

Quality Management : Linking TPOs and NSBs for Export Success

1. DEP's background

The Department of Export Promotion (DEP) is a Thai government agency responsible for promoting exports that earn foreign exchange and strengthen both Thai economy and society, thereby, helping ensure greater economic stability. Our vision is to provide leadership in promoting exports that make a major contribution to the growth of Thai economy.

DEP works under Ministry of Commerce. We have 5 regional export promotion centers within Thailand and 61 overseas trade promotion offices in 43 countries worldwide. We have also appointed Honorary Trade Advisors (HTAs) in order to facilitate and support DEP's overseas operation.

2. DEP's roles

The major role of DEP is to enhance the capability of Thai businesses to be able to compete in the global market, to add value to Thai products and services as well as to expand export markets and to build international business networks.

To develop the capabilities of Thai entrepreneurs, DEP offers various training courses for new Thai exporters. One of the most recognized training courses for new exporter is SMART Exporter Program that provides insight knowledge on export procedures, start from how to do business plan; how to choose target market that suitable with their products; marketing strategies and importantly negotiation techniques.

Design and quality development is undertaken to create value of Thai products and services. DEP has organized products and packaging development workshops together with annual market trend seminars for Thai manufacturers and Thai young designers in order to practice and develop their design skills as well as to disseminate update trends in each industry, for example, textile industry and lifestyle products.

Thailand's Brand and Prime Minister's Export Award is also another value-added tool that DEP uses to inspire Thai exporters to continuously develop the high-quality and distinction of their products.

In order to expand export markets, DEP engages in various export promotional activities such as organizing trade shows within Thailand, participating in international trade fairs worldwide, organizing Thailand Exhibitions in new emerging markets, leading trade delegations and supporting joint promotion with foreign department stores. Furthermore, DEP also organizes incoming and outgoing mission in order to build international business networks that link Thai exporters with international business buyers and business integration program that create joint business partners between Thai and foreign manufacturers.

3. DEP's current strategies

Apart from the principal activities, DEP has aggressively adopted various strategies to deeply penetrate overseas markets. The first strategy is to help Thai exporters increase their competitiveness by cooperating with related government agencies to reduce their cost; cooperate with Export – Import Bank of Thailand and SMEs Bank to increase their cash flow; cooperate with the Customs to decrease tax for imported raw material; and cooperate with the Department of Trade Negotiation to elimination trade barriers.

DEP also encourages Thai exporters to promote their products / services in FTA partner countries, in particularly, ASEAN which aimed to be a single market as ASEAN Economic Community (AEC) in 2015. In this regard, DEP has been working with the Department of Trade Negotiations in arranging seminars countrywide in order to disseminate information about the benefits of FTA as well as organizing export clinics to give consultation for the exporters.

DEP is focusing on agriculture and agro-industrial, especially rice, tapioca, Para wood, sugar, organic agro products and Halal food as strategic goods. DEP has

stimulated Thai producers to recognize on food safety enforcement since food safety is a crucial factor for buyers' decision-making. Moreover, DEP has also used contract farming as another important mechanism to help farmers reducing crop price risk and increasing their productivities. DEP has actively promoted Halal food in particular Islamic countries through its trade promotional activities such as overseas trade fairs, THAIFEX-World of Food Asia Exhibition and etc.

Besides concentrating on goods exporting, DEP also focuses on service industry areas. While Thai restaurant has long been successfully promoting, DEP is currently promoting other high-potential Thai services businesses such as health and medical services (hospital, Thai spa), education service, franchise, etc.

4. The existing relationship between NSBs and DEP

NSBs (i.e. Thai Industrial Standard Institute, Department of Fisheries, Ministry of Public Health, etc.) and DEP meet regularly to discuss on the issue of changed standard regulations that affect Thai exporters. Furthermore, DEP invites NSBs to attend DEP's monthly export situation while DEP also attends NSBs' meetings as well.

DEP's One Stop Export e-Service Center is a successful cooperation between DEP and NSBs (11 organizations) for facilitating exporters in issuing various certificates for exports with electronic certification system at once. Unlike in the past, the exporters had to go to several related departments for issuing different kinds of certificates.

DEP also invites various NSBs as a selection committee for the Prime Minister's Export Awards (PM's Awards) initiated by DEP. The award is granted to outstanding Thai exporters of products and services to showcase and acknowledge their top quality and high standards. As the committee, the NSBs are responsible for examining products/ services qualities base on both Thai and international standards.

Apart from products / services qualities, they are accountable for inspecting factory's qualification and pollution control.
