

• **STCC President's word**

Dear Members,

It has already been 3 months since I was elected President at the Chamber's AGM-again I wish to thank all Members for placing their trust in our Board and in myself, we have already been busy working on behalf of our Members.

The proposed amendments to the Foreign Business Act continue to dominate the headlines. A climate of uncertainty persists. The draft amendments proposed by the Commerce Ministry have been amended by a further draft proposal from the National Legislative Assembly (see details in attached newsletter courtesy of Baker & McKenzie law office). The amendments have yet to be finalized. The Presidents Council of the Joint Foreign Chambers of Commerce at its meeting on March 19<sup>th</sup> decided to prepare a position paper strongly recommending that the Foreign Business Act only be amended in such a manner as not to curtail the rights of foreign investors to continue to be able to exercise voting and management control over their legitimate investments. The definition of "Alien Company" should be very carefully considered. On April 9<sup>th</sup> there will be a Seminar on the draft Foreign Business Act and the panel will include a member of the JFCCT. Several members of the STCC Board are also expected to attend.

On the question of the Thai Health Ministry's unilaterally revoking the patent protection on some essential pharmaceuticals, the STCC has noted these developments with concern and is in close consultation with member companies that may be affected by such measures. At this juncture I would like to mention that the active support of the Swiss Embassy on all the above matters has been greatly appreciated. Concerning events for our members, in January at the AGM we had H.E. Krikkrai Jirapaet, Minister of Commerce, as our guest speaker. The topic was once again the Foreign Business Act, this time as seen from the Government's perspective. In February we did not have an event other than the monthly "Stamm" which was very well attended by over 50 members and guests. On March 28<sup>th</sup> we had Mr. Brian Sinclair-Thompson, our own Director and President of the Board of Airline Representatives in Thailand, as guest speaker on the topic of "Reflections on the Opening of Suvarnabhumi Airport" It was a most interesting

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and in-depth look at the problems but also the potential of Thailand's aviation hub. Mr. Sinclair-Thompson's well-intentioned suggestions and shrewd observations deserve to be considered seriously by the aviation authorities involved.

Finally, we are also in the midst of organizing the STCC's annual golf tournament which will take place on May 6<sup>th</sup> at the Burapha golf course in Pattaya. The members will be informed separately about this event in due course

Please do not hesitate to contact me or any of our Board Members directly should you have any suggestions or require any assistance from the Chamber: remember we are here to serve our members.

Sincerely yours,  
Niti Meyer  
President, STCC  
[president@swissthai.com](mailto:president@swissthai.com)

The newsletter courtesy of Baker & McKenzie law office will follow in a separate mail.

- **Business / Economy News**

In the fourth quarter of 2006, growth of the Thai economy slowed down to 4,2 %, but still Thailand was able to manage a respectable GDP (Gross Domestic Product) growth of 5,0 % for the full year 2006. This is slightly higher than 2005 where the economy expanded by 4,5 %. Lower growth in the fourth quarter reflected a further slowdown in both investment and consumption, but the key engine of growth still remains the healthy export sector, whereas the total value of exports amounted to US\$ 128,2 billion, a substantial increase of 17,4 % over 2005 in terms of US\$, and a 10,2% increase in terms of Thai Baht. Due to the increase in exports and slowdown in imports, the trade balance returned to a positive figure, US\$ 2,72 billion, and current account surplus to a positive US\$ 3,85 billion. Headline inflation was at 4,7 %, whereby core inflation remained at an acceptable 2,3 %. It appears that inflation is now under control and it is expected that core inflation will remain below 3 % for 2007.

Despite the eventful events throughout 2006 and the prevailing political uncertainty, the economy has been doing reasonably well and it appears that under the newly appointed Finance Minister Dr. Chalongphob Sussangkarn, the monetary and fiscal policies are well co-ordinated at the moment. The Bank of Thailand Governor Tarisa Watanagase said that the government had no plans to revoke the controversial 30 per cent withholding requirement on foreign inflows, with hedging alternatives provided to investors.

The Bank of Thailand has faced growing calls to cut interest rates by another half a percentage point (currently it stands at 4,5 %) in order to help prop up slowing investment and consumption. It's decision in February disappointed some economists who were convinced that a deeper cut in interest rates were necessary to stimulate positive effects on the banking system and on investor and consumer sentiments.

For the first two months in 2007, the economy has slowed down, hence stronger monetary and fiscal measures may be needed to prevent further downturn, such as interest rate cuts and tax breaks. Thailand's economy is expected to slow in 2007 due to reduced export growth and sluggish private investments according to the National

Economic and Social Development Board (NESDB). NESDB forecasts a GDP growth of 4,5 % for 2007, whereby exports, a key driver for the economy, are projected to increase by only 7,9 %, due to global economic slowdown, the bath's strength, and tightened trade measures by importing countries. The recovery of private investments is not expected to fully recover since many of investors are still waiting for a clear direction in the political situation as well as policy guidelines.

On a positive note, the government signed a free trade agreement with Japan, the country's largest foreign investor. At the same time, Japanese investors still wonder what is really happening on the proposed amendments to the Foreign Business Act, which might have far reaching implications on investment decisions and one could see a shift in investments from Thailand to India, Vietnam or other countries in the Greater Mekong Sub-region, according to the Japanese Chamber of Commerce.

Bruno G. Odermatt

[bruno.odermatt@thaisri.com](mailto:bruno.odermatt@thaisri.com)

- **Legal Matters**

**How to explain the technology transfer plan in order to obtain a representative office license.**

Setting up a representative office is considered as a service business which is come under list 3 (21) of the Foreign Business Act ("FBA"). Apart form normal corporate documents from head office abroad, the Foreign Business Committee ("FBC") also need the technology transfer plan to be incorporated into the application. In view of the FBC meaning of "technology" not only refer to state- of-the-art innovations but also encompasses administration, management and marketing which are also essential elements in the operation of a business. The FBC considers that technology is a crucial factor in the development of the country; therefore, the FBC has adopted technology transfer consideration as factors in its consideration of licenses when acquiring foreign business license under the FBA. The applicants are required to submit details of working plans, forms and methods of technology transfer in according with the prescribed forms as well as certain explanation of the technology transfer such as

research and development projects, training of in-house personnel, appointment of a Thai national to perform work in a position in lieu of foreigners etc. We shall explain this matter issue by issue for more understanding of this kind of activity in the next publication.

Dhira Yoonaidharma,  
[dhira@hutterdhira.com](mailto:dhira@hutterdhira.com)

- **Joint Foreign Chambers**

No news.

Thomas Gerber, Executive director  
[info@swissthai.com](mailto:info@swissthai.com)

- **Swiss Embassy News**

No news.

- **Events Calendar**

- **Up coming STAMM with wine tasting**

**Date: Thursday, April 19, 2007**

Time: 18:00 ongoing

Location: **Mingles Pub & Restaurant**, Amari  
Atrium Hotel, 1880, New Petchburi Road, Huay Kwang, Bangkok

- **6<sup>th</sup> Swiss Annual Golf Championship**

**Date: Sunday, May 6, 2007**

**Location: Burapha Golf Course, Sri Racha**

For more details please contact Mr. Peter Feer at  
[ilsmanagement@the-freight.com](mailto:ilsmanagement@the-freight.com) or Mr. Stefan  
Kuhn at [skuhn@gateinfo.com](mailto:skuhn@gateinfo.com)

For give away prizes please contact the secretary  
at [secretary@swissthai.com](mailto:secretary@swissthai.com)

For more information please see Events at  
[www.swissthai.com](http://www.swissthai.com)

- **Miscellaneous**

- **Manpower:**

Please go to our website [www.swissthai.com](http://www.swissthai.com) >  
"Members" > "Classifieds" where you will find  
interesting manpower offers to be contacted  
directly. Direct link:  
[http://www.swissthai.com/upshow\\_classifieds.asp](http://www.swissthai.com/upshow_classifieds.asp)

- **Trade Fairs**

Please visit the following sites for detailed info:

[www.cmpthailand.com](http://www.cmpthailand.com)

[www.impact.co.th](http://www.impact.co.th)

[www.bitec.net](http://www.bitec.net)

[www.tradefairs.ch](http://www.tradefairs.ch)

- **Secretary**

Please be so kind and inform us about any  
**changes in your contact information.**

**Member List**

If you need a hard copy of our member list please  
contact the secretary at [secretary@swissthai.com](mailto:secretary@swissthai.com).

- **Membership fee 2007**

The invoice regarding the membership fee for the  
year 2007 was sent out. We thank you in advance  
or a **prompt** settlement.

[secretary@swissthai.com](mailto:secretary@swissthai.com)

- **Comments from our Members**

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## RIS – Swiss – Section

**Tag der offenen Tür an der Deutschsprachigen  
Schule Bangkok**

**Details see on page 6**

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**To sell or rent: Nice 4 bedroom apartment with  
large living dining area, kitchen , additional maids  
room, 80m2 balcony, total area ca. 360 m2, newly  
renovated, at 6<sup>th</sup> floor [but still nice view] in well  
maintained building on Ekamai 10 Road. Please  
contact Thomas Gerber, [trina@loxinfo.co.th](mailto:trina@loxinfo.co.th),  
mobile 08 1836 4603 for contact details of owner.**

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This place is reserved **for our members!**

If you have any suggestions, a wish or you want to  
bring us closer to your business, please do it here.  
Thank you.

[secretary@swissthai.com](mailto:secretary@swissthai.com)

- **Swiss Society Bangkok**

For social activities, please check the following address: [www.ssb.or.th](http://www.ssb.or.th)

- **Useful Links**

- Swiss Trade Promotion Office  
[www.osec.ch](http://www.osec.ch) and [www.osec.ch/newsletter](http://www.osec.ch/newsletter)
- CH Foreign Trade  
[www.swisstrade.com](http://www.swisstrade.com)
- CH News Paper NZZ  
[www.nzz.ch](http://www.nzz.ch)
- Swiss Embassy Bangkok  
[www.eda.admin.ch/bangkok](http://www.eda.admin.ch/bangkok)
- State Secretariat for Economic Affairs  
[www.seco-admin.ch](http://www.seco-admin.ch)
- World Economic Forum  
[www.weforum.org](http://www.weforum.org)
- Swiss Business Federation  
[www.economiesuisse.ch](http://www.economiesuisse.ch)
- Swissinfo  
[www.swissinfo.org](http://www.swissinfo.org)
- The Federal Authorities  
of the Swiss Confederation  
**New outfit please have a look.**  
[www.admin.ch](http://www.admin.ch)
- EU launches on-line helpdesk to foster  
developing country access to EU markets  
<http://europa.eu/int/comm/trade/issues/global/development/thd-en.htm>
- Interesting links in Thailand  
[www.yellowpages.co.th](http://www.yellowpages.co.th)  
[www.thailandexportguide.com](http://www.thailandexportguide.com)  
[www.eguide.co.th](http://www.eguide.co.th)  
[www.tradepointthailand.com](http://www.tradepointthailand.com)  
[www.bankok.com](http://www.bankok.com)  
[www.thailand.com](http://www.thailand.com)  
[www.thaiwebsites.com](http://www.thaiwebsites.com)
- Department of Export Promotion's websites:  
[www.deptahai.go.th](http://www.deptahai.go.th) and [www.thaitrade.com](http://www.thaitrade.com)

**Swiss Business Associations and Swiss Chambers in the Region**

**Vietnam**

**Swiss Business Association Vietnam**  
c/o Consulate General of Switzerland  
Nam An Building 124 Dien Bien Phu  
District 1 Ho Chi Minh City, Vietnam  
Tel +84 8 820 5402  
Fax +84 8 820 4856  
Web [www.swissvietnam.com](http://www.swissvietnam.com)  
E-mail [sba@hcm.vnn.vn](mailto:sba@hcm.vnn.vn)

President: Mr Alexander Gruber  
Tel: +84 8 827 70 68  
Email: [agruber@ecomtrading.com](mailto:agruber@ecomtrading.com)

**Malaysia**

**Swiss Malaysian Business Association**  
c/o Embassy of Switzerland  
16 Persiaran Madge,  
55000 Kuala Lumpur, Malaysia  
Tel. +60 3 2162 9889  
Fax +60 3 2162 8410  
Email: [myswiss@streamyx.com](mailto:myswiss@streamyx.com)  
Website: [www.myswiss.org](http://www.myswiss.org)

Chairman: Dr. Magdi Batato

**Singapore**

**Swiss Business Association**  
c/o Embassy of Switzerland  
1 Swiss Club Link  
Singapore 288 162  
Tel: +65- 62922842  
Fax: +65- 62984133  
E-mail [info@swissbusiness.org.sg](mailto:info@swissbusiness.org.sg)  
Web: [www.swissbusiness.org.sg](http://www.swissbusiness.org.sg)  
Chairman: Mr. Pius Eberhard

**Indonesia** (below – the new address as of 25.5.07)

**Swiss Business Forum**  
c/o  
PT Zurich Insurance Indonesia  
Sudirman Plaza  
8th floor - Indofood Tower  
Jl. Jend. Sudirman Kav. 76-78  
Jakarta 12910  
Tel. +62 21- 579 367 70  
Fax. +62 21- 2554-3670

Chairman: Mr Hermann Lischer CEO Zurich  
Insurance Indonesia,  
E-mail [hermann.lischer@zurich.com](mailto:hermann.lischer@zurich.com)  
PA's email: mimi [fauzia@zurich.com](mailto:fauzia@zurich.com)

**Philippines**

**Philippine-Swiss Business Council (PSBC)**  
9/F SGV Bldg.II, 6758 Ayala Avenue  
1226 Makati City, Philippines

Chairman: Mr. Joel C. Valdes  
Tel +63 2 894 8177  
Fax +63 2 892 8275  
Mobile +63 918 994 8177

Secretariat: Ms. Leonora Doringo  
E-mail [Leonora.doringo@philippinechamber.com](mailto:Leonora.doringo@philippinechamber.com)

**Hong Kong**

Swiss Chamber of Commerce in Hong Kong  
GPO Box 9501 Hong Kong  
Tel: +852 2524 0590  
Fax: +852 2522 6959 website:  
<http://www.swisschamhk.org>  
Email: [admin@swisschamhk.org](mailto:admin@swisschamhk.org)

President: Mr. Hans Rudolf Kunz  
E-mail: [hansr.kunz@persens.org](mailto:hansr.kunz@persens.org)

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**Swiss Thai Chamber of Commerce**

36/9-10 Chaengwattana Road  
Kwaeng Thungsonghong  
Khet Laksi  
Bangkok 10210  
Tel. +66 (0) 2982 4896  
Fax +66 (0) 2982 4897  
E-mail: [secretary@swissthai.com](mailto:secretary@swissthai.com)  
Web page: [www.swissthai.com](http://www.swissthai.com)

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**Next Newsletter: July 2007**

For all comments please contact  
[secretary@swissthai.com](mailto:secretary@swissthai.com) or  
[president@swissthai.com](mailto:president@swissthai.com)

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**ATTACHMENT**

**Tag der offenen Tür an der Deutschsprachigen Schule Bangkok**

Am Samstag 28. April 2007 lädt die Deutschsprachige Schule Bangkok (DsSB) Sie zum Besuch ein. Am Morgen besteht die Möglichkeit, den Unterricht in allen Klassen zu verfolgen. Um 11 Uhr werden die neue Turnhalle und der Musiksaal feierlich eingeweiht. Nach dem Mittagessen vom German Beerhouse haben die Eltern die Möglichkeit, sich nach Voranmeldung mit den Lehrerinnen und Lehrern zu unterhalten. Für die Unterhaltung der Kinder sorgt eine Hüpfburg und diverse Ballspiele auf dem Sportplatz.

Alle Interessierten sind herzlich eingeladen!

**Programm**

08.15 Uhr. – 10.45 Uhr	Unterrichtsbesuch
11.00 Uhr -11.30 Uhr	Einweihung der neuen Turnhalle und des Musiksaals
Ab 11.30 Uhr	Mittagessen
Ab 12.30 Uhr bis 15 Uhr	Elternsprechtage (nach Voranmeldung)  Aktivitäten für Kinder Kaffee und Kuchen

Die Deutschsprachige Schule Bangkok (DsSB) ist die einzige deutschsprachige Schule in Bangkok und bietet ein qualitativ hochstehendes, umfassendes Schulangebot vom Kindergarten (ab drei Jahren) bis zur Hochschulreife. Weitere Informationen sind zu finden unter **[www.dssb.org](http://www.dssb.org)**.

Deutschsprachige Schule Bangkok, 6/1 Ramkamhaeng 184 Road, Minburi, Bangkok 10510 Thailand; Tel.: ++66 0-2518-0340, 42-44 Fax: ++66 0-2518-0341

**Für weitere Informationen**

Stefanie Meier, DsSB Communication and Development Manager

Tel. (66)0-2518-0340 ext 106, Mob. (66)0-87673-1818

E-mail [stefanie.meier@dssb.org](mailto:stefanie.meier@dssb.org)

Website [www.dssb.org](http://www.dssb.org)