

Daily Thai News Summary: 28 September 2015

1. Commerce Ministry in efforts to boost cross-broader trade

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

To promote the growth of cross-border trade, the Commerce Ministry has synergised its work with other government agencies and with neighbouring countries to ease trade obstructions and adjust regulations to help realise Bt1.5 trillion worth of trade this year. Commerce Minister Apiradi Tantraporn said yesterday that she would lead an official team from involved agencies to the Sadao border checkpoint in Songkhla province early next month in a bid to resolve trade obstructions and find measures to drive border trade between Thailand and Malaysia.

Under the plan to promote border trade with Malaysia, Myanmar, Laos and Cambodia, the ministry has found that it needs to integrate its work with that of other agencies, as some trade barriers involved them. For instance, the boundary with Malaysia sees the largest proportion of border trade between Thailand and neighbouring countries, so the ministry will seek cooperation with relevant agencies such as the Customs Department, the Tourism Ministry and the Transport Ministry, as well as with the Malaysian government, to lower trade barriers.

The government will consider extending the operating time of the Sadao checkpoint, set up a VAT (value-added tax) refund point there to serve Malaysian travellers, and establish a single system for inspecting goods traversing between the two countries.

2. Thai investors buoyed by Vietnam potential

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

The Vietnamese market has plenty of potential for Thai businesses because of its large population, high percentage of people of working age and considerable purchasing power compared with other Southeast Asian nations, said Vietnam-based Thai businessmen.

Tussin Mahamongkol, vice chairman of the Thai Business (Vietnam) Association, told The Nation that Thai products are popular in the Vietnamese market. Consumers are willing to pay more for products from Thailand with Thai labels. Less than 2,000 Thai companies are registered with the Thai Consulate in Vietnam, so the country still has room for a lot more as the market is huge.

Many Thai SMEs are thriving in Vietnam, including clothing and cosmetics traders. *"If any Thai investor wants to invest in Vietnam, now is a good time because the country has difficult relations with China, the biggest dealer in the market. Thailand could take this*

opportunity to receive a better market share," said Tussin, who has been a businessman here for more than 10 years.

3. Ch Karnchang ready to bid for govt infrastructure projects

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

Deputy Prime Minister Somkid Jatusripitak recently chaired the Public-Private Participation Policy Committee (PPP) in which he announced the government's plan to accelerate five infrastructure projects valued at Bt200.73 million by year's end, according to Plew Trivisvavet, executive chairman of Ch Karnchang (CK) and chairman of Bangkok Metro (BMCL).

The five projects to be submitted to the Council of Ministers for approval comprise the Bt56.72 million Pink Line, Bt54.76 million Yellow Line, the Bt82.49 million Blue Line Extension Project, the Bt4.14 million Nonthaburi waste-to-energy plant, and the Bt2.25 million Nakhon Ratchasima waste-to-energy plant. These projects will be operated under the Act on Private Participation in State Undertaking. In addition, the government plans to accelerate 19 other mega-transport and logistics projects, including rail, land and air, with total investment value of Bt1.77 trillion.

Ch Karnchang is ready to participate in the bidding for these projects in any form, either private participation or general bidding, Plew said. CK has enough experience, personnel and capital to handle these projects. Plew also said that 2015 was a significant year for CK and its subsidiaries due to the progress of major projects. For the Purple Line electric train system, the first shipment of rolling stock (three sets of trains) purchased from J-TREC in Japan, has already arrived in Thailand. The rest of the 21 sets of trains will gradually be shipped to Thailand by year's end.

4. Plan to boost exports in 50 foreign cities

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

With the uncertain outlook for global economic growth, the Commerce Ministry has focused its export-promotion plan on 50 emerging cities in the hope that exports will continue to grow in new markets. Deputy Commerce Minister Suvit Maesincee said the 50 targeted destinations were categorised according to the strength of their economies and rising purchasing power for various products and services. Most of these markets are in China: Shanghai, Beijing, Tianjin, Chongqing, Shenzhen, Guang-zhou, Nanjing, Hangzhou, Chengdu, Wuhan, Shenyang and Xian.

In India, the targeted cities are Mumbai, Delhi and Kolkata. In Pakistan, Karachi and Lahore are in focus. Indonesia's capital Jakarta, the Philippines' Manila, Russia's Moscow, Sri

Lanka's Colombo, Bangladesh's Dhaka, Qatar's Doha, Iraq's Baghdad, and Afghanistan's Kabul are all targeted. Others are Syria's Ras al-Ayn, Turkey's Istanbul, Egypt's Cairo, Congo's Kinshasa, Angola's Luanda, Mexico City, Argentina's Buenos Aires, Brazil's Rio de Janeiro and Sao Paolo, and Nigeria's Lagos.

Under this plan, the ministry will assign its International Trade Promotion Department to conduct a study in each market focusing on consumer behaviour, incomes, the number of tourists and tourist attractions. This will enable exporters and the ministry's export promotion team to draw up a strategy to promote exports in the right channels. Suvit said this new market penetration strategy would go into action next year.

5. European firms optimistic on Thailand, survey reveals

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

European companies still have high hopes of the Thai economy and think that an increase in customer base and market demand will help them gain profits, according to a survey on Business Confidence 2015 conducted by European Association for Business and Commerce (EABC).

Nevertheless, the main reason for possible negative business performance is because of negative government plans and regulations. These have led to lower investment expansion in the Thai market, the survey revealed. Rolf-Dieter Daniel, president of EABC, said last Friday that feedback on the cancellation of the generalised system of preferences (GSP) from respondents showed a concern on the competitiveness of the Thai economy affecting European business in Thailand. However, the potential renegotiation of the EU-Thailand FTA doesn't seem to be a complete solution that helps improving business performance. Regulatory reforms are also an important complementary element for upgrading Thailand's strength.

By Harsha Hazarika