

Daily Thai News Summary: 13 July 2015

1. FAA team to test aviation standards

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

Officials from the United States' Federal Aviation Administration (FAA) will arrive in Bangkok today to review Thailand's air safety progress and compliance with international standards. The FAA's air safety experts under an International Aviation Safety Assessment (IASA) programme are scheduled to meet with officials from the Department of Civil Aviation (DCA) and major airlines, including Thai Airways International.

It will be the FAA's first visit to Thailand since the International Civil Aviation Organisation (ICAO) visited in January to hold extensive tests before declaring in February that Thailand did not meet with the ICAO's Significant Safety Concern (SSC) safety standards.

Parichat Kotcharat, director-general of DCA, and her team will meet with the FAA experts, said Transport Minister ACM Prajin Juntong. The Thai officials will provide the latest information and progress of aviation procurement to FAA and IASA officials. The US team is expected to oversee and examine a revised aviation manual and overall action plans being prepared.

2. Repeat of China crisis would hurt Thai investors

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

Another nosedive in China's stock markets could face-plant its demand for raw materials and that would further affect Thai investors and exporters.

Chinese companies that filed for a trading halt will, one way or another, return to trade one day and no one knows if another panic sale is waiting around the corner. About 1,400 Chinese companies, or more than half of those listed in Shanghai and Shenzhen, filed for a trading halt on July 7 in an unprecedented attempt to prevent further losses from the latest correction of China's stock markets.

3. German auto tech firm has faith in Thailand

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

A leading automobile technology company in Germany has faith that Thailand will rebound from the economic downturn that saw the local auto industry experience a continued drop. *"I am very confident in Thailand, which has been one of the world's productive economies,"* said Rudi von Meister, president of ZF Friedrichshafen Asia-Pacific.

He said he has witnessed tremendous progress and development in Thailand over the past decades. Many countries have also suffered economic decline but they would certainly resume their status as a strong economy by using their experience in solving problems. Thailand's auto market and industry have seen a continued decline in sales volume due to the global and domestic slowdowns.

"This could happen to other countries. Not too long ago, the US went through an economic downturn. Thailand may not immediately bounce back to a strong economy but it will." The Federation of Thai Industries' Automotive Industry Club has reported that vehicle production fell 8.8 per cent last month from the same month a year earlier, but rose 8.9 per cent from the previous month, to 135,045 units.

4. Thai rice annual exports to fall short of target-export association

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

Thailand's rice export association lowered its annual target from 10 million to 9.5 million tonnes on Monday, due to a slowdown in the global economy and fears that drought in Thailand could slash output for the year.

Chukiat Opaswong, honorary president of the Thai Rice Exporters Association, said Thailand would face a tougher export market due to a global slowdown in trade and fluctuating exchange rates. He added that concerns over the drought on Thailand's rice production have boosted export prices and could drive buyers to Thailand's competitors.

The wet or monsoon season is under way, but Thailand is contending with drought conditions in six out of 67 provinces, according to the National Disaster Warning Centre, and water rationing is taking place in almost a third of the country. Farmers in Thailand, the world's second-biggest exporter of the grain after India, are growing increasingly desperate and in some provinces are fighting over precious water.

5. Ministry eyes suspension of A18 gas block

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

The Energy Ministry has instructed all state energy agencies to be well prepared for the suspension of natural gas production in the A18 block of the Thailand-Malaysia joint development area (JDA) from July 19 to 23 for annual maintenance work.

Though the period of this annual maintenance is only five days compared to 25 days last year, the ministry still wants the related parties to be alert for any incidents. It also asked all related agencies to seek collaboration from people and the industrial and tourism sectors in the 14 provinces in the South to consume less electricity during the period. Electricity demand in the South is expected to peak from 6.30pm to 10.30pm. Energy Minister Narongchai Akrasanee and the ministry's officials will also visit the Chana power plant in Songkhla on July 18 to see its readiness to deal with any situation.

Ministry deputy permanent secretary Twarath Sutabutr said the ministry would have to stay alert like last year as the maintenance shutdown this year would see natural gas supplies in the system decline by 420 million cubic feet per day. This would prompt unit 2 of the Chana plant, which has a capacity of 800 megawatts, to suspend production, as it is solely dependent on gas supply from the JDA.

By Harsha Hazarika