

## Daily Thai News Summary: 26 July 2016

### 1. Commerce Ministry draws out strategy to streamline export procedure

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

The Commerce Ministry has drawn up a strategy to reduce rules and regulations on trade in strategic products, starting with rice. The system will be started in September and should be fully operational by next year. The model will also be adopted for other key export products so that trade will grow strongly. Under the measure, the ministry aims to reduce trade regulations by 83 per cent, which could cut exporters' costs by 60 per cent and reduce the time consumed by rice-export paperwork by 20 days. Commerce Minister Apiradi Tantraporn said her ministry would continue to apply this model to other products so that exporters would be able to save cost, time and effort. *"With this added convenience, the country's trade should growth strongly as exporters will be encouraged to ship more at any time,"* she said.

Other products that will adopt this model include sugar, rubber and frozen foods. Under the strategy, the ministry has followed the "national single window" plan and facilitated a paperless system. It has also adjusted the export system to an electronic platform to make procedures less complicated and reduce documentation. An e-payment system has also been adopted so that exporters will be able to save time and transport costs. Seven government agencies and three private-sector organizations will be involved in the streamlining effort. They include the Internal Trade Department along with provincial Commerce Ministry offices, the Foreign Trade Department, the Customs Department, the Agriculture Department, the Disease Control Department, the Office of the Rice Inspection Committee, surveyors, and the Board of Trade.

### 2. Start-ups “a force to push economy of Thailand forward”

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

START-UPS can improve the economy of Thailand, according to panellists at the Techsauce Summit on Saturday. Fintech can improve the financial industry. Korn Chatikavanij, former finance minister, said he truly believed that start-ups, especially those in the area of financial technology, are the revolution that can push a country like Thailand forward. Thailand has millions of people with bank accounts but no access to formal banking services. Fintech start-ups can improve the quality of access and reduce the cost of financial services. Thailand's basic telecommunication infrastructure and smartphone penetration are pretty good. Thailand's

PromptPay will digitise money but fin-tech is one step forward to monetize data, which is creating value-added from data.

Not only fintech, other areas of start-ups can also help improve the quality of real sector businesses. For example, agriculture-tech can help farmers to use better technologies to utilise the existing resources that have to be much more productive and efficient. Awareness, collaboration and incentives are key to driving a start-up nation. Suphachai Chearavanont, president and chief executive officer of True Corporation, said that if Thailand makes the ecosystem correctly and incentivizes the talents around the region, then Thailand can become a start-up nation.

### **3. Thai MNCs refocusing M&A activities on Asia**

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

THAI and other Southeast Asian multinational companies (MNCs) are looking at mergers and acquisitions in Asia rather than Western countries and the post-M&A environment has become the priority focus for business owners, according to a survey by Willis Towers Watson, a global advisory service. In the past three years, Thai conglomerates have made significant acquisitions abroad. In 2014 alone, Thai companies invested almost US\$4 billion (Bt140 billion) overseas, more than doubling the figure in the previous year. Investment by Thai conglomerates helped Asia-Pacific companies last year account for 40 per cent of the companies in the Fortune Global 500, up from 16 per cent in 2014, surpassing North America (30 per cent) and Europe (28 per cent). Most Thai companies are run as family businesses, which entails multitasking to accelerate their growth, unlike companies in Western countries, which build growth step by step. Therefore, the style of Thai companies is similar to those in other Asian countries that must attract global talent, said Pichpajee Saichuae, managing director of Willis Towers Watson Thailand. Willis Towers Watson surveyed more than 50 companies in Asia including Thai conglomerates.

### **4. Thai Airways plans to resume direct flights to US next year**

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

Thai Airways International plans to resume flights to the US west coast next year and add more destinations in China after taking a year off to achieve international safety compliance. The national carrier is also now energetically firing off marketing and sales gimmicks and clearing up flight-management and service issues in order to become profitable and beat the tough competition. Charnporn Jotikasthira, president of THAI, said yesterday that either Seattle or San Francisco would be returned to its direct-flight network by next year. One of these two cities

will help the airline reclaim market share from long-haul routes. They are better situated for connecting flights than cities further south such as Los Angeles. The resumption of service to the United States follows the International Civil Aviation Organisation's lifting of the ban on Thai airlines for safety problems. The airline said it would likely propose the plan to US authorities by itself as it confident of complying with US safety standards. The flag carrier plans to add more destinations in China after authorities there lifted the ban on THAI over safety reasons, after the ICAO's claims in February of last year that Thailand's aviation practices did not meet international standards. THAI is also considering resuming flights to Moscow and Tehran in the high season starting in October. THAI will receive two new Airbus A350 aircraft this year and five Airbus A350s and two Boeing 787s next year.

## **5. SCCC acquires Holcim Lanka**

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

SIAM CITY Cement, Thailand's second-largest cement producer, has agreed to acquire Holcim Lanka from Netherlands-based Holderfin for up to Bt13 billion. SCCC told the Stock Exchange of Thailand yesterday that INSEE Cement Holdings (ICHC), a wholly owned subsidiary of the company, would acquire a 90.0-per-cent interest in Holcim Lanka. ICHC is in the process of being incorporated. Ceylon Ambuja Cements and Lafarge Mahaweli Cement, which are direct subsidiaries of Holcim Lanka, will become indirect subsidiaries of ICHC and SCCC. Holcim Lanka is the only clinker manufacturer operating a fully integrated cement plant with a capacity of 1.3 million tonnes per year in Puttalam that has access to the only operating limestone deposit in Sri Lanka. Holcim Lanka also operates a cement-grinding facility in Galle with a capacity of 1.0 million tonnes per year. It manages three terminals with packing capacities in three local ports with a total import capacity of 1.6 million tonnes per year. Holcim Lanka positions itself as the only provider of application-based products, to respond to customers' various needs, and leads the introduction of blended cement in the industry. Holcim Lanka's local brands such as Sanstha enjoy very strong recall levels and are recognised in the market for their superior quality. The brands also benefit from the local manufacturer tag, providing a competitive advantage over importing competitors. The product range is used widely across residential, commercial and infrastructure projects. The company has long standing relationships with several blue-chip customers and has been involved in numerous landmark projects in the country.

## 6. DTAC aims to be Thailand's No. 1 digital brand by 2020

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

Total Access Communication (DTAC) chief marketing officer Sitthichoke Nopchinabutr aims to make the company the No 1 digital brand in Thailand by 2020 through revitalising its brand image, providing digital services that meet the needs of all market segments, and enhancing relationships and partnerships with local and global partners. The company also plans to spend about Bt5 billion on marketing campaigns this year, up 20 per cent from last year. He said the competition this quarter would be tough. He added that in the short term the company would focus on defending its share of the prepaid cellular-service market. In the second quarter, DTAC voice-service usage declined, while data usage increased to 60 per cent of the market from 58 per cent in the previous quarter.

DTAC currently has more than 3.5 million subscribers to its fourth-generation service, increasing from 2.9 million in the first quarter, and aims to have 6 million subscribers by the end of the year. DTAC recently increased its bandwidth on the 1,800-megahertz spectrum for 4G service to 20MHz for Bangkok and vicinity, up from 15MHz previously. It now completely covers the remaining provinces nationwide with 15MHz of 4G-1,800MHz. Besides its 1,800MHz bandwidth, DTAC uses 5MHz of a 15MHz band on the 2.1-gigahertz spectrum to offer 4G wireless service.

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