

## Daily Thai News Updates: 19 April 2017

### 1. Thailand reaches top 20 ranking for FDI interest

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

Thailand jumped two places to 19th in A.T. Kearney's Foreign Direct Investment (FDI) Confidence Index for 2017, with investors turning bullish on Asia-Pacific. Although FDI inflows to Thailand fell in 2016, applications for foreign investment tripled in value year-on-year in the first eight months of 2016. That, along with investor's optimism and continued interest in Thailand, as well as various government projects and initiatives, suggests FDI in the country will pick up again. The index indicated investors continue to look at Asia-Pacific as a key driver of growth. Five countries from the region feature in the top 10 rankings this year, highlighting the confidence global business leaders have in the region. China ranks third, Japan retained sixth, India was eighth, Australia ninth and Singapore was 10th for a second year running. The US topped the index for the fifth year in a row. Germany jumped two spots to second with China moving down one position to third Britain and China made up the rest of the top five.

### 2. Agencies vow partnership to fight scams

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

State agencies have pledged to tighten inspections on companies that pose fraud risk, aiming to prevent incidents such as the fake Japanese tour scams. According to Deputy Commerce Minister Sontirat Sontijirawong, the way to tackle and prevent problems is cooperation and closer partnerships among related state agencies. "Information connectivity is desperately needed to trace down the companies information, nature of their business, corporate name changes, and the shortlist of companies suspected of cheating people, particularly n businesses that draw relatively high complaints such as direct selling and tourism," he said. Mr Sontirat said direct selling has blossomed because of the economic slowdown. In a move to prevent future tour scams, the Commerce Ministry through the Business Development Department yesterday met 13 related state agencies, including the National Police Office, the Tourism Department, the Provincial Administration Department, the Department of Special Investigation, and the Office of the Consumer Protection Board, and the Lands Department to discuss preventive and protective measures against all types of unscrupulous businesses which tend to cheat or run Ponzi

schemes. According to Mr Sontirat, it is difficult to inspect such companies, as the inspection process involve many state units.

### **3. World Bank keeps wary outlook**

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

The country's underlying productivity challenges are expected to cap Thai economic growth at a mere 3.4% in 2019, the World Bank says. The Washington-based lender is maintaining its forecasts for Thai GDP growth of 3.2% this year and 3.3% in 2018, with the rate rising a bit to 3.4% in 2019, according to the World Bank in its East Asia and Pacific Economic Update for April. "Similar trends are expected to continue in outer years; however, underlying productivity challenges will cap growth at 3.4%, even in 2019," the report said. The World Bank's estimates are still well below the full growth potential of Southeast Asia's second-largest economy at 4-5%, and the multinational lender's prediction for Thai economic growth this year is lower than the Bank of Thailand's and the Finance Ministry's growth projections of 3.4% and 3.6%, respectively. The Thai government has offered a series of tax incentives and scaled up public investment to crowd in private investment, aiming to lift the country's growth to its full potential after sub-par showings since 2013.

### **4. Prayut to invite Mideast investments in EEC during visit to Bahrain**

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

Prime Minister Prayut Chan-o-cha will invite Middle Eastern interests to invest in the Eastern Economic Corridor (EEC) during his visit to that country from April 24 to 26 to discuss possible expansion of investment and trade between the two nations. The Cabinet on Tuesday endorsed a joint statement by Thailand and Bahrain, which said in part that the latter would acknowledge the development of the EEC and would support the use of Thailand as a gateway for investment in Asean. Thailand will also support Bahrain's "Vision 2030" economic policy. The two countries will also sign memoranda of understanding on collaboration in four areas, one of which is between Thailand's Agriculture and Cooperatives Ministry and its Bahraini counterpart. The Cabinet also endorsed a third meeting of a subcommittee on trade and economic collaboration between Thailand and Russia, which will be held in Bangkok this Thursday and Friday.

## **5. Steel makers urge railway acceleration**

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

Steel producers are urging the government to accelerate its double-track railway and the high-speed train projects to help boost the industry and eventually the general business sector. Vikrom Wacharkrup, chairman of the Thailand Iron and Steel Industry Club under the Federation of Thai Industries, said the steel producers are expecting construction of the projects to massively drive demand for the commodity this year, pushing the economic recovery that began last year. "The government has announced the double-track railway and the high-speed train projects to link the Eastern Economic Corridor (EEC) to other countries, which would help drive economic growth. But we have not yet seen any investment in these projects," he said. Not only the rail projects, but also any construction activities in the EEC would result in a rise in steel demand, supporting the sector Mr Vikrom said.

## **6. Artificial intelligence to play big role in global economy**

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

Artificial intelligence (AI) is set to provide a significant boost for the global economy as it lays the foundation for accelerated innovation throughout the coming decade and beyond, according to consulting firm PwC Thailand. PricewaterhouseCoopers expects the arrival of AI to transform the way businesses think about their hiring strategies and training plans. As companies tap into the Internet of Things (IoT), they need to embrace AI technology to "enable 'smart machines' to simulate intelligent behaviour and make well-informed decisions with little or no human intervention", says a recent PwC report called "Leveraging the Upcoming Disruptions from AI and IoT". The report said: "Over the coming years, ongoing advances in AI will have profound impacts on jobs, skills and HR [human resource] strategies in virtually every industry." Vilaiporn Taweelappontong, lead partner for PwC Thailand's consulting practice, said businesses needed to learn how to derive value from both of these technologies or risk losing to their competition for years to come. "Today's organisations must have a strategic plan to integrate AI into the IoT networks in order to realise their full potential to drive success," she said.