



JFCCT FORUM 2016
"SERVICES!"
A deep dive into service sector liberalisation, Doing Business improvements, Innovation-led Economy
TUESDAY 28 JUNE | 13:30 – 17:30 | Eastin Hotel, Surasak, Bangkok

ORGANISED BY: JFCCT
SPONSORED BY: dtac
SUPPORTED BY: Cordlife, TOPI, JETRO, EAC



Why Services : A deep dive into service sector liberalization

Kalin Sarasin

June 28, 2016

Environmental Change

- Changing Customers' Demand
- Competing for filling in "The Gap of Hidden Need and Existing Demand"
- Consumer need information, they can find easily; however, ...
- "Communication to the right channel at the right time" is important for business

Innovation in Service

Improve Process

Work Faster

Reduce Redundancy

Less Human
Judgment (Less
Corruption)

Keep Track of
Database &
Customers

Faster & On Time

Less Cost

Better Offer

Understand
Customers More

New Customer
Interaction
Channels

New Distribution
System



Better Services → More Profit

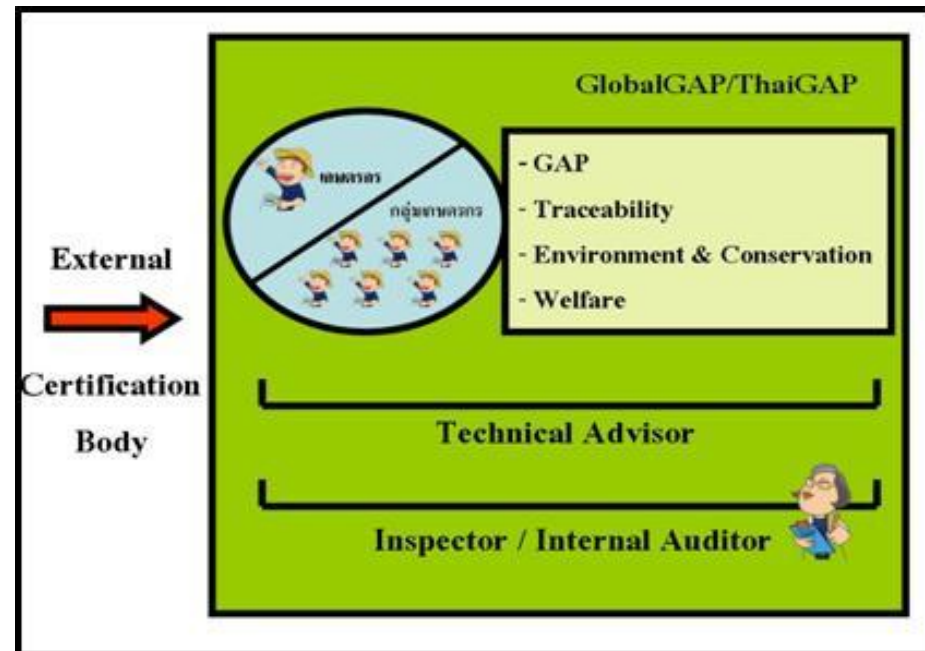
Service Industry **versus** Value-Added Service to your industry

□ **Service Industry:** airline, tourism, hospital,
banking, advertising, IT, ...

□ **Value-Added Service to your industry:**

- Door to Door Delivery Service
- Certify safety product before reaching customer; "ThaiGAP"
- Training for exporter to compliance in specific market
- Training to increase efficiency of operation

THAI Good Agricultural Practice Belongs to Thai Chamber of Commerce. **Traceability** is strongly concerned for **THAIGAP private standard with QR code**. The development of group **certification & quality management system** include service providers, technical knowledge & training.





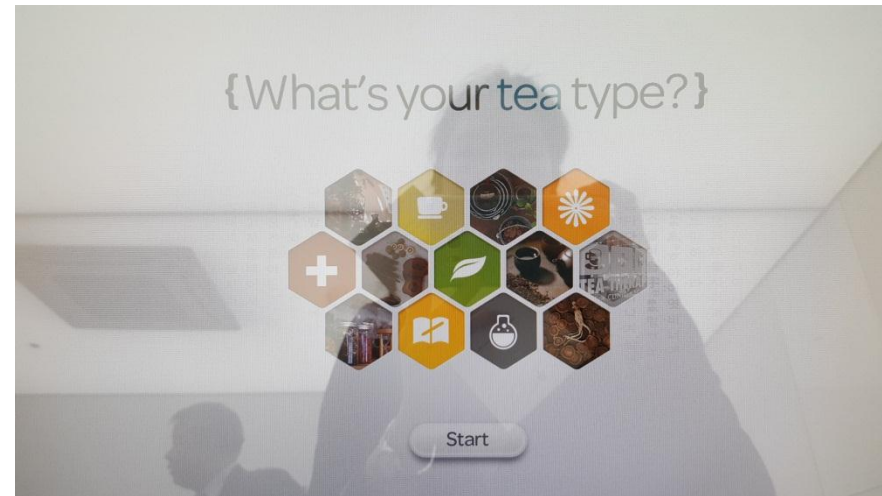
- **Using more brain to add value to service**
 - Changing business model e.g. Uber Taxi or Uber Motorcycle (With application by utilizing other people assets)



■ Sample : Food Tours e.g. by Tuk Tuk



■ Sample : Medical Tourism e.g. Tea Therapy in Korea



Change Role & Responsibility of Government

From **Regulator** to
Facilitator, Promoter, Supporter

Change Roles of Government Service



- **Some operations have been outsourced** to private sectors i.e. Passport
- **More Future Outsourced Operation** : certify products or process, registered, approval, ???

BMA Express Service (Bangkok Metropolitan Administration) จุดบริการด่วนมหานคร @ Siam, Promphong, Mor-Chit



- **Services** : ID, House Certificate, Change Name, BKK Tourist Info
- **Operation** : 7 Days a week

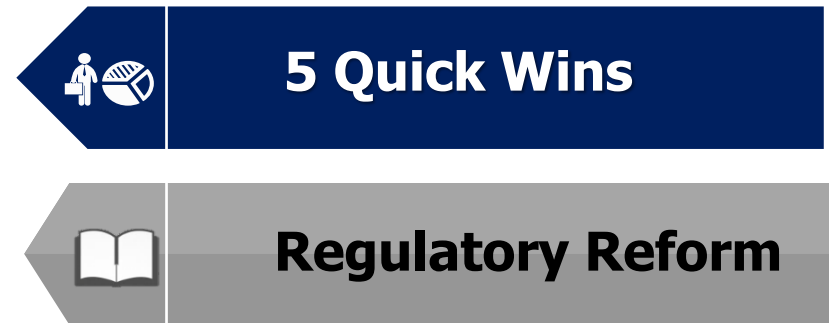
“Regulatory Reform Project” by Public–Private Collaborative Committee

Target

Competitiveness

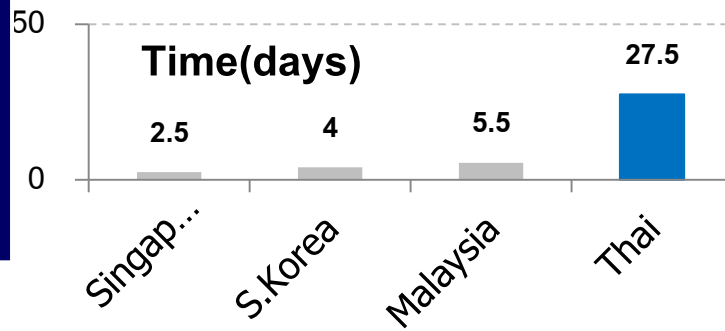
Ease Of Doing Business

Efficiency

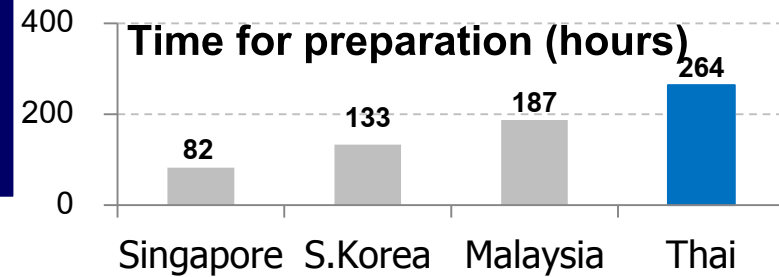


Revise Rules & Regulations – “Ease of Doing Business” to increase country competitiveness

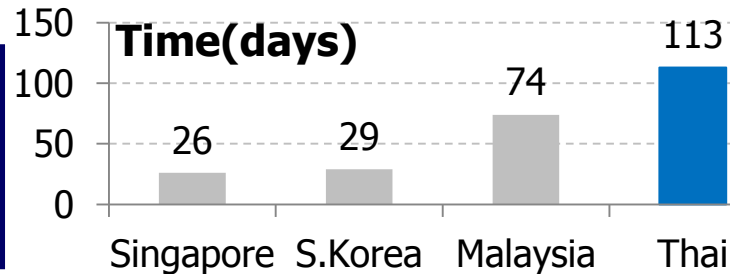
Set up
new
business



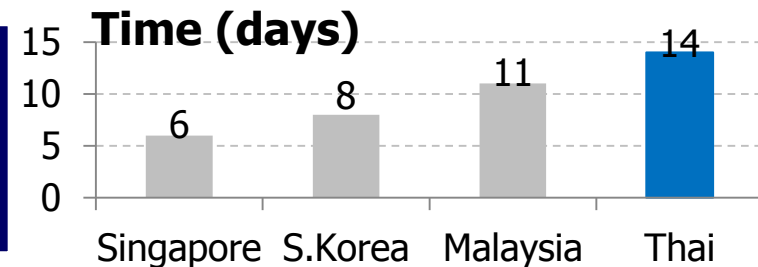
Tax
prepara
tion



Construct
ion
Permit



Int'l
Trade









(Export)

Ease Of Doing Business Ranking









2015

- 1 Singapore 
- 2 New Zealand 
- 3 Hong Kong 
- 4 Denmark 
- 5 South Korea 

- 17 Malaysia 

2016

- 1 Singapore 
- 2 New Zealand 
- 3 Denmark 
- 4 South Korea 
- 5 Hong Kong 

- 18 Malaysia 

46 Thailand 

49 Thailand 

Target
2018
Thailand
to be
the Top 20



5 Quick Wins



1. Custom



2. Food & Drugs



3. Immigration



4. EIA/EHIA



**5. City
Plan**


5 Quick Wins

It is necessary for Thailand to **enhance its competitiveness** in the field of **R&D and targeted industries** in order to propel the economy and overcome the middle income trap by **attracting investment with advanced technology** as well as professional workers, researchers and skilled labors from foreign country to work and share knowledge to Thailand.

Current Situation

- **Visa & Work Permits procedures are separated**
- **There is only one type of work permit regardless of skill**
- **No privileges for professionals, researchers or any young talent**

The comparison of work passes & permit in Thailand, Singapore, Australia and USA

<u>Thailand</u>	Singapore	Australia	USA
<ul style="list-style-type: none"> • Separating between Visa and Work permit • No privileges • Having only one type of work permit <p>Work Permit</p> 	<ul style="list-style-type: none"> • Separating between Visa and Work permit • Privileges • Having 5 types of work permits depending on skills <p>Work Permit</p> <p>S PASS</p> <p>Employment Pass</p> <p>Personalized Employment Pass</p> <p>Entre Pass</p>	<ul style="list-style-type: none"> • Combining Visa and Work permit into Work Visa • Privileges • Having 3 types of Work Visa depending on skill <p>approved by eligible employer</p> <p>Invited person</p> <p>Temporary Employment Visa</p>	<ul style="list-style-type: none"> • Combining Visa and Work permit into Work Visa • Privileges • Having 3 types of Work Visa depending on skill <p>Permanent Employment Visa</p> <p>Temporary Employment Visa</p> <p>Person who having Work Visa</p>



1. VISA and Work Permit

- Using “Work Visa system” instead of work permit
- Work Visa classified by skill level which are:
 - Type 1. Work Visa for “Low level-skilled foreign workers”
 - Type 2. Work Visa for “Mid level-skilled foreign workers”
 - Type 3. Work Visa for “High level-skilled foreign workers”
 - Type 4. A Person who has been invited
- Having “Privileges” to attract talented workers and for a person who has been invited to work in the country (Type 4) would have privileges in specific field such as NEW S-CURVE



2. Ease of Doing Business

- To set up “One Stop Service Center” for work permits
- To abolish the TM.6 and WP-10 to promote business activities
- To extend the long stay in Thailand in order to promote Medical Hub and Wellness

3. Establishment the “Public-Private Ad-Hoc Committee”

To amend concerned laws to attract experts, researchers and skilled-labors from abroad.

Regulatory Reform



- Hire Scott Jacobs (Jacobs, Cordova & Associates) to consult about Regulatory Reform
- Scott Jacobs used to do Regulatory Reform for OECD and be Regulatory Reform Consultants for several Countries

Regulatory Reform in some countries



South Korea

Total 11,125 Laws

Abrogation 48.8%

Revised 21.7%

**Increase Job Hiring >1 Mil
Positions, GDP increase 4.4%
FDI increase 36,500 Mil USD**



Vietnam

Total 5,500 Laws

Abrogation 8.8%

Revised 77%

**Reduce Business
Operating Costs = 1.45
Thousand Mil USD/Year**



Mexico

Total 2,038 Laws

Abrogation 54%

Revised 27%

Progress Report on Ease of Doing Business

- Reducing property transfer fee and mortgage fee to 0.01
- Linkage land information with ID card number of the land owner
- Developing the land-searching system into online system (DOLWMS) via dolwms.dol.go.th :
 - Searching land information through Google Application titled "LandsMaps"
 - **By 2016 : The on-line land information will cover all over the country**

- Enforcing Secured Transactions Act B.E. 2558 effective on 1 July 2016
- Developing online Secured Transaction Registry system via www.dbd.go.th

- 18 February 2016 : Publicizing the Time Release Study: (TRS)
- Since 18 April 2016: Using Pre-Arrival Processing System
- **In the process of developing the Document Online system (NSW)**

- e – Filing system: facilitate submission of financial statement via electronic system
- e - Offering Auction: enable bidding through electronic system

Starting business

1. Starting business
2. Dealing with Construction Permits
3. Getting electricity
4. Registering property

Operating Business

5. Getting Credit
6. Protecting Minority Investors
7. Paying Taxes
8. Trading Across Borders

Going out of Business

9. Enforcing Contract
10. Resolving Insolvency

- 1 December 2015 : Developing business registration through Single Point Service
- Developing Biz Portal via biz.govchannel.go.th :
 - 29 February 2016 : Launching Biz Portal to facilitate employer registration/ online submission of labor regulations
 - 1 June 2016 : Developing Biz Portal system to facilitate company registration online
 - 30 September 2016 : dealing with construction permits and getting electricity via Biz Portal

- **In the process of revising the civil and commercial codes section 1201 in which a company would pay dividend in stipulated time**
- **In the process of revising additional announcement concerning the disclosure of director's authorize companies**

- Developing tax payment channel via Counter Service and Banking
- Developing Online & Counter to facilitate the payment of social security fund
- **In the process of developing Calculation Sheet**
- **In the process of reducing the procedure of e-payment via social security fund**

- Revising Insolvency Act B.E.2558 Issue
- **Legal Execution Department is in the process of data linkage with registration office**

**Innovation can add value to
Better Services → Better Business**