

Daily Thai News Summary: 30 June 2015

1. FPO finds reasons to hope for decent growth

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

Things are not that bleak, as the government's mega-projects are already showing tangible progress, the Fiscal Policy Office said yesterday. *"Capital from the government's investment in mega-projects will definitely enter the economic system in the second half of this year after a delay in the first half,"* said Krisda Chinavicharana, director-general of the FPO. He was referring to the Transport Ministry's Bt3 trillion worth of infrastructure development projects, excluding high-speed railways, for 2015-22. Private consumption and investment along with merchandise exports and the agriculture sector were all down in May, but tourism is doing well. The fortune from inbound tourists is expected to continue flowing in during the remaining quarters.

"Government spending on mega-projects is coming along, exports are not that bad compared with neighbouring countries, the collection of value-added tax that is based on domestic consumption is still expanding, and the tourism industry is going to continue to be the hero this year. So the economy will be able to expand by more than 3 per cent this year, but by how much more is the subject that will continue to be monitored," he said.

2. AOT team set on safety, security issues

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

Airports of Thailand (AOT) have set up a team to deal with the impacts of recent concerns about the country's aviation safety. AOT chairman Prasong Poontaneat said yesterday that the team would work with relevant bodies such as the Department of Civil Aviation, the Transport Ministry and airports on aviation security and safety matters.

"AOT prepared the team in case we have to deal with problems regarding the current aviation-safety issues," he said. Thailand was recently classified by the International Civil Aviation Organisation (ICAO) as being a country with significant safety concerns in its aviation oversight.

3. Govt agency plans training course to improve capabilities of tour guides

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

The Department of Tourism wants tour guides to improve their hospitality skills, especially those who serve visitors from emerging markets such as China and South Korea. Wannasiri Morakul, acting director-general of the department, said training courses would be provided for guides to improve their hospitality skills. She said tour guides who serve Chinese, Korean and non-English-speaking arrivals would be asked to join the training programme.

"We have no problem with the quantity of this resource, but we are now dealing with the quality of tour guides. This year we will try to enhance their weak points," she said. During the first five months of this year, more than 3.2 million Chinese tourists visited the country, an increase of 95.7 per cent from the same period last year.

The number of Chinese visitors is expected to reach 6 million this year, making China the biggest source of international arrivals. The department says that during the same period, despite an outbreak of Middle East Respiratory Syndrome (MERS) in South Korea, 546,520 South Korean tourists travelled to Thailand, up by 16.8 per cent from the first five months of last year.

4. Three Thai banks join IFC's microfinance push in Cambodia

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

Three Thai banks have joined IFC's US\$65 million syndication loan to a Cambodian microfinance institute, to boost the access to funding of micro, small, and medium rural and agricultural enterprises, most of which are owned by women.

The syndication to PRASAC Microfinance Institution Ltd, the country's biggest microfinance provider, comprises \$20 million each from Thai banks - Kiatnakin Bank, Siam Commercial Bank, and TMB Bank, and \$5 million from ING Bank NV. This syndication supplements IFC's \$10 million own-account loan made in April to support PRASAC's continued expansion of its micro loan portfolio.

The loan marks the first time that a group of Thai banks has made a syndicated loan of this size to Cambodian borrowers. Long-term funding will enable PRASAC to extend more loans to small businesses and low-to-middle-income borrowers, 85 per cent of whom are women. *"SCB is pleased to be part of the syndicated loan for PRASAC and especially proud of the fact that the loan will contribute to the expansion of small businesses in Cambodia,"* said Kamalkant Agarwal, head of International Banking at Siam Commercial Bank.

5. Thai Oil's MTN programme assigned "Baa1"

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

Thai Oil's proposed medium term note (MTN) programme worth US\$1 billion (approximately Bt33 billion) is assigned "Baa1" by Moody's Investors Service.

The proceeds from the notes to be issued will be used for general corporate purposes. Thai Oil is 49.1 per cent owned by PTT which is in turn 51.1 per cent owned by the Thai government. Thai Oil is the leading integrated publicly listed refining and petrochemical companies in Thailand. It operates the largest single-site refinery in the country with a nameplate capacity of 275,000 barrels per day (bpd).

By Harsha Hazarika