

Daily Thai News Summary: 23 November 2015

1. Ministers call for SET support of new economic drivers

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

Deputy Prime Minister for economic affairs Somkid Jatusripitak and Finance Minister Apisak Tantivorawong have urged the Stock Exchange of Thailand to provide more support for the country's new economic engines - the so-called s-curve. Visiting the bourse yesterday, Apisak told the SET's board of governors that his ministry would propose to the Cabinet within a fortnight the setting up of a committee charged with developing the capital market. He will chair the committee. On Tuesday the Cabinet supported the Industry Ministry's identification of 10 future industries that the ministry predicted would become the country's new economic drivers.

It has also been revealed that the Council of Economic Ministers will go on a road show next year in a bid to get foreign direct investment pumped into the targeted industries and the planned special economic zones in border areas. "The aim of the committee is to make sure that the SET's future plan will follow the direction of the s-curve strategy to push Thailand towards a higher income country by providing more support for the small and medium enterprises that are in the targeted industries," said Somkid, who joined Apisak for the SET visit.

2. Thailand edging towards a sustainable future

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

Thailand has made great strides on its path to prevent a repeat of the 1997 economic crisis and move towards the high-income nation status with balanced growth, according to a sustainable development expert. Dr Chirayu Isarangkun Na Ayuthaya, vice chairman of the Thailand Sustainable Development Foundation, said the goal of sustainable development is within reach thanks to the support of the public-private sector as well as civil society organizations. In a speech to a group of 15 foreign correspondents representing Asia News Network's member publications, he said Thailand has achieved 75 per cent of the goal. "We see a certain glimpse of hope. There's possible success of the sustainable development goal. We are in the middle of work... If we continue with our efforts, we have a good chance of success," he said.

During his speech, on the topic of *"Inclusive and Sustainable Growth: Challenges for Thailand and Asia"*, Chirayu said the "Tom Yam Kung" crisis in 1997 served as a reminder that the growth achieved in the preceding 37 years could not be sustained if Thailand does not tackle

the four main problems that erode the economic foundations: income disparities, urban-rural disparities, environmental degradation, and the deterioration of values and mindsets.

In his birthday speech that year, His Majesty the King promoted the sufficiency economy philosophy, which now serves as the guideline for the schemes initiated by organizations and foundations established in 2014. Three projects were highlighted to show how close Thailand is to achieving its goal: a project in Nan province to promote area-based community development; an initiative in schools to change the mindset of school children and instill in them sustainability values; and a campaign to encourage people not to dump garbage in canals.

3. Ministry will arrange field trips to SEZs for foreign officials

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

The Commerce Ministry will next year invite ambassadors, consuls, representatives from foreign chambers of commerce, and foreign enterprises for a trip visit to 10 Special Economic Zones (SEZs) as part of strategy to draw more investment from overseas. Adul Chotinisakorn, deputy director-general to the Foreign Trade Department, said as part of the government's plan to promote investment in SEZs, the ministry will increase understanding among foreign government officials, and business people about the project by inviting them for a field visit.

The government will also provide a leaflet or a guidebook about 10 SEZs for foreign officials and investors so that they will know where the 10 zones are, what benefits and privileges they can get, and how those special zones will link to neighboring countries. The guidebook will be distributed to investors and Thai trade representatives overseas for handling to foreign firms in targeted nations worldwide. The field trip by foreign officials and investors would not only show them each SEZ, but would also help with business matching with local enterprises, as well as discuss their problems or concerns so that the government can listen and try to find solutions to facilitate further investment. Adul said that the ministry has previously organised a trip for Thai and some foreign enterprises to Sadao checkpoint in Songkhla. That had good outcomes as the government can cooperate with the private sector to explore the SEZ and help address any problems - and find ways to promote cross-border investment and trade between Thailand and Malaysia.

4. New Business Security Act expected to help more SMEs get loans

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

The Commerce Ministry expects to support at least 100 small and medium-sized enterprises get access to loans under the new Business Security Act after it is enforced on July 2 next year. Chainarong Chochai, inspector-general of the ministry, said once the Act was enforced SMEs should be able to access funds more easily as they could use their assets as collateral. The Business Development Department will help train SMEs on how to access loans before the Act is implemented.

In the first year after the Act is enforced, the number of loans granted to SMEs is expected to grow by up to 10 per cent, Chainarong said. He said instead of using mortgages or having to pawn assets, SMEs would be able to use assets - such as raw materials, inventories, aircraft, freight, patents, copyrights and trademarks - as guarantees for loans or to secure their liabilities. Enterprises will have a greater opportunity to expand under the new Act, Chainarong said. This will benefit the economy, while Thailand's image and its ease-of-doing business ranking should improve, as the government has new laws to help enterprises and facilitate business growth, he said.

5. ASEAN sets up EU style free flow market

Source: **Asian Age** ([Link](#))

Asean leaders on Sunday declared the establishment of an EU-style regional economic bloc, the Asean Economic Community (AEC), a single market with free flow of goods, capital and skilled labour in the region. The Kuala Lumpur declaration on the establishment of the AEC was on Sunday signed by the leaders of the 10-nation grouping in front of world leaders, including Prime Minister Narendra Modi and UN Secretary-General Ban Ki-moon.

The AEC envisages a single market with a free flow of goods, capital and skilled labour across borders in the highly competitive economic region. It will integrate Southeast Asia's diverse economies, a region with 620 million people and a combined GDP of \$2.4 trillion. Asean comprises Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam.

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