

Thai News Update: 7 June 2018

1. Foreign Ambassadors Briefed On EEC Plans

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

The Industrial Estate Authority of Thailand (IEAT), Ministry of Foreign Affairs and Board of Investment of Thailand (BOI) Office of the Board of Eastern Special Development Zone Policy gave a presentation on the Eastern Economic Corridor project to 300 ambassadors and consuls on June 7. The objective was to “create perception and trust” among the foreign envoys, investors and entrepreneurs, an IEAT official said. The IEAT promoted the potential and opportunities to add value to Map Ta Phut Industrial Port Phase III, private-sector investment in which is to be announced at the end of June. It’s also touting the Smart Park Industrial Estate Project, which has already attracted private-sector investments worth more than Bt10 billion. IEAT acting governor Attapon Jirawatjanya said his agency was seeking investments in 21 industrial estates in the EEC, which has been designated as an industrial promotion zone.

2. Private Solar Power Buying Gets Go-Ahead

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

Energy policymakers gave the green light to start buying solar power generated from private buildings and households once again after postponing the programme for more than four years. Private buildings and households that are accepted by the programme will sell surplus solar power to the state's utilities. Energy Minister Siri Jirapongphan said the Department of Alternative Energy Development and Efficiency is carrying out studies to outline the investment conditions, which are expected to be concluded this year. He said there is no solid time frame yet because details such as business model, investment budget, power tariff, net metering system, supporting region and capacity from each building are still under development. The policymaker expects to see a decline in heavy dependence on fossil-based power in the long run. Fossil fuels make up 85% of national power. Banpu Infinergy is also set to achieve 300MW of capacity from solar energy to serve future demand in accordance with the Energy Ministry's Alternative Energy Development Plan.

3. WB Raises Thai Growth Forecast To 4.1 Per Cent

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

The World Bank (WB) has revised up Thailand's economy growth this year to 4.1 per cent from its previous estimate of 3.6 per cent given the country's robust performance. The bank has also revised up its forecast of Thailand's economy in the year 2019 and 2020 to 3.8 per cent for both years, up from its previous estimate of 3.5 per cent and 3.4 per cent respectively. Meanwhile, the World Bank forecasts global economic growth will remain robust at 3.1 per cent in 2018 before slowing gradually over the next two years as advanced-economy growth decelerates and the recovery in major commodity-exporting emerging market and developing economies levels off. "If it can be sustained, the robust economic growth that we have seen this year could help lift millions out of poverty, particularly in the fast-growing economies of South Asia," World Bank group president Jim Yong Kim said. "But growth alone won't be enough to address pockets of extreme poverty in other parts of the world. Policymakers need to focus on ways to support growth over the longer run by boosting productivity and labour force participation in order to accelerate progress toward ending poverty and boosting shared prosperity." Activity in advanced economies is expected to grow 2.2 per cent in 2018 before easing to a 2 per cent rate of expansion next year, as central banks gradually remove monetary stimulus, the June 2018 Global Economic Prospects says.

4. Marketing Begins For Junta's 20-Year National Strategy

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

The junta's controversial 20-year national strategy is all but ready for the National Legislative Assembly (NLA) to debate and the government will give priority to implementing projects that raise people's incomes, Kobsak Pootrakool, the Minister of the Prime Minister's Office, said on June 7. The government has finished the draft of the legislation for the national strategy which will be binding on future governments and will shortly send it to the NLA for debate, Kobsak said while promoting the plan to the public at CentralWorld, a shopping complex in Bangkok. The government regards the 20-year strategy as a key plank of its series of reforms and the bill is set to be rubber-stamped by the NLA. The long-term strategy covers 11 areas ranging from national security to the economy in the fourth round of reforms initiated by the government, according to

Kobsak. “It is designed to solve the issue of inconsistency of government policies as new governments often cancel the policies of previous government and initiate new projects and each government has an average of two years in office,” he said. To promote businesses, the government had changed many laws and regulations and lately the government efforts have resulted in an upgraded ranking on the World Bank’s index for ease of doing business. The country moved up 20 places to 26th on the closely watched measure.

5. Bot Offers Relief From SME Loan Rule

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

Although the Bank of Thailand will stick to its Jan 1, 2019 deadline of requiring banks to use financial accounts submitted by small and medium-sized enterprises (SMEs) to the Revenue Department for loan approval, the central bank is offering a three year grace period for full compliance. After several discussions with the Thai Bankers' Association about the potential harm to SMEs from the new regulation, the central bank will allow three years to adopt a single financial account, said Kasikornbank executive vice-president Surat Leelataviwat. The regulator realises the effects on SMEs and concerns about their loan accessibility, he said, adding that banks will help SME customers to gradually enter the tax system, improve their business operations and strengthen competitiveness. Under the single financial account, the Bank of Thailand requires banks to give greater consideration to financial statements submitted to the Revenue Department when considering SME loans.

6. Huawei Sets US\$81m For ASEAN Drive

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

China's Huawei Technologies has earmarked US\$81 million (2.58 billion baht) for investment over three years in ASEAN. The company signed a three-year memorandum of understanding (MoU) with the National Innovation Agency (NIA) and National Science and Technology Development Agency (NSTDA) to stimulate innovation in Thailand through the development of deep technologies and startups. Investment in Southeast Asia will cover OpenLab, enabling cloud developers and cultivating ICT talents in the region, deputy president Joe Kelly said June 6 at "Huawei Asia-Pacific Innovation Day". The MoU will cover five areas: building deep technology

startups, building a digital insight platform, developing the startup ecosystem via Thailand as Startup Nation, becoming a global startup industry and creating STEAM (science, technologies, engineering, art and maths) curriculum, as well as human capital. Bangkok ranked as the No.1 startup destination regionally and seventh worldwide, according to a NIA study conducted among Thais.