

## Thai News Update: 26 June 2018

### **1. Border Commerce Continues To Boom**

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

Thailand's border trade is expected to flourish this year, thanks to the government's continuous promotion activities and growing demand for Thai products among neighbouring countries. Adul Chotinisakorn, director-general of the Foreign Trade Department, said the department projected Thailand's total border trade, including transit trade, to grow 15% this year to 1.5 trillion baht from 1.32 trillion baht. Transit trade is business connected with the passage of goods through a country to their destination. Malaysia was the biggest trade partner for border trade, controlling 50.3% of the total, followed by Laos, which accounted for 19.6%, Myanmar 17.5%, and Cambodia 12.7%. Thailand's border trade has grown between 10-14% a year over the last five years. For the first five months of this year, the Foreign Trade Department reported border trade including transit trade remained strong, with growth of 6.4% year-on-year to 564 billion baht, 320 billion of which was from exports, down 1.53%.

### **2. Airport Rail Link Ch Karnchang, Chinese Firm Join The Fray**

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

Ch Karnchang Plc and China Railway Construction and Corporation have bought the bidding documents for the high-speed train project to link three international airports -Don Muang, Suvarnbhumi, and U-Tapao from the State Railway of Thailand on June 24. 12 private firms, including foreign entities, have now bought the term of reference documents for the bidding, the State Railway of Thailand reported on June 24. The companies are: BTS Group Holdings Plc, Charoen Pokphand Holdings Co Ltd, Italian-Thai Development Plc, Unique Engineering and Construction Plc, Energy Complex Co Ltd, Itochu Corporation Co Ltd, Sino Hydro Corporation Ltd, Sino-Thai Engineering and Construction Plc, Bangkok Expressway and Metro Plc, Fujita Corporation (Thailand) Ltd, China Railway Construction Corporation Co Ltd, and Ch Karnchang Plc.

### **3. Businesses Step Up Pace Of Overseas Investments**

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

THAI businesses have been ploughing investments into Asean countries as part of a broader overseas push to reduce production costs, the Board of Investment said. Chokedee Kaewsang, deputy secretary-general of the BOI, said that of the total overseas investment by Thai business operators, about 50 per cent have been in the Asean region. Vietnam is the top choice, followed by Myanmar and Cambodia. Outside the region, Bangladesh is a popular investment destination for Thai companies, which are drawn to its large market, low wages and its gateway role for South Asia. In Africa, Thai investors like Kenya, Nigeria, South Africa and Sudan. “Among Asean countries, Thailand comes third in overseas investment after Singapore and Malaysia,” Chokedee said. The main reason for Thai investment overseas was to reduce production costs in wages and raw materials, while expanding markets. Thai investors, mostly large companies, have invested in the Europe and the United States to secure technologies.

### **4. Thai Smes Can Cash In On China’s Vast Online Market**

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

Experts play down the looming trade war with the united states and risk of high deb China offers great opportunities to Thai small and medium-sized enterprises (SMEs) who want to sell their products via the world’s largest online shopping platform, experts said. Those who have visited China several times during the past decade would have been left wondering at the scale and volume of the ongoing construction projects ranging from condominium buildings to mass transit system. Thais, with the benefit of hindsight, are reminded of the Asian financial crisis of 1997 when a similar construction boom in Bangkok blew up after the Thai economic meltdown triggered a regional crisis. Chinese authorities often explain that the new residential units would be absorbed by the high demand due to rapid urbanisation while the high speed rail between provinces and the mass transit system in big cities are a necessity to ease traffic jams. The ambitious infrastructure projects go beyond China’s border, or along the Belt and Road Initiative which involves about 60 countries. China has offered loans to many countries, including Laos, Cambodia and Pakistan to finance high-speed rail, seaports and roads.

## **5. DTAC Makes About-Face On Auction**

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

After rejecting the national telecom regulator's initial conditions, Total Access Communication (DTAC)'s chief executive has finally committed to entering the 850-megahertz spectrum auction next month after submitting an officially signed letter to the regulator on June 25, says an NBTC commissioner. The latest move came after Lars Norling and his team met the secretary-general of the National Broadcasting and Telecommunications Commission (NBTC) on June 22 for an informal discussion regarding the regulator's new conditions for the planned 850MHz and 1800MHz auctions. DTAC June 25 submitted an official letter to the regulator regarding the announced auction of the 850MHz spectrum. The NBTC is keeping the reserve price of both spectra based on the winning price for the previous auctions for the 1800MHz and 900MHz spectra in 2015. The letter submitted by DTAC June 25 did not express opposition to the reserve price, although the company said it is still expensive. The source said the latest move by DTAC was sparked by the NBTC's decision to scrap the existing remedy period planned to mitigate the impact of DTAC's concession expiry, meaning DTAC's 470,000 mobile users on the 1800MHz and 850MHz concessions would have to transfer to other networks before the Sept 15 expiry date.