

Daily Thai News Summary: 12 October 2015

1. Thailand, China pledge to start rail work this year

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

Thailand and China have vowed to speed up their delayed joint railway project with construction to start before the year-end, says Foreign Minister Don Pramudwinai. Mr Don made the comment in Beijing during his visit to mark four decades of diplomatic relations between Thailand and China. He said the Chinese government was keen to start the project, the agreement for which was signed last December by the two countries' prime ministers, Prayut Chan-o-cha and Li Keqiang. Speaking after talks with on Friday with his Chinese counterpart, Wang Yi, Mr Don said the two countries would move forward with a groundbreaking ceremony within this year, according to NBT television, which accompanied the minister on the three-day trip ending on Saturday. The meeting centred on cooperation between the two countries to develop the railway lines, he added.

China's enthusiasm was reflected in message conveyed to Mr Don by the Chinese foreign minister in their meeting and when he called on the Chinese premier later on Friday. Mr Wang said he saw the benefits of the rail lines, which would help turn Thailand into a regional transport hub, the Xinhua news agency reported. Mr Li hoped for an early start for the project, the agency added. *"The railway will promote the two countries' economic development and facilitate trade cooperation and people-to-people exchanges between China, Thailand and the Indochina peninsula,"* Xinhua quoted him saying. Thailand has agreed to allow China to build the 873-kilometre, double-track route from Nong Khai province to Map Ta Phut in Rayong and to Bangkok. The system, which would carry medium-speed trains mainly for freight, would cost about 400 billion baht.

2. Thai Beverage set to invest Bt 15 billion as it chases premier position in the region

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

Drinks conglomerate Thai Beverage's quest to become the market leader in Asean will see it invest up to Bt15 billion in a regional expansion over the next five years. The Sirivadhanabhakdi family-owned group said Thailand's sluggish economy would not affect its long-term business plans and it was confident the economy would turn around soon.

As part of its expansion, ThaiBev plans to create new products and encourage its agents countrywide to work hard to increase sales. Thapana Sirivadhanabhakdi, ThaiBev group

president and chief executive, said the company was driving its business in line with its 2020 vision. He said the company planned to cash in on the tremendous economic growth potential in Asean as a result of the trade liberalisation that followed the implementation of many free-trade agreements. *"We believe in the potential of Asia, particularly Asean,"* he said. The combined GDP [gross domestic product] of all member countries in Asia is as high as 80 per cent of the world's GDP but most well-known international brands in the region are from the east, particularly Japan and South Korea.

3. German owned electronics firm Bluechips Microhouse opens second plant in the North

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

German owned electronics firm Bluechips Microhouse Co will today open its second plant in Thailand to support its exports to third markets, particularly in Europe. Thomas Zimpfer, managing director of the company, said the company decided to open the new plant in Chiang Mai province, as its existing building is nearby in Lamphun.

The company was confident about expanding its presence in Thailand as the country is considered a strategic location for export to third markets. *"I have lived in Chiang Mai for 16 years and consider it a great personal and professional home,"* he said. *"Our company also believes in being loyal to the North of Thailand, which was such a good home for Bluechips at the original facility, which is only 30 kilometres away from our new building and will also remain operational."* Bluechips invested Bt200 million to establish the new plant in San Kamphaeng district, Chiang Mai province. The new production floor will cover 2,400 square metres, and production lines can be set up multiple times per day, with day and night shifts.

4. Government unveils six key digital economy projects

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

The Information and Communications Technology Ministry has announced six flagship projects designed to support the government's "digital economy" scheme. ICT Minister Uttama Savanayana said the projects would support and create opportunities and increase the efficiency of the private sector and the community.

Uttama said they would also promote social equality, utilise information technology so people could adopt government services through digital technology, develop human resources to support the digital economy and develop basic networks and connectivity of IT infrastructure. They would also develop super-clusters that improved the quality of life of Thais, the minister said.

He said the ministry would provide knowledge to help small and medium-sized enterprises upgrade their IT systems, such as inventory and accounting systems, and enhance their businesses. He said the ministry would order the Electronic Transactions Development Agency to encourage government agencies to provide online services to support the public.

5. Thailand should join TPP but govt must prepare for challenges, says study

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

Thailand has plenty of good reasons to join the US-led Trans-Pacific Partnership (TPP) in the near future, as it would then be part of a free-trade area that spans the Asia-Pacific region, benefiting many sectors. However, it would also bring many challenges that the government and the private sector should prepare for before jumping into the deal.

A study by the Commerce Ministry's Trade Negotiations Department, in cooperation with investment-research firm Bryan Cave (Thailand), concluded that the country should join the pact, while also carefully considering some issues where Thailand would have a low competitive edge. The ministry also commissioned an educational institution in June to study the implications of the TPP, which is scheduled to report by the end of the year.

One reason to join the pact is that some of Thailand's main export competitors in Asean - Malaysia, Vietnam and Singapore - have already been included in the deal. It has been suggested that the process for the pact's current 12 members to accept Thailand into the TPP could take two years, which should be adequate time to prepare and to bring up to speed those sectors not yet ready for this large FTA.

By Harsha Hazarika