

## Daily Thai News Summary: 11 April 2016

### 1. Thai exports to focus on 16 cities in CLMV

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

Thailand's Commerce Ministry is targeting Cambodia, Laos, Myanmar, and Vietnam (CLMV) countries as part of its plan to promote Thai goods and services in 16 cities. Malee Choklumlerd, director-general at the International Trade Promotion Department, said CLMV is becoming Thailand's key export markets. *"The selected 16 markets are highlighted under the export promotion plan, as they have strong power to emerge as the trading centre of each of these countries, besides being tourist attractions, and cross-border cities,"* Malee said. She added that the focus on these new markets, besides the capital city of each country, should help expand export growth from Thailand to CLMV.

### 2. Belgian jewellery firm looks to Thai hub for Asian expansion

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

Belgium based diamond-jewellery maker Roos is eyeing Asia and North America as the next potential markets for its business, after successfully reaching a high level in Europe, especially Belgium and the Netherlands. Thailand would be a hub to support and facilitate the growth of Roos's business in Asia. *"We're originally from Holland. My great-great-grandfather founded the company in 1835, or about 181 years ago. I'm the sixth generation of the family. We [currently operate] more than 200 jewellery shops in Belgium and Holland,"* said Rien Rozendaal, founder of and designer for Roos & Nijs. *"We started selling our Roos jewellery ornaments last week in China through Derier's retail network with 80 stores in major cities, including Shenzhen, Guangzhou, Chengdu and Ningbo. [By] coincidence, we also started last week in Thailand as well with the appointment of Market Access Co Ltd as our master distributor covering Thailand and all [of the] Asia region,"* he said. *"We're from the original Dutch company and we didn't find any necessity to expand further in my home market as well as in Europe as we're at the high level already. I believe in Asia as a promising region to grow our jewellery business."*

### 3. Italcementi to keep ASEAN production base here

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

Thailand will continue to be Italcementi Group's production base in Asean and its springboard for expanding into Myanmar after a German company acquires Italmobiliare's 45-per-cent stake in Italcementi in July, group chief executive officer Carlo Pesenti said in an interview with The Nation. *"Since Italmobiliare and HeidelbergCement signed an agreement regarding the sale to HeidelbergCement of Italmobiliare's 45-per-cent stake held in Italcementi in July last year, we have discussed the policy for our subsidiaries in Asia, including Thailand,"* he said. *"Heidelberg Cement, which will be the major shareholder of Italcementi when the deal is complete this July, has a policy to maintain the business in Thailand and its business plan to expand [into] Myanmar, because HeidelbergCement did not have [a presence] in Thailand. Thailand is our production hub and business arm for expanding in Asean,"* Pesenti said. This will be an opportunity for HeidelbergCement to expand its business in Asean after the deal is complete, he added. Italcementi says the rationale of this merger is supported by a perfect geographical fit with Heidelberg-Cement's existing footprint - with limited overlap of plants in Belgium and the United States - and the significant potential for synergies and the combination of strong innovation and research-and-development capabilities of both companies.

### 4. More investment sought in East

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

The Finance Ministry is seeking more incentives to boost investment in the Eastern region from both overseas and domestic interests, after overall investment in the area declined in the first two months of the year. Finance Minister Apisak Tantivorawong said yesterday that despite the government having pushed forward many mega-projects in recent months, state investment in the region accounted for only 10 per cent of overall investment. The ministry hopes, therefore, to see more investment, particularly from the private sector, in provinces on the Eastern seaboard, which is the Kingdom's largest economic zone, he said. *"During the first two months, total investment declined from the same period last year. To boost investment, the government will continue organising roadshows overseas, offering more investment incentives,"* he said.

Some countries, including neighbouring nations, offer a wider range of incentives and privileges to investors than Thailand has in its armoury, he said. *"The ministry may, however, soon offer more tax breaks, a new industrial zone or other privileges to investors,"* he added. The minister also said some investment laws and regulations needed to be revised in order to attract and facilitate investors from overseas, as well as domestic investors. *"For domestic investment, investors in the Eastern region are our main targets for this year,"* he explained. The ministry

held a mobile "Chief Change Officer-Ministry of Finance (CCO-MoF)" meeting in Chon Buri over the past two days, aimed at engaging and stimulating the private and public sectors for future investment. A second CCO-MoF meeting will be held in the latter half of the year. Apisak said other Finance Ministry agendas for this year included promoting more assistance between stakeholders, with big players being asked to help small operators - something which he described as a "typically Thai" business approach that could not be found in Western countries. The ministry also plans to help struggling businesses and those involved in small and medium-sized business, in particular. The government, meanwhile, will press ahead with its mega-infrastructure project programme, which would help revive the economy, he said.

## **5. U-tapao budgets Bt 1 Billion to meet ICAO guidelines before inspection**

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

The U-Tapao Rayong Pattaya International Airport, better known as the U-tapao Airport plans an extra budget of Bt1 billion to improve aviation safety and facilities to meet the requirements of the International Civil Aviation Organisation (ICAO), which is scheduled to visit the airport in the second quarter of next year. Rear Admiral Worapol Tongpricha, the airport's director, said additional expansion plans were set for this year and next year. The airport will spend Bt600 million this year and the balance Bt400 million next year. *"The new investment will improve the aviation communication system, navigation aids system, runway and taxi way as well as other facilities in the airport,"* he said. The airport also aimed to improve the airport's safety and security in order to meet international aviation standards, particularly ICAO's standard. *"To make the airport an international logistics hub, we are forwarding our future investment plans and progress of our current plans to the Department of Civil Aviation for initial auditing. The ICAO, meanwhile, is scheduled to visit the airport within the second quarter of 2017 to oversee the overall operation,"* he said. The government earlier granted a budget of Bt800 million to build a new passenger terminal at U-tapao Airport in order to meet aviation demand and increasing tourism to the east coast of Thailand. The construction of the new terminal is underway and is scheduled to open in August this year.

## 6. Superblock set to build waste to energy power plant in the Northeast

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

Superblock, a diversified electricity distributor, plans to start construction of a waste-to-energy power plant this quarter. Chairman Jormsup Lochaya said recently the company was in talks with three foreign firms for purchase of technology for generating power from waste. Two - Hitachi and Mitsubishi - are based in Japan, and the third is US-based Covanta. He said all three were at the top of the field of power-generation technology, so the final decision would come down to price. *"The power plant should have an internal rate of return exceeding 18 per cent," he said. Jormsup said the project, which would be the company's first industrial waste-to-energy power plant, would have 10-megawatt capacity. It would be located in one of the northeast?ern provinces where the waste supply is sizeable, such as Sa Kaew or Prachin Buri. He said construction of the power plant should kick off this quarter and would take about 12-14 months. The plant will require an investment of around Bt13 billion to Bt15 billion. Based on our revenue forecast, it should break even within six to eight years,"* Jormsup said. In the meantime, he said the company also planned to invest in community-based waste-to-energy plants, expecting to commence construction in the third or fourth quarter of this year.

## 7. AIA Thailand set to updatgrade quality of its agents to meet demands of new generation customers

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

AIA THAILAND is upgrading the quality of its agency force to “premier agents”, as its key sales channel has to be more efficient and better positioned to serve new-generation customers who are smarter about buying life insurance, Sataya Tepbunterng, general manager for agency distribution, said last week. *"These customers will be asking life-insurance agents whether they have ever been agents at other companies [life insurers], which means they want to buy insurance from a quality agent who can take care of them in the long run. These 'smart' customers are making the company improve the quality of our agents and embrace a premier-agency training programme to screen their quality,"* he said. New-generation customers will have more understanding of life-insurance products and the income agents receive from the premiums clients pay, so they will select an agent who can take care of them throughout the term of the policy contract, he explained.

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**By Harsha Hazarika**