Thai News Update: 6 March 2018

1. Prayut Charts Course to Beat EU's Import Ban Source: Bangkok Post (Link)

Prime Minister Prayut Chan-o-cha asked the public to be patient as the government seeks to do away with Illegal, Unreported and Unregulated (IUU) fishing. During one of the premier's mobile cabinet meetings on March 5 in Samut Sakorn province, home to a huge fishing industry dominated by migrant workers, he visited the Labour Rights Promotion Network (LPN), the Thai Union Frozen Co and the Fish Marketing Organisation in the morning before heading to Petchaburi for the scheduled cabinet talks on March 6. He said cleaning up the industry was crucial for the nation's economic growth as the European Union has threatened to ban imports of marine products from Thailand unless it sees improvement. The government has tried to separate the two issues of illegal fishing and illegal labour but the EU wants to bind them together in the interests of greater efficiency as time is of the essence. In 2015, the EU threatened a full ban on seafood imports unless concrete steps were taken.

2. 11 Pacific Trade Pact Countries go it Alone Without US Source: Bangkok Post (<u>Link</u>)

A year after an abrupt US withdrawal left a fledgling 12-nation Pacific trade pact for dead, the 11 remaining states will sign a re-vamped deal Thursday aimed at slashing tariffs. The agreement -- rebranded as the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) has been championed as an antidote to growing US protectionism under President Donald Trump. "We are not going to be derailed by Trump's decision" to withdraw the US, said Felipe Lopeandia, Chile's top trade negotiator, ahead of the ratification ceremony in Santiago. After years of negotiations, the original deal -the Trans-Pacific Partnership, or TPP was signed in February 2016 by 12 countries that border the Pacific Ocean. But it fell victim to Trump's "America First" policy, when he removed the pact's major linchpin before the deal could get under way. Coming in the same week that Trump risked a trade war over his decision to introduce tariffs on imported steel and aluminum, the deal is seen by some members as striking a blow against protectionism. The pact will come into force 60 days after it is fully ratified by six of the 11 members.

3. Thailand Threatens to Block Global E-Commerce Websites Source: The Nation (Link)

The Revenue Department has threatened to block giant foreign e-commerce websites if they do not pay VAT taxes. Director general Prasong Poonthanet said on Tuesday the department would this month submit a tax bill covering e-commerce to Finance Minister Apisak Tantivorawong for endorsement before it goes to Cabinet for approval. If the draft law is approved, it will be forwarded to the National Legislative Assembly for debate. Prasong said the department wanted to impose a 7-per-cent value-added tax on goods sold to Thai consumers. The department would seek collaboration from the Digital Economy and Society Ministry in encouraging foreign e-commerce operators to participate in the tax collection system, he said. His comment signalled that Thailand is prepared to block foreign e-commerce websites if they do not pay taxes.

4. Genesis Applies AI to Education Source: Bangkok Post (Link)

Education is the latest area with the potential to gain from artificial intelligence (AI), and Genesis MediaCom, a provider of education management solutions, has been testing an AI system for launch next month. The company's education team has been working and experimenting with an AI system called "Edbot" and is in the process of testing it before being introduced to users in April. "A lot of Thais are engaged with social media," said founder and chief executive Witaya Mitsattha. "There are 40 million Line users and 47 million Facebook users here, so we want to make use of social platforms for education". Edbot was developed to serve children seeking answers to questions across various areas of study. The company has developed four core systems to serve digital education, covering school and university resource management, learning and collaboration. Genesis MediaCom pioneered the licensing business model for the multimedia and gaming industry in Thailand in 1996.

5. French Investors Wary Over Fair Play on Projects Source: The Nation (Link)

French companies are keen on a share of the action from the proposed massive investments to upgrade Thailand's rail system, but have voiced concerns over whether they will have a level playing field to compete for business. François Corbin, chairman of the France-Thailand Business

Council, is leading a delegation of representatives of 18 French companies engaged in the railway value chain to seek out business and investment opportunities in Thailand. Pablo Romero, business development director of Transdev Asia, in response to a question on investors' views about the public-private partnership (PPP) plans for big infrastructure projects in Thailand, said: "For me, what is very important is to create a level playing field between incumbent players and foreign players, or players outside the market. This is needed to allow them to enter the market." Drawing a comparison between PPP projects in Singapore and Thailand, Romero said the Singapore government gives more weight to the quality of investment while the Thai government focuses more on price.