

Daily Thai News Summary: 18 April 2016

1. Italy's Generali Group continues focus on ASEAN

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

Generali Group is focusing on fortifying its foothold in Asia, especially Thailand, which is its second-fastest-growing insurance market in the region. Thailand is well placed to serve corporate and commercial lines with infrastructure projects at home and neighbouring countries. Generali, the largest insurance company in Italy, is ready to provide huge capital to Generali Insurance (Thailand) to support underwriting corporate and commercial policies as part of its aim to boost the Thai unit into the top 10 in three years, said Korakrit Khumruangrit, chief executive officer of Generali Insurance (Thailand). *"To achieve the goal in three years, we have to have premium income of Bt4 billion to Bt5 billion, or tenfold growth from Bt535 million in 2015,"* he said. This year, the company targets premium income of Bt800 million. In Thailand, Generali has both non-life and life insurance companies. The non-life business is cared for by Generali Insurance (Thailand), ranking 45th out of the 62 insurers in the country.

The group's vision is to be in the top five of all markets where it has a footprint in three to five years. And Asia should represent 10 per cent of the group's revenue. It hopes Thailand will become the fastest-growing market in Asia next year, passing Indonesia, which is the fastest for the group currently. The group believes the Asean Economic Community opens up a golden opportunity for insurance companies that can underwrite commercial policies, and Generali Insurance specialises in this area. Myanmar is allowing foreign insurance companies to offer commercial insurance directly in the Thilawa Special Economic Zone. Generali Insurance (Thailand) is drawing up business models for penetrating Cambodia, Laos and Myanmar. Thailand and Laos will become logistic centres in Asean because Thailand is planning to construct a high-speed rail line connecting with the railway from Laos, which recently agreed with China to construct a railroad linking Vientiane with the Chinese border.

2. International firms register for travel mart

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

Yuthasak Supasorn, governor of the Tourism Authority of Thailand (TAT), said this year the "Thailand Travel Mart 2016 Plus Amazing Gateway to the Greater Mekong Subregion" will be held in Chiang Mai from June 8 to 10. As of March 23, 570 businesses from 62 countries, of whom roughly half were first-time participants, had registered to participate. Amongst the vendors will be 343 exhibiting companies includes unique boutique hotels operating in the Greater Mekong Subregion, in addition to a range of creative small and medium-sized firms

offering products and services while seeking to expand their profile in the international market. India has the largest contingent of participants at 120, followed by the United Kingdom (40), China (33), Australia (25), Italy (25) and the United States (21). Groups of smaller but higher-end firms have also been invited from emerging markets such as Lithuania, Macedonia, Moldova and Ukraine.

3. Alibaba to buy stake in Lazada from Rocket Internet

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

Rocket Internet has agreed to sell a 9.1-per-cent stake, on a fully diluted basis, in Lazada for US\$137 million (Bt4.8 billion) to Alibaba. Founded in 2012, Lazada is a one-stop e-commerce gateway for local and international sellers, brands and customers in six Southeast Asian markets - Indonesia, Malaysia, the Philippines, Singapore Thailand and Vietnam. Lazada and Alibaba also entered a transaction that includes Alibaba's investment of \$500 million in Lazada, which will make Alibaba the controlling shareholder of Lazada. The transaction values Lazada at \$1.5 billion. Rocket Internet's remaining stake after the transaction, taking into account Alibaba's new investment, is 8.8 per cent. The valuation of Rocket Internet's stake represents a 15-times multiple of Rocket Internet's total invested capital of 18 million euros (Bt720 million). Shareholders, including Rocket Internet, have also given Alibaba the right to purchase, and the shareholders the right to sell collectively, their remaining stakes at fair market value within a 12-to-18-month period after the closing of the transaction.

4. DASTA targets niche markets

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

The Designated Areas for Sustainable Tourism Administration (Dasta) wants to promote more low-carbon destinations to lure niche travellers, particularly from Europe. Director-general Nalikatibhag Sangsnit said recently that Dasta had introduced Koh Mak, the country's first low-carbon island, to Western markets at the International Tourism Berse in Germany and the World Tourism Mart in England. Dasta took along hotel and tourism operators from the island to meet with their counterparts in Europe at both tourism fairs. Some companies have already sent tourists to the island while some are working on such plans. *"This year, we will continue pushing Koh Mak and maybe more low-carbon destinations. There's a huge niche market in Europe,"* he said. Last year, Koh Mak received fewer than 1.5 million tourists, 90 per cent of them domestic travellers. Only 10 per cent came from overseas, especially Europe. *"Dasta found that only 10 per cent of tourists visiting Thailand are concerned about the low-carbon issue, so there's a greater opportunity to increase such niche markets,"* he said. Dasta has been developing other destinations as low-carbon destinations such as Sukhothai Historical Park, villages in Nan and

Loei, and a fishing village near Pattaya. Dasta will ask the government for approval to draw up plans for new low-carbon destinations - Hua Hin/Cha-am on the Gulf of Thailand coast and Chiang Saen in the North.

5. True the biggest gainer from mobile number portability

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

True Corp gained the most subscribers through mobile-number portability from its rivals Advanced Info Service (AIS) and Total Access Communication (DTAC) in the second half of last year. According to a report of the Mobile Number Portability (MNP) Service Centre, True's subsidiaries Real Move and TrueMove H Universal Communication (TUC) gained 144,581 new subscribers from AIS group, which includes its unit Advanced Wireless Network (AWN). True's subsidiaries also gained 89,716 subscribers from DTAC group, which includes DTAC TriNet (DTN). True lost only 9,494 subscribers to AIS and 5,144 to DTAC. AIS gained 65,856 subscribers from DTAC, which in turn acquired 54,147 subscribers from AIS. The July-December period saw 3.08 million phone-number transfers, of which less than 4 per cent were to other companies. About 96 per cent were transfers between networks with the same company. The MNP service allows mobile-phone subscribers to move to another network while retaining their old phone number. The centre was established by AIS, DTAC, True, TOT and CAT Telecom to handle such transfers. Each company can transfer a maximum of 60,000 numbers a day. True recently launched an MNP service at 7-Eleven convenience stores nationwide. The move was opposed by AIS and DTAC, which claimed that it did not comply strictly with the National Broadcasting and Telecommunications Commission's number-portability rules. However, the NBTC ruled that the process was within its rules.

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