

## Daily Thai News Updates: 12 July 2017

### **1. Bangkok No. 1 in Asia for launching a startup: survey**

**Source: Bangkok Post ([Link](#))**

Bangkok is the best city in Asia to launch a startup and No 7 in the world, according to a new survey by PeoplePerHour that took into account the cost of living, rent, monthly salary and general ease or difficulty of starting a new business. The freelance sourcing firm found Bangkok has been attracting financial technology and other startups that view it as an ideal hub from which to push into the Asean region given its location, huge population and growing middle-class. According to the survey, Vancouver in Canada takes the top spot globally followed by Berlin and Manchester, England. In Asia, Bangalore was No 2 (it ranked 10th globally) followed by No 3 Kuala Lumpur (11th globally) and Singapore (12th). Bangkok's ascendancy results from strong government support for startups in recent years as well as its cooperation with other stakeholders from the private sector, said Science and Technology Minister Atchaka Sibunruang. The government has been emphasising the importance of new business developers who can effectively and significantly drive economic growth, she added.

### **2. BoT: Baht a lesser influence on exports**

**Source: Bangkok Post ([Link](#))**

The purchasing power of major trade partners and production restructuring to keep up with demand are having larger effects on exports than the baht's movement, says senior officials at the Bank of Thailand. Vachira Arromdee, assistant governor of the financial markets operations group, gave the example of the baht's strength against the greenback between 2005 and 2009, even as Thailand's export expanded amid robust global economic growth. Although the baht retreated against the US dollar during 2013-15, the country's merchandise shipments lost momentum, Ms Vachira said...Restructuring production output to match customer demand and fast-changing technology also played a significant role in export growth, she said. Thailand's exports fell in 2013, as outdated hard disk were the country's top export at that time. Ms Vachira's comments came amid mounting concerns that the baht's persistent strength will stall the recovery of exports, which account for more than two-thirds of Thailand's GDP. The baht has been among the best-performing currencies in Asia, rising nearly 5% against the dollar year-to-date. Thai exports

jumped 13.2% year-on-year in May to US\$9.9 billion (676 billion baht), the highest in more than four years. For the first five months of 2017, exports rose 7.2% to \$93.3 billion, according to Commerce Ministry data.

### **3. TAT eyes B 3.1 tn in revenue for 2018**

**Source: Bangkok Post ([Link](#))**

The Tourism Authority of Thailand (TAT) plans to log 3.1 trillion baht in tourism revenue in 2018 by attracting tourists from second-tier Chinese and European cities and focusing on tourist quality, says governor Yuthasak Supasorn. The industry has remained sluggish during the last two quarters, but the plans are expected to lay the groundwork for continued growth in 2017 and 2018, Mr Yuthasak said yesterday. "Moving forward, the TAT will draw focus on increasing the number of quality tourists," he said. "We project the tourism industry will bring in 3.1 trillion baht in revenue in 2018 -- up from 2.7 trillion baht this year." Of the 2018 revenue, 2.1 trillion baht will come from international markets, up from 1.8 trillion predicted for 2017. Domestic revenue, on the other hand, will expand by 50 billion baht to 1 trillion baht next year. While the TAT's forecasts are strong, a number of economic and political factors can lower the estimates, Mr Yuthasak said.

### **4. Supachai urges year-end goal on free trade**

**Source: The Nation ([Link](#))**

Supachai Panitchpakdi, former director general of the World Trade Organisation (WTO), has called for Asian free-trade negotiations under the so-called Regional Comprehensive Economic Partnership (RCEP) to be wrapped up by the end of the year – and strike a blow for global trade amid rising protectionism fuelled by isolationist US policies. The RCEP comprises 16 countries, including the 10 Asean members and China and India, with a total population of 3.5 billion. Supachai, who is also a former secretary general of United Nations Conference on Trade and Investment, warned that Asean cannot rely solely on government efforts to stimulate domestic demand as this would not be sustainable. "Domestic demand is not enough. Asean needs the benefits of international trade," he said yesterday at the Boao Forum for Asia Bangkok Conference. An agreement for RCEP has been delayed due to wrangling with India over agricultural market access; the South Asian giant wants to protect its domestic market. India wants to create a food inventory for the poor, but others contend that such a practice amounts to an agricultural subsidy that may be unfair to trade partners.

**5. 31 products granted duty-free US entry**

**Source: The Nation ([Link](#))**

Thirty-one Thai products have been given preferential duty-free entry to the United States, under the generalised system of preferences (GSP) programme, from July 1. The Thai items given the duty-free treatment include 23 items of travel goods and one item of cellulose nitrates, while GSP was maintained for seven “de minimis” goods, said Commerce Minister Apiradi Tantraporn. The seven de minimis value goods are fresh-cut orchids, fresh durians, dried papaya, dried tamarinds, prepared or preserved sweet corn, fruit and nuts except mixtures, preserved by sugar (drained, glaze or crystallized), and prepared or preserved papaya.

**6. Chinese interested in EEC link**

**Source: Bangkok Post ([Link](#))**

China is considering an investment to link Thailand's Eastern Economic Corridor (EEC) and Kunming's special economic zone (SEZ) as the mainland looks to build a consolidated supply chain. Chinese representatives will meet with senior Industry Ministry officials next month to discuss the link details, said EEC Office secretary-general Kanit Sangsubhan. A high-speed train linking China and Asean is just one of many Thai-Chinese investments under the One Belt, One Road policy. The Kunming SEZ is China's largest and newest investment. The 150-square-kilometre high-tech park will propel the development of the targeted EEC industries. The EEC is being promoted as the flagship project to bring Thailand into the 4.0 era and raise the country out of the middle-income trap, with the government pouring massive investment into deep-sea ports, airports and high-speed trains to link the EEC to other provinces and the world.

**7. Thai, Singapore central banks ink fintech cooperation agreement, update MoU on banking supervision**

**Source: The Nation ([Link](#))**

The Bank of Thailand and the Monetary Authority of Singapore on Tuesday signed a FinTech Cooperation Agreement and updated a Memorandum of Understanding on Banking Supervision, according to their joint statement. The two documents were signed on the sidelines of the biennial “BOT-MAS Bilateral Meeting”, hosted on this occasion by MAS in Singapore. The FinTech Cooperation Agreement aims to help develop a richer financial ecosystem in Thailand and Singapore, as well as in Asean. It enables the BOT and MAS to share information on emerging-

market trends and their impact on regulations, as well as refer financial-technology companies to their counterparts. Importantly, it signals a shared intent to explore jointly undertaking innovation projects, especially those with potential for cross-border applicability, the statement said...The updated MoU sets out in greater detail the two central banks' commitment to fostering greater information exchange and cooperation in the areas of licensing, on-site examinations, supervisory colleges, and crisis management.

#### **8. Cabinet nod for first phase of Bt 179-bn Thai-Chinese high-speed train project**

**Source: The Nation ([Link](#))**

The Cabinet on Tuesday gave the green light to the State Railway of Thailand (SRT) to develop the first phase of the high-speed train project that will eventually link Bangkok with Nong Khai. The first phase, running 253.3 kilometres from Bangkok to Nakhon Ratchasima, has been approved at a cost of Bt179.413 billion. The first phase, which will have six stations and entails the reclamation of around 2,809 rai (449 hectares) of land, will take four years to complete. The cost of the development will be wholly funded by Thailand. The Cabinet asked the Finance Ministry to seek many options for funding sources, including loans and the issuance of government bonds. China will provide technology know-how to support the project development, while Thailand will wholly own the right to manage the project and all the stations. The Kingdom is not granting any right to China to manage the land along the route. The Transport Ministry estimated that the first-phase route would attract 5,300 passengers daily during the first year of operation in 2021. They will be served by 11 trains per day, with a journey time of about 90 minutes.