

Daily Thai News Summary: 4 June 2015

1. Thailand plans to unveil new commercial airport by 2017

Source: **Reuters** ([Link](#))

Thailand will develop a new international commercial airport at an existing naval air base outside the capital, Bangkok, the transport minister said on Wednesday, as the country scrambles to accommodate an influx of tourists.

Thailand's tourism sector makes up about 10 percent of its economy, which has been recovering steadily since the army seized power in May last year to end months of political unrest.

"We have the intention to develop U-Tapao airport to become another commercial airport to support the increased passengers to land here," Transport Minister Air Chief Marshall Prajin Juntong told reporters.

2. Airline revenue to fund hiring of safety experts

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

Airlines may be required to pay up to 0.3% of their gross revenue to a proposed civil-aviation agency for the hiring of professionals to oversee the industry's safety standards. The revenue-sharing proposal is part of the planned restructuring of the Department of Civil Aviation needed to comply with standards of the International Civil Aviation Organization.

The proposed Office of Civil Aviation of Thailand will be an independent agency established by a special law to support act as regulator to supervise aviation standards and licensing, according to Transport Minister Prajin Juntong.

He said a new regulation would be issued in 2016 to allow the new office to be funded by as much as 0.3% of contributions from air carriers, starting from 2017, to spend on the hiring of qualified professionals to train Thai personnel to perform their duties at international levels.

3. Thai institutions urged to become “Everyday banks”

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

EVEN though Thai banks are now more focused on digital banking, they still largely only consider it as a customer-access channel, which is not enough if they are to ride the customer-experience revolution successfully in the digital age, according to Accenture, a global management-consulting company.

In many developed countries, banks look beyond digital banking as merely a channel to access customers, and Thai banks should do likewise, as everything digital is becoming an increasingly central part of everyday consumer life, said Accenture's Asean financial services senior managing director, Jonathan Allaway.

With digital driving a customer-experience revolution, Thai banks should aim to become the "everyday bank" of clients, not only providing basic financial services such as deposits, withdrawals and lending through digital banking, he said.

4. Education reforms critical for the Thai Economy, says World Bank

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

ONE-THIRD of 15-year-old Thais are "functionally illiterate", the World Bank said yesterday, and suggested that the country reform its education system partly through merging and optimizing the networks of more than 20,000 "non-isolated" schools nationwide.

Speaking at the release of its "Thailand Economic Monitor" report, the bank's country director for Southeast Asia, Ulrich Zachau, said slowing export growth evidenced in Thailand since 2012 was a "long-term trend" that had to be tackled by structural reform, raising the skills and productivity of its labour force. "*The single most important thing for Thailand is to improve its education and skills outside Bangkok,*" he said.

Finance Minister Sommai Phasee, who presided over the event, said he very much agreed with the World Bank that education and human resources were critical to the future of the Thai economy and its political stability.

5. Millcon signs JV deal with Japan's Kobe

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

SET-listed Millcon Steel Plc (MILL) has signed a memorandum of understanding (MoU) with a Japanese giant, Kobe Steel Ltd, on a joint venture to produce special-grade wire rods in Thailand. SET-listed Millcon Steel Plc (MILL) has signed a memorandum of understanding (MoU) with a Japanese giant, Kobe Steel Ltd, on a joint venture to produce special-grade wire rods in Thailand.

According to the MoU, Kobe Steel will hold 50% stake in Millcon Special Steel, a Millcon subsidiary, with Millcon Steel owning the other half. The proceeds from Kobe Steel's buy in will be used for capital investment to start producing a special grade of wire rods used as raw material for auto parts.

6. Alibaba seeks Thai expansion

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

Alibaba.com, the world's largest online business-to-business (B2B) marketplace, is planning a major expansion to increase its footprint in Thailand this year. The move is part of the Chinese e-commerce giant's strategy to expand its presence abroad.

"The year 2015 will mark a giant step forward in our aggressive growth strategy in a drive to cash in on vast opportunities stemming from trading activities in Asean," said Thomas Ho, country manager for global business development of Alibaba.com Singapore E-Commerce Private Ltd.

7. Forbes shows resilience of Thai tycoons

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

Thailand's tycoons have grown even wealthier despite the lengthy economic slowdown, with agribusiness boss Dhanin Chearavanont regaining the top spot this year, according to Forbes Asia's latest Thailand's 50 richest list.

The June issue reports that the combined net worth of Thailand's 50 Richest has risen to more than US\$300 billion or 3,355 trillion baht - about one-fourth of Thailand's total GDP. Forbes Asia describes them as Teflon Tycoons, as many of them have proved able to overcome the bearish economy that spread across the nation after the military coup on May 22 last year.

The first-quarter performance of Thai Beverage Plc, the flagship company of billionaire Charoen Sirivadhanabhakdi, has reported double-digit growth in earnings, driving ThaiBev's stock price and asset value higher.

By Harsha Hazarika