Daily Thai News Summary: 21 July 2016

1. India, Thailand agree to speed up FTA finalization

Source: The Nation (Link)

Thailand and India have agreed to accelerate finalisation of their bilateral trade agreement after negotiations have dragged on for 12 years, with both countries now being more concerned with mutual benefits rather than gains at the expense of the other side. After joining the 30th round of talks in New Delhi last Wednesday and Thursday, Sirinart Chaimun, director-general of the Trade Negotiations Department, said she and her counterpart Ravi Capoor, deputy permanent secretary of the Indian Commerce and Industry Ministry, agreed that the Thai-Indian Free Trade Agreement should be finalised soon. "Thailand and India [agreed] that we will be concerned more with win-win benefits rather than losses as in past negotiations so that this <u>FTA</u> can move forward and be implemented in the near future to promote trade, investment, and closer cooperation between the two sides," she said.

During the meeting, Thailand asked India to provide additional market access for the Kingdom's rubber, rice and chemical products, while India asked Thailand to allow computer engineers from India to work in the Kingdom. They also agreed to adjust their rules of origins to facilitate trade flows, and to discuss sanitary, phytosanitary and technical trade barriers in order to avoid disputes. The Thai-Indian FTA talks have stalled over disagreements on details of the liberalisation of trade in goods, services and investment.

2. Carlsberg committed to long term investment in Thailand

Source: The Nation (Link)

Following its brand reintroduction to the Thai market in 2012 after a seven-year hiatus, Danish brewer Carlsberg is committed to long-term investment opportunity in Thailand, which it views as one of its most promising markets in Asean. Here is the interview with Kabir Saluja, general manager of Carlsberg Thailand.

What is Carlsberg's target for returning as a market leader in the premium beer segment?

Thailand is a very important market for the Carlsberg Group. The beer market is extremely large and Thai consumers enjoy all sorts of beers, from local brands like Leo to more expensive super-premium brands that you now see in upscale bars and restaurants. The Carlsberg Group is renowned for its vast portfolio from around the world, and we see more and more opportunities to introduce popular choices to the Thai market. Apart from the Carlsberg brand, we also have Beerlao, which is becoming extremely popular, and we have recently launched Kronenbourg 1664 - the best-selling French beer in the world.

What do you think about the premium beer segment in Thailand, and do you have any plan to penetrate the standard beer market?

The premium and super-premium beer segments in Thailand will continue to grow as consumers begin to appreciate different types of beers and experiences. The Carlsberg Group will continue to participate in these segments, as we feel we have a competitive advantage with our portfolio from around the world as we hold a number-1 or number-2 position in 80 per cent of the markets we operate in.

3. Minister to lead Thai rice promotion in Singapore

Source: The Nation (Link)

The Commerce Ministry will cooperate with exporters to promote the sale of Thai rice in Singapore, focusing on Hom Mali (jasmine) rice, speciality rice grains, and products made from rice. Commerce Minister Apiradi Tantraporn will lead rice exporters to Singapore from July 26-28, as that market has high purchasing power and could be a springboard for export of Thai rice to other countries. "In an attempt to increase the value of rice export, the government will set up a strategy to promote rice in various markets. Singapore is one of the targeted markets for increasing sales of Thai rice as it is a main staple [there], while its consumers have high purchasing power," she said.

During the mission, Apiradi will meet with rice importers in Singapore and survey modern traders and restaurants in the country on the feasibility of getting them to sell Thai rice. Besides Hom Mali rice, the ministry will promote other speciality grains such as Riceberry, Sung Yod rice (which is a geographical-indication product) and organic rice. Products made from rice will also be promoted, such as cooked rice for senior people, vitamin-added rice for children, cosmetics, snacks and supplements, aiming to increase value-added for rice exports.

4. MICE industry key to growth of economy

Source: The Nation (Link)

The meetings industry can serve as an engine for the "Thailand 4.0" vision because it not only generates a lot of money but also helps disseminate knowledge, said Weerasak Kowsurat, chairman of Thailand Convention and Exhibition Bureau. The average MICE (meetings, incentives, conferences and exhibitions) traveller spends three times as much as the average tourist, with the industry attracting more than 900,000 business travelers last year who spent some Bt100 billion. *"The MICE industry is a hub of knowledge to be disseminated, exchanged and shared. And thus, it facilitates innovations in each sector"* of the economy, the TCEB chief said. He spoke on the topic "MICE as an Engine for Thailand 4.0" at a seminar held by the Thailand Management Association (TMA).

Weerasak said the global meetings industry was growing, even in Europe and the United States, and was expanding rigorously in Asia. "In Asia, it is growing because of the [region's burgeoning] middle class. We like the MICE industry the most, since we believe knowledge is a tool to help us improve our social and economic status," he said. The TCEB views MICE participants as not just "business travelers", but as "business investors". Weerasak said TCEB research had found a need for Thailand to formulate a law dedicated to the MICE industry. The proposed MICE Act is expected help MICE organisers overcome the problem of having to deal with as many as 165 regulations issued by 40 government agencies.

5. Thailand can be centre for elderly care

Source: The Nation (Link)

With a rising elderly population, Thailand will promote it|self as a centre for elderly-care service, as it already has the healthcare and medical infrastructure |to serve this group of people, according to a Commerce Ministry plan. Commerce Minister Apiradi Tantraporn said the ministry's Business Development Depart-ment planned to promote the growth of medical and healthcare businesses to serve the senior population, which is not only getting bigger in Thailand, but also in many other countries. *"This group of people needs more healthcare and medical service, while they have high spending power. Thailand has hospitality facilities to serve this group of the world population and could be a hub of medical and healthcare service in the world market,"* she said.

These kinds of services are not as expensive here as in many other countries, while they have high quality and offer good hospitality. Thus many foreigners choose to use these services in Thailand each year. The ministry has forecast that the number of senior people in Thailand will reach 13 million, almost one-fifth of the total population, by 2020. Their number is expected to reach 17.5 million by 2030. Each year, more than 4 million foreigners who travel to Thailand use medical or healthcare services here.

6. "Thailand Shopping festival" to offer discounts

Source: The Nation (Link)

In an effort to continue stimulating economic growth, the Commerce Ministry will collaborate with the Tourism Authority of Thailand and private enterprises to hold the "Thailand Shopping Festival" in August, the Month of Mother's Day, as part of the government's Pracha Rath (State of People) scheme. *"The economy in the second half should grow more strongly than in the first half. The government will launch many measures to stimulate growth, including the shopping festival to provide discounts for shoppers, and organise a low-price fair to help lower the cost of living,"* Commerce Minister Apiradi Tantraporn said.

The Thailand Shopping Festival will be set up at department stores, modern trade outlets, and retail and wholesale shops nationwide. Discounts of 20-40 per cent will be offered to consumers. Meanwhile many Otop (One Tambon, One Product) items and those made by small or medium-sized enterprises will be on sale at tourist destinations including Bangkok, <u>Chiang Mai</u>, Udon Thani, Nakhon Ratchasima, Ubon Ratchathani, Phuket, Surat Thani and Songkhla. The ministry will also organise a "Thong Fa Therd Phra Kiat" low-price fair to celebrate Her Majesty Queen Sirikit's 84th birthday at Impact Muang Thong Thani. The event will offer discounts of 20-40 per cent for consumer goods, food, fresh fruits and vegetables, Otop and SME products, and those from projects initiated by His Majesty the King. The low-price fair will take place from August 4-7.

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By Harsha Hazarika