

Daily Thai News Updates: 5 June 2017

1. Japanese firms interested in EEC but need clearer incentives

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

Japanese corporations are interested in investing in the Eastern Economic Corridor (EEC) scheme, but they need more incentives for public-private partnerships to develop infrastructure there. They also urge the government to clarify the policies and measures to push this project, according to the Japan External Trade Organisation's Bangkok office. Hiroki Mitsumata, president of Jetro Bangkok, told a press conference yesterday that of the 28 Japanese respondents to a survey Jetro carried out from April 26 to May 3, 24 firms have already made some moves into the EEC area. Ten of them also plan to expand in the EEC when the government starts pushing investment in the zone. The rest have not yet invested in this zone, but could do so if the government sets out a clear incentive policy, he said. The corporate-income-tax privileges the government has approved will entice Japanese companies to invest in the EEC, but many of them are still concerned about the logistics system in the area...Japanese investors are also keen on bidding for contracts to build infrastructure projects in the EEC under public-private partnerships, but they need more incentives.

2. Govt eyes on border trade with Myanmar

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

Mae Sot-Myawaddy border showcases 'Stronger Together' policy. The Thai government is promoting the Mae Sot-Myawaddy development model as a border-trade opportunity for the Thai private sector that could be extended to other neighbouring countries besides Myanmar. Commerce Minister Apiradi Tantraporn said many Thai companies were supportive of the government's policy to promote border trade and investment growth under the "Stronger Together" policy. "Enterprises are showing high interest in trading and investing by way of the Mae Sot-Myawaddy crossing, and the Thai government has made this a pilot project for expanding border trade with neighbouring countries," she said. Apiradi said the Mae Sot-Myawaddy check point was the most important border crossing between Thailand and Myanmar. This status prompted its selection as a business model for the promotion of trade at other crossings. In recognition of this, a bilateral

trade promotion titled “Stronger Together” opened in Mae Sot, Tak province, in March for the first time. “Stronger Together” events will be organised at other border areas. The government is developing an airport in Mae Sot, which is expected to be completed in two to five years, while the electricity supply will also increase to 200 kilowatts in five years, so that industrial plants planned for the area will be assured of adequate electrical power.

3. Expert urge focus on biomedical

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

Thai medical and health sectors have unique capabilities to tap technologies and product commercialisation as part of the successful Thailand 4.0 vision, said a group of medical experts at The Nation roundtable. They welcomed the government’s inclusion of the medical and health sectors under the Eastern Economic Corridor and Thailand 4.0 but noted a further holistic approach on development was still required to put the “house in order”. Associate Prof Manop Pithukpakorn, Division of Medial Genetics, Department of Medicine, Mahidol University, said Thailand already has worldclass doctors and researchers produced by local medical schools. “If we can produce the complete research on biomedical, it will be more useful. Currently, we separately conduct the research without the same [national] direction. Research needs collaboration and interdiscipline among different sectors – not only medical but also engineering,” said Manop. Wasun Chantratita, head of Virology Laboratory and head of the Center for Medical Genomics, Department of Pathology, Faculty of Medicine Ramathibodi Hospital, said the government would need to bring together all stakeholders to determine which areas of biomedical research should be focused on and funded. Clinical trial is one of the areas with the highest potential for the Thai biomedical industry. Clinical trial is a research study that explores whether a medical strategy, treatment, or device is safe and effective for humans. These studies also may show which medical approaches work best for certain illnesses or groups of people...Suparerk Borwornpinyo, chief operating officer, Excellent Center for Drug Discovery, Faculty of Science, Mahidol University, said Thai medicinal plants can become a biomedical winner for the country if the production and manufacturing are improved. The challenge is how to leverage the production quality and to standardise the manufacturing of Thai medicinal plants to become precision medicines suitable for supply to the global market.

4. Regional cooperation ‘key’ to Mekong projects

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

As nations in the Greater Mekong Subregion suffer a rise in water shortages and salinity intrusion, governments need to cooperate in order to safeguard the livelihood of residents in the river basin and their diverse cultures, speakers at an international workshop in Vietnam’s Mekong Delta said last week. Ha Thanh Toan, rector of Can Tho University in southern Vietnam, said mutual understanding and the sharing of information among the countries along the Mekong River was critical to reducing potential impacts caused by climate change. “Political will and mitigation measures need to be built within the countries sharing the Mekong River,” he said. “Some hydropower projects have been planned despite growing concern from the community. State leaders in upstream countries need to take the interest of those in downstream regions into consideration. Those projects may cause impacts on water security in the region.” Toan said more than 10 million people in the Mekong Delta were now worried about their livelihoods due to a decline in farming and fishing...Thanapon Piman of the Stockholm Environmental Institute in Thailand discussed key pressures on the river. He considered excessive use of water, increasing wastewater from agriculture on adjacent land and agrofactories and land degradation as the main issues that need to urgently be addressed. Agriculture was important for economic growth, poverty reduction and food security in GMS countries, as it provided livelihoods for more than 70 per cent of people in the Mekong basin, Thanapon said. The Mekong basin is called as the “rice bowl of Asia” as lower Mekong nations usually produce 15 per cent of the world’s rice production. Other important export crops include cassava, corn, sugarcane, soybeans, coffee, rubber and fruit. According to Thanapon, many farmers in the region have switched from growing rice to producing crops, shifting from traditional subsistence farming to modern commercial practices. That also meant a rise in agrochemical use and mechanisation.

5. AI at 4.0 forefront

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

Artificial Intelligence (AI) in Thailand is moving forward at full stream thanks to the development of smart algorithms that can replicate, assists and enhance human tasks in predictable and automatic ways. Jarit Sidhu, research manager at IDC Asia Pacific, a leading global research

firm, says: “Thailand is moving forward at right pace to integrate emerging technologies like AI into business and daily life.” There are two types of AI: applied and general. Applied AI systems are designed for particular areas like trading or autonomous cars. General artificial intelligence systems, such as IBM's Watson, on the other hand, are engineered to mirror human capacities and can potentially handle any task. The Watson platform is now powered by 30 underlying cognitive technologies, including natural language processing, machine learning and deep learning. These capabilities are designed to solve a wide range of practical problems, boost productivity and foster new discoveries across many industries, says Kittipong Asawapichayon, country manager for the software group of IBM Thailand. He says cognitive technology like Watson will enhance professionals' expertise and support decision-making by finding the most relevant and accurate information millions of times faster than its human counterpart. IBM is working with governments, corporations and startups to infuse Watson into areas including customer engagement, fraud protection, cybersecurity, knowledge driven expertise, operations and business processes, healthcare, retail, banking, insurance and telecommunications.

6. Govt allocates Bt 2.5 bn for universities' research projects

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

The Government has set aside Bt2.5 billion of this fiscal year's Bt190-billion additional budget to help 27 universities extend their research projects with commercial purposes as a way to promote the “Thailand 4.0” policy. The first batch of Bt1.5 billion will be equally allocated to five university groups for establishment of their innovation centres. Each will have Bt300 million to proceed with five categories of research projects for commercial purposes. These categories are food and agriculture, ageing society, smart cities, energy, and creative economy. The remaining Bt1 billion will be used for two technological development programmes. Half of the Bt1 billion amount will be granted to Kasetsart University to conduct research on biotechnology, and the other half to Mahidol University for biomedical engineering research. “Under the Thailand 4.0 policy, the government has set aside a Bt2.5-billion additional budget for five university groups, totalling 27 universities. This will be an incentive for universities to collaborate instead of competing as in the past,” said Suvit Maesincee, minister attached to the Prime Minister's Office. If these efforts have satisfactory results, they will get more funding next year, he said, noting about 90 per cent of Thailand's research projects are in universities.

7. Thailand advised to take proactive cyberlaw stance

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

Thailand needs to establish cybersecurity and data protection laws in order to tackle the surge in more sophisticated cyberattacks, says DelleEMC, a leading information management firm. Most countries have already endorsed privacy protection laws, but Thailand has yet to do so, said P K Gupta, global presales leader for data protection solutions for DelleEMC. He suggested laws that balance data protection for citizens and flexibility for businesses, However, he added: "The growth of cybercrime worldwide has encouraged the country to initiate a national cybersecurity agency to tackle the the incidents that impact organisations." WannaCry, a recent ransomware attack on computers in 150 countries within a short period, is an example of the looming possibilities of serious cybersecurity crime. Statistics say every second, 19 personal identity or details are stolen online globally, with 1.5 million records exposed in 2015. There are over 1 million daily cyberattacks, and almost 500 new malware threats every minute...Thailand also needs to consider implementing a national data recovery system, a backup system that supports data most critical for the country, separate from the data protection system, which countries like India and Australia have invested in, said Mr Gupta. Australia has appointed a cybersecurity ambassador to streamline cybercrime cooperation with other countries. Mr Gupta also suggested that Thailand set up rules for cross-border data transfer.

8. Thai Alloy doubling wheel output with new plant

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

Thai Alloy Manufacturing, a privately-owned alloy wheel maker, has invested 1 billion baht to build a production plant in Chon Buri to meet growing demand from both local and overseas markets. According to managing director Ken Chuang, the new plant is scheduled to start production in late 2017 with an annual capacity of 600,000 alloy wheels. He said the company has secured purchase orders from overseas buyers, notably from European countries...The new facility in Chon Buri will have a state-of-the-art production line with fully automated machinery. According to Mr Chuang, the new factory can double production capacity to 1.2 million wheels, if everything goes according to plan...The company exports to over 20 countries, including Europe, North America, South Africa and Asia. Around 70% of total production is

exported, with the remainder sold domestically. According to Mr Chuang, Thai Alloy Manufacturing sold 600,000 alloy wheels in 2016, unchanged from a year before.

9. CPF in hunt for more global deals

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

Charoen Pokphand Foods Plc (CPF), the SET-listed subsidiary of agribusiness giant Charoen Pokphand Group, remains active in scouting for more merger and acquisition opportunities this year, focusing notably on markets with relatively large populations and hefty barriers, in order to stimulate its business growth. According to Adirek Sripratak, the newly appointed executive committee chairman, given the company's vast overseas operations and integrated agri-industrial and food business, CPF could manage organic growth averaging 8-10% a year. "But to fuel the company's revenue growth to exceed that rate, we need M&A deals," said Mr Adirek, now 71. "I've just arrived from Japan and is scheduled to fly again to Sri Lanka, Bangalore and Hyderabad to scout for new investment and M&A opportunities." Acting as CPF's president and chief executive from 2003 to March this year, Mr Adirek was instrumental in expanding the global footprint of the company, which aspires to be a kitchen to the world. CPF has branched out to 16 countries, including Vietnam, the Philippines, Malaysia, China, India, Russia and Turkey.

10. TAT, airlines work to lure Middle East

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

Major airlines in the Middle East are ready to offer attractive deals to draw more tourists to Thailand from October this year after signing agreements with the Tourism Authority of Thailand (TAT). The TAT is teaming up with United Arab Emirates carriers Etihad, Emirates and Fly Dubai, and Qatar Airways to boost the arrival numbers from the Middle East by 13-15% this year, up from 585,633 last year, which had 10% growth. TAT began working with Qatar in 2015 as part of its global partnership to increase international tourists. The agency also sealed an agreement with Taiwan's EVA Air, and Singapore Airlines, and is talking with carriers in Japan and South Korea in efforts to strengthen inbound tourism. Tanes Petsuwan, deputy governor for international marketing for Europe, Africa, the Middle East and the Americas, last week met executives from Emirates and Etihad, asking them to add Thailand in their marketing plans.