

## Daily Thai News Summary: 24 June 2015

### 1. TAA gains new Asian routes

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

China and India have granted Thai AirAsia (TAA) rights to new routes in the face of mounting global concerns about Thailand's aviation safety. TAA chief executive Tassapon Bijleveld yesterday confirmed that the airline had secured the rights to start scheduled flights to four Chinese destinations and an Indian city.

The rights were granted to TAA after the International Civil Aviation Organization (ICAO) last week slapped a red flag on Thailand for its aviation safety shortcomings. The UN agency in charge of global aviation standards in March cited Thailand for significant safety concerns" (SSCs) after the Thai Civil Aviation Department failed an ICAO audit in January.

### 2. Thai-Malaysia trade meet agenda set

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

The Cabinet yesterday approved the topics to be discussed at the second Thai-Malaysia Joint Trade Committee meeting in Bangkok at the end of this month. The first meeting was held in Kuala Lumpur 10 years ago and there has never been another one since then despite Malaysia being the Kingdom's fourth-largest trading partner in the world and its largest one in Asean.

*"There is no clear reason why the two countries did not hold a joint trade discussion before this but the prime minister brought this issue up at his last visit to Malaysia. That led to the second Thai-Malaysia Joint Trade Committee meeting that will be held here at the end of June,"* Deputy Government Spokesman Sansern Kaewkamnerd said after the Cabinet meeting.

The topics will include ways to reach the goal of US\$30 billion (Bt1 trillion) worth of trade between the two countries by 2018, measures to lower trade barriers, and measures to facilitate cross-border trade, which accounts for 60 per cent of the total between the two countries. Also on the agenda are the promotions of halal food production at the special economic zone that will be set up in the South and measures to promote the production of innovative and value-added rubber products.

### **3. FTI calls for any wage hike to be considered province by province**

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

The Federation of Thai Industries (FTI) has called for the government to set up a tripartite committee to consider changes in the minimum wage on a provincial basis, while most enterprises want to delay a wage hike amidst uncertainty about recovering growth and concern over the impact of drought.

The FTI's Thai Industries Sentiment Index (TISI) dropped to a one-year low in May, when the decline from 86.2 to 85.4 points was the fifth consecutive monthly fall.

*"The minimum wage should be maintained in the current economic circumstances. If a change is to be made, it must be considered by all parties, while many factors should be given weight, including inflation, each province's situation, labour capability, and supply and demand,"* FTI chairman Supant Mongkolsuthree said yesterday.

### **4. EIA nearly complete for Suvarnabhumi Phase 2**

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

Construction contract tendering for the second phase of the Suvarnabhumi Airport development could begin in the second half of this year as the environmental impact assessment (EIA) for the project is expected to be finalized before the end of this month.

Airports of Thailand (AOT) is currently working on three big developments under the project: the expansion of the airport, a third runway, and a second passenger terminal. AOT told the Cabinet yesterday that the initial budget for the project, which was set at Bt62 billion, could be about Bt5 billion to Bt6 billion lower. The new estimate will be presented to the Cabinet shortly.

### **5. Mall Group gears marketing strategies for Bangkok's changed retail landscape**

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

It is no longer sufficient for Bangkok retailers to conduct marketing campaigns that are concerned only with geographic factors, as the rapid development of mass transit has reshaped the city's retail landscape.

*"The subway and Skytrain systems in Bangkok have totally changed the retail landscape in the city as shoppers can access the shopping malls, wherever they are, from everywhere,"* said Chamnarn Maytaprechakul, executive vice president of The Mall Group.

The group operates five The Mall shopping centres in Bangkok and one in Nakhon Ratchasima. It also runs Siam Paragon, The Emporium, and The EmQuartier malls, also in Bangkok. The Mall Group targets sales growth of 6-7 per cent to Bt53 billion this year.

Chamnarn said setting up zoning or catchment areas of target shoppers was an outdated model for retailers. Mass transit allows consumers to access particular stores easily from anywhere in the city. Retailers have instead begun conducting other kinds of marketing campaigns, especially lifestyle-based activities, to build customer loyalty.

\*\*\*\*\*

By Harsha Hazarika