

Daily Thai News Summary: 4 September 2015

1. SMEs in line for liquidity

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

The new economic team led by Deputy Prime Minister Somkid Jatusripitak has pledged further tax and financial measures to help struggling small and medium-sized enterprises (SMEs). The proposal, to be submitted for cabinet approval next Tuesday, comes in the wake of the 136-billion-baht stimulus package announced this week. The government plans to set up three funds to provide SMEs with liquidity to help them compete in the global market, Industry Minister Atchaka Sibunruang said.

The plan is to be tabled today at a meeting chaired by Mr Somkid. The first fund will be worth 1 billion baht and needs cabinet approval to let the Industry Ministry manage the fund instead of the Office of SMEs Promotion, which was inactive in disbursing cash. *"We expect to propose the issue for cabinet approval next week,"* Mrs Atchaka said. *"This fund will go to those SMEs in a critical situation."*

2. GSB says it can meet the Village Fund loan target

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

The Government Savings Bank (GSB) is confident that it can meet the government's target to give out Bt30 billion in loans via the Village Fund scheme in three months while keeping the non-performing loan ratio in the 1-per-cent range for the whole seven-year life of the scheme.

"We expect to give out loans of Bt5 billion to Bt10 billion to Village Fund members in the first month," Chatchai Payuhanaveechai, director and secretary of the GSB, told the press at a seminar arranged by Thammasat University.

The new economic Cabinet led by Deputy Prime Minister Somkid Jatusripitak pushed the Bt136-billion stimulus package through the Cabinet, which included the injection of Bt60 billion into the Village Fund, a legacy of Thaksinomics.

3. Dusit Krabi focus on China, Mid-East markets

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

DUSIT Thani Krabi Beach Resort has revealed its new marketing strategies to cash in on an increase in international arrivals, primarily targeting the China and Middle East markets. General Manager Urs Lienhard said China and the Middle East were emerging markets not only for the hotel but also for Krabi province and other major tourist destinations such as Phuket.

India is also one of the most important markets, as arrival numbers from that country have been increasing dramatically over the past five years. The 240-room hotel, meanwhile, will continue to serve traditional markets such as Britain, Germany, Japan, Singapore, Hong Kong and Malaysia. *"Tourism in Krabi province was not affected by the recent bomb blast in Bangkok. The number of international arrivals into Krabi is increasing as more people discover its attractions and overflows from Phuket increase,"* he said.

To attract people from China, the hotel will focus more on social media and online marketing. It has created a Chinese-language Facebook page to reach out to potential Chinese guests. The hotel has also hired two Chinese representatives to work with Dusit's office in China. Furthermore, information materials and menus have been translated into Chinese.

4. Insurance Commission may again propose tax cut for health policies

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

The Office of Insurance Commission (OIC) may once more push the idea of a personal-income-tax deduction for health insurance, as this could enhance the non-life insurance market while also helping reduce the government's healthcare costs. At present, only two types of life insurance provide a personal-income-tax deduction: regular life insurance, for which the policyholder can deduct for premiums up to Bt100,000 per year, and pension life insurance, with a deduction for premiums up to Bt200,000 per year.

The OIC has floated the idea of a tax deduction for health insurance to previous governments, but to no avail. Amnart Wongpinitwarodom, assistant secretary-general of the OIC, said the tax deduction would encourage consumers to buy this protection, boosting the sales of non-life insurance. Most non-life insurance policies are for automotive coverage, and sales of motor insurance in the first half of this year grew by only 0.89 per cent, mainly because of a drop in domestic car sales. Meanwhile life insurance tends to witness healthy sales in the fourth quarter as consumers buy policies in order to enjoy a tax deduction.

5. Siamgas mulls Myanmar move, eyes LPG storage

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

SET-listed Siamgas and Petrochemicals Plc (SGP), Thailand's second-largest cooking gas trader, will soon enter Myanmar as part of plans to take more advantage of international opportunities. *"In the second half of this year, we'll focus on expanding in new and existing markets to support revenue growth,"* deputy managing director Jintana Kingkaew said.

A company feasibility study into liquefied petroleum gas (LPG) storage in Myanmar showed should 1,000 to 2,000 tonnes would be possible. Ms Jintana said a facility would cost an estimated 100 million baht, but in the initial stage the company would start with exports to the country. Talks are ongoing with a few potential partners in Myanmar, where monthly sales of 3,000 to 4,000 tonnes are anticipated.

By Harsha Hazarika