td>273.04</td>
<td>305.43</td>
<td>4.04</td>
</tr>
<tr>
<td>Safety glass and glass mirrors</td>
<td>174.70</td>
<td>188.40</td>
<td>13.11</td>
<td>14.29</td>
<td>7.84</td>
</tr>
<tr>
<td>Other parts and accessories for motor vehicles</td>
<td>6,207.17</td>
<td>6,726.12</td>
<td>503.88</td>
<td>523.43</td>
<td>8.36</td>
</tr>
<tr>
<td>Other parts ans accessories for motor motorcycles</td>
<td>597.63</td>
<td>644.39</td>
<td>51.41</td>
<td>51.27</td>
<td>7.82</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>15,553.81</strong></td>
<td><strong>16,470.84</strong></td>
<td><strong>1,259.29</strong></td>
<td><strong>1,362.30</strong></td>
<td><strong>5.9</strong></td>
</tr>
</tbody>
</table>

Source: DEP & TAI
# Automotive Parts

## Import Values

<table>
<thead>
<tr>
<th>Principal Exports</th>
<th>2012</th>
<th>2013</th>
<th>2013 Jan-13</th>
<th>2014 Jan-14</th>
<th>2013</th>
<th>2014 Jan-14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Engines, transmission shafts and other parts</td>
<td>5,781.42</td>
<td>5,435.53</td>
<td>500.17</td>
<td>372.14</td>
<td>-5.98</td>
<td>-25.6</td>
</tr>
<tr>
<td>Parts and accessories including chassis and bodies</td>
<td>10,507.67</td>
<td>9,942.88</td>
<td>1,020.98</td>
<td>693.23</td>
<td>-5.38</td>
<td>-32.1</td>
</tr>
<tr>
<td>Tyres</td>
<td>490.83</td>
<td>463.89</td>
<td>42.13</td>
<td>33.84</td>
<td>-5.49</td>
<td>-19.68</td>
</tr>
<tr>
<td>Other parts and accessories</td>
<td>1,610.88</td>
<td>1,505.71</td>
<td>157.32</td>
<td>105.05</td>
<td>-6.53</td>
<td>-33.23</td>
</tr>
<tr>
<td>Parts and accessories of motorcycles and bicycles</td>
<td>549.30</td>
<td>590.37</td>
<td>64.34</td>
<td>54.63</td>
<td>7.48</td>
<td>-15.09</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>18,940.10</strong></td>
<td><strong>17,938.38</strong></td>
<td><strong>1,784.94</strong></td>
<td><strong>1,258.89</strong></td>
<td><strong>59.91</strong></td>
<td><strong>-29.47</strong></td>
</tr>
</tbody>
</table>

## Trade Balance

<table>
<thead>
<tr>
<th>Principal Exports</th>
<th>2012</th>
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<th>2013 Jan-13</th>
<th>2014 Jan-14</th>
<th>2013</th>
<th>2014 Jan-14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Export Values of Auto-Parts</td>
<td>15,553.81</td>
<td>16,470.84</td>
<td>1,259.29</td>
<td>1,362.30</td>
<td>5.90</td>
<td>8.18</td>
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<td>Total Import Values of Auto-Parts</td>
<td>18,940.10</td>
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<td>1,258.89</td>
<td>59.91</td>
<td>-29.47</td>
</tr>
<tr>
<td><strong>Total Trade Balance</strong></td>
<td><strong>-3,386.29</strong></td>
<td><strong>-1,467.54</strong></td>
<td><strong>-16,679.09</strong></td>
<td><strong>103.41</strong></td>
<td><strong>-133.85</strong></td>
<td><strong>-119.67</strong></td>
</tr>
</tbody>
</table>
Thailand “Vision” as Hub of Global Green Automotive Production

“Thailand is a global green automotive production base with strong domestic supply chains which create high value added for the country”

Strategic Plan (3 COEs + 2 ENVs)

COE-1 Technology R&D
- Alternative energy
- Lightweight vehicles
- Vehicle Safety
- Advanced Production Technology

COE-2 Human Resource
- AHRDI*
- Academic & CPD** Curriculum
- Certification System
- AHRD Alliance

COE-3 Suppliers Development
- Investment Promotion for Supplier Development
- REM Development
- Green supply chain

ENV-1 Infrastructure
- Testing, R&D
- Logistics
- Information technology

ENV-2 Government Policy
- Policy Integration
- TAX Restructuring Support Green Products
- Promote Investment Promotion for Green Products and Suppliers
- Encourage Market Expansion for REM

*Automotive Human Resource Development Institute
**Continuing Professional Development

COE: Center of Excellence
ENV: Environmental friendly

Source: Thai Automotive Industry
End of Presentation