

Daily Thai News Updates: 23 August 2016

1. Thai Rung keen on customs zone

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

SET-listed vehicle assembler and auto parts maker Thai Rung Union Car Plc (TRU) is applying for the Customs Department's free-zone scheme to allow assembly of vehicles for other brands in the future. Managing director Sompong Phaoenchoke said the free zone would be set up at existing manufacturing facilities in Bangkok and Rayong.

The duty on a product manufactured abroad and imported is assessed on the finished product rather than its individual parts, materials, or components. Local manufacturers are at a disadvantage as they must pay a higher rate for imported parts, materials or components used for production. The free-zone scheme corrects this imbalance by treating products made in the zone as if they were manufactured abroad for tariff purposes. Thailand benefits because the local manufacturer uses domestic labour, services and inputs. Mr Sompong said the company is looking to assemble vehicles for other brands, including several from Japan and China. The scheme would enable Thai Rung to cut its import tariff costs while making it easier for other brands to hire it to assemble their vehicles, including trendy electric vehicles.

2. Mega Home allots B1bn to expand

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

Mega Home Center Co, a subsidiary of SET-listed Home Product Center Plc, plans to invest up to 1 billion baht to launch two new stores in the Northeast to serve rising demand for construction materials, says chief operating officer Supornsri Naktanasukanjn. "One new store will be located in Nakhon Ratchasima and another somewhere next to the province," she said. The company's goal is to open 11 new Mega Home stores in Thailand this year. Mega Home's five-year plan (2014-19) entails investing up to 10 billion baht to open up to 20 stores. There are nine current branches in Mae Sot, Nong Khai, Chon Buri, Sa Kaeo and Rangsit.

3. Urmatt Group set for nationwide launch of organic coconut water

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

Urmatt chief executive officer Arvind Narula, who shifted his business empire to 100 per cent organic more than 20 years ago, is gearing up to make a nationwide debut of his "Maprao" organic coconut water around the end of this month. "We've been doing this for almost two

years, selling it only at the Villa Market [branches]. But from late this month, we will sell is all over the country. Our target is every supermarket," Narula said in an interview with The Nation.

4. AP to launch 10 projects before year-end

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

SET-listed developer AP (Thailand) Plc plans to launch 10 residential projects worth a combined 22.2 billion baht in the remaining months of this year. The aim is to have 19.2 billion baht in presales between August and December as housing demand picks up. Vittakarn Chandavimol, head of the condominium business group, highlighted Greater Bangkok's rising population and mass transit expansion. "There are currently 70 [mass-transit] stations," he said. "Once the government's mass-transit line development is completed, there will be more than 260 stations which will create an opportunity for new residential supply and add more choices with various price ranges for consumers."

From today until the end of the year, it will launch five single detached house projects worth a combined 3.84 billion baht, two townhouse projects worth 3.28 billion baht and three condo sites worth a total 15 billion baht.

5. Non-Asean investors now qualify for local privileges

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

Non-Asean-based investors who have already invested in Asean will now be eligible for privileges enjoyed by their Asean counterparts in five sectors: agriculture, fisheries, forestry, mining and industrial. The International Economic Policy Committee chaired by Prime Minister Prayut Chan-o-cha yesterday approved a proposal by the Board of Investment (BoI) to lift the restrictions on non-Asean investors. The change does not apply to other sectors still governed by existing laws such as the Foreign Business Act.



By Nandini Malhotra