

**A STUDY OF JAPAN ON RELOCATING SUPPLY CHAIN OUT OF CHINA:
OPPORTUNITIES AND CHALLENGES FOR THAILAND**

NUTTHALINEE SIRIPUNNAPIRUT 6349072

M.M. (ENTREPRENEURSHIP MANAGEMENT)

THEMATIC PAPER ADVISORY COMMITTEE: ASSOC. PROF. NATHASIT GERDSRI, Ph.D., ASSOC. PROF. WINAI WONGSURAWAT, Ph.D., NISIT MANOTUNGVORAPUN, Ph.D.

ABSTRACT

This research study is to understand the impact of changes on global supply chain which Japan has begun to relocate out of China according to China Exit subsidy for Japanese companies by the government. This circumstance would lead to opportunities as well as challenges for Thailand.

Ever since Globalization brings the connected world, global economy and international trade have been integrated. Most of the manufacturing processes consist of successive processes which involve global supply chains in many countries in all dimensions especially in China as the largest global supply chains hub due to its rapidly economic growth. However, the conflict between superpowers including the crisis of global supply chains caused by COVID-19 and lockdowns in many countries led the world to reconsider on reshoring or diversifying sourcing and manufacturing activities to other countries. Due to politics, economics, market and competition, and policy and regulation factors affect Japan, one of a large trade partnership of China, to begin encouraging their private sectors to move back to Japan or Southeast Asia. Thailand is a choice for those investors because of the potential of Thailand. Thus, many Japanese companies have invested in Thailand in various industries. However, Thailand needs to improve and develop new ways of growth such as high skill of workforce, technology, and regulations to compete with other countries.

**KEY WORDS: GLOBAL SUPPLY CHAINS / MANUFACTURING / RESHORING /
DIVERSIFYING / RELOCATING**

35 pages