

## Daily Thai News Summary: 1 April 2016

### 1. Govt to double infra spending

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

The Junta is mulling doubling the infrastructure investment budget to Bt3.6 trillion, said a source in the government. This will compensate for low investment in infrastructure over nearly two decades and should also boost the economy in light of weak export demand and the sluggish economic recovery at home, said the source, who asked for anonymity. *"The NESDB is reviewing the investment plan, which includes both rail and road projects. This should be completed within the next few months,"* he said, referring to the National Economic and Social Development Board. As things currently stand, the government plans to invest Bt1.8 trillion in 20 infrastructure projects through 2022. HSBC estimates that the Bt1.8-trillion investment should require government spending of around 1 per cent of gross domestic product annually, which should ensure economic growth of 3 per cent in 2016.

Additional investment would spur the growth rate and likely reduce the pressure for more stimulus measures, whose combined value already exceeds Bt100 billion. Unlike investment that can create jobs and boost income in a more sustainable way, stimulus measures can have negative side effects like an increase in household debt and off-balance expenses.

### 2. TAT to boost tourism during low season

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

The Tourism Authority of Thailand (TAT) has mapped out activities to boost domestic tourism during the five-month low season between May and September. *"The authority isn't worried about international arrivals, as the number of tourists from key markets continues to grow. But the current drought will hit the domestic economy, and that is why we need to push more tourism activities,"* TAT governor Yuthasak Supasorn said on Wednesday. TAT has created different travel themes for each month and will propose them to the government today. Starting with May, a tourism campaign will be launched to encourage teenagers to travel during the school break. In June, local foods and seasonal fruits and farms will be promoted nationwide. "One of events in June is 'Thailand Selfie Day', on June 1.

Locals are invited to take photos of themselves and submit them to compete for prizes including Thailand's best resorts, spas and restaurants," he said. The agency also aims to boost the number of Buddhist travellers in July as Buddhist Lent Day is that month. In the Mother's

Day month of August, a special campaign for female tourists called 'Lady's Month' will be held. *"TAT will use Nong Mali, daughter of the late star Tridsadee 'Por' Sahawong, as tourism ambassador."* TAT in September will encourage government officers in their final year of service to travel before their retirement.

### **3. Thai Union to invest Bt 500m for permanent R&D**

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

Thai Union Group (TU), the world's largest processor of shelf-stable tuna and owner of a portfolio of leading global seafood brands, plans to invest at least Bt500 million to establish a permanent space for its Global Innovation Incubator by next year. Speaking at the official opening of the pilot plant of the current GII in Mahidol University's faculty of science, president and chief executive officer Thiraphong Chansiri said Thai Union expected to launch the first product developed from the GII in the fourth quarter of this year and would continue to roll out many new products originating from this centre to Europe, the United States, and other markets. *"We will spend no less than Bt500 million on land and construction alone, not including equipment and other expenses. With a size that is five times that of the current centre, we believe we will be able to increase the number of researchers in our facilities by several times from the current 100 people,"* he said.

Deputy Prime Minister Somkid Jatusripitak, who observed the GII pilot plant yesterday, said the cooperation that Thai Union had clinched with universities in this project boded well for his dream of transforming Thailand into a new economic-development model to overcome its sluggish growth. Thiraphong said that besides developing new products, GII was also focusing on developing new production processes, one outcome of which would be revolutionising the canned-tuna industry for the first time in 50 years, within the next two years. The company earlier earmarked Bt600 million for R&D in tuna products alone. Current government incentives such as the mobility scheme that allows university researchers to work for the private sector and the International Headquarters scheme that slashes personal income tax of researchers to 15 per cent are sufficient to support innovation investments by the private sector, he said. Somkid said he had asked Thai Union to consider joining the Ministry of Science and Technology's "Food Innopolis" project that would be launched in the future.

#### **4. Digital agency hopes to hit Bt 100 m in Billing**

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

To Capitalise on the increasing investment by advertisers in digital media, Rabbit's Tale, a Thai holistic digital agency, aims to double its billings to more than Bt100 million this year, mainly driven by its clients in the telecommunication, insurance, retail and banking sectors. Recently, the Digital Advertising Association (Thailand) predicted that this year's digital advertising expenditure was likely to pass Bt9.9 billion, an increase of 23 per cent from 2015. This is a result of the migration of advertising spending from traditional to digital media because brands and marketers have realised the importance of these new communication channels that allow them to hit their targeted audiences with cost-effectiveness as well as to help boost sales. Managing director Rungroj Tancharoen said the insurance, retail and financial and banking sectors were expected to advertise more via digital channels throughout this year on top of key players in the telecom, automotive and fast-moving consumer goods (FMCG) sectors. *"The emerging trend of [financial technology] is believed to be a significant driver for financial and banking services to put more weight on digital communication strategy to engage with their customers. In the meantime, retail business is also shifting its focus to e-commerce to boost sales amid the economic slowdown,"* Rungroj said.

Video consumption via online media platforms is still playing a key role in digital marketing after third- and fourth-generation wireless broadband was fully rolled out early this year. *"We expect to see more growth in terms of new mobile Internet users, particularly in rural areas. This would help marketers and brands gain further reach to mass targets digitally,"* said Sunard Thanasanaksorn, co-founder and executive account director. *"Consumers in the digital space are no longer segmented but are now a mass,"* Sunard stressed. To respond to this emerging trend, the company is hiring about 30 new staff this year, which will bring its workforce to 100 by the end of this year to manage 10 clients.

#### **5. Phuket to host first social enterprise to boost rural economy**

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

One of the 12 Public-Private Steering Committees under the government's Pracha Rath project to develop the rural economy yesterday launched its first social enterprise, "Pracharath Rak Samakkee Phuket", aimed at increasing the income of rural people in a cluster of southern provinces on the Andaman coast centred on Phuket. Headed by Thapana Sirivadhanabhakdi, president and chief executive officer of Thai Beverage, the committee has promoted Phuket to be the first province for this social enterprise, which will work as a legal business entity to develop rural businesses and communities. The aim is to increase income of people in the rural areas and lead to better living conditions for them. Thanks to its readiness in terms of infrastructure and

business circumstance, Phuket was selected to be among five strategic provinces by the committee for the first phase of the project. The others are Phetchaburi, Udon Thani, Chiang Mai and Buri Ram.

In addition to the first five provinces, the committee will set up local social enterprises in 13 other strategic provinces by the end of this year, resulting in a total of 18 provincial clusters responsible for every region of the Kingdom. Each social enterprise will be in charge in its own territory. The launch of "Pracharath Rak Samakkee Phuket" yesterday was presided over by Interior Minister General Anupong Paochinda. The social enterprise will be operated as legal business entity with Bt5 million in initial capital. ThaiBev has injected Bt1 million of seeding funds into the company, while more than Bt1 million has been raised by the local business community in Phuket.

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**By Harsha Hazarika**