

A 60TH ANNIVERSARY TRIBUTE TO THE TOURISM AUTHORITY OF THAILAND



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MESSAGE FROM EXECUTIVE EDITOR

IMTIAZ MUQBIL

THAILAND: THE GREATEST STORY IN GLOBAL TOURISM HISTORY A 60th Anniversary Tribute to the Tourism Authority of Thailand

The Covid-19 crisis stifled what was to be a glorious year of celebrations marking the 60th anniversary of the Tourism Authority of Thailand and Thai Airways International. As this publication goes to print, vaccines have been rolled out and Donald Trump voted out as the U.S. President. Having gone from Hero to Zero in 2020, Travel & Tourism is now set for a revival via buzzwords like the "New Normal", "Build Back Better" and "Converting Crisis into an Opportunity."

Hitting the lowest point of a probable V-shaped recovery makes this the best time to reflect on history, rectify past mistakes and learn from successes. Indeed, there is no better country than Thailand to lead the establishment of a New Tourism World Order and pave the way for a safer, happier and more sustainable and peaceful future. The same all-of-government approach used to curb the virus – which has been widely hailed worldwide – can and must be applied to fix tourism-related problems too.

Since its formation in March 1960, the Tourism Authority of Thailand has excelled in marketing an economic bedrock sector. The nearly 40 million tourists in 2019 generated millions of direct and indirect jobs and billions of dollars worth of economic growth. This in spite of Thai tourism being hit by multiple crises. From the 1997 economic crisis, to the Sept 2001 terrorist attacks, the Dec 2004 tsunami, health pandemics, domestic political strife and various other global, regional and local crises, the TAT was almost in a constant state of crisis-management.

Still, visitor arrivals kept flowing. With every external twist and turn, the TAT monitored trends and movements, and then adjusted marketing strategies, launched new campaigns, worked with multiple industry partners, tapped new technologies and new means of distribution, promoted new destinations and niche-products, penetrated new markets and adapted to changing demographics and consumer preferences.

This is why I call Thailand "The Greatest Story in Global Tourism HiSTORY." As Thailand's leading Travel & Tourism historian and researcher, I also term it a Country of Contradictions. Its tourism marketing genius stands in stark contrast to its tourism management capabilities.

Rectifying this imbalance will be the over-arching need of the future. It is one of the core objectives of this landmark publication, a unique compilation of speeches, briefings and policy statements made by leaders, ranging from former Prime Minister Abhisit Vejjajiva down to TAT divisional directors, at many industry forums worldwide. They comprise an objective,

independent account of how Thai Travel & Tourism surfed the waves of change and maintained Thailand's competitive advantage but failed the management and sustainability test.

In selecting the speeches, I focussed on the years 1996-2014 - The Golden Age of Thai Tourism.

This began with the 1996 PATA annual conference and the first Mekong Tourism Forum. Then came the 1997 economic crash, and then another high of the 1998-99 Amazing Thailand campaign. In the midst of back-to-back crises, many positive developments took place. A grand new hub airport opened in Bangkok. A Ministry of Tourism and a dedicated Convention and Exhibition Bureau were set up. The Asian Highway and four bridges across the Mekong River cemented Thailand's role as the transportation hub of ASEAN. Visitors from the Chinese, Russian, Indian and ASEAN mass-markets boomed. Boutique hotels, convention centres, golf courses, health and wellness centres, sports stadiums, etc., emerged by the dozens.

While that kept the tourism engines running, Thailand's tourism management systems always lagged. Although the TAT argued emphatically for product preservation, the industry as a whole, especially the private sector, failed to maintain the balance. Many social, cultural and environmental problems worsened, such as child prostitution, garbage disposal, alcohol-related traffic deaths, tourism fraud and rip-offs, illegal wildlife trade and consumption, deforestation, land encroachment, corruption and more.

The talk was never walked. Lofty policies and pledges fell short. Whenever normalcy returned, so too did Business As Usual.

In future, the tourism industry which emerges from the wreckage of Covid-19 will be dealing with an even more risky global operating environment – a world of drones, driverless cars, cryptocurrencies, artificial intelligence and algorithms, facial recognition, contactless payments, virtual reality and augmented reality, hybrid meetings, work from anywhere, staycations and shopcations, and more. At a broader level, geopolitical, economic and environmental uncertainties will not go away.

The warning bells are already ringing. Tourism is obsessed with short-term recovery, downplaying past mistakes and failing to critically analyse the risks and threats of the emerging operating environment.

In optical science, 20-20 is supposed to reflect a clear, balanced vision. As I have argued over the years, Travel & Tourism needs a new Magna Carta rooted in exactly that concept of Perfect Balance, starting with an entirely new set of measurement indicators. This compilation of speeches is intended to be a valuable resource for a more enlightened and comprehensive study of Thai tourism history based on the famous dictum: Those who fail to learn the lessons of history are doomed to repeat it. More than ever, the industry needs to elevate its current roster of dumbing-down forums of people preaching to the converted and create space for critical thinking, alternative perspectives and reasoned debate.

This project is dedicated to the present and former staff and senior executives of the Tourism Authority of Thailand, all hard-working, committed people with whom I have thoroughly enjoyed interacting with over the years. All the speeches are publicly available documents, distributed as prepared for delivery. The speakers may have deviated in the final spoken version, but the content remains factual.

Bangkok, 21 December 2020.

WHY I COMPILED THIS COMPENDIUM

This compendium of speeches is intended to fill arguably the most serious vacuum in the study of Thai tourism -- a shortage of historical, and critical, analysis of past policies, strategies and actions.

In 2021, I will proudly mark 40 years of covering Thai and Asia-Pacific Travel & Tourism. These four decades have witnessed multiple crises, successes and failures, with Thailand, The Greatest Story in Global Tourism HiSTORY, being at the epicentre of many.

I covered everything from child sex abuse to aeropolitical conflicts, from corruption scandals to the onslaught of technology. Today, the experience and insights gained from this in-depth coverage is the basis of my claim to be the industry's leading Travel & Tourism historian.

As a strong believer in the dictum that those who don't learn the lessons of history are doomed to REpeat it, I hope this compendium will help the current generation learn those lessons.

Today, buzzwords such as reset, rethink, reflect, rebuild, redesign, review, refresh, re-this, re-that are omnipresent. In REality, those RE's will fail minus a REalistic look at the past. Like any health issue, a patient's medical history and current behaviour holds the key to a successful treatment. Same applies to Travel & Tourism.

Thus, this compendium of speeches is effectively a "medical history" as well as a list of check-up test results, reported by the very doctors on duty at the time.

The industry's biggest mistake over the years has been to treat the symptoms and downplay the cause -- "Crisis Management", never "Crisis Prevention." Short-term "pain-killer" recovery campaigns were preferred when deeper surgery was needed for a more long-term solution.

It excelled at building on its strengths and capitalising on opportunities, but failed to address the weaknesses and threats. This glaring SWOT imbalance has to be narrowed. Repeating that critical mistake is not an option.

It is my fervent hope that this inaugural project will revolutionise the study of Travel and Tourism history and forecasting. Academics, consultants, researchers and others who use the information are requested to give proper credit.

Free of sponsorship support in order to maintain editorial integrity, it is my way of giving back to Thailand and the Thai people, to whom my family and I owe so much.

IMTIAZ MUQBIL, BANGKOK, 27 DECEMBER 2020

FOREWORD: THE EARLY WARNING THAT FELL ON DEAF EARS



Mr. Seree Wangpaichitr

Deputy Governor for Planning and

Development

BRITISH COUNCIL SEMINAR ON TOURISM AND SUSTAINABLE DEVELOPMENT 15 MARCH 1993, PATTAYA

(Editor's Note: This speech will go down in Thai tourism history as one of the best ever. It was an early warning par excellence, identifying all the key issues that the Tourism Authority of Thailand knew would emerge as visitor numbers escalated. Unless the Thai tourism industry undertakes some introspective soul-searching over its past failures and mistakes, it will never be able to Build Back Better in the post-Covid19 era.)

Your Excellency the British Ambassador, the Permanent Secretary of the Ministry of Science, Technology and Environment, the Director of the British Council, Distinguished Guests, Ladies and Gentlemen.

I am highly honored and delighted to welcome all of you to this seminar on sustainable tourism, which enjoys the support of many agencies concerned including the Department of Environmental Quality Promotion as well as the Tourism Authority of Thailand. A particularly warm welcome is also extended to those of you who have come from overseas to attend this extremely topical seminar.

This is indeed an excellent opportunity for all of us to learn and to exchange data, information, comments and experiences in the area of development in terms of environmental conservation. Tourism development is unavoidably related to the environment. A properly developed and successful tourism industry relies chiefly on the existence of a quality environment.

It is widely accepted that the travel industry contributes substantially to the economic growth and expansion of a destination country. In recent times, a great number of destinations have given more and more serious attention toward the promotion and development of tourism. So much so that the industry is now considered to be an indispensable part of a national economy. From the social and cultural perspectives, tourism is also a medium through which knowledge on the arts and culture many be freely exchanged, not to mention the fact that it also promotes cordial relationships and better understanding among people from different parts of the globe.

On the other hand, unfortunately, it cannot be denied that tourism development has also led to the deterioration of the environment in no small measure, both directly and indirectly. This is due to the fact that tourism must depend and utilise natural environment. Tourism resources are almost always made up of environmental resources. Such being the case, tourism development at the same time must also include the conservation of the environment. A balance between development and conservation must therefore be struck in order to achieve what is referred to as sustainable environment which can contribute toward tourism industry in the long term thus leading to sustainable development.

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Some of the development projects were carried out without proper balance and ignored the carrying capacity of the areas. Consequently, negative after-effects were inevitably experienced in both physical and social terms.

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What might be called the wholeness of the environment should be regarded as the very foundation of social and economic status of a destination country.. in other words, sustainable tourism, a subject which we will be discussing during this seminar.

Inspite of the many measures undertaken to sustain the growth of the travel industry in Thailand, a number of unexpected problems did occur. The problems have far-ranging ramification and in different areas, They also happened with unexpected speed. This is particularly true in certain popular destinations of the country. Pattaya city and the island of Phuket are two prime examples, where large-scale development of necessary facilities was undertaken. Some of the development projects were carried out without proper balance and ignored the carrying capacity of the areas. Consequently, negative after-effects were inevitably experienced in both physical and social terms.

Some of the problems affecting physical conditions include polluted water, garbage, traffic, lack of basic infra-structures, public utilities and facilities, improper land use, trespassing of public land, construction of buildings of unsuitable design incompatible with the local environment or in too crowded clusters thus destroying the beauty of surrounding landscape, deterioration of

tourist spots due to the destruction of natural, archaeological and religious sites by irresponsible or ignorant operators and tourists themselves just for selfish short-term benefits. All these are the direct outcome of lack of systematic and efficient management of tourism resources.

And as far as social effects are concerned, there are problems such as crime, drug abuse, prostitution, changing social value and deterioration of arts and culture. These problems occur as tourism expands.

All of us who are in the travel industry as well as visitors themselves and those who directly cause the problems must be aware and conscious of our common responsibility to join hands in tackling the problems, so that tourism may proceed in a constructive and sustainable manner — all for our own common interest and benefit.

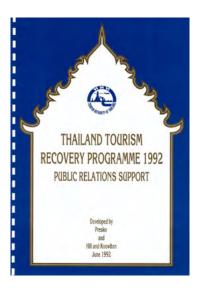
The Tourism Authority of Thailand is charged with the responsibility of overseeing the expansion of the travel industry and to generate revenue for the national treasury. During the part three decades, TAT has been able to achieve its objectives and aims. For it is a fact that the travel industry has become the top revenue earner since 1982, and the upward trend is still evident. It still remains our policy to utilise tourism as a tool to help promote economic growth in the country, at this point, I would like to make it clear that in my definition, the economic growth means a "green" economy in other word, to obtain economic benefits without harming the environment.



It is my understanding that among other subjects, a vital topic to be discussed during this seminar deals with eco-tourism or green tourism. This is indeed an extremely important subject but not easily accomplished, particularly in view of the projection of some 12 million visitors to Thailand by the year 2000. The challenge is how to a achieve this target while placing equally strong emphasis on eco-tourism.

Today, the Tourism Authority of Thailand maintains the policy of restoring and conserving cultural assets, natural and environmental resources in order to retain Thailand's identity to the utmost. Also using common sense, we believe that development must be strictly controlled to prevent pollution and to conserve positive environment as in other types of development, taking into account the importance of environment in tourism. Some of our major undertakings include:

- 1. Study, research and putting together tourism development plans on different levels according to individual types of destinations; preparation of tourism development manuals for each category; study on the cultural and social effects; study on the level of carrying capacity. These serve as the framework for the tourism development work of TAT and will be used a guideline for the operation of public and private sectors concerned.
- 2. Preparation of projects and financial support for the development and restoration of destinations, the latter being allocated by TAT to agencies directly involved in the areas concerned. Stress will be placed on the importance of maintenance and conservation.



- 3. Survey on and compilation of environmental problem in different destinations. Effort will be made to coordinate opinions and to push other agencies concerned both in the public and private sectors to cooperate in trying to solve such problems.
- 4. To build up tourism human resources who have correct understanding and awareness on how to operate tourism activities not harmful to the environment.
- 5. Public relations activities on and campaign to conserve the environment to help create awareness among the populace by utilising the mass media including radio, television, the print media as well as TAT own publications. In addition, projects are created in which the public at large can participate, e.g., campaigns to maintain cleanliness in tourist destinations, the "keep Thailand clean" campaign, project to train youth leaders in the conservation of environment for tourism.



All these activities undertaken by TAT form a guideline for the proper direction and manner of tourism development of the nation to a certain degree.

In proceeding in the proper direction and manner for tourism development and promotion, another point must not be forgotten. That is to avoid promoting and developing areas which are not yet ready and prepared to offer tourism resources. We believe that it is indeed possible to make balanced and proper use of the environment for the benefit of the travel industry so that it will indeed be a sustainable undertaking with the least harmful effect to the environment.

The conservation and protection of the environment, and the solution of related problems, are activities which deserve the attention and cooperation of all concerned and which should be jointly responsible for.

It is my sincere hope that the fore-going comments will serve as a useful catalyst for some serious thoughts. I am confident that we will learn many new ideas and suggestions from the distinguished speakers and practitioners invited here by the British Council. On behalf of the Tourism Authority of Thailand, I extend our best wishes for a completely successful seminar and for a happy stay in Pattaya city which, incidentally, still, can offer a lot of pleasant experiences. Finally, our sincere appreciation to the British Council for organising this important seminar.

Thank you very much.



Key Developments

- 50th anniversary of HM King Rama IX The Great's ascension
- PATA annual conference and first Mekong Tourism Forum held in Bangkok and Pattaya, April 21-25
- ASTA World Travel Congress held Oct 16-12

A NEW ERA FOR TOURISM



Mr. Pradech Phayakvichien

Deputy Governor, Planning and

Development

Thailand stands on the threshold of a new era in tourism. The year 1997 will mark the beginning of our 8th national economic and social development plan in which the clear emphasis is on preservation, conservation and development of our cultural and natural resources. With 6.9 million visitors in 1995 and about ten million expected by the year 2001, our marketing strategies have produced the desired results. This marketing emphasis will not flag. However, strong emphasis has to be placed preserving the products that are at the heart of our tourism industry.

For many years, the performance of our tourism industry has been compared with that of Hong Kong or Singapore, which along with Bangkok, constituted three of the most pivotal hubs in Southeast Asian tourism. But with HK due to return to Chinese sovereignty, and Singapore essentially a city-state, I think these comparisons should cease. We do not consider them competitors, as such. Rather, we like to think that we are competing against ourselves in ensuring a sustainable tourism industry.

According to recent studies, tourism now earns 13 per cent of our overall export income and 49 per cent of all foreign exchange from the service industry. Moreover, income distribution from tourism, 70 per cent of which was concentrated in Bangkok in 1986, is now down to 42.2 per cent and the rest is going upcountry. So tourism is clearly benefiting the provincial destinations which is well in line with the national priority to spread wealth to the upcountry areas.



Thailand faces several significant challenges in the years ahead. Our unique geographical location with bridgehead links to both Indochina and the ASEAN countries partially ensures that we will get the visitor arrivals we seek. We have to now get more mileage from the visitors, and they more mileage from visiting us. Shopping constitutes 30 per cent of the visitor expenditures in Thailand. We are working to increase that in real-terms, not adjusted for inflation.

In fiscal year 1996/97, we are planning to implement the biggest increase in tourism development budget, all of which will go towards the preservation of our tourism destinations. Indeed, this is not just for the benefit of the foreign visitors but also the domestic tourists and the local people who, in some respects, are equally important beneficiaries.

We are sprucing up the curricula of our local training institutions to ensure that students learn more than just the normal industry practices and pay attention to understanding the wider socio-economic impacts of tourism. There is a great need for this in Thailand. We are also working with the Pacific Asia Travel Association to make Thailand a centre for tourism human resources development.



I like to think that we are a good test-case for the industry at large -- we have a strong and vibrant industry, tremendous natural and cultural resources, a thriving economy, excellent transportation links, all of which have to operate in an atmosphere of a flourishing and vibrant democracy.

On December 9, we conferred our first national tourism awards. These awards are at the cutting-edge of the tourism industry because their focus is to be almost entirely on development and conservation. In the same context, we are also putting considerable emphasis on promoting our ecotourism potential. I think the days of Thailand as a

'supermarket" product where everything is available are fading. We now have to focus on our niche-markets and become a 'speciality shop' selling a few core products.

The TAT has also been working with the hotel industry to spread greater awareness of environmental issues. This is proving hugely successful. Hotels are doing everything from installing water-treatment plants to relying more on recyclable products. Demand for energy-saving equipment is considerable. It is a trend that we strongly encourage, and compliment the many hotels that have taken such initiatives.

Everything has a phase in life. A tourism industry that was founded on strong marketing and a focus on Bangkok is now clearly changing towards nation-wide emphasis. There are more convention centres coming up in the provinces, more economic development and more prosperity. We will be moving with the times. Throughout, the emphasis on maintaining our arts, culture and environment has to reign supreme.

ANCIENT CULTURES WILL FACE NEW REALITIES



Mr. Pongpol Adireksarn

Minister to the Prime Minister's office and TAT Chairman

OPENING CEREMONY, PATA ANNUAL CONFERENCE, BANGKOK, APRIL 1996

PATA Chairman Michael Paulin, President Lakshman Ratnapala, Excellencies, distinguished guests, ladies and gentlemen.

Thailand is honoured to be hosting this conference in the 45th anniversary year of the founding of the Pacific Asia Travel Association. PATA has played a tremendous role in boosting our tourism industry -- from the first marketing forum held in Chiang Mai in 1970s to the two conferences that have been held here. With the hosting of the Mekong Forum, we are certain that regional countries now seeking to develop their own tourism industries will also benefit from PATA's wealth of knowledge and experience.

Thailand received 6.9 million visitors last year, up 12.73 per cent over 1994. Malaysian visitors to Thailand surged 21.43 per cent to cross the one million mark for the first time. Visitors from East Asia totalled 59.88 per cent of Thailand's arrivals in 1995, up from 57.33 per cent in 1994. If visitors from Australia/New Zealand and the Indian sub-continent countries are included, total market share of Asia-Pacific visitors is 67.39 per cent.

Visitors from Japan, too, were up a solid 20.95 per cent to 840,186. And the China market surged again by 47.20 per cent to 380,619, overtaking visitors from Singapore and Hong Kong. Visitors from Hong Kong declined by a

marginal 2.24 per cent to 220,791. European visitors rose from 1,601,248 in 1994 to 1,686,864 with a strong growth in the UK market of 11.83 per cent. Visitors from Australia returned to a growth level, rising four per cent.

The Middle East market was up a healthy 17.81 per cent. Visitors from the UAE led the pack with a 40.58 per cent rise. Visitors from Israel were up 8.66 per cent. Arrivals from Kuwait and Saudi Arabia also showed a strong growth, after years of stagnation.

This healthy growth has been made possible by the strength of the Thai tourism product. Our culture is what attracted tourists in the old days. The settlement of Ban Chiang in northeast Thailand dates back to nearly 6,000 years. Over the years, our culture has been influenced by various kingdoms and countries. What has emerged is uniquely Thai. Under the gracious reign of His Majesty the King, the longest reigning monarch in the world, Thai culture has remained resilient. Our former kings visited Europe and imported many ideas and systems from there, but the underlying culture is uniquely Thai. This is a country that promotes total freedom of worship and belief. We have welcome visitors since time immemorial, and with your help, we will do so for many years to come.

There has been much talk recently about the impact of foreign tourism on Thai culture.

Ladies and gentlemen, foreign tourism has no more an influence on a country's culture than the foreign media or new technologies like the Internet. All cultures change over time. But cultures have this wonderful tendency to adapt and yet stay firm. We in Thailand are setting up a ministry of culture, tourism and sports to link all three components of the travel industry together. We are spending formidable sums on preserving our heritage sites, performing arts, music and dance. His Majesty the King is an accomplished musician, yachtsman and has just finished writing two books, for a total of four in all, in both English and Thai. Her Majesty the Queen is personally involved in the Bang Sai handicrafts centre where traditional craftsmen make a living from preserving their traditions. She has also played a stellar role in promoting our famous Thai silk,



and I would strongly recommend visits to our silk shops where you can indulge in everything from ties and cravats to dresses and robes. Our much-loved Princess, Her Royal Highness, Princess Maha Chakri Sirindhorn, is patron of our arts and culture, a musician and artist par excellence. These traditions are truly enduring and endearing. They are what makes this country great.

While here, please do visit visitor one of the four UNESCOdeclared World Heritage sites in Thailand. These are the Historic Town of Sukhothai, the capital of the first Kingdom of Siam in the 13th and 14th centuries whose former greatness has been carefully preserved by the Fine Arts Department in co-operation with UNESCO, including ruins of the Royal Palaces, Buddhist temples, city gates, walls, moats, dams, ditches, ponds and canals. There is also the ancient City of Ayutthaya, a capital of Thailand for 417 years and restored to its former glory. The Ban Chiang Archaeological Site is considered the most important prehistoric settlement so far discovered in South-East Asia. The centre of a remarkable phenomenon of human cultural, social and technological evolution, the site presents the earliest evidence of farming in the region and of the manufacture and use of metals. The fourth heritage site is the Thungyai-Huai Kha Khaeng Wildlife Sanctuary, stretching over more than 600,000 hectares along the Myanmar border, the sanctuary, which is relatively intact, contains examples of almost all the forest formations of continental South-East Asia.

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Over the next few years, you are going to hear much about the ancient cultures and traditions of our neighbours in the Greater Mekong Sub-region. Thailand has much in common with these countries. To the north, our culture intermixes with those of Myanmar, Kampuchea, China and Laos. To the south, our Thai-Muslim people share the cultures of Malaysia and Indonesia. No other country in Southeast Asia can offer such tremendous diversity. In future, you will see more links being established between the cities of Bagan, Mandalay, Sukhothai, Luang Prabang, Kunming, Da Nang and Siem Reap. The Mekong countries are working hard, with support from UN organisations, the Asian Development Bank and the European Union, to develop their tourism potentials. All have expressed clear commitments to finding ways to safeguard their cultures and heritage.

In line with the theme of this conference, many of these ancient cultures are going to come face to face with the new realities. Certainly economic progress, the onslaught of information technology, the global growth of big business and emergence of trade blocs are all going to have an impact on our countries, socially. The seamless flow of information across borders is going to take its toll on the way people think. But in spite of the economic development of the industrialised countries, their inherent cultures remain unique -- be it French, Japanese or New Zealand. Our cultures, too, will remain equally strong just as we industrialise.

Asia-Pacific countries are pouring billions of dollars into infrastructure and information technology development. Airports, railways, ports and highways are being built across the length and breadth of this region. All these transportation links will benefit the travel & tourism industry perhaps more than any other. Intra-regional travel, already the most important component for our countries, will grow in importance. I foresee a greater emphasis on facilitation, from removal of visa restrictions to more emphasis on domestic tourism. At the last summit conference, the

ASEAN countries have discussed setting up railway linkages that will make it possible to go from Singapore to London, similar to the Asian highway. Today, you can fly and sail there. Eventually you will be able to drive the distance, or just take a train.

Travel is the world's largest service industry, and getting bigger. The tourism industry figures prominently in Thailand's economic development. We are committed to working with our friends and colleagues in the Mekong sub-region, ASEAN and the PATA fraternity towards maintaining this growth while at the same time protecting our cultures and traditions. Only through a marriage of new realities with the ancient cultures can the tourism and travel industry prosper. We are committed to making this work.

Once more, I would like to thank you all for coming and joining with us in the celebrations marking the 50th anniversary of His Majesty the King's ascension to the throne. I wish you a successful conference and a memorable stay in Thailand.

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