

## Daily Thai News Summary: 12 May 2016

### 1. Sweden keen on Thai SEZs

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

Sweden has expressed interest in Thailand's special economic zones and 10 super clusters, as it sees the Kingdom as a springboard to the Asean market. *"With the Thai government's policies to promote investment in special economic zones and in 10 high technology sophisticated industries, Sweden has great interest to expand investment in Thailand, as they are experts in many high-tech industries such as information technology, clean technology, healthcare technology and innovation,"* Swedish Ambassador Staffan Herrstrom said yesterday. After meeting with Herrstrom, Commerce Minister Apiradi Tantraporn said that with close relations with Thailand, Sweden sees Thailand as a hub of Asean and would like to expand trade and investment here.

Thailand could be a springboard for Swedish enterprises to penetrate Asean countries and the Asia continent, he said. Thailand and Sweden also have the potential to form closer cooperation in innovation technology and design, and research and development, as Sweden has high expertise. For instance, Sweden could help Thailand develop its Centre for Arts and Crafts International in terms of designing crafts and handicrafts, as well as help develop jewellery and ornament design. Thailand will invite famous designers from Sweden to help train and exchange ideas with Thai jewellery and ornament designers. Swedish traders have also been invited to join the Thailand Innovation and Design Expo and the seminar on Thai-Europe Innotech Links to be held in September for exchanging knowledge about design and technology with Thai entrepreneurs.

### 2. New Huawei RHQ shows Thailand's potential

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

The establishment of a regional headquarters here by major Chinese telecom-equipment supplier Huawei Technologies has confirmed that Thailand has the potential to become a digital hub in the region, Deputy Prime Minister Somkid Jatusripitak said yesterday. The government will try to help businesses enter the country, he said while presiding over the inauguration of Huawei's RHQ in Bangkok. The government will work with universities to create a digital cluster so that Thailand will be the digital gateway in the region, he said. Huawei's establishment of its RHQ here will create confidence for other businesses to run their operations in the country, Somkid said. The company will transfer technology and help leverage human

resources in the country. The government will also sign a memorandum of understanding with Huawei as a partner to drive the digital industry here. The agreement will be signed by the end of this month, he said. Wang Yifan, managing director of Huawei Technologies (Thailand), said the company would set up a team to cover the collaboration with the government.

The inauguration ceremony also covered the opening of Huawei's well-appointed Customer Solution Innovation and Integration Experience Centre (CSIC) and its Training Centre. All three facilities, occupying 4,380 square metres of space, are located in GPF Wireless Towers on Wireless Road. Nineteen years after establishing a presence in Thailand, Huawei says it reaffirmed its choice of Bangkok as the site of its new RHQ for several reasons. First, it considered the importance of the Thai market and its current endeavour towards a digital economy. Second, it saw the Kingdom's ideal strategic position as a gateway to neighbouring markets. Third, it took into account the Thais' enthusiasm for innovation and new technologies. Last, it benefited from the full support of Thailand's governmental organisations, in particular the Board of Investment in its campaign to promote the setting up of international headquarters.

### **3. Two motorways to be the first to seek capital from Thailand Future Fund**

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

Motorways 7 and 9 will be the first projects to raise capital from the Thailand Future Fund after the regulation to issue the fund is announced in the Royal Gazette this year, said Dr Ekniti Nitithanprapas, director-general of the Finance Ministry's State Enterprise Policy office. He said the Securities and Exchange Commission had finalised the regulation to issue the fund two weeks ago and forwarded it to the Royal Gazette for announcement. After the announcement, the Finance Ministry will appoint an asset-management firm to set up the fund and also appoint a financial adviser to study which assets can be issued to raise money for the fund. *"Our target for the fund is Bt100 billion, but the first phase may be between Bt30 billion and Bt50 billion. This depends on the assets,"* he said. He added that the Thailand Future Fund would reduce the cost of the public debt by allowing state-owned agencies to raise capital by themselves. *"The first priority for assets issued for the fund is that they have to generate enough return for the investors, as this will be guaranteed. The guaranteed return on investment [ROI] is under study, but it should be at least 3 per cent. However, we also are considering whether or not to set a ceiling for the ROI,"* he said. Motorway 7 from Bangkok to Chon Buri province and Motorway 9 from Bang Pa-in to Bang Phli are now generating enough income to support issuing the fund, he said. Ekniti believes that the Thailand Future Fund will launch this year.

#### 4. More cruises lines drawn to Thailand

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

More international cruise lines are sailing to Thailand, seeing the country as an emerging destination. This presents a great opportunity to supply on-board professionals and offer Thai hospitality in the new segment. Yuphawan Nangklaphivat, deputy dean of the College of Tourism and Hospitality, Sripatum University, said the cruise business in Thailand would continue to grow despite the economic slowdowns here and in many other countries. She said more international cruise operators were adding Thailand as a new destination linking with other countries such as Singapore and Australia. At least four ports are welcoming foreign cruise ships: Phuket, Krabi, Koh Samui, and Laem Chabang Deep Seaport. *"It's not only international lines heading into Thailand. In fact, some Thai investors own cruise lines and operate overseas, /often embarking at ports here,"* she said.

According to the Cruise Lines International Association, there are 238 cruise liners globally, operated by three major groups, mostly based in the United States. The CLIA said 23 million customers worldwide spent their vacations on cruises last year, up from 17 million in 2009 and representing annual growth of 7 per cent. There are 980 ports for cruise ships but most of the famous ones are in the Caribbean and North America. In Thailand, international cruise liners made port 374 times last year, carrying 579,000 passengers. Of that number, 303 ships were in transit, 12 were turn-arounds, and 59 were overnight stays.

#### 5. Fast-tracking of two project approved

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

The Public Private Partnership Policy Committee has approved the PPP fast-tracking of two projects: the Hua Lumphong-Bang Khae and Bang Sue-Tha Pra extensions of the Blue Line, and renewal of the lease on 1,498 rai (240 hectares) of Treasury Department land with Thai Oil. The PPP Committee, meanwhile, decided to send back the proposed Bt6-billion project to develop Bangkok Port on 17 rai of land for reconsideration by the Port Authority of Thailand, because of its broader-than-expected potential impact on local communities, Finance Minister Apisak Tantivorawong said yesterday after a meeting chaired by Deputy Prime Minister Somkid Jatusripitak. Apisak said the panel had approved the Mass Rapid Transit Authority of Thailand's formation of a committee under Article 35 of the Public Private Partnership Act to consider how to manage the overall project for the extended Blue Line routes. The options are taking bids to develop the project or negotiating with the operator of the current Blue Line - Bangkok Expressway and Metro - he added. The Cabinet agreed two weeks ago that the extended Blue Line route would include 1 kilometre of track from Tao Poon Station on the Purple Line to Bang Sue Station on the existing stretch of the Blue Line.

Apisak said the contract to develop and manage the Blue Line extensions would be drawn up on a PPP net-cost basis, which means the private contractor shoulders the entire investment cost and shares benefits from the project with the government. The fast-track process of setting up a committee under Article 35 through to selecting the private company to invest in the Bt84-billion project has to be completed by the end of this year, before being submitted for Cabinet approval in January, Ekniti Nitithanprapas, director-general of the Finance Ministry's State Enterprise Policy Office, explained. It will then take at least 15 months to develop the extensions, include the 1-kilometre run from Tao Poon to Bang Sue, he said. The PPP Committee yesterday also agreed with a proposal to renew the 30-year lease on a 1,498-rai plot in Sri Racha district, Chon Buri, which is home to an oil refinery operated by Thai Oil. Under the approval, the Treasury Department has to revise the land appraisal of the plot and come up with a new rental rate that takes the state agency's interests fully into account, Apisak said.

## **6. BBL's Be 1<sup>st</sup> blazes trail for chip based debit cards**

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

Bangkok Bank will make its Be1st Smart TPN UnionPay card the main debit card it issues to new customers and will promote the card's quick acceptance by merchants by offering a 0.75-per-cent merchant fee, compared with the 1.5-2.5 per cent normally charged. BBL is the first Thai bank to issue a microchip-based debit card under the new standard set by the Thai Payment Network (TPN), to replace less secure magnetic-stripe cards. From May 16, all banks will issue chip-based debit cards to new customers. People who now use magnetic-stripe cards can contact their banks to change to the new system without paying the normal card-replacement fee of Bt100.

Thaweelarp Rittapirom, director and executive vice president of BBL, said that from next Monday, the bank would give priority to the Be1st Smart TPN UnionPay card instead of the Bt1st Visa debit card to both new and existing customers who want to use a chip-based card. The benefit of domestically issued TPN debit cards is a 0.75-per-cent merchant fee, encouraging small merchants to accept debit cards. Holders of TPN debit cards will be required to use a six-digit personal identification number (PIN) when they make a payment. The Be1st Smart TPN UnionPay will be BBL's prototype card under the new system. After that, the bank will apply the TPN standard to the Be1st Smart Rabbit Siriraj and Be1st Smart Rabbit cards. The annual fee for BBL's debit cards is usually Bt300, but the bank has reduced it to Bt200 until June 30 to encourage people to use debit cards. Thaweelarp said it might keep the annual fee of Bt200 for the Be1st Smart TPN UnionPay card. Each year, BBL issues around 2 million debits card, and from now on most will be Be1st Smart TPN UnionPay cards. The bank has a total of 16 million debit cards in circulation, of which 6 million are microchip-based. BBL became the first Thai

bank to launch chip cards in May 2009, but they can only make cash withdrawals from Bangkok Bank's own automated teller machines because no other banks in Thailand have launched chip cards. Thaweelarp said the bank's customers would be able to withdraw money from other banks' ATMs from Monday onwards after all banks implement a chip-card standard and their ATMs have been adjusted to accommodate all microchip-based debit cards.



**By Harsha Hazarika**