

# Thailand AERA Quarterly Activities Report #8 July-September, 2001

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Accelerating Economic Recovery in Asia (AERA)  
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## **Executive Summary**

### **Business Advisory Center**

The BAC began work on two training and marketing CDs as a way of extending the reach of the AERA program to hundreds of additional companies. It held training seminars and workshops on “Negotiation Techniques,” “Project Management” and “Business Plan Writing.”

By the end of the quarter, the BAC had developed close to 220 projects out of approximately 400 total applications received. The number represents approximately 190 companies in all industries and sizes. A total of 120 projects have been successfully completed.

A wide variety of assistance was provided but most SMEs wanting help with technical operations improvements asked for help from American volunteer experts while in areas such as marketing, human resource management and domestic business strategy where language and local knowledge are crucial, clients asked for assistance from BAC staff and TVSCS volunteer consultants.

The BAC moved forward on efforts to support improved competitiveness based on clusters of companies and agencies working together. The fruits and vegetables processing companies clustered near Rayong, Chantaburi and Trad decided to work together as a pilot cluster project. The BAC and TVCS are working together to provide cluster training to interested groups.

### **Thailand Volunteer Consulting Service**

The TVCS expanded its data base of volunteer experts to 175 people. Volunteers worked on 15 different projects in the quarter and completed four projects. It held four short counseling sessions for SME managers. TVCS worked closely with the BAC on the development of clusters for competitiveness. Roundtable discussions were held on Information and Communications Technology and Fruits and Vegetables Processing to encourage greater cooperation for competitiveness in those sectors.

### **Labor Standards Development**

Following up on the Labor Codes Conference in March, the Labor Standards Development Project facilitated a series of workshops for the Ministry of Labour and Social Welfare, Industry Associations and labor groups focusing on international labor standards. The workshops covered improving working conditions in contract factories, data gathering for union representatives and productivity and labor standards for garment manufacturers.

The LSDP launched a pilot project to provide consulting on occupational health and safety and labor standards to SME members of the Thai Garment Manufacturers Association. The LSDP began working on a training manual on best practices in the garment industry .

Working with the Business Support Organizations Partnering program under AERA, the LSDP help organize the delivery of the Certified Industrial Hygienist Exam to members of Thailand's Occupational Health and Safety at Work Association (OSHWA). This is part of an effort to set up a Thai Board of Industrial Hygiene in 2002.

The LSDP team received official accreditation to monitor the Fair Labor Association (FLA) standard.

### **The Business Support Organization Partnerships**

The Business Support Organization Partnerships (BSOP) program builds linkages between counterpart Thai and US business support organizations that can jointly implement activities to raise the standards of doing business in Thailand.

Three major projects were completed in the quarter:

- The Association for Investment Management and Research (AIMR) and the Securities Analysts Association (SAA) are translating and adapting the AIMR's "Standards of Practice Handbook" into Thai. 2,000 copies of translation and adaptation of "Standards of Practice Handbook" were published.
- The Security Exchange Commission of Thailand (SEC) examined the impact of Thailand's tax structure on financial and capital markets from both the economic and administrative aspects. The study was conducted by the Thai Development Research Institute (TDRI) with the assistance from Dr. Julie Collins, Senior Associate Dean-Academic Affairs, Kenan Flagler Business School, University of North Carolina-Chapel Hill. The results of the study were presented at a seminar organized by TDRI.
- The Occupational Health and Safety at Work Association (OHSWA) and The American Board of Industrial Hygiene (ABIH) are working together to offer Certification of Industrial Hygiene in Thailand. A specialized preparation course for Certified Industrial Hygienist (CIH) examination was delivered by the University of North Carolina for OHSWA members. The President of ABIH proctored the CIH examination in Bangkok.

Eighteen large and small grant projects are underway.

### **Bank Training Program**

The Bank for Agriculture and Agricultural Cooperatives completed training of 380 participants on Responsibility Accounting.

Vendor selection was completed and contracts were awarded to provide extended training programs for five new projects at: Bank of Ayudhaya, Thai Military Bank, Siam Commercial Bank, BankThai and Krung Thai Bank for a total of approximately \$650,000.

New proposals have been submitted for SMEs Credit Skill Improvement, Risk Management Training and Small Business Lending.

## **Education**

A pilot project using video and audio tapes to help schools teach English better was progressing with KIAAsia staff visiting classrooms to view materials under development being presented. At the university level, KIAAsia is working with the English Department at the new Mae Fah Luang University to support development of an all-English curriculum at the university in Chiang Rai. Discussions have also begun to provide US Community College experts to help Thailand develop a new community college system.

## **Border Action Against Malaria**

During this quarter, major activities included:

- Implementation of *in vitro* sensitivity monitoring for the currently used front line antimalarial drugs in 9 border provinces under the national malaria sentinel surveillance drug resistance network initiative.
- Training and learning exchange workshops for teachers from 25 schools in Tak and Mae Hong Son Provinces on data collection regarding malaria knowledge, attitudes, and practices under the Partnerships for a School-based Approach to Community Action Against Malaria subproject.
- Participatory action research planning workshop in Chantaburi Province to collaboratively generate interventions for malaria control among high-risk forest-related occupation groups in Pong Nam Ron and Soi Dao Districts.
- Field trip to observe project activities in Tak Province and consultations with Shoklo Malaria Research Unit by USAID officials, BAAM Project management, and representatives of United States Pharmacopeia, Management Sciences for Health, and WHO/Thailand.
- USAID Roll Back Malaria Partners' Meeting: Informal Consultation on Monitoring Antimalarial Drug Quality and Use Practices with participation by representatives of USAID, the U.S. Embassy to Thailand, WHO, Royal Thai Government Ministry of Public Health, Cambodian Ministry of Health, United States Pharmacopeia, Management Sciences for Health, ACTMalaria, and Kenan Institute Asia - BAAM Project.

## **The Asia Foundation Promoting Good Governance Project**

During the quarter, sub-grantees of The Asia Foundation continued to implement their various sub-projects. During the previous quarter, most had experienced a variety of problems in project implementation but they were able to overcome these problems and most sub-projects therefore moved forward without major difficulties. One sub-project, the Asset and Liability Assessment research was completed the previous quarter and project principals have prepared a Phase II sub-project for subsequent funding. All

other projects will end during the sixth quarter, although several will be seeking additional Phase II support from USAID and The Asia Foundation.

### **The US Chamber of Commerce Thailand SME Development Project -- SIAM**

The SIAM project managed by the US Chamber of Commerce has melded an internet-based business matching program with personalized service that moves towards actual business. This approach has yielded 30 active contracts for possible business partnerships resulting in \$32 million in documented business arising directly from company participation in SIAM. More than 900 Thai SMEs have received training in international business and the Thai institutional partners have received training in the management of the Internet-based system.

The second phase of funding has been approved and put in place to continue until December 31, 2002. This provides for implementation of a plan to offer value-added business development services on a for-fee basis.

In this reporting period IT and software development were added to the target sectors of SIAM. A videoconference was conducted with the Thailand Software Park and the Thai Software Association. Another event is planned in December. SIAM is participating in three trade shows this fall to recruit additional U.S. firms into the Program.

### **Constitutional Education for Citizens' Active Participation in Reform in Thailand Project (CE-CAP)**

Implementation of the project by the King Prachadhibok Institute and ACILS accelerated this quarter with a total of fourteen training sessions conducted for four of the target groups – community organizations, women's groups, farmers organizations and trade unions. A total of 660 leaders learned how the new constitution can help them deal peacefully and legally with conflicts. The training received favorable ratings from the participants because of the interactive approach of the trainers. A working group was formed to start development of project publications including a constitutional handbook for labor unions and pamphlets on key sections of the constitution. Already there have been instances in which the training received has been put to practical use. Constitutional mechanisms provided legal and peaceful channels for complaints of mistreatment of workers and community groups in three different cases.

# Business Advisory Center

## CD ROM projects

The BAC launched 2 CD ROM projects, the BAC Examples of Success and the Business Plan Writing CD. The former will be used to encourage SMEs to upgrade their management and operations by showing how 12 SMEs worked with the BAC to improve business. The 12 clients were selected to represent a diverse type of businesses and industries and for all types of BAC assistance from in-house to Thai and American volunteer expert projects. The second CD will provide hands-on computerized training to assist the SMEs with their business plan preparation. The CDs will expand the reach of the BAC to hundreds, if not thousands of additional companies.

## Seminars/Workshops/Presentations

A seminar entitled "Negotiation Technique" was organized on July 4, 2001 to teach SMEs senior management and their sales personnel about effective negotiation technique. The seminar covered systematic negotiation approach, preparation before the negotiation, strategic planning in negotiation to achieve desired objectives, and application to sales and management. Khun Chakkapongse Wongsewan, SVP of the International system development department, Krungthai Computer Services Co., Ltd., was the guest speaker. Both he and the seminar were highly rated by the 47 attending SME executives.

A "Project Management" seminar was successfully organized on July 25, 2001 for 61 SMEs management and executives. Khun Veeravudh Makasiranondh, the guest speaker, covered the topics of project feasibility study (benefit-expenditure), project development, progress monitoring, applications for transforming strategy into action, key success factors, key result areas and key performance indicators.

A customized business plan writing workshop was successfully organized for members of "The Association of Thai Concrete Products Industry" and a number of BAC clients in other industries during the Saturdays of September 8<sup>th</sup>, 15<sup>th</sup>, 22<sup>nd</sup> and 29<sup>th</sup>. Khun Veeravut Makhasilanonth from Expernet Co., Ltd. and Khun Sorakit Manbuphachati, a KIAAsia financial expert together covered all necessary areas of a business plan. The participants rated the workshop very highly for both knowledge gained and the effectiveness of the speakers.

## Projects

By the end of this quarter, the BAC had developed close to 220 projects out of approximately 400 total applications received. The number represents approximately 190 companies in all industries and sizes. A total of 120 projects have been successfully completed. Approximately 45% of these completed projects benefited from the services of American volunteer experts, a similar number utilized BAC consultants and about 10% were assisted by Thai volunteer experts.

Approximately 40%, 54% and 6% of our clients represent small, medium and large firms respectively. The majority of them (80%) are located in the central region. Assistance was provided to more textile and footwear companies in the last quarter of our 2<sup>nd</sup> year for the sector to replace food and beverages as the 3<sup>rd</sup> largest sector (15%) to receive our assistance. The 2 largest sectors we provide assistance to are the manufacturing and services industries (16% each). Most SMEs who require assistance from American VEs still need help primarily with operations (53%). When language and local knowledge are key issues, BAC and TVSCS consultants find their skills to be more useful.

## **Cluster Development**

With UNIDO's assistance, members of the cluster project team visited UNIDO's cluster project in India in August. Sites for a government-induced computer software cluster, a government-induced garment cluster and a naturally developing knitwear cluster were visited. The team studied UNIDO's approach in the field to understand how clusters in various forms are developed and sustained in another developing country. This experience should prove helpful in developing our own approach to develop similar industrial clusters in Thailand

A round table discussion was organized among the sector stakeholders in September to brainstorm ideas and determine next steps. As a result the fruits and vegetables processing sector was chosen as a pilot cluster project.

The cluster team visited fruit orchards and agricultural cooperatives in the Rayong, Chantaburi and Trad area. Fruit orchards in the area were found to have already been cooperating through cooperatives to jointly sell their products and source production input. A Chantaburi area cooperative received financial assistance from the previous government via the "Miyasawa Plan" to build a cold storage facility to help deal with price fluctuation due to the seasonal nature of fruit production. Another cooperative for the region was seeking similar assistance from the Taksin government for their own cold storage facility.

Further discussion with a UNIDO SMEs expert from their Vienna headquarter found UNIDO and KIAAsia inch closer to concrete cooperation. UNIDO will provide KIAAsia with a cluster promotional VDO currently used to promote their program in many developing countries with permission for KIAAsia to reproduce with Thai voiceover. KIAAsia is considering sending a representative to attend a cluster actors training course in India in November. The two organizations will work together to set up a cluster development training facility in Thailand with the possibility of expanding it into a regional center for Southeast Asia.

## **Internal Process**

The BAC expanded its consulting capability in August with the addition of four Thai consultants to increase our capability to assist the SMEs from the average of 100 companies a year during the first 2 years to approximately 150 companies in the 3<sup>rd</sup> year. The second group of American volunteer consultants finished their terms in

August while a new group replaced them in September. Thus each of the 3 consulting teams will have 6 consultants, an increase of 1 consultant, and a team leader in the 3<sup>rd</sup> year. An Assistant Marketing Consultant joined the marketing team during the latter half of September to assist in the planned increase in marketing activities.

## **Thailand Volunteer Consulting Service**

### **Thai Volunteer Expert Database**

The total number of the Thai Volunteer Experts is 175 as of the end of this quarter, which can be summarized by functional expertise as follows:

- Organization & HR Management 45
- Financial, Banking & Accounting Expert 45
- Manufacturing and Industrial Engineer 29
- Agro – Industry 13
- Marketing Expert 11
- IT, E-commerce & Telecommunication 8
- Other skills 24

TVCS succeeded in recruiting some volunteer experts who have expertise in Hotel Management. However, TVCS is still looking to recruit volunteer experts in the areas of Retail Management and School Management.

### **Projects**

Currently, TVCS has 13 volunteer experts working on site for fifteen different projects. In this quarter, four projects were completed accounting for 43 total man/days. TVCS has served companies in the following areas of expertise:

- Sathaporn Marketing Company Limited, an insecticide manufacturer, received consulting assistance on cost accounting. This project accounted for 5 man/days by volunteer experts K.Bhasna Auwansatien and K.Voranuch Kunavipakorn.
- Buddy Vilege, a small-scale boutique hotel, received consulting assistance on hotel management. This project accounted for 14 man/days by volunteer expert Kviramontri Santisiri.
- Black Canyon (Thailand) Company Limited, a coffee house chain, received consulting assistance on overall executive level strategic business planning. This project accounted for 24 man/days by volunteer expert K.Chai Jrongtanapibarn.
- Isuzu Central Motors Company Limited, a dealer of commercial vehicles under the “ISUZU” brand, received consulting assistance on cash flow and working capital management. This project accounted for 10 man/days by volunteer expert K.Thanee Khemakongkanont. This project is currently in Phase II.

All of these projects were completed to the client’s satisfaction.

### **Counseling Services**

TVCS organized four sessions to provide expert assistance to clients.

- Provided one-day counseling service to Pizza Today Company Limited to help this client improve its operation standards.
- Provided 3-days counseling service to Thai Interknit Company Limited to help this client improve its manufacturing management standard.

### **Competitiveness**

BAC and TVCS staff members went for a study visit on cluster development in India. The trip was organized by UNIDO in Bangkok with the objective of learning about the methodology and strategy in developing clusters. The visit concentrated on the Information Communication Technology (ICT) and knitwear clusters in Hyderabad and Ludhiana. UNIDO expressed its intention to cooperate with KIAAsia to train cluster actors in the future.

Roundtable discussions on ICT and fruits and vegetable processors were organized with the objective of promoting clustering in these sectors. Firms, business associations, government authorities, academic, and experts on related business were invited. Views and recommendations derived from the discussion should be very useful for future cluster development.

### **Improved processes**

The process of utilizing TVCS's Thai Volunteer Experts (TVEs) has been reviewed and improved. A new process was presented to BAC consultants on Friday 3 August 2001. One improvement is the addition of timesheets for experts. These timesheets help in scheduling and clarifying the TVE's tasks and make it easier to track projects.

## **Labor Standards Development**

Following up on the Labor Codes Conference in March, the Labor Standards Development Project facilitated a series of workshops for the Ministry of Labour and Social Welfare, Industry Associations and labor groups focusing on international labor standards.

The initial workshop was conducted by Verite, a US based NGO dedicated to improving working conditions in contract factories. This course was tailor-made to the interests of the related departments at the MOLSW. KIAAsia also contracted the Chulalongkorn University Social Research Institute to conduct training for trade union representatives. This program focused on data gathering method utilized during factory interviews. The course was an opportunity for KIAAsia to build its relationship with Thai labor representatives.

In support of better business practices in the garment industry, the LSDP facilitated a seminar on "Productivity and Labor Standards". The three-day course was taught by Professor Gene Barbee from North Carolina State University, College of Textiles. The

course was offered in cooperation with the Thai Garment Manufacturers Association to over 80 representatives from factories in Thailand. The program was part of an on-going program to improve productivity through training and responsible management practices.

In addition, the LSDP successfully launched a pilot project to provide consulting on occupational health and safety and labor standards to SME members of the Thai Garment Manufacturers Association. This project started in three factories seeking assistance in compliance to international standards set by their buyers. The LSDP is currently producing a training manual for the garment industry on best practices.

The MOLSW has allocated a substantial budget for 2002 and is enthusiastic about upgrading the skills of the Department of Labour Protection and Social Welfare to handle questions regarding external labor standards.

### **Occupational Health and Safety**

With AERA support, the President of the American Board of Industrial Hygiene, Dr. Jimmy Perkins delivered the Certified Industrial Hygienist Exam to members of Thailand's Occupational Health and Safety at Work Association (OSHW). In addition, Dr. Perkins delivered a keynote speech and participated in a workshop on chemical safety for the Annual OSHWA Conference. This activity concluded the BSOP project for 2001, we hope to assist with the development of a Thai Board of Industrial Hygiene in 2002.

### **Accreditation**

The LSDP received official accreditation to monitor the Fair Labor Association (FLA) standard. As all FLA member companies are required to work with accredited auditors this may provide opportunities for LSDP to promote the FLA standard and improve labor practices in the suppliers to FLA companies. Currently, the LSDP is pursuing private contracts to consult and audit contract factories in the region.

## **Business Support Organizations Program**

### **Projects Approved for Funding**

The BSOP has been concentrating on projects which develop and promote good governance, transparency, business structural reform, ethics, deepening of financial reform, and international competitiveness.

Totally, twenty- one large and small grant projects have been approved. Three large-grant projects have been successfully completed.

### **Completed Projects**

1. *Standards of Practice Handbook: Certified Investment and Securities Analyst Program*

The Securities Analysts Association (SAA) has completed the final draft of translation and adaptation of the Association for Investment Management and Research's "Standards of Practice Handbook", 8<sup>th</sup> edition into Thai. The public hearing was also conducted to review the draft before finalization. After public hearing, 2,000 copies of this final draft of "Standards of Practice Handbook" were published. The project has been successfully completed.

2. *Comparative Study on Thailand's Savings and Investment Tax Policy*

Technical support for the Comparative tax study conducted by Thailand Development Research Institute (TDRI) for the Securities and Exchange Commission (SEC) has been provided by Dr. Julie Collins, Senior Associate Dean-Academic Affairs, Kenan Flegler Business School, University of North Carolina-Chapel Hill. Dr. Collins made her second trip to Bangkok to share lessons learned from US taxation policy and implementation with SEC and TDRI. Dr. Collins and her assistant, Mr. Brad Lindsey, a doctoral student at Kenan-Flagler Business School, prepared a report on U.S. tax policy and administration, with particular focus on the capital gains tax. The information is being incorporated in a study jointly prepared with the TDRI for the SEC. The final report of the study has been completed and the next step in implementing changes to the existing tax structure has been included. In addition, a seminar announcing the results of the study to public was held. The project has been successfully completed.

3. *Certified Industrial Hygienist Program*

The Occupational Health and Safety at Work Association (OHSWA) of Thailand proposes to join the American Board of Industrial Hygiene (ABIH) to provide training and establish a certificate program in Thailand. The ABIH Exam was conducted in Thailand. The President of the American Board of Industrial Hygiene, Dr. Jimmy Perkins proctored the Certified Industrial Hygienist Exam to 15 members of the OSHWA. In addition, Dr. Perkins delivered a keynote speech and a workshop on chemical safety for the Annual OSHWA Conference. The project has been successfully completed. Additional assistance for the development of a Thai Board of Industrial Hygiene will be considered in 2002.

## **Ongoing Activities**

1. *Building Capacity and Professional Standard for Property Valuation in Thailand*

The Appraisal Foundation (TAF) is to provide technical assistance to the Securities Exchange Commission (SEC) to develop a single standard, code of ethics and its audit manual for Thai valuation profession. Mr. Carl Schultz, Former Chairman of Board of TAF, has been assigned to implement the project with Thai expert team selected by SEC. The videoconference between SEC and TAF was held to discuss the project component, timeline, and action plan. The SEC is on the process of selecting the Thai expert team to implement the project.

## 2. *Mediation Center for Financial Disputes Program*

The American Bankruptcy Institute (ABI) has provided technical assistance and training to enhance the efficiency and capabilities of a new-established Mediation Center for Financial Disputes (MCFD), including its mediators, financial advisors, and staff. The program included three components: (1) Training for Mediators and Financial Advisors; (2) Train-the-Trainers Component; and (3) Mediation Mentorship in the U.S. In the first component, five U.S. experts from the ABI delivered two three-day training courses on basic mediation, organized by Thailand's Dispute Resolution Office, Office of the Court of Justice, to a total of 100 participants, including mediators and financial advisors, in Bangkok. The ABI team included Mr. George Kelakos, Mr. Jacob Esher, Judge Lisa Fenning, Mr. Richard Wynne, and Mr. Tim Wales. After the training courses, twenty of these trained mediators and financial advisors will be selected to participate in the upcoming train-the-trainers program in December 2001 to become trainers for newly-established Mediation Center for Financial Disputes (MCFD). Additional educational outreach is planned for judges and bankers.

## **Projects in the Pipeline**

### 1. *Building Capacities of Post and Telegraph Department's Staff*

A videoconference was held between US Federal Communication Commission (FCC), Thailand's Post and Telegraph Department (PTD) and the Kenan Institutes to discuss key telecommunications industry issues including regulatory framework, spectrum management and competition. This activity is the first step of cooperation supported by the BSOP. It builds on the memorandum of discussion signed by the FCC and PTD in 2000. The objectives of this capacity building project are to prepare the PTD staff for the liberalization of Thailand's telecommunications sector and to build a long-term mutually beneficial partner between FCC and PTD as the PTD evolves into the secretariat of the telecommunications regulatory commission.

### 2. *Judicial Reform*

The Office of the Court of Justice (OCJ) has requested financial support and technical assistance to promote judicial reform and the application of new measures in the courts in order to eliminate unnecessary delays and to improve efficiency in the court proceedings of economic cases. The Federal Judicial Center and the American Bar Association in the U.S. are planning to join with OCJ to exchange knowledge and information on judicial reform issues.

## **Bank Training Program**

The Bank for Agriculture and Agricultural Cooperatives completed training on the topic of Responsibility Accounting at the end of September. There were 380 participants in

the program. Evaluation process and final report form DAI consultant are expected to be completed in October.

### **New Projects Commencing**

The vendor selection process had been completed on August 31, 2001, three vendors had been awarded to provide 5 workshops for the Banks:

| <i><b>Banks</b></i>  | <i><b>Workshop Providers</b></i>                         |
|----------------------|--|
| Bank of Ayudhaya     | PricewaterhouseCoopers                                   |
| Thai Military Bank   | PricewaterhouseCoopers                                   |
| Siam Commercial Bank | PricewaterhouseCoopers                                   |
| BankThai             | Deloitte Touche Tohmatsu<br>Corporate Restructuring Ltd. |
| Krung Thai Bank      | Deloitte Touche Tohmatsu<br>Emerging Markets             |

The total funding cost for the five projects are US\$ 644,510 which details are attached herewith. The Subcontracts between workshop providers and KIAAsia and the Cooperative Agreement on cost share by the Banks are being drafted and plan for signing in October. The tri-party meeting will also be arranged for each Bank before the training commencing in October.

### **New Approaches**

At the end of September, the Thai Farmers Bank has submitted the proposal for the second time support on SMEs Credit Skill Improvement. The objectives of the training are to improve the skills and capabilities of the Relationship Managers on lending and operating the small corporate clients. The training will be organizing for 150 employees.

The Bangkok Metropolitan Bank which was not successfully finding new investor and was currently operated by the Financial Institution Development Fund (FIDF), the majority shareholder, was seeking support from BTP on Risk Management Training for 220 employees, directors to branch managers. The objectives of the training are to create the common understanding and awareness among top and middle-level management and be able to implement the concept to practices.

KIAAsia will join with the International Finance Corporation (IFC) and the Thai Banker Association (TBA) to organize the two-day workshop on December 3 and 4 and the topic is Small Business Lending.

## **Education**

### **English through Entertainment Project**

The pilot project launched at Sateevit School finished in September. The representatives from the working group committee, comprised of representatives from the Supervisory Unit, Ministry of Education, Sateevit School, and Kenan will held a meeting on October 8 to work on detailed action plan of the wrap-up workshop. The meeting is also for the implementing team to brief on the effectiveness of the

instructional package and ways to improve it. However, from class observation at the school led by Paul Wedel, several comments and recommendations have been made.

### **Mah Fah Luang Project**

AERA expects to provide funding support for the establishment of English Department at Mah Fah Luang University. A meeting to discuss a detailed workplan will be held in October, during the time that the working team from Indiana University comes to Thailand to work on the project.

### **Community College Project**

Kenan has set a budget to support development of a community college system in Thailand. Support is expected to cover technical assistance and expertise from a group of American community colleges. Detailed information is to be discussed among the concerned parties.

## **Border Action Against Malaria**

The Border Action Against Malaria Project (BAAM) works with a broad national coalition to slow the emergence and spread of multi-drug resistant malaria in Thailand's border areas. The program is developing new models of cooperation and partnership, particularly with community organizations, to monitor and respond to the threat that such resistant strains will spread, not only in Thailand, but also across the region. This is intended to contribute to decentralization and reform of public health systems, making them more effective and sustainable. The purpose of the project is to improve the national capacity to monitor and respond to multi-drug resistant malaria.

### **Project Activities**

During the reporting period from July to September 2001, activities implemented included :

***Sentinel site monitoring of in vitro sensitivity to antimalarial drugs:*** Under the BAAM supported national malaria sentinel surveillance drug resistance network strengthening initiative, monitoring of *in vitro* sensitivity to the currently used antimalarial drug treatment regimens was implemented by National Malaria Control Program officials in 9 border provinces.

***Teacher training workshops under the Partnerships for a School-based Approach to Community Action Against Malaria subproject:*** Primary education officials (teachers, principals, provincial and district primary school education supervisors) from 25 schools in Tak and Mae Hong Son Provinces in the Partnerships for a School-based Approach to Community Action Against Malaria subproject participated in learning exchange and training workshops on studying the general context of communities, the Health Belief Model and malaria-related behavior, collecting additional data on

community knowledge, attitudes, and practices related to malaria, curriculum analysis for using a thematic integration approach, and developing teaching plans for a local curriculum unit on malaria education.

***Participatory action research planning workshop:*** Following on focus group discussions conducted with more than 200 villagers in Chantaburi Province, Vector Borne Disease Control Office No. 5 organized a planning workshop with local government officials, informal employers and high-risk forest-related occupation groups to collaboratively generate interventions for malaria control in Pong Nam Ron and Soi Dao Districts. Working groups provided input into formulation of proposals for subgrants to support development of appropriate interventions for a community-based approach to malaria control in Thai-Cambodian border areas.

***USAID field trip to Tak Province:*** From September 10-11, Dr. Dennis Carroll from USAID/Washington and Tom Elam from the U.S. Embassy to Thailand joined BAAM Project management, and representatives of United States Pharmacopeia, Management Sciences for Health, and WHO/Thailand on a field trip to observe project activities in Tak Province and hold consultations with Shoklo Malaria Research Unit regarding content of a proposal to be submitted to USAID to support malaria training and information, education and communication interventions.

***USAID Roll Back Malaria Partners' Meeting: Informal Consultation on Monitoring Antimalarial Drug Quality and Use Practices:*** BAAM organized a series of meetings from September 12-14 for consultations on monitoring drug quality and use practices with participation by representatives of USAID, the U.S. Embassy to Thailand, WHO, Royal Thai Government Ministry of Public Health, Cambodian Ministry of Health, United States Pharmacopeia, Management Sciences for Health, ACTMalaria, and Kenan Institute Asia - BAAM Project. The consultations resulted in identification of important issues and priority actions needed to initiate/implement study and monitoring of drug quality and drug use practices as integral components of sentinel surveillance of antimalarial drug resistance with a focus on Thailand and Cambodia.

***Consultations regarding future directions of BAAM in Washington D.C.:*** In July, Project Coordinator James Hopkins gave presentations at USAID/Washington on the BAAM Project and held consultations on directions for Phase II. Discussions were also held with representatives of United States Pharmacopeia, Management Sciences for Health, the Millenium Alliance (INMED), and the Kenan Institute in Washington. These discussions resulted in BAAM organizing a field trip to Tak Province and USAID partners' meetings for informal consultations on antimalarial drug quality control and use practices in Thailand and Cambodia.

***Submission of a grant proposal for Phase II:*** BAAM responded to a request from USAID/Washington by submitting a proposal in August for a 4 year Phase II extension funded at \$400,000 per year starting in October 2001. It is understood that funding for this extension will come from non-AERA sources within USAID.

## **Major Activities Planned for the Next Quarter**

Major activities planned for the next quarter from October to December 2001 include the following:

- Implementation of *in vivo* and *in vitro* sensitivity monitoring for the currently used front line antimalarial drugs in 9 border provinces under the national malaria sentinel surveillance drug resistance network strengthening initiative.
- Meeting of the Working Group on the Partnerships for a School-based Approach to Community Action Against Malaria subproject to review progress and planned activities.
- Teacher training workshops for primary education officials (teachers, principals, provincial and district primary school education supervisors) from 25 schools in Tak and Mae Hong Son Provinces for learning exchange and training on guiding the process for in-depth study of community malaria epidemiology by school children with support from local Vector-borne Disease Control Units.
- Participatory action research planning workshops to generate interventions for malaria control in high-risk forest-related occupation groups in Trat Province. Results of the workshops will provide input into formulation of proposals for subgrants to support development of appropriate interventions for a community-based approach to malaria control in districts on the Thai-Cambodian border.
- Planning implementation of formative research and monitoring of antimalarial drug quality and drug use practices.
- Review of village-level epidemiology to identify priority sites to support Border Patrol Police primary school teachers to provide rapid diagnosis and treatment to populations in remote villages along the Thai-Burma border and for expansion of coverage of the Partnerships for a School-based Approach to Community Action Against Malaria subproject.

## **AERA Promoting Good Governance Project**

Sub-grantees of The Asia Foundation continued to implement their various sub-projects under the Promoting Good Governance Project. One sub-project, the Asset and Liability Assessment research was completed the previous quarter and project principals have prepared a Phase II sub-project for subsequent funding. All other projects will end during the sixth quarter, although several will be seeking additional Phase II support from USAID and The Asia Foundation.

### **Research on Enhancing the Efficiency of Asset and Liability Statement Examination**

As noted in the previous report, the NCCC-organized, multi-disciplinary team has completed its research and evaluation of the Asset and Liability review process conducted by the NCCC. The primary outcome of the research was the observation that even with a massive increase in personnel, the NCCC will be able to review only a small fraction of the Asset and Liability Statements submitted by thousands of politicians and senior officials. Since the constitutional mandate of the NCCC is to verify the existence of all assets and liabilities reported, the NCCC's current manual system prevents the commission from achieving its mission. The team recommended the best solution for the NCCC is to develop an electronic format for the submission of statements either on disk and/or via the internet. Such a form could then be processed much more quickly and efficiently electronically. The team is currently awaiting additional AERA funds to design and pilot such an electronic submission format.

### **Research on Enhancing Public Participation in Local Governance: NCCC/Political Economy Center**

Researchers from the Political Economy Center of Chulalongkorn University have spent the past three months continuing their interviews and conducting focus groups through their network. After recasting their research design during the 3<sup>rd</sup> Quarter to overcome design limitations and false assumptions, their work has progressed well during the 4<sup>th</sup> Quarter in every region except Korat, where a valuable lesson was learned. In Korat, the research team was forced to change its target tambon after villagers refused to speak with the research sub-team. The leader of this sub-team had been very energetic about uncovering specific examples of corruption for the research project (not unlike all other researchers); however, this individual filed numerous public complaints that nothing was being done to address these specific issues. As the public airing of these complaints implicated specific villagers as a possible source of information, all villagers decided to protect their own self-interest by refusing to divulge any more information or to participate in the research project.

The Chulalongkorn University faculty providing overall leadership for this project are well aware of the risks about divulging raw data derived from research and the necessity of protecting sources, lessons they learned many years ago in similar projects. One of

the sub-objectives of this project has been to increase the pool of academics qualified to conduct corruption research – previously limited almost exclusively to faculty of the Political Economy Center at Chulalongkorn. Through this project, regional teams are being trained under the supervision of Chula faculty on the intricacies and pitfalls of corruption research. Therefore, although the events in Korat were a set-back, they were an object lesson for new researchers on how corruption research differs from many other types of academic research and requires particular care.

During the last week of September, Chulalongkorn organized a regular research progress report meeting and concluded the project is on schedule, in spite of problems in Korat. Written reports from all research sub-teams will be consolidated into a paper on public participation in local government, which will be presented at the King Prajadhipok's Institute's Annual Meeting tentatively scheduled for November 20, 2001.

### **Research on the Concept of Conflict of Interest: The Institute of Human Rights Protection and Development (IHRPD)**

The Institute of Human Rights Protection and Development (IHRPD) has completed its Tambon-level survey in the five provinces of Udorn, Nakhorn Phanom, Chiang Mai, Phuket, and Lopburi. The IHRPD selected a sample of 1,481 Tambon Councilors and TAO staff and received a 60% return rate of 894. The second sample was 1,700 citizens and non-TAO officials with a 59% return of 1,011. The total returned sample is 1,905 questionnaires. In each Tambon, the research team conducted a face-to-face interview with 20 persons in each sample group from among those who had returned a questionnaire. The team is currently analyzing the data and anticipates drafting a draft report during the 5<sup>th</sup> Quarter. This will be followed by a series of workshops to secure feedback on research conclusions and the preparation of a final report in February 2002.

### **Enhancing Citizen Participation in Suppressing Corruption Anti-Corruption Network (ACN)**

During the past three months, the Anti-Corruption Network (ACN), in cooperation with the Pridi Panomyong Institute, launched an art contest for children and youth on the topic of corruption. The results of the contest will be announced in January 2002. The ACN also continued to develop a training curriculum, and identified schools and students leaders to participate in pilot testing of the corruption curriculum in Chiang Rai, Khon Kaen, Ubon, Songkla, and Bangkok. The training will be underway at the beginning of the 5<sup>th</sup> Quarter, as it is scheduled to coincide with the October school break. An evaluation of the pilot should be available in the next quarterly report. In a parallel action, the ACN has been working with its regional network on the design of a counter-corruption training curriculum for adults. On September 26, the ACN conducted a half-day seminar, widely reported in the media, to examine progress made in resolving the scandal involving the purchase of over-priced medicine and medical supplies three years ago. The seminar concluded that the government and the NCCC have failed to use anti-corruption mechanisms to their fullest extent to punish those involved in the scandal.

### **Transparency Thailand (TT)**

Transparency Thailand (TT) has been working closely with the ACN to implement the Youth Camp during October 2001 in the five provinces previously mentioned. In addition to providing resource persons for the Camp, TT also has organized an essay contest on “My View of Corruption”. The TT’s weekly radio-program on corruption has been aired every Saturday from 12:40 - 2:30 pm since the beginning of July. Their series on corruption centers on one theme during each one-month period. Themes have included conflict of interest, and the new mechanism for anti-corruption under the constitution. The TT has just completed a survey on unusual wealth. They plan to launch the results of this survey through a public forum, tentatively scheduled for November 2001. Finally, the TT continues its long-range practice of providing follow-up on specific issues of corruption and collecting information for its data-base.



## **Thailand SME Development Project SIAM – Managed by the US Chamber of Commerce**

Rather than relying solely on technology to find partners, the hallmark of SIAM is the “human” approach to proactively identify, qualify and match Thai and U.S. companies with one another. This approach has resulted in over 1,500 Thai and U.S. SMEs in SIAM, generating over 10,000 matches (a match occurs when two company’s that have defined their ideal partner according to specific criteria are notified by the system automatically), or approximately 6 matches per company. This has yielded 30 active contracts for possible business partnerships resulting in \$32 million in documented business arising directly from company participation in SIAM.

Over 900 Thai SMEs have received technical assistance in how to engage in international business and the Thai institutional partners have received training in the use and management of the SIAM Internet-based system.

SIAM will easily meet and exceed its objectives by the planned end of the project in December 2002. In fact, the accomplishments of SIAM over the past six months would not have been possible without the strong cooperation and support of our U.S. and Thai partners.

Phase two funding from USAID will continue until December 31, 2002. During this period the Project will develop and implement a plan to move toward financial self-sufficiency by offering value-added business development services on a for-fee basis. We will continue to offer the basic partnering services, supplemented with other services. We will also develop strategic partnerships with private service providers in order to offer such quality services at affordable price points to Thai SMEs.

Since our last report, we have also added a new sector to our targets: IT and software development. Within this area, we have forged productive collaboration with Software Park, signed an MOU with the National Science and Technology Board and work closely with the Thai Software Association. We have already conducted a videoconference discussion with Software Park and TSA and are planning another event in December.

Our U.S. staff is participating in three trade shows this fall to recruit additional U.S. firms into the Program, including a food show in Chicago, an auto related show in Las Vegas and Comdex in Las Vegas.

See further details in Appendices E and F.

**Constitutional Education for Citizens' Active Participation  
in Reform in Thailand Project (CE-CAP)  
Implemented by the King Prachadhibok Institute and the American  
Center for International Labor Solidarity (ACILS)**

**Constitutional Education Activities**

The CE-CAP project had a very successful quarter. This period saw the acceleration of the implementation of the two-day grass-roots Constitution Education (CE) training workshops for the four target groups – community organizations, women's groups, farmers organizations, and trade unions. In May and June, the project finalized the CE curriculum in close consultation with key members of the CE-CAP Steering Committee (CCSC). The successful completion of the five-day training of trainers (TOT) courses for CE trainers set the stage for this burst of activity.

A total of fourteen CE seminars were held in these three months, meaning an average of slightly more than one seminar per week. A total of 660 grass-roots leaders (400 men, 260 women) participated in the seminars. In terms of target groups, one training was held for women's organizations; four trainings held for community organizations; two trainings held for agricultural organizations; four trainings held for labor organizations; and three trainings held for 'network building', i.e. where representatives of each of the four target groups were present. The CE trainings were conducted in ten different provinces in the regions targeted by the project (Northeast, North, and East), ensuring this critical basic education work is reaching the provincial level organizations.<sup>1</sup> Pre and post evaluations conducted at the trainings were highly favorable, with strong marks for both content and participatory methods used by the trainers. Comments received from participants also indicated that CE-CAP was the only program that they knew about (either by the private/NGO sector or by the Royal Thai Government) that was conducting community level training on the Constitution of 1997.

The US Embassy sent an officer, Ms. Paleerat Srisartsanart of the Economic Section, to observe a CE session held in Chiang Mai on September 12-13 for the four target groups (network building), and initial comments received were quite favorable.

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<sup>1</sup> CE Trainings were held in the following provinces: Chonburi (2 times), Rayong (3), Saraburi (1), Mahasarakham (1), Nakorn Ratchasima (1), Lampang (2), Khon Kaen (1), Chiang Mai (1), Phuket (1), Surin (1).

During the quarter, working committees were formed to start the formulation and writing of important publications for the project, such as the Constitutional handbook for labor leaders, and CE pamphlets on important sections of the Constitution.

### **Successful Uses of the Constitution**

The CE-CAP project is one that seeks to educate citizens so they can actually practice what they learn. During the quarter, there were several instances where persons who received training and advice from the project used Constitutionally mandated or inspired mechanisms to solve their problems.

#### **Ban Yang Dang – Sanamchaikaet District – Chachoengsao province**

Villagers led by Mrs. Wasana Senawong, the head of the Credit Union Group for Housewives of Ban Yang Dong, and Mr. Kasem Petchrontee, a coordinator of the Rural Development Project for Kwae Rabon —See Yad Area, are protesting the private dam placed on the Kwae Rabon – See Yad waterway by a Taiwan investor operating in local government authorities. The dam, which was built after the investor purchased land on both banks of the waterway, is depriving farmers of access to the source of water they have used to irrigate their fields for years. The village group is alleging that this development is illegal under law, and against Section 56 of the Constitution. The group demanded and successfully initiated an investigation by the District Officer, and are now petitioning for action on the matter at the central government level as well. Meanwhile, local officials at the village chief level and sub-district council level are alleged to have intimidated the group of villagers who have complained against the project. As the reporting period ended, villagers were discussing Constitutional mechanisms that could be used to seek justice, such as the Administrative Court, in addition to criminal and civil court action to prosecute the offenders.

#### **Thai Krieng Textile Union**

Representatives of the Thai Krieng Textile Union received training on the Constitution from CE-CAP, and decided that they had an actionable complaint under the Constitution. Specifically, they alleged that during a peaceful sit-down strike on June 14, 2000, and again on June 21, 2000, their employer brought in unknown men to attack and beat the workers. The representatives said the attackers discharged fire extinguishers in their faces. The Prapadaeng district police refused to receive the criminal complaint which the workers wanted to make, and according to eyewitnesses, police did not intervene to prevent the beating of the workers by these hired men. A total of 24 women workers were hospitalized as a result of the attack.

The Thai Krieng Textile Union, led by Ms. Ubon Rompothitong, filed a complaint on July 19, 2001 with the Parliamentary Ombudsman, alleging dereliction of duty by police officials at the Praphadaeng police station for failing to receive an actionable complaint by injured workers against the unknown perpetrators. The fact that a different group of police arrested 23 alleged perpetrators of the June 14<sup>th</sup> attack, and then let them go for unknown reasons, is also viewed as suspicious by the Thai Krieng workers. The union

is continuing to follow up this complaint, and providing information as requested to the Ombudsman's office.

### **Missing Labor Leader Thanong Pho-arn**

Mr. Biyachet Klaewklad, a CCSC member and the President of the Paper and Printing Workers Federation of Thailand, is using a Constitutional mechanism in the effort to uncover the truth about the disappearance of his friend and colleague, Mr. Thanong Pho-arn, on June 19, 1991. At the time of his disappearance, Thanong was President of the Labor Congress of Thailand (LCT). Biyachet filed letters to the Parliament, and to the Ministry of Interior, requesting that copies of investigative reports into the disappearance of Thanong Pho-arn be made public. When these requests were denied, on March 23, 2001, Biyachet filed appeals to the Official Information Act Committee. He has continued to follow these requests, and hopes to receive an answer from this committee soon.

Meanwhile, after education on the role of independent Constitutional mechanisms by the CE-CAP project and discussions with senior Thai labor leaders, Mr. Adisorn Pho-arn (son of Thanong) is now preparing a submission about his father to the National Human Rights Commission.

### **Conclusion**

The CE-CAP project continues to play a vital role in educating Thai citizens in urban and rural areas about their rights and responsibilities under the Constitution of 1997. By helping them understand the Constitution and the law, the project encourages non-violent, legal solutions to disputes in society. In this way, the project contributes not only to promoting the rule of law, but also to helping increase popular participation in governance and reform in Thailand.

## APPENDIX A

### BAC Project Summary by Functional Area and Industry 8<sup>th</sup> Quarter

#### *Functional Area*

| <u>American VE</u> | <u>Thai VE</u>  | <u>In-House</u> |
|--------------------|-----------------|-----------------|
| Accounting 0       | Accounting 1    | Accounting 0    |
| Finance 1          | Finance 1       | Finance 7       |
| HR 1               | HR 0            | HR 2            |
| IT 2               | IT 1            | IT 11           |
| Marketing 8        | Marketing 1     | Marketing 12    |
| Operations 26      | Operations 4    | Operations 3    |
| Strategy 5         | Strategy 0      | Strategy 4      |
| Multiple 4         | Multiple 2      | Multiple 6      |
| Other 2            | Other 2         | Other 4         |
| <b>TOTAL 49</b>    | <b>TOTAL 12</b> | <b>TOTAL 49</b> |

#### *Industry Area*

|                   |                  |                     |
|-------------------|------------------|---------------------|
| Automotive 4      | Health Care 0    | Other 3             |
| Banking 0         | Insurance 0      | Pharmaceutical 4    |
| Construction 7    | Jewelry 1        | Chemical/Plastics 9 |
| Printing 2        | Mining 0         | Real Estate 0       |
| Electrical 10     | Logistics 1      | Services 18         |
| Food/Beverages 12 | Manufacturing 18 | Textile/Footwear 16 |
| Agrobusiness 2    | Energy 0         | Household 2         |
|                   |                  | <b>TOTAL 110</b>    |

Projects 413      Clients 358

|        |    |          |     |
|--------|----|----------|-----|
| Active | 98 | Refer    | 4   |
| Hold   | 19 | Close    | 106 |
| Reject | 66 | Complete | 120 |

|        |     |             |     |
|--------|-----|-------------|-----|
| Small  | 138 | Bangkok     | 194 |
| Medium | 187 | Surrounding | 69  |
| Large  | 22  | Upcountry   | 64  |

Active            98

|          |    |               |    |
|----------|----|---------------|----|
| PVO      | 20 | Potential PVO | 20 |
| In-House | 17 | Not Confirmed | 15 |
| TVCS     | 21 | Other Support | 3  |
| Seminar  | 2  |               |    |

Complete        120

|          |    |         |   |
|----------|----|---------|---|
| PVO      | 49 | Seminar | 9 |
| In-House | 49 | Other   | 1 |
| TVCS     | 12 |         |   |

PVO

|           | A/V       | CDC       | IESC      | <u>Total</u> |
|-----------|-----------|-----------|-----------|--------------|
| Confirmed | 2         | 2         | 8         |              |
| Completed | 8         | 17        | 24        |              |
|           | <u>10</u> | <u>19</u> | <u>32</u> | <u>61</u>    |

*Projects where the SOW  
has been sent to the PVO*

| <i>Total ACDI/</i> | <i>CDC</i> | <i>IESC</i> |                              |
|--------------------|------------|-------------|------------------------------|
| 38                 | 7          | 13          | 18 <i>SOW sent to PVO in</i> |
| 37                 | 7          | 13          | 17 <i>VE Confirmed</i>       |
| 30                 | 5          | 9           | 16 <i>SOW sent to PVO in</i> |
| 22                 | 2          | 6           | 14 <i>VE Confirmed</i>       |



## **APPENDIX B: BAC Project Reports**

### **Inter Plast Co., Ltd. - II**

#### **Volunteer Expert provides recommendations for plastic extrusion mold company**

**Completion Date: June 2001**

*BAC Consultants: Joseph Bearss and Wirat Jaruwongwanit*

**Client Company:** Inter Plast was established in 1986 using the technology from Korea to help them set up the company. In 1988 they started production of plastic tube containers for integrated circuits (IC). They were the first company in Thailand to produce these products for the computer and communications industry.

**Volunteer Executive Advisor:** Mr. Larry Miller from IESC

#### **Goals of the Project:**

- Evaluate and review Die Design for current Inter Plast products
- Review or extruders and PVC resin
- Administor trial run of Needle Eye mold
- Review production capability of Injection Mold machine
- Consider new product capabilities – both extruded and injection molding products

**Areas of BAC Assistance:** We concentrated our efforts on:

- The VE provided guidelines to evaluate production procedures and established a checklist of steps to avoid problems and troubleshoot when problems occur.
- After a series of trial runs, it was determined that alternative mold designs were needed to achieve proper product specifications. Mold designers were then contacted for quotes.
- After discussion and analysis, the VE suggested that Inter Plast pursue new product development in the area of small automotive parts such as parts for, fuel pumps, wiper motors, taillight units, and standard gears.

#### **Impact of BAC Assistance:**

Although this project was only recently completed, the client has already made significant progress based on the ideas and recommendations proposed by VE, Larry Miller.

The company is still making only one type of product, however, it is now better positioned to branch out into other areas. Inter Plast has already received quotation requests for some extruded strips and small size tubes and two injection molded parts.

## **BAC Assists Chiang Mai Company with US Market Entry Strategy**

CDC Volunteer Expert, Carolyn Fineran, helps the Art & Technology Co., Ltd., with a US Market Entry Strategy.

Completion: August 2001  
BAC Consultants: Lee Kornowski and Wiwat Chutiwanichayakul

**Client Company:** The Art & Technology Co., Ltd. is Thailand's largest manufacturer of cross-stitch kits. The company was formed 9 years ago when three partners – two medical doctors and one optometrist – joined together to set up a small gift shop in Chiang Mai. From its humble beginnings, the Art & Technology Company has grown to annual sales of approximately 100 million Thai Baht and is looking to expand into the export market. In the past, the company sold its famous “PINN” brand name cross-stitch kits through a network of 500 distributors nationwide, but from now on, they plan to act as a franchise system. The Art & Technology Company approached KIAAsia's BAC and requested assistance in entering the US Hobby/Craft Market.

**Volunteer Expert:** Carolyn Fineran, a volunteer expert (VE) from the Citizens Democracy Corps (CDC), has more than 30 years of retailing, buying, merchandising, promotion and design experience in the garment and textiles industry. The BAC selected Carolyn for this assignment due to her experience in identifying and creating unique niche market opportunities and building long term, successful operations.

**Goals of the Project:** After receiving assistance from the BAC and the VE, the client company aimed to be well situated to enter the United States retail hobby/craft market. The project goals were as follows;

- Gain an understanding of the US Hobby/Craft Retail System
- Develop feasible market entry strategies, including an implementation plan
- Gain knowledge of how to do business in the US hobby/craft industry
- Obtain knowledge of prominent US-based hobby/craft retailers such as Michael's, Hobby Lobby and Walmart's Craft Business.

**Areas of Assistance:** From August 6 – 17, Carolyn Fineran worked with the client company in four specific areas;

- Product orientation for the US Market
- Placement of product through distribution channels
- Press Kits and Promotional Plan
- Plan for the next NATS and HIA Exhibitions

Carolyn identified problem areas and issues and made appropriate recommendations in the following areas; Marketing Communications, Advertising, Promotion, the Press Kit, Product Orientation, NATS 2002 and HIA Exhibitions in the future. She provided a summary of completed activities as well as a list of major chain store contacts in the USA. Carolyn provided this information in written report format and Power Point Presentations.

**Impact of BAC Assistance:** As the project was recently completed, we are waiting for A&T to implement Carolyn's recommendations. The company recently conducted a massive new product release and promoted their tie-up with the Toho Bead Company from Japan. We expect Art and Technology to start attacking the US Hobby/Craft Market in the near future and will follow up with the developments.

### **BAC Boosts marketing capability in the coil industry**

**Completion:** April 2001

**BAC Consultants:** Arunee Monica Cutno and Orawan Chandrangsu

**Client Company:** CI Group, established in 1999, this privately owned manufacturer and exporter has ascended to one of Thailand's top five producers of heating and cooling coils. They have annual sales of approximately US\$5 million and assets of US\$1 million. The firm employs about 270 people at their 150,000 square-meter manufacturing site in the greater Bangkok area. Main sales are to the local air-conditioner assembly plants of a number of international companies.

**Volunteer Expert:** Roland Ares, a Volunteer Expert (VE) with International Executive Service Corp (IESC), is a registered Professional Engineer with extensive experience in the HVAC (Heating, Ventilation, Air-conditioning) field. Currently, he is the owner and operator of his own consulting firm, Ares Corp. in Missouri, USA. His past professional experience is as follows:

- Hussman Corp. – Vice President of Advanced Engineering; Director of Refrigeration Engineering
- A.H. Witt Co. – Chief Engineer; Sales Manager
- American Standard Corp. – Manager of Engineering; Manager of National Account Sales; Manager of Advance Engineering

**Goals of the Project:** The client's need was to improve overall company profitability in a highly competitive OEM (original equipment manufacturer) coil market. The company wanted to expand its market abroad, more specifically, exploring and developing opportunities in the U.S. In general, the goal of the project was to improve existing production, develop new products and penetrate new markets.

**Areas of Assistance:** The seven-month assignment proved to be very beneficial to the client. The VE's assistance allowed the client to achieve the following tasks:

- Modified existing equipment to produce prototypes of new refrigeration product

- Designed and constructed refrigeration testing room and developed testing procedures
- Built relationship with Hussman in order to secure orders for new refrigeration product
- Developed in-house Standard Costing Program in order to improve product line margin
- Initiated CSA (Canadian Standard Association) certification process for exporting purposes.

### **Impact of BAC Assistance:**

- CI wa able to immediately reduce cost of procuring new equipment to produce prototypes of newly designed products.
- VE Ares helps CI to design refrigeration testing room which enhances the company to be able to test actual capacity of products produced. At the moment, CI is among a few heating and cooling coils companies in Thailand that has this facility. This can upgrade CI to the international level where the company can be sure about quality of the products.
- For marketing aspects, after building up a relationship with Hussman group, CI has been able to obtain several orders accounted for 2% of the total sales. CI expects this relationship to grow further.
- By following VE Ares's recommendation regarding welding techniques, the company is able to decrease level of defects to almost zero. This allows the company to save cost about 5-10% per year.
- Before the VE provided assistance, CI had implemented standard costing system.. However, CI had never integrated all the cost together. By obtaining guideline to develop an in-house aggregated standard costing system, CI is now in the process of furthering the work in order to be able to know the exact cost of each product.
- VE Ares also helped CI to apply for CSA (Canadian standard association) and UL (American standard) certification. With his knowledge and expertise, he can help CI to obtain certification to almost all the items in the product line. This not only saves the company times and costs, but also gives a remarkable step for the company to go forward in tapping potential markets where there is high demand for its products.

All in all, CI group is very impressed with VE Ares's contributions to the company. CI has an intention to invite VE Ares to provide assistance to the company again in the near future.. This case was nominated by IESC for the “ 2000 Frank Pace award”

## **Data Paint: Better Marketing Coatings**

**Completion date:** June 2001

**BAC Consultants:** Nicole Ray and Orawan Chandrangsu

**Client Company:** Data Paint & Chemical Co.,Ltd is a manufacturer of industrial coatings. It was established by current Managing Director Mr. Preecha Prapakorn in 1990. Products are marketed under the brand names BOSS-D and ZERO and sold

“business to business” to automobile, glass, children’s toys and furniture manufacturers throughout Thailand.

Data Paint used a direct sale approach to identify potential clients. This sales strategy has proved to be successful but limited. The company realized that success could be improved with a stronger marketing strategy. Data Paint’s marketing activities were limited and were executed without a formalized Marketing Plan. Consequently, Mr. Preecha submitted an application to BAC requesting the assistance in marketing area.

**Goals of the Project:** After discussion with Mr. Preecha, BAC consultants suggested that Data should have a formalized Marketing Plan. The marketing plan needed to include an Executive Summary, Situation Analysis, Marketing Strategy, Implementation plan, Budget Summary, Control section and Appendix. It needed to be the responsibility of the marketing group in order to implement the marketing plan and measure the effectiveness of the marketing activities.

**Areas of Assistance:** BAC consultants spent several visits at the client office in order to interview with the director and have a brain storm session with their staff. After several interviews, BAC consultants wrote the marketing plan and implementation plan for the company. Beside, BAC consultants presented the final marketing plan to the marketing group and also explain the method of writing business plan. And during the implementation period, BAC consultants are assisting them to implement the marketing activities, which we recommended.

**Impact of the Assistance:**

The client is very impressed with the information and assistance that BAC consultants provided. After finishing the marketing plan, BAC consultants are continuing to assist the company to implement the marketing activities. As a result of the client’s efforts coupled with the BAC assistance, many marketing activities and tools have been implemented

- ❑ Set up a marketing group to be responsible for marketing activities, measuring the effectiveness of the plan and writing a broader business plan for next year
- ❑ Developed a new company logo in order to build company identity.
- ❑ Re-designed the Data Paint Web site to improve visual layout and make it more informational and user friendly
- ❑ Created the non-technical A4 size company brochure to build company and brand identity.

These actions will allow the client to successfully penetrate the international market and gain new customers in the near future.

## APPENDIX C: BSOP Projects Matrix

| <b>BSOP Projects Approved for Funding</b>   |   |  |                                  |  |
|---|---|--|----------------------------------|--|
| <b>Large Grants</b>   |   |  |                                  |  |
| <b>Project Name / Objective</b>   | <b>Description</b>  | <b>Objectives/ outcomes</b>                                    | <b>Partners</b>                  | <b>Status</b>  |
| Standards of Practice Handbook: Certified Investment and Securities Analyst Program / <i>Financial Governance</i> | The Association for Investment Management and Research (AIMR) and the Securities Analysts Association (SAA) are promoting a "code of ethics" for the Thai corporate sector by translating and adapting the AIMR's manual for the Thai environment.  | To build up a strong ethics and professional standards program | SAA (Thai), AIMR (US)            | 2,000 copies of handbook were published. The project has been completed.   |
| Upgrading the Capability of Accounting Instructors / <i>Financial Governance</i>                                  | The Institute for Certified Auditors and Accountants of Thailand (ICAAT) is developing accounting instructional aids including video tapes, computer programs and teacher's manuals to use in higher education with assistance from a US counterpart university.  | Improved accounting standards particularly outside of Bangkok. | ICAAT (Thai), U.S. University    | The video production team is working on content development and material production, including videos, transparencies, disks, and manuals for 11 topics. |
| Comparative Study on Thailand's Savings and Investment Tax Policy / <i>Financial Governance</i>                   | The study is to examine the impact of Thailand's present tax structure on the financial and capital markets from both the economic and administrative aspects. The Security Exchange Commission of Thailand (SEC) asked for the Thai Development Research Institute with assistance from U.S. experts to conduct the study. | More attractive tax provisions for investors.                  | Thai SEC, TDRI, U.S. Counterpart | The final report of research has been completed and a seminar announcing the results of the study to public was held. The project has been completed.    |



**BSOP Projects Approved for Funding**

| <b>Large Grants</b>   |  |  |                          |   |
|---|--|--|--------------------------|---|
| <b>Project Name / Objective</b>   | <b>Description</b>   | <b>Objectives/ outcomes</b>  | <b>Partners</b>          | <b>Status</b>   |
| Bankruptcy Court Administration Program Part I / <i>Corporate Governance</i>  | The American Bankruptcy Institute (ABI) is providing technical assistance to the Thai Central Bankruptcy Court (CBC) in training and establishing systems to deal under the revised laws with the backlog of corporate bankruptcies. | To improve the capabilities of the CBC and develop a relationship between CBC & ABI      | CBC (Thai)<br>ABI (U.S.) | After the permanent staff of CBC is in place, the mentorship program in the U.S. will begin.  |
| Bankruptcy Court Administration Program Part II / <i>Corporate Governance</i> | As a result of ABI's recommendation in Part I of the program, additional technical assistance and training is to be given to CBC by the ABI-member team in area of IT  | To improve the capabilities of the CBC and strengthen the relationship between CBC & ABI | CBC (Thai)<br>ABI (U.S.) | After signing the contract, the videoconference equipment will be installed.  |
| Thai Bankers Handbook / <i>Corporate Governance</i>                           | The Thai Institution for Banking and Finance Association (TIBFA) under a licensing agreement with the American Bankers Association (ABA).  | Completion and use of handbook throughout Thailand                                       | TIBFA, ABA               | The working team has been set up. The first draft of translation and adaptation of the handbook is expected to be completed by November 2001. |



**BSOP Projects Approved for Funding**

| <b>Large Grants</b>  |   |   |                          |   |
|--|---|---|--------------------------|---|
| <b>Project Name / Objective</b>  | <b>Description</b>  | <b>Objectives/ outcomes</b>   | <b>Partners</b>          | <b>Status</b>   |
| Performance Audit Workshop / <i>Corporate Governance</i>   | The training program will be delivered as a two-week workshop introducing the fundamental principals, concepts, and methods of performance auditing. This workshop includes a three-day module on instructional skill to improve the ability of participants to pass on their newly acquired knowledge and skills to the SAO's auditors throughout the country.   | To improve the capability of the SAO's auditors in performance auditing             | SAO (Thai)<br>GAO (U.S.) | The project has been successfully completed.  |
| Building Capacity and Professional Standard for Property Valuation in Thailand / <i>Financial Governance</i> | The Appraisal Foundation (TAF) will provide technical assistance to the Securities Exchange Commission (SEC) to develop a single standard, code of ethics and its audit manual for Thai valuation profession. A single, neutral standard, code of ethics and audit manual for supervision will improve the transparency and accuracy of appraisals and will have a positive impact on financial and capital markets sector. | Single standard, code of ethics, and its audit manual for Thai valuation profession | SEC (Thai)<br>TAF (U.S.) | Mr. Carl Schultz, TAF expert, has been assigned to implement the project with the Thai expert team. The SEC is on the process of selecting Thai expert team to implement the project. The videoconference between SEC and TAF was held to discuss the components of the project, timeline, and action plan. |



**BSOP Projects Approved for Funding**

| <b>Large Grants</b>  |   |  |                              |  |
|--|---|--|------------------------------|--|
| <b>Project Name / Objective</b>  | <b>Description</b>  | <b>Objectives/ outcomes</b>  | <b>Partners</b>              | <b>Status</b>  |
| ABIH Certified Industrial Hygienist Program / <i>International Competitiveness</i> | The Occupational Health and Safety at Work Association (OHSWA) of Thailand proposes to join the American Board of Industrial Hygiene (ABIH) to provide training and establish a certificate program   | To upgrade the professional skills of Thai health officials and strengthen the relationship between OHSWA and ABIH | OHSWA (Thai)<br>ABIH (U.S.)  | Jimmy Perkins, ABIH's President, came to Bangkok to proctor the Certified Industrial Hygienist Exam to 15 members of the OSHWA.  |
| SET Junior Achievement Thailand / <i>International Competitiveness</i>             | The BSOP is providing support to the Thailand Securities Institutes (TSI) of the Stock Exchange of Thailand (SET) to organize, develop and deliver economics education programs for Thai youth and to promote Thai capital markets. Junior Achievement International (JAI), an International arm of the well-known US economic education organization, will provide the TSI with curriculum, education materials, and expert technical and training assistance. | To promote the long-term development of the capital market and stock market in Thailand                            | SET-TSI (Thai)<br>JAI (U.S.) | Since the program started, 187 trainers and 783 students were trained. 20 schools have participated in the program. TSI expected to reach the total of 1,000 students at the end of the program. |



**BSOP Projects Approved for Funding**

| <b>Large Grants</b>   |  |   |                           |  |
|---|--|---|---------------------------|--|
| <b>Project Name / Objective</b>   | <b>Description</b>   | <b>Objectives/ outcomes</b>   | <b>Partners</b>           | <b>Status</b>  |
| Thai Bond Market Development/ <i>Capital Market Development</i>                     | The co-operation between Thai BDC and TBMA will be focused on the technical assistance and consultation, translation and adaptation of standards materials, as well as the introduction of an appropriate organizations in the U.S. to provide training course to the Thai BDC. This cooperative program is to develop bond market in Thailand | To develop the bond market in Thailand  | Thai BDC<br>TBMA (U.S.)   | The Thai BDC is working on the translation of TBMA's materials.  |
| Secured Transaction Law Development and Implementation/ <i>Financial Governance</i> | American Bankruptcy Institution (ABI) is providing technical assistance to the Office of the Court of Justice (OCJ) to promote a new law on Business Secured Transaction in Thailand and to prepare the establishment of Registry Office.  | To promote a new Business Secured Transaction Law and to prepare for the establishment of a Registry Office | OCJ (Thai)<br>ABI (U.S.)  | The ABI team led by Mr. Steven Turner will deliver a seminar on Secured Transaction Law and share the U.S. lesson learn with Thai judges and stakeholders in Bangkok from Oct 1 – 5 , 2001 |
| Community Leadership Training Program/ <i>Corporate Governance</i>                  | The Institute for Management Education for Thailand foundation (IMET) is joining with The Community Leadership Association (CLA) to conduct a training on Community Leadership program to promote good community leadership throughout Thailand  | To promote good community leadership throughout Thailand  | IMET (Thai)<br>CLA (U.S.) | CLA and IMET are developing the training curriculum. The CLA will come over to Thailand to deliver a train-the-trainers program in mid November.   |



**BSOP Projects Approved for Funding**

| <b>Large Grants</b>  |  |  |  |  |
|--|--|--|--|--|
| <b>Project Name / Objective</b>  | <b>Description</b>   | <b>Objectives/ outcomes</b>  | <b>Partners</b>                            | <b>Status</b>  |
| Mediation Center for Financial Disputes Program/ <i>Financial Governance</i> | American Bankruptcy Institution (ABI) is providing technical assistance and training to enhance the efficiency and capabilities of a newly-established Mediation Centre for Financial Disputes (MCFD), including mediators, financial advisors, and staff.   | To enhance the ability and creativity of mediators, financial advisors, and MCFD staff | DRO (Thai)<br>ABI (U.S.)                   | Five ABI experts conducted two training courses on basic mediation skills organized by the Dispute Resolution Office for total of 100 mediators and financial advisors in Bangkok. |
| Organic Inspection Training Program/ <i>International Competitiveness</i>    | The Independent Organic Inspectors Association (IOIA) is providing technical assistance to the Department of Agriculture (DOA) to develop the organic crops inspection process in Thailand   | To build Thai government officer's capabilities to inspect organic crops               | DOA (Thai)<br>IOIA (U.S.)                  | DAO has a plan to discuss with IOIA on a training course.  |
| Productivity and Workplace Improvement/ <i>International Competitiveness</i> | Occupational Safety and Health Association (OSHA) and the National Institute of Occupational Health and Safety (NIOSH) are joining with the National Institute for the Improvement of Working Conditions and Environment (NICE) to deliver a train-the-trainer program on "Productivity and Workplace Improvements" in Thailand. | To upgrade the skills of regional NICE officers.                                       | NICE (Thai)<br>OSHA (U.S.)<br>NIOSH (U.S.) | KIAsia is bringing together the expertise of the ILO and US – OSHA to support this project.  |



**BSOP Projects Approved for Funding**

**Small Grants**

| <b>Project Name / Objective</b>  | <b>Description</b>  | <b>Objectives/ outcomes</b>   | <b>Partners</b>          | <b>Status</b>  |
|--|---|---|--------------------------|--|
| Technical Assistance for Thailand Rating Information Services (TRIS) / <i>Financial governance</i> | Technical assistance and training is to be given to TRIS by an expert sourced under the International Executive Service Corps (IESC) in the area of bond rating.                        | To strengthen Thai corporations' abilities to raise funds by improving the capabilities of TRIS in bond rating.   | TRIS (Thai), IESC (US)   | The project has been completed.  |
| TRIS – Trip # 2  | To provide expert assistance from a US Private Volunteers Organization (PVO) to help TRIS in the area of credit rating methodologies and procedures, securitization, and staff training | To strengthen Thai corporations' abilities to raise funds by improving the capabilities of TRIS in credit rating methodologies and procedures, securitization | TRIS (Thai), CDC (US)    | The BSOP is looking for the U.S. partner   |
| APICS-TLAPS Partnership #1 / <i>International Competitiveness</i>                                  | To provide expert assistance from APICS to help the Thai Logistics And Production Society (TLAPS) in the area of logistics and supply chain management.                                 | To establish long-term cooperation between TLAPS and APICS  | TLAPS (Thai), APICS (US) | Mr. Richard Welch, the former President of APICS, attended TLAPS annual seminar in Thailand on May 5 – 22, 2000 with support under the BSOP fund. The project has been completed |



**BSOP Projects Approved for Funding**

**Small Grants**

| <b>Project Name / Objective</b>  | <b>Description</b>   | <b>Objectives/ outcomes</b>   | <b>Partners</b>                      | <b>Status</b>  |
|--|--|---|--------------------------------------|--|
| APICS – TLAPS Partnership #2 / International Competitiveness   | The BSOP has provided financial support to the President and advisor of the Thai Logistics And Production Society (TLAPS) to attend APICS conference in U.S.A.   | To establish long-term cooperation between TLAPS and APICS                                  |                                      | Dr. Pricha Pantumsinchai, TLAPS President, and Mr. Krizz Chantjiraporn, TLAPS Advisor attended the APICS International Conference & Exposition in Florida, U.S.A. The project has been completed |
| International Auditor Fellowship Program 2001 / <i>Corporate Governance</i>                              | To provide financial support to the Office of the State Audit of Thailand (SAO) to send its staff to attend The GAO Fellowship program, which supports the goal of the International Organization of Supreme Audit Institutions (INTOSAI) to strengthen auditing and financial management practices and promotes the sharing of information and experiences among Supreme Audit Institutions (SAI) throughout the world. | To improve the capabilities of the SAO staff and develop a relationship between SAO and GAO | SAO, General Accounting Office (GAO) | Mr. Karanee Butrameeboon has been selected to participate in the GAO Fellowship program 2001 between May 14 to September 21, 2001 at GAO in Washington D.C., U.S.A.                              |
| The International Auditor Fellowship Program's field office placement 2000 / <i>Corporate Governance</i> | The program is a continuation of the International Auditor Fellowship program and is designed to provide the participant with training, which includes gaining practical experiences in designing and implementing audits.   | To improve the capabilities of the SAO staff and develop a relationship between SAO and GAO | SAO (Thai) GAO (U.S.)                | The program has been completed.  |



**BSOP Projects Approved for Funding**

**Small Grants**

| <b>Project Name / Objective</b>   | <b>Description</b>  | <b>Objectives/ outcomes</b>  | <b>Partners</b>  | <b>Status</b>                   |
|---|---|--|--|---------------------------------|
| Land Assessors' standard and procedures/<br><i>Financial Governance</i>               | Mr. James Park, Director of Research and Technical Issues from the Appraisal Foundation came over to hold talks with key Thai organizations involved in the land assessment in late August.   | Improve knowledge of assessors in Thai assessment organizations                                      | Association of Thai Assessors, Appraisal Foundation (U.S.) | The program has been completed. |
| Certificate for Occupational Health and Safety / <i>International Competitiveness</i> | To provide financial support to Mr. Dan Agopsowicz, the Board Chair of the American Board of Industrial Hygiene to deliver a seminar to the Occupational Health and Safety at Work Association in Thailand                                  | To initiate training programs and establish a certificate program to comply with the new Labour ACT. | OHSWA (Thai), ABIH (U.S.)                                  | The program has been completed. |
| SET Derivatives Program / <i>Financial Governance</i>                                 | Mr. Robert B. Gilmore, an expert consultant, came to provide technical assistance and training to the Stock Exchange of Thailand (SET) to improve SET's knowledge of derivatives and systems to offer derivatives products.                 | To prepare the SET's staff for delivering of new derivatives products.                               | SET (Thai), U.S. partner                                   | The program has been completed. |
| Thai Credit Bureau / <i>Financial Governance</i>                                      | To provide financial support to the Central Credit Information Services Co., Ltd. to send Mr. Samma Kitsin, Managing Director, to attend the Second Consumer Credit Reporting World Conference held by the Associated Credit Bureau in U.S. | Better knowledge on credit bureaus   | Central Information System / US Partner                    | The program has been completed  |



|  |   |  |   |                                 |
|--|---|--|---|---------------------------------|
| BMA – Thai BDC Partnership/ <i>Financial Governance</i>                  | To provide expert assistance form the Bond Market Association (TBMA) to hold the meetings with the Thai Bond Dealing Centre (Thai BDC) and the Thai regulators in the area of bond market development in Thailand. This is the first step of building the partnership between Thai DBC and TBMA.  | To build the partnership between Thai BDC and TBMA | Thai BDC, TBMA (U.S.)                           | The trip has been completed and |
| International Pension Exchange Program/ <i>Corporate Governance</i>      | To provide support to the US. experts from Pacific Pension Institute (PPI) to provide assistance to Government Pension Fund (GPF) of Thailand and to give a presentation at the "World Class Fund Management" conference held by GPF.   | To educate GPF staff on pension fund management    | GPF (Thai), PPI (U.S.)                          | The project has been completed. |
| Thai Telecommunication Development/ <i>International Competitiveness</i> | To provided financial support to the Post and Telegraph Department (PTD), the Communication Authority of Thailand (CAT) and the Telephone Organization of Thailand (TOT) to send the delegation to attend the "Southern Asian Telecommunications Regulatory Workshop" in Jakarta, Indonesia. In addition, the BSOP also has provided expert assistance to set up regulatory procedures for Thai National Telecommunications Commission. (NTC) | To develop regulatory procedures for Thai NTC.     | PTD (Thai), CAT (Thai), TOT (Thai), U.S. expert | The trip has been completed.    |



**APPENDIX D:  
Bank Training Program Project Matrix**

| <b>Bank</b>  | <b>Project Name</b>  | <b>Awarded Contractor</b>                                 | <b>Status</b>  |
|--|--|---|--|
| <b><u>Year 1</u></b>                               |  |   |  |
| Thai Farmers Bank                                  | Credit Management  | Deloitte Touche Tohmatsu                                  | Project Completed                                      |
| Bangkok Bank                                       | Train-the-trainers for small and medium enterprises (business plans) | Deloitte Touche Tohmatsu                                  | Project Completed                                      |
| The Industrial Finance Corporation of Thailand     | Risk Management  | Deloitte Touche Tohmatsu                                  | Project Completed                                      |
| Bank of Ayudhaya                                   | Risk Management  | Deloitte Touche Tohmatsu                                  | Project Completed                                      |
| BankThai   | Debt-restructuring Management  | Deloitte Touche Tohmatsu                                  | Project Completed                                      |
| Government Housing Bank                            | Responsibility Center (accounting)                                   | Development Alternatives, Inc.                            | Project Completed                                      |
| Government Savings Bank                            | Credit Management  | Deloitte Touche Tohmatsu                                  | Project Completed                                      |
| Siam Commercial Bank                               | Risk Management  | Barents Group   | Project Completed                                      |
| Thai Military Bank                                 | Internal Control   | PricewaterhouseCoopers                                    | Project Completed                                      |
| Bank for Agriculture and Agrucultural Cooperatives | Responsibility Center (accounting)                                   | Development Alternatives, Inc.                            | Training completed , waiting for final report from DAI |
| <b><u>Year 2</u></b>                               |  |   |  |
| Bank of Ayudhaya                                   | Risk Management Implementation                                       | PricewaterhouseCoopers                                    | Contract signing in October                            |
| Thai Military Bank                                 | Control Self-Assessment  | PricewaterhouseCoopers Risk Management Services Ltd.      | Contract signing in October                            |
| Siam Commercial Bank                               | Risk Management for Executive  | PricewaterhouseCoopers Risk Management Services Ltd.      | Contract signing in October                            |
| BankThai   | Debt Restructuring   | Deloitte Touche Tohmatsu Corporate Restructuring Co., Ltd | Contract signing in October                            |
| Krung Thai Bank                                    | Credit Risk Management   | Deloitte Touche Tohmatsu Emerging Markets                 | Contract signing in October                            |



## APPENDIX E

### SIAM Time Line

#### September 2000

- Total of 300 US SMEs entered into SIAM to date
- Total of 300 Thai SMEs entered into SIAM to date
- Delegation of 10 officials from Thai Chamber of Commerce and Federation of Thai Industries in the U.S. to learn more about best practices from US organizations involved in SMEs and international trade promotion.
- Ms. Parinda Kridsabachaitip joins the US Chamber office in Bangkok.
- Program Management invited to speak about SIAM program at the National Fisheries Institute's bi-annual seafood exhibition in Los Angeles.

#### October 2000

- Six US firms confirm value of future business with Thai firms arising from participation in SIAM is \$43.7 million.
- 230 Thai SMEs participated in a training seminar on Good Corporate Governance and Accounting Standards jointly organized with the Market for Alternative Investment.
- Planning and preparation begin for a formal request to USAID to extend existing project for another 18 months.

#### November 2000

- Developed Thailand Software Promotion program in association with Board of Investment for 2001.
- Total of 875 companies in SIAM, 756 approved Thai and U.S. companies in SIAM
- Over 5,000 matches have occurred to date - approximately 7 matches per company!



### **December 2000**

- Total of 921 companies in SIAM, 798 approved Thai and U.S. companies in SIAM
- 5,500 matches have occurred to date
- Launched in-house training for Thai Institutional Partners' staffs
- Thailand Management Association (TMA) operated the last training session for Thai SMEs covering the concepts and practices of strategic international expansion.

### **January 2001**

- Total of 951 companies in SIAM, 837 approved Thai and U.S. companies in SIAM.
- 6,278 offer matches have occurred to date.
- The Bangkok office had a seminar.

### **February 2001**

- Total of 1,025 companies in SIAM, 876 approved Thai and U.S. companies in SIAM.
- 6,427 offer matches have occurred to date.

### **March 2001**

- Total of 1,078 companies in SIAM, 915 approved Thai and U.S. companies in SIAM.
- 6,576 offer matches have occurred to date.
- SIAM received an 18-month extension for the Thailand SME Development Project grant from the U.S. Agency for International Development.



### **April 2001**

- Total of 1,102 companies in SIAM, 925 approved Thai and U.S. companies in SIAM.
- 6,757 offer matches have occurred to date.
- Mr. Smit Tiemprasert retires. Dr. Santhi Kanoktanaporn appointed Thailand Country Manager.

### **May 2001**

- Total of 1,104 companies in SIAM, 952 approved Thai and U.S. companies in SIAM.
- 6,859 offer matches have occurred to date.
- The International Franchise Association (IFA) signs a letter of collaboration becomes an official institutional partner of the SIAM Program.

### **June 2001**

- Total of 1,153 companies in SIAM, 976 approved Thai and U.S. companies in SIAM.
- 7,067 offer matches have occurred to date.
- The Thailand Franchise Association (TFA) signs a letter of collaboration and becomes an official institutional partner of the SIAM Program.

### **July 2001**

- Total of 1,192 companies in SIAM, 994 approved Thai and U.S. companies in SIAM.
- 7,200 offer matches have occurred to date.

### **August 2001**



- Total of 1,358 companies in SIAM, 1,214 approved Thai and U.S. companies in SIAM.
- 10,125 offer matches have occurred to date.
- Videoconference on Best Practices for Trade Shows conducted with 450 Thai companies in attendance. Speakers included Marcia Smith, co-author of Best Practices for trade shows, and Jim Boney of the U.S. Department of Commerce.
- The newly appointed Thai Trade Representative, Dr. Kantathi Suphamongkhon, visits the U.S. Chamber of Commerce and discusses how the Thai government can work in closer cooperation with the SIAM program.
- The Specialty Equipment Market Association (SEMA) offers the SIAM program a free exhibit booth at the International Tire Exposition in Las Vegas from October 30-November 2.

### **September 2001**

- Total of 1,426 companies in SIAM, 1,308 approved Thai and U.S. companies in SIAM.
- 12,034 offer matches have occurred to date.
- The Association of Thai Software Industries and Software Park of Thailand sign letters of collaboration and become an official institutional partner of the SIAM Program



## APPENDIX F

### SIAM: Selected Commercial Results

Day Global Trading Company located at 328 Cowesett Ave. Suite 5, West Warwick, RI 02893. Telephone number: 401-828-4421. Founded in 1999 but the principals have been in business for 25 years. With annual sales of \$50 million and 5 employees, they are involved in the export and import rice, sugar, wheat, corn, soybean, maize, and corn. They registered with SIAM on 7/28/00 and were matched with Asian Golden Rice on 7/2//00. Mr. Daniel Harrop, President has confirmed that they have been in close communication with Asian Golden Rice of Thailand to purchase rice. They are interested in purchasing 4 containers of rice next year at a value of \$16 million. The negotiations are on going but are expected to conclude shortly.

Brian Haack is President of Blackwood Industries, Inc. Based at 1629 Haslett Road, PMB #243, Haslett, MI 48840, they have been in business for 6 months and have two employees. Telephone number is 517-339-5569. Blackwood is in the final stages of negotiation with Aeroflex of Thailand to have them produce Blackwood's patented truck bedliner and distribute them both nationally and internationally. The potential value of business is \$24 million next year rising to a total figure of \$80 million in five years.

Mr. Daniel Tangchai is the Vice President of OroAmerica: 443 Varney Street, Burbank, California 91502, telephone: 818-848-5555. OroAmerica is a 1000 employee company with over \$180 million in sales last year. They registered in SIAM on 7/17/00 and were immediately matched with three Thai firms on 7/25/00. Mr. Tangchai reports that he has bought approximately \$100,000 worth of gold, silver and gemstone jewelry from Creative Gems & Jewelry Co., Ltd. of Thailand in 1999 and is expecting to purchase an additional \$250,000 this year. He is in negotiations with Y-Pac of Thailand for a similar amount of business.

Mr. Sam Suban is Manager at the Thailand Food Company, 4821 N. Broadway, Chicago, IL, 60640, telephone: 773-728-1199. Thailand Food Company was founded in 1985 and has been involved in importing oriental food products from Thailand, Taiwan and Hong Kong. They have five employees and an annual sales turnover of \$20 Million. Mr. Suban reported that he ordered a trial shipment of canned food products worth \$20,000. If he is satisfied with the value, he will place further orders valued at \$100,000. Registered in SIAM on 6/30/00 and matched with New Lamthong Foods on 7/28/00.



Ms. Varuni Chinnalai is General Manager of Captain Charlie Seafood located at 1503 Chartres Street, Houston, TX 77003, telephone 713-221-8899. Captain Charlie has been in business since 1986 importing seafood, shrimp and canned food for distribution in the U.S. They registered in SIAM on 6/16/00 and were matched with Asian Golden Rice and Tong Hua on 7/5/00. Ms. Chinnalai reported that she placed a trial order of approximately \$25,000 for Thai rice. If the product meets her quality control criteria, the potential value of future orders will be \$250,000 annually.

Mr. Peng Bandith is the President of LAO Trading Company located at 1016 8<sup>th</sup> Ave., South Nashville, TN 37203, telephone 615-255-9082. LAO trading had been in business since 1982 importing all kinds of food from Thailand and Taiwan for distribution and retail in the U.S.. LAO trading also owns a food market in Nashville. This company has actively participated in SIAM since 8/14/00 and was matched with Tong Hua Rice on 10/12/00. Mr. Bandith reported that he placed a trial shipment worth of \$15,000 for Jasmine rice. The potential annual value of future orders will be \$100,000.

Mr. Ed Bunya is a Manager of Asian Food Distributor Inc, 3095 3<sup>rd</sup> Street, San Francisco, CA 94107, telephone 415-647-7171. The company has been in business of importing and exporting Asian foods for more than 10 years. Asian Food Distributor registered in SIAM on 8/17/00 and was matched with Tong Hua Rice on 10/12/00. Mr. Bunya informed that he placed a trial order worth of \$25,000 of Jasmine rice. If he satisfies with the product, the potential value of future shipment will be about \$200,000 annually.

Bill Copeland is the owner of Camtraco Enterprises Inc. located at 14925 Memorial Drive, Ste. 205 Houston, Texas 77079, telephone 713-789-8452. Camtraco specializes in automotive fluids production and fiber grade ethylene glycols, and derivatives. Camtraco registered in SIAM on 5/5/00 and were matched with PSP Specialties shortly thereafter. Mr. Copeland has reported that Camtraco will begin a business partnership with PSP Specialties (a distributor) in January, and the estimated annual value will be \$3 million dollars.



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