

## Daily Thai News Summary: 11 August 2016

### 1. Energy policy body gives nod to ensuring electricity supply to SEZs

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

The National Energy Policy Committee yesterday approved in principle a plan to develop the electrical system to cater to the first-phase establishment of special economic zones in six areas. These SEZs are in Mae Sot, Tak province; Mukdahan's Muang district; Nong Khai's Muang district; Aranyaprathet, Sa Kaew province; Khlong Yai, Trat province; and Sadao, Songkhla province. The aim is to ensure sufficient electrical supply to serve these SEZs. The committee also approved in principle the plans of the Electricity Generating Authority of Thailand (Egat) and the Provincial Electricity Authority to improve and construct the power-transmission systems for a total cost of Bt7.35 billion.

The committee also acknowledged the progress of the first phase (2016-17) of the country's plan to promote electric vehicles (EVs). Egat is in the process of developing three projects: a pilot project demonstrating the use of electric minibuses and their charging stations; a pilot project on using smart-grid technology to manage electricity use by EVs; and a study of the standards for applying the No 5 energy-saving label to EVs and charging stations. The Metropolitan Electricity Authority is developing a project to install four charging stations to serve the Bangkok Mass Transit Authority's pilot electric public buses. The BMTA is procuring 200 electric buses, with their procurement expected to be complete by next April.

### 2. Sino-Thai rail project talks to decide details

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

Progress on the Sino-Thai high-speed rail project is expected to be made at this month's meeting, says the Public Debt Management Office (PDMO). Thailand and China will hold a 13th meeting to settle construction plans, funding sources and land expropriation for the 252-kilometre project, said PDMO director-general Suwit Rojanavanich. Despite these financial differences, both countries have agreed construction of the first 3.5km section of the track should begin in September in Nakhon Ratchasima's Pak Chong district. The partners also need to decide who will be responsible for expenses for design, building materials and rolling stock. The 1.435-metre track gauge is the appropriate size for high-speed trains, but it also needs to be discussed because the railway will connect with other countries, Mr Suwit said.

### 3. Oppo seeks Samsung's crown

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

Chinese handset maker Oppo has announced plans to overtake long-time leader Samsung as Thailand's biggest vendor of mobile phones by 2020. The company set its largest-ever budget of 1.5 billion baht this year to double the number of distribution channels and ramp up marketing to increase brand awareness. *"We see a major opportunity to snatch the market share from our bigger rivals, Samsung and Apple's iPhone,"* said Leo Zhao, sales director of Thai Oppo Co, the local arm of the Chinese handset maker. *"We believe Thailand's smartphone market will have only three well-known handset brands in the near future,"* he said. Oppo has a 10% share of the Thai smartphone market, ranking third. No.1 Samsung and No.2 Apple have 40% and 20%, respectively.

### 4. Japan plans more food exports to Thailand

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

Japan is set to export more food to Thailand to help the Japanese economy recover, according to the Japan External Trade Organisation (Jetro). *"Japan wants to export more raw materials and ingredients, particularly of high quality, for premium restaurants in Thailand. Meanwhile, demand for quality is expected to increase in the provinces,"* Hiroki Mitsumata, president of Jetro Bangkok, said yesterday. Jetro Bangkok conducted a survey on Japanese restaurants in Thailand. The data showed that the number of Japanese restaurants had increased by 3.6 per cent to 2,713 so far this year. That was slower than the annual rate of 10-20 per cent seen in the past several years. Last year, 297 outlets opened their doors while 193 closed because of high competition and internal financial problems and the economic slowdown in China.

Bangkok is now home to 1,753 Japanese restaurants, which represents minimal growth, but more are expected to open upcountry. The survey showed that Japanese cuisine was the favourite foreign food in Thailand. The Japanese government continues to increase food exports to overseas markets including Thailand as part of its economic recovery plans. Japan will also expand sales channels for Japanese foods such as beef, grapes and wine at retail outlets such as Big C and Tesco Lotus, Jetro says. Last year, Thailand imported more than Bt12 billion worth of Japanese food, but that is expected to multiply to more than Bt330 billion by 2020.

## 5. Kyochon plans 50 more branches in Thailand

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

KYOCHEON Chicken, a South Korea-based fried-chicken restaurant chain, has set a five-year business plan to penetrate Thailand, Cambodia, Myanmar and Laos. Tarakorn Angpubate, chief executive officer and executive director of Food Capitals, the franchisee of Kyochon restaurants in Thailand, said the company planned to add at least 50 new outlets in Thailand over the next five years through its own investment and via franchising. Each Kyochon outlet will require between Bt8 million and Bt9 million of investment capital. *"We also have licences to operate Kyochon restaurants in Cambodia, Myanmar and Laos. We opened one branch in Phnom Penh last year through a joint venture with a local partner. We plan to open at least 25 branches in the three countries within five years, with the first branches in both Laos and Myanmar opening next year,"* he said. *"In Thailand, we posted Kyochon sales worth Bt51 million last year. We expect the Kyochon business to grow by more than 100 per cent to about Bt110 million this year, driven by the addition of two more restaurant branches to a total of nine by the end of 2016,"* Tarakorn said.

After operating the Kyochon business in Thailand for about four years, Food Capitals yesterday officially opened the seventh branch at CentralPlaza WestGate to tap target customers around the western suburb of Bangkok. The new branch features a new design concept for the first time in the world. It targets 2016 sales of Bt110 million. Tarakorn said South Korean restaurants were quite popular among Thai consumers, who tend to eat out as it is more convenient and in line with their modern lifestyle.

## 6. Insurer counts on start-up to boost revenue

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

KRUNGTHAI Panich Insurance has partnered with insurance-tech start-up Roojai.com to drive up income from motor-insurance premiums, hoping this channel will help catapult it into the top 10 by 2020. KPI currently ranks between 18th and 20th in total premium income, and its income growth in the first six months was flat amid the slowdown in bank lending, which has dampened demand for credit insurance. Bancassurance contributes half of KPI's total premium income because it is a subsidiary of Krungthai Bank. The company is transitioning from first-class motor insurance to the second-plus and third-plus classes, so its performance in the first half was slightly behind target, Somboon Wongrassamee, president of KPI, said yesterday. The company targets premium-income growth of 3-5 per cent this year from Bt3.1 billion last year.

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