

## Daily Thai News Updates: 21 September 2017

### 1. Prayut orders creation of R&D office

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

Prime Minister Prayut Chan-o-cha has ordered a national research and innovation office be established within the next three months to exclusively handle the country's R&D. Deputy Prime Minister Prajin Juntong said the premier made the request at the National Research Council of Thailand's (NRCT) meeting yesterday, with the new office supervised initially by the Prime Minister's Office under the direct supervision of the prime minister himself, before being upgraded later to a public organisation. Three existing agencies -- the NRCT, the National Science and Technology and Innovation Policy Office, and the Thailand Research Fund -- are to be unified into the new office, said ACM Prajin. "R&D plays a very important role in national development, covering not only the economy but also social and security issues. A specific office to supervise and drive R&D should be established as soon as possible", he said...In a related development, the meeting yesterday approved two draft bills to enhance investment in R&D. One is for national research and innovation and the other is for promotion of R&D for commercial purposes and funding.

### 2. Prayut finalising plans ahead of Trump meeting

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

Prime Minister Gen Prayut Chan-o-cha on Wednesday held a meeting in preparation for his visit to the White House early next month at the invitation of United States President Donald Trump. An informed source speaking on condition of anonymity said Prayut ordered the Foreign Ministry to finish assembling detailed information by next week ready for his discussion with the president. He and Trump are expected to discuss security, trade, intellectual property rights, industrial investment in Thailand's Eastern Economic Corridor and the issue of illegal, unreported and unregulated fishing, the source said. Prayut will be accompanied to Washington by a large delegation. His economy team alone will consist of Somkid, Industry Minister Uttama Savanayana, Commerce Minister Apiradi Tantraporn, Science and Technology Minister Atchaka

Sibunruang, Digital Economy and Society Minister Pichet Durongkaveroj and Board of Investment secretary general Hirunya Suchinai.

### **3. Regional ministers agree on better food safety**

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

Food Industry Asia (FIA) has pledged to support the six countries in the Greater Mekong Subregion (GMS) in building capacity and strengthening food safety systems across the region. Representing the private sector, FIA will bring together governments, policymakers and industry leaders through high-level dialogue to drive the food safety agenda...The GMS comprises the Kingdom of Cambodia; People's Republic of China, specifically Yunnan province and the Guangxi Zhuang Autonomous Region; Lao People's Democratic Republic; Republic of the Union of Myanmar; Kingdom of Thailand; and the Socialist Republic of Vietnam.

### **4. Muddled trade policies hold back the country, researchers say**

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

Researchers have criticised the government for a lack of free-trade strategies and poorly organised trade institutions that are handicapping the country in international trade. "Due to a lack of effective trade strategies, we don't know what are our priorities are and we want from free-trade negotiations," said Suphat Suphachalasai, head of a research team that released a study titled "The development of institutional mechanism to support Thailand's obligations according to international trade and investment agreements". The study was funded by the International Institute for Trade and Development...The study also found that different state agencies have different objectives and there is lack of leadership concerning which agency would have the final say. The FTA utilisation rate is also low partly because inefficient of information dissemination "FTAs (free trade agreements) information provided by the website of the Commerce Ministry is very complicated, and small businesses would not understand it," Suphat said.

### **5. August exports jump 13.2% y-o-y**

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

Customs-cleared annual exports rose for a sixth straight month in August, far better than expected and the fastest growth in 55 months, as demand from major markets increased. Exports, a key driver of Thailand's growth, climbed 13.2% in August from a year earlier after July's 10.5%

rise, commerce ministry data showed on Thursday. A Reuters poll expected an annual rise of 4.93% in August. In January-August, exports grew 8.9% from a year earlier, while imports rose 15.4%, Commerce Minister Apiradi Tantraporn said. Exports have recovered this year, but are under pressure from a strong baht, which has appreciated by 8% against the US dollar this year, the biggest gain in Asian currencies...Thailand had a trade surplus of US\$2.09 billion in August, compared with a poll forecast of a \$520 million surplus. Many of the materials imported are assembled into completed goods and shipped out again.

#### **6. Somchai advises tailored policies**

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

The country's economic policies in the near future must be tailor-made for each province and industry, allowing policymakers to use appropriate problem solving measures, says permanent secretary for finance Somchai Sujjapongse. The adoption of a more specific approach will help policymakers better deal with problems, he said. For example, the Industry Ministry may take action if Lampang province, a ceramics factory hub, has production problems, said Mr Somchai. Thailand's economy grew at the fastest pace in more than four years in the second quarter, posting 3.7% growth year-on-year after expanding 3.3% in the first quarter, supported by strong exports, tourism and massive state investment. But the recovery is not yet considered to be broad-based due to tepid private investment and consumption. In the first half the economy grew by 3.5% year-on-year, prompting the National Economic and Social Development Board in August to raise its 2017 economic growth forecast range to 3.5-4% from 3.3-3.8% projected in May. With robust export growth, the Bank of Thailand increased its full-year economic growth forecast slightly to 3.5% in July from 3.4%, while the Fiscal Policy Office forecast GDP growth of 3.6%.

#### **7. PTT rethinks five-year plan to suit government policy**

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

PTT Plc, the oil and gas conglomerate, is revising its five-year capital expenditure plan for the entire group to align with the government's economic measures, particularly the emphasis on S-curve industries and the rise of the Eastern Economic Corridor (EEC). Sriwan Eamrunroj, senior executive vice-president for corporate strategy, said the capex revision will complement the government's policy to generate high economic growth over the next decade...Mrs Sriwan said

new global trends such as energy storage, electric vehicles, renewable energy, smart cities and ageing societies will be taken into account in the company's capex revision. The power business arm, Global Power Synergy Plc, has diversified by investing in a new factory for lithium ion batteries worth 1 billion baht in the EEC area. The capex revision also covers the budget for corporate social responsibility, aiming to add more value to CSR projects.