

## Daily Thai News Summary: 1 June 2016

### 1. Thailand seeks Japan's support in joining TPP: Somkid

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

Thailand hopes to join the Trans-Pacific Partnership (TPP) when the pact is opened up for new membership in the near future, Deputy Prime Minister Somkid Jatusripitak said during a visit to Tokyo yesterday. The Kingdom has asked for Japan's support in joining the US-led agreement, he said. *"With more than one year left before the TPP is open to new member states, Thailand will take this opportunity to conduct a public hearing to voice opinion from all involved sectors before signing the agreement, in order to reduce conflict in society and find remedial measures or an 'introduction programme' in advance,"* he explained. After meeting with [FTA Watch](#) yesterday, Commerce Minister Apiradi Tantraporn said her ministry would listen to all suggestions from government agencies, the business and farming sectors, academics and social sectors, as well as seek to improve competitiveness and identify remedial measures to mitigate any adverse impacts after joining the TPP.

Thailand needs to improve its competitiveness as part of preparations for joining the TPP, as well as for other free-trade agreements, she stressed. A number of countries have already expressed interested in joining the partnership, including South Korea, Taiwan, the Philippines, Indonesia, Honduras and Columbia. Apiradi said the government would work out remedial measures for concerned sectors, on such issues as intellectual property rights on pharmaceuticals, plant variety protection, investors' rights and the farming sector, in order to ensure the maximum overall benefits from the Kingdom's membership.

As it stands, the TPP is the biggest trade agreement in history, with a combine gross domestic product worth US\$27.4 trillion (Bt997 trillion), accounting for 39.3 per cent of global GDP, while combined trade among the 12 members is worth \$8.7 trillion, accounting for 26.17 per cent of global trading. The TPP, which aims to reduce tariffs and other forms of protectionism among its membership, came after more than five years of negotiations among the United States, Canada, Japan, Australia, Singapore, Brunei, Chile, Malaysia, Mexico, New Zealand, Peru and Vietnam. For Thailand, an official study shows that the country could benefit in some sectors and lose in others as a result of TPP participation.

## **2. UK's Premier Inn in a roll, targets emerging markets**

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

UK's based Premier Inn is eyeing Thailand and other countries in Southeast Asia, India and the Middle East regions with plans to open more hotels in these emerging markets following the recent opening of a new property in Pattaya. Suchat Sritama talks with Aly Shariff, Chief Branding Officer.

### **WHAT ARE FUTURE PLANS SPECIFICALLY FOR THAILAND MARKET OVER NEXT FEW YEARS?**

*We have ambitious investment plans for Thailand in the near future, as it represents an important high-growth market for us. I am pleased to report that we are making steady progress and will be opening our second hotel in Thailand, Premier Inn Bangkok Soi 11 early next year. It will have 224 rooms and is centrally located in the heart of the busy and dynamic Shukhumvit district. Moving forward, we are also continually looking for new investment and development opportunities with the hope of extending our award-winning brand to other key locations across Thailand.*

*The current and future travel outlook between the UK and Thailand is and will continue to remain positive. According to the UK's Foreign Commonwealth Office, nearly 1 million British nationals visited Thailand last year. The UK is also home to the largest Thai expatriate community outside Asia and North America, while over 50,000 British nationals have chosen to make Thailand their permanent home. When it comes to current market demographics, we tend to have a broad mix of customers comprising of nationals from the UK, China, Thailand, and the Middle East.*

## **3. Renewable energy firm IFEC expands into Chiang Mai luxury hospitality**

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

Inter Far East Energy Corporation Plc (IFEC), a renewable energy firm, has projected a new revenues breakdown, 15 per cent of which is expected to come from its hotel business Dhara Dhevi after completing a takeover last year. "We expect Dhara Dhevi will have new strategic partners accounting for a 5 to 10-per-cent equity [stake] after exiting from the rehabilitation plan by the end of June," Chairman Wichai Thavornwattananayon said recently. IFEC acquired 100 per cent of the debt-ridden luxury hotel Dhara Dhevi in Chiang Mai for Bt2.5 billion and assumed another Bt1 billion in debt. The company was previously a vendor of photocopying machines before transitioning to the renewable energy sector.

Under the hotel's turnaround plan, Wichai said Dhara Dhevi would be set up as a holding company 100 per cent owned by IFEC before listing its shares on the stock market in the next few years. He added that in the near future the hotel planned to form a joint venture with a private property company to develop a 40-rai (6.4-hectare) plot on the hotel grounds, which cover a total of 155 rai. The new joint venture, which is expected to be formally announced in July, will include high-end residences and condominiums worth Bt5 billion.

#### **4. Thai firm invests in Hong Kong based Lalamove**

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

HONG KONG-based on-demand delivery app Lalamove has successfully secured US\$10 million (Bt357 million) in funding with the help of a new Thai investor, along with the company's existing investors. Thai financial and investment-services company Asia Plus Group Holdings has invested in Lalamove to drive the company to profitability and to complete Lalamove's third-round funding over the past 18 months. The latest cash injection brings Lalamove's total funding to \$30 million. The latest round of funding was led by existing investor MindWorks with participation from other existing investors including China's Crystal Stream, Taiwan's AppWorks and Hong Kong's Aria Group.

After Lalamove's recent partnership with Line to launch the Line Man app, the funding success reveals the speed at which Lalamove is growing, said its chief executive officer, Shing Chow. *"There is so much potential in making delivery more efficient as mobile Internet is changing the way mobile assets are utilised,"* Chow said. *"This funding will be used to accelerate our leadership position and expansion efforts throughout China and [Southeast Asian] countries. It's really a vote of confidence from our existing investors in our model and team. "It is our goal to be profitable this year, and it's quite rare that you see a start-up growing at our speed, achieving that in less than three years. We are on track to deliver that."* This is the first time Asia Plus Group Holdings has invested in a tech company. The Thai firm's CEO, Kongkiat Opaswongkarn, is positive about the investment.

#### **5. Plan for on-line registration**

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

The Commerce Ministry's Business Development Department plans to allow enterprises, particularly online traders, to register online to support the government's "digital economy" policy. Pongpun Gearaviriyapun, director-general of the department, said it would ask the Interior Ministry and the Bangkok Metropolitan Administration for the authority to set up an online registration system to save entrepreneurs cost and time. She said that besides helping enterprises, the online registration system should allow consumers to check the backgrounds of

companies easily. *"The department will help verify enterprises to prevent unscrupulous businesses ripping off consumers."* The system should also help increase Thailand's competitiveness ranking, Pongpun said.

The IMD World Competitiveness Centre upgraded Thailand's ranking from 30th to 28th this year. The upgrade resulted mainly from the improvement in government efficiency to facilitate business transactions and better service standards. The department will also encourage online traders in social networks such as on Facebook and Instagram to register with the department. The Commerce Ministry has called for e-commerce traders to register with the department so they will get a legal business licence and protection under the law. With rising trend of e-commerce, the Business Development Department has projected the number of registrations of online traders surging to 60,000 this year from about 15,000 in 2015.

## **6. Role of Thai banks in GMS investment urged**

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

Substantial demand for financing in the Greater Mekong Subregion (GMS) is providing great opportunities for Thai banks to be regional lenders to support cross-border investment, says the International Finance Corporation (IFC), a member of the World Bank. The Thai banking sector has matured thanks to its ability to withstand difficult crises in past years, and the banks now have a clear role in supporting cross-border business activities, said Vivek Pathak, IFC regional director for East Asia and the Pacific. The IFC and two Thai banks - Bangkok Bank and Kiatnakin Bank - on Monday signed an agreement on a syndicated loan totalling US\$160 million (Bt5.7 billion) to ACLEDA Bank, a commercial bank that plays a significant role in microfinance in Cambodia. The IFC's share of the syndicated loan is \$70 million, with the rest shared by BBL, KKP and Cathay United Bank (Cambodia).

ACLEDA will use the funds to finance the Women Entrepreneurs Opportunity Facility, a first-of-its-kind global facility dedicated to expanding access to capital for up to 100,000 female entrepreneurs. More than 40 per cent of Cambodia's small and medium-sized enterprises are owned or managed by women, yet the vast majority of them are either unserved or underserved by the financial sector. Pathak said the GMS market was growing strongly and there could be a lot of demand for financing, which means a lot of demand for the Thai banking sector, which is very mature. Moreover, Thai banks are well placed to provide technical skills to financial institutions in the GMS.

