

Daily Thai News Summary: 23 July 2015

1. Public sector bids for solar farms

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

Applications for solar farm licences will be open to the public sector early next year, says Twarath Sutabutr, the newly appointed director-general of the Energy Policy and Planning Office. The office expects to grant licences totalling 800 megawatts of solar power nationwide with a focus on state agencies, state enterprises, universities and agricultural cooperatives. Applicants each have a quota of 5 MW.

"Based on our assessment, the investment requirement for 800 MW will be about 50 billion baht only for solar modules excluding electrical equipment and facilities," Mr Twarath said at a public participation session for the second round of solar power licenses.

2. JWD InfoLogistics to build cold storage for partner in 3 countries

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

JWD InfoLogistics will invest about Bt400 million to build cold-storage facilities in Myanmar, Cambodia and Laos to support its partner's restaurants in the three countries.

The company also expects to finalize its initial public offering of 120 million shares next month. JWD InfoLogistics, which provides storage and inland transport services, is a partner of RMA Group, the franchiser of The Pizza Company, Dairy Queen and Swensen's in those countries.

Charvanin Bunditkitsada, chief executive officer, said yesterday that the company was responding to the exploding demand for fast food in those countries by building refrigerated warehouses to keep the ingredients used in the outlets of its partner in suitable condition.

"The trend of consuming fast food is at peak, especially in Myanmar and Cambodia," he said. About Bt180 million will be spent in Myanmar, Bt180 million in Cambodia and Bt40 million in Laos. About 25 per cent of the budget will be used to set up the information-technology, transport and human-resource systems.

3. Seminar speakers urge Thai participation in TPP

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

The Trans-Pacific Partnership Agreement will benefit Asean, including Thailand, even though the Kingdom is not yet one of the free-trade pact's negotiation members, according to Baker and McKenzie partners.

Despite growing concern among some Thai economists that the TPP would put Thai businesses at a disadvantage in relation to neighbouring countries like Vietnam, which is one of the TPP's 12 planned members, Say Sujintaya - a partner in Baker & McKenzie's Bangkok office - told a seminar held by the law firm yesterday that the agreement should help Thailand, which has already missed the chance to form a bilateral free-trade agreement (FTA) with the United States, to find a channel for improved access to the US market.

"But we don't know why the Thai government isn't interested in the TPP ... whereas now there is no opportunity for us to seal an FTA with the US," she told The Nation on the sidelines of the seminar. Say said the TPP should complement the Asean Economic Community (AEC), which Thailand and the nine other Asean members have signed up to.

"The TPP, which is a free-trade agreement, is even more realistic since it has a mechanism to enforce the change of laws and regulations in countries, while the AEC doesn't have such a mechanism," she said.

4. FTI may cut GDP growth forecast, says help for SMEs came too late

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

The Government's measures to help small and medium-sized enterprises have arrived too late, says the Federation of Thai Industries, which is thinking about another downward revision of its economic-growth forecast. Other factors hurting the economy are the drought, the continuing slump in exports since last year, and low industrial confidence. Early in the year, the FTI thought gross domestic product would be able to expand by 3.8-4.0 per cent. Last month, it cut that forecast to 3.0 per cent, citing a 4.2-per-cent contraction in the export sector in the first five months of this year as the main reason.

The federation now expects that the export sector will contract by at least 2 per cent this year. To help SMEs, the government recently introduced policy loans with 4-per-cent interest rates and increased the ceiling for the Thai Credit Guarantee Corporation (TCG) - too late, said FTI chairman Supant Mongkolsuthree.

"We will have to wait and see if financial institutions give out loans after the increased guarantees," he said after appearing as a panellist at an economic seminar arranged by the

National Legislative Assembly yesterday. He said the effects of the drought had been factored into the FTI's 3-per-cent GDP growth forecast, but if these turned out to be more severe than expected, the forecast might have to be changed again.

5. Economic cabinet urged to be more responsive

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

Any new economic cabinet should respond faster to the recommendations of the private sector while a new and effective economic cabinet could help stimulate the economy, experts said yesterday.

Supant Mongkolsuthree, chairman of the Federation of Thai Industries, yesterday expressed exasperation at the poor performance of the public sector in acting on the urgent needs of the private sector. *"The task of economic stimulation must be a combined effort of the private and public sectors, which work together, and the new economic cabinet should respond faster to the recommendations of the private sector,"* he said. *"The problem is that the government does acknowledge and respond to the recommendations of the private sector, but it is too late, either because of the government or the bureaucratic mechanism,"* he said.

The new economic cabinet should concentrate on firming crop prices and cutting production costs for farmers while increasing government assistance for small and medium enterprises, as the latest measures have arrived too late. *"The support for farmers and SMEs will boost domestic consumption and the overall confidence of consumers, as there are many people involved in these two sectors. People will start consuming more and that would help boost tax collections,"* he said.

6. Private philanthropic fund initiated for CSR

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

After the Thaipat Institute, a public-interest organisation, recently gave a Thai debut to the concept of "philanthropic investment" - a CSR initiative on the basis of win-win situations - six pioneering enterprises have joined forces in funding the initiative with combined start-up finance of Bt120 million.

Under the plan, the fund will invest in listed securities on the institute's ESG 100 list, for environmental, social and governance securities. Profits are expected to be no lower than what are offered by traditional investments, which means investors will earn regular returns for their choices of CSR activities.

The six founding partners are BTS Group Holdings, Minor Group, LPN Development, Khon Kaen Sugar Industry, Nam Seng Insurance, and Tisco Financial Group, with each company investing Bt20 million. Oranuch Apisaksirikul, president of Tisco Group, said the company had applied for approval from the Securities and Exchange Commission to establish such a fund, which it hopes to launch next month.

By Harsha Hazarika