

Daily Thai News Summary: 20 June 2016

1. More investment sought from India firms

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

Thailand on Thursday invited Indian companies to invest in Thailand as trade between the countries is quite low and there is room for more cooperation. *"Trade between the two countries is quite low and there is room for more cooperation between Thailand and India,"* Thailand Board of Investment Deputy Secretary General Chokedee Kaewasang said here. *"Thailand and India are in a unique position to help each other. Thailand will help India in getting access to Asean [markets],"* he added. Kaewasang said more than US\$200 million (Bt7 billion) has been invested by Indian companies in Thailand in the last two years.

The deputy secretary-general said that by 2022, Thailand's government would invest \$53.4 million in improving infrastructure. *"The government has identified so-called next-generation industries to enhance our competitiveness,"* he said. Stressing that the Thai government is focusing on digital infrastructure as well, Kaewasang said his government plans to invest \$12 billion in digital infrastructure. Speaking at the same event, Thailand's Board of Investment executive director Bonggot Anuroy said the Thai government was ready to exempt import duties on the import of materials to Thailand by Indian companies. She further said if any foreign company will establish its international headquarters in Thailand, they will get special tax incentive for up to 15 years. Meanwhile, Prime Minister Prayut Chan-o-cha arrived in India on Thursday on a three-day visit aimed at deepening bilateral cooperation in areas of trade and investment, defence, security and tourism.

2. Vietnam and Thailand target \$20 m bilateral trade for 2020

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

Prime Minister Nguyen Xuan Phuc has called on Vietnam and Thailand to redouble their efforts in order to bring annual bilateral trade to US\$20 billion (Bt705 billion) by 2020. At a reception for Deputy Prime Minister Thanasak Patimapragorn in Ha Noi yesterday, the Vietnamese government leader suggested the two countries, as the world's biggest rice exporters, partner with each other to keep rice prices beneficial for their farmers. A boost should be given to collaboration in trade and investment, he said, citing opportunities awaiting Thai investors after Vietnam engages in many new-generation free-trade agreements. Vietnam boasts abundant and skilled labour resources that can meet Thailand's demands, he added. The leader also proposed the two countries collaborate on culture, national defence and security while strengthening bilateral ties in people-to-people diplomacy.

Praising the cooperation between Vietnam and Thailand in regional and international forums, Prime Minister Phuc urged the two countries to team up with other affected nations and international organisations in the sustainable and effective management and use of Mekong River water resources. More joint efforts should be focused on the actualisation of an action programme to realise the strategic partnership for 2014-2018 as well as agreements reached at Vietnam-Thailand joint cabinet retreats, he said. Thanasak voiced his wish that the Vietnamese government will create more optimal conditions for Thai businesses in the country. The Thai government encourages local investors to run long-term and sustainable operations in Vietnam, he said. He conveyed Prime Minister Prayut Chan-o-cha's invitation to Phuc to pay a visit to Thailand in a bid to consolidate bilateral ties and partake in a number of activities making the 40th anniversary of diplomatic ties between the two countries on August 6.

3. Mae Sot Airport to get Bt 1.5 Billion upgrade

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

MAE SOT AIRPORT is set to get a Bt1.5-billion upgrade to serve cross-border trade and the Asean Economic Community (AEC). The upgrade includes a new passenger terminal and a runway extension. Transport Minister Arkhom Termpittayapaisith made the announcement. The project is expected to be completed in 2019. "The Cabinet approved the project in 2014," Arkhom said. *"The aim is to facilitate cross-border trade and the opening of the AEC."* He said the expansion required the purchase of 306 rai (49 hectares) of land to build an extended runway. Some of the land has already been bought, he said. The ministry will expand the runway from 45x1,500 metres to 45x2,100m. The taxiway will be expanded from 30x1,300m to 45x1,500m. The ministry will also build a parking lot, bus parking and an airport entrance road, as well as a 12,000-square-metre passenger terminal that can cater to 600 passengers per hour or 1.5 million per year.

4. Bid to push CLMVT as single tourist destination

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

Senior Tourism officials from the five nations in the Greater Mekong Sub-Region have announced a joint plan to develop Cambodia, Laos, Myanmar, Vietnam and Thailand (CLMVT) as a single destination, highlighting the countries' similarities as well as their unique cultural and natural heritages on the international stage. Addressing the recent "CLMVT Link: Prosper Together" conference, the multi-nation representatives said they would work together in boosting and developing unique products located in the five countries as new attractions for intra-regional tourists, as well as to more distant markets like Europe, Australia and the US. Yuthasak Supasorn, governor of the Tourism Authority of Thailand, said a number of issues needed to be

tackled urgently in order to achieve the common goal, including marketing development, connectivity, and common action plans. If all five countries could press ahead in these fields, the region could become a new single destination, he said. *"I would recommend three areas: first we must set a common goal to promote CLMVT as a single destination; secondly, we should look at improving connectivity and linkages; and thirdly, we should look at turning our common goal into actions,"* he added. Tourism has become a key sector in Cambodia, Laos, Myanmar, Vietnam and Thailand, helping to drive each nation's economy and attract foreign investment, but the five countries now also want to promote their traditions, culture, and natural and heritage sites.

5. Thai Union banks on its innovation initiative

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

THAI UNION GROUP, one of the world's largest seafood companies, targets its global innovation initiative contributing 10 per cent or US\$800 million (Bt28.2 billion) of its sales by 2020, said its chief executive, Thiraphong Chansiri. Thai Union's boss said that growing innovation revenue from virtually zero at present to \$800 million in the next four and a half years was achievable, as the group could leverage its strong brands in every region to introduce new products developed from its Global Innovation Incubator (Gii). *"What makes us different from others is that we have our own leading brands in all regions. We can leverage our strengths in most countries to bring innovations to the markets,"* Thiraphong said during an interview with The Nation last week. Thanks partly to the mergers and acquisitions (M&As) that the company had pursued during the past several years, it currently owns a portfolio of canned seafood brands that are in the top three of their respective markets, such as Chicken of the Sea in the US, John West in the UK, Petit Navire in France, Mareblu in Italy, and Sealect and Fisho in Thailand.

Thai Union expects to see significant results from its Gii from next year, although the first new product launch from the centre is due for the final quarter of this year. *"The years 2017 to 2018 are going to be critical to see whether it [Gii] delivers positive, solid results,"* he said. Thai Union is committed to its goal of achieving \$8 billion in annual revenue by 2020, despite the recent aborted takeover of Bumble Bee Foods in the US, which had in effect shed \$1 billion from the target. The group now needs to grow by at least 15 per cent annually during the next four and a half years to achieve the 2020 sales target, the CEO said. *"Even after failing with Bumble Bee, we remain committed [to the \$8-billion target] because we believe we still have upside potential. It's not easy, but having an easy target is not our job,"* he added. To partly offset the revenue shortfall from the aborted Bumble Bee deal, Thiraphong explained that Thai Union had come up with three new initiatives that added to its original organic-growth plan plus innovation and M&A strategies, namely, the global food service channel; emerging markets; and marine ingredients business.