

Daily Thai News Updates: 1 May 2017

1. Chachoengsao to get smart city revamp for EEC labour influx

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

Chachoengsao province is slated for a residential area and smart city ramp-up to accommodate people who work in the government's ambitious Eastern Economic Corridor (EEC). Porametee Vimolsiri, secretary-general of the National Economic and Social Development Board, said Chachoengsao has potential to be developed as a smart city thanks to its proximity to Bangkok. The Eastern Economic Policy Committee, chaired by Prime Minister Prayut Chan-ocha, on April 5 approved the development of residential areas in Chachoengsao to accommodate people working in the EEC, which covers a combined 30,000 rai of plots in Chon Buri, Rayong and Chachoengsao. The EEC is an enhancement of the Eastern Seaboard, the region's powerhouse for manufacturing and trade, notably for petrochemicals, automobiles and energy. It has been well-known among foreign investors for over 30 years.

2. Foreign investors eye Thailand as stability improves

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

It's hard to define a country's economic prospects in a single word. However, in the case of Thailand, it really has boiled down to that. Over the past few years the word most often associated with the word most often associated with the country has been "uncertainty", not least because of the change in the government and the illness and passing of the late King Bhumibol Adulyadej. However, over the past few months "stability" has become the word of choice to describe the country. The current government has set a new economic agenda with a clear commitment to attracting foreign direct investment (FDI). At the same time, the accession of His Majesty King Maha Vajiralongkorn to the throne has been a smooth one. The combination of these factors has resulted in foreign investors becoming more optimistic about Thailand. The country has jumped two places to number 19 on AT Kearney's 2017 Foreign Direct Investment Confidence Index (FDICI). It is now the second most attractive investment destination in Asean after Singapore. Along with "stability".

3. Prayut urges cross-border transport at IMTGT summit

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

Prime Minister Prayut Chan-o-cha has recommended setting up a cross-border transportation network to boost the regional economy, trade and cooperation among member countries, at a regional summit in the Philippines. According to deputy government spokesman Werachon Sukondhapatipak, the prime minister addressed the audience at the 10th Indonesia-Malaysia-Thailand Growth Triangle Summit held in Manila where the premier joined leaders from other member countries. The meeting provided a sub-regional framework for accelerating economic cooperation and integration of the member states and provinces in the three countries. It is part of the Association of Southeast Asian Nations (Asean). Lt Gen Werachon said Gen Prayut called for development across border transport infrastructure to cover Thailand's Ranong and Phuket provinces Malaysia's Penang and Indonesia's Aceh.

4. Thai food giant expected to gain from US tax cuts

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

Thailand's agricultural and food sectors are expected to gain from US tax reductions, according to a brokerage house. Companies operating in the United States could gain from a massive tax cut for businesses and individuals in the country, said Asia Plus Securities, which has raised its 2017 net-profit forecasts by 3.0 per cent for Thai Union Group (TU) and by 0.4 per cent Chareon Pokphand Foods. The US administration under President Donald Trump on Wednesday unveiled plans to cut taxes for businesses and individuals, slashing the corporate rate to 15 per cent. Tax brackets for individuals would be compressed from seven to just three – 10 per cent, 25 per cent and 35 per cent, lower than the current top rate of 39.6 per cent, according to Agence France-Presse. Consumers will have more money to spend in the US, Asia Plus Securities said. The tax cuts could have direct positive impacts on TU, which has subsidiaries distributing canned tuna under the brand Chicken of the Sea as well as shrimp and feed-meal businesses in the US. Asia Plus Securities revised up its forecasts for TU's net profit by 3.0 per cent for 2017 and by 2.8 per cent for 2018. These estimates are based on the US corporate tax of 15 per cent from this year onwards.

5. New cable plan to boost internet link

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

The government is planning to make a new investment in submarine cable to secure Thailand's position as a link of international "internet paths" between Europe and Hong Kong under Thailand's broadband development to support its ambitious digital transition. The move follows the recent visit of Deputy Prime Minister Somkid Jatusripitak to China where he discussed a plan to make a digital link between Bangkok and Beijing. Such a connection must be built via Hong Kong, which is known to be a "hub of many things", said Digital Economy and Society Minister Pichet Durongkaveroj. Such a connection must be built via Hong Kong, which is known to be a "hub of many things", said Digital Economy and Society Minister Pichet Durongkaveroj. His ministry intends to build a new submarine cable by linking it with AAE-1 (Asia-Africa-Europe-1) an undersea cable that connect France, the Middle East and Asian regions, including Southeast Asia.