

## Daily Thai News Summary: 16 October 2015

### 1. Thailand, ADB join hands for Mekong subregion development

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

The Asian Development Bank (ADB) and Thailand signed a memorandum of understanding on Thursday, aiming to support economic development programmes mainly in countries along the Greater Mekong Subregion. The partnership agreement was signed by James Nugent, Director General of the ADB's Southeast Asia Department, and Newin Sinsiri, president of the Neighbouring Countries Economic Development Cooperation Agency (Neda), at the Finance Ministry. Finance Minister Apisak Tantivorawong also witnessed the event.

Under the agreement, the ADB and Neda will jointly support development programmes in transport, energy, urban development, special economic zones, health and education. *"The forms of cooperation include co-financing, knowledge sharing and capacity building based on common areas of interest and the expertise of each organisation, as well as the priority areas of the targeted countries,"* said Yasushi Negishi, the ADB Country Director for Thailand.

Meanwhile, the two agencies are currently eyeing the possibility of funding economic developments in towns in Myanmar, such as Myawaddy, Hpa-An and Mawlamyine, with the hope that the corridor towns' economic activities and growth centres will contribute to the transformation of the Greater Mekong Subregion's East-West Corridor into a "full-fledged economic corridor."

### 2. Thailand is second most popular vacation spot for Singaporean travellers, study finds

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

China, Thailand and Hong Kong are the top three destinations among Singaporean air travellers, accounting for 20, 16 and 9 per cent, respectively, of all outbound leisure flights, according to findings from GfK Travelscan for January to September. GfK, a key participating company at "TravelRave 2015", is one of the sponsors at the ITB Travel Forum and the WIT (Web in Travel) Singapore to be held at the Marina Bay Sands in Singapore from Tuesday to Friday next week.

GfK will present findings from the inaugural Travelscan Singapore report at the ITB Asia event. Travelscan is based on consolidated and aggregated industry booking data provided by members of the National Association of Travel Agents Singapore to GfK, with the aim of helping the industry better predict market developments. In the first three quarters of 2015, the

countries that registered significantly more visitors flying in from Singapore than in the same period last year were Thailand, Japan and Vietnam, where flight bookings rose by 44, 33 and 12 per cent, respectively. "Thailand has always been an attractive destination for Singapore travellers and since the beginning of the year, we have been seeing a surge in the number of visitors flying in mostly to Bangkok, Phuket and Chiang Mai - the three most popular places in Thailand," said Laurens van den Oever, global industry lead for travel and hospitality at GfK. *"The August 17 bombing in Bangkok didn't have any long-term impact on local tourism, it seems; flight cancellations [were] only for a couple of weeks, after which booking patterns were back on course again."*

### **3. Confidence in rebound high**

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

Leaders in both the trading and retail sectors have expressed confidence in an economic rebound and greater consumer confidence this quarter, mainly driven by the government's stimulus packages, particularly those provided to small and medium-sized enterprises and the property sector. Major retailers have launched proactive marketing activities, especially price campaigns, to boost sales in the final quarter of the year and cash in on the hoped-for recovery of people's spending.

Boonsithi Chokwatana, Saha Group chairman, said the government's recent economic stimulus packages, particularly the measures to stimulate the property sector, would begin to have an effect on the economy this quarter but would have more of an impact next year. *"The economy and consumers' spending power have bottomed out. The government's measures should help increase incomes for low- and medium-income people and promote stronger economic growth next year,"* he said. He insisted that the property-sector stimulus was unlike the previous elected government's first-car tax-incentive scheme. The current military-led regime has proceeded in the right direction, as this measure should promote stronger economic growth without affecting government revenue.

Boonsithi said gross domestic product was anticipated to increase by more than 2 per cent this quarter, possibly as much as 3 per cent, depending on the input from the government sector. *"In my point of view, the overall economy is on the right track. The baht has now depreciated. The government's economic team is also focusing on assistance to small and medium-sized enterprises, one of the key factors to move the country's economy forward,"* he said.

#### **4. NBTC may distribute nearly 12 m more digital TV vouchers**

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

The broadcasting regulator is planning to provide an additional 11.99 million vouchers, with a total value of at least Bt150 million, to support the transition from analog to digital television, particularly for unregistered households and less privileged ones. The vouchers can be used towards the purchase of digital-TV receivers. Led by Supinya Klangnarong, chairwoman of the National Broadcasting and Telecommunications Commission's committee on consumer rights protection, the NBTC is studying the possibility of granting more of the Bt690 coupons. A previous project gave away the vouchers to 13.8 million households.

Of the new batch of vouchers to be issued soon by the NBTC, 1.45 million will be reserved for registered households that have not yet received a coupon or those households that had trouble with the redemption process. Another 3.62 million will be prepared for newly registered households, including new home-buyers. A further 6.92 million will be allocated for unregistered households including less privileged ones, disabled and elderly people, and slum communities. Supinya said her panel was working closely with representatives from manufacturers of digital TV receivers, providers of digital TV signal transmission, and broadcasters to ensure that these coupons will be well received and transparently redeemed for purchase of digital TV set-top boxes or integrated digital TV sets. She hopes that all the details of the new giveaway programme will be ready by the end of next month. After that, her panel will take the matter before the NBTC's broadcasting committee for approval before kicking off the project next year.

#### **5. Economy to veer away from exports**

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

The government will now turn its focus to restructuring the economy to reduce dependence on exports while boosting domestic tourism and other businesses, said Deputy premier Somkid Jatusripitak. Somkid also said Thailand is now keen to join the US-led 12-nation Tran-Pacific Partnership (TPP) free-trade agreement that currently excludes Thailand. Speaking at yesterday's Post Forum 2015, Somkid said the Finance Ministry is working on ways to lower the personal income tax rates, which are currently higher than the corporate income tax rate. The highest personal income tax rate is 35 per cent compared to the corporate income tax rate of only 20 per cent. The rate cut will be implemented after a nationwide e-payment and single business account system are in use.

Somkid said there would be less economic stimulus measures because previous measures are deemed sufficient to support economic growth at this stage. He said Thailand is interested in

applying to be a member country of the TPP because it will help boost trade and foreign investment. It will take another year or so for the agreement to be ratified by each of the current 12 member countries so Thailand still has some time, he said, adding the country will shortly commence a comprehensive study to examine the pros and cons of this crucial trade and investment agreement, which covers 40 per cent of global trade.

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