

Daily Thai News Summary: 29 December 2015

1. BAAC offers partial interest payment refund to good clients

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

The Bank for Agriculture and Agricultural Cooperatives is giving a New Year's gift to its customers via a 3-to-5-per-cent refund in interest payments worth Bt3 billion to 3.53 million debtors showing a good financial track record in the past three years. "The gift is in accord with the government's New Year gift policy and also the bank's mission, which is to support Thai farmers," Somsak Kangteerawat, senior executive vice president of state-run BAAC, said yesterday. The bank will refund a 5 per cent of interest payments to individual debtors with good financial discipline for the last three years, 4 per cent for two straight years and 3 per cent for one year. New borrowers will also receive the 3-per-cent interest payback.

The 1,385 BAAC-recognised cooperatives that have been assessed at levels 1-3 will receive 5-per-cent interest-rate payback, levels 4-6 will receive 4 per cent and levels 7-9 will receive a 3-per-cent payback. The Cabinet approved the specialised bank's gift last week. The state bank also unveiled a loan package backed by a budget of Bt50 billion offering a 4-per-cent interest rate for seven years. The bank will give out the loans from 2016-18 to some 100,000 farmers interested in sustainable farming. The package is aimed at sustainable farming projects such as clean energy, safe food products and new age agriculture, and to improve access to funding for sustainable farming.

Examples of these projects are organic farming, integrated agriculture, the farming of crops that consume less water such as beans instead of off-season rice, the production of seeds under the Good Agricultural Practices and Good Manufacturing Practices standards, the farming of alternative energy crops, the growing of high value decorative flowers, the use of renewable energy, the domestication of animals in accord with GAP standards, and the promotion of agricultural tourism.

2. Broadcasters seek lower digital TV transmission fees

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

A group of 10 out of 13 digital TV broadcasters are appealing for a reduction of transmission-network leasing fees charged by the Army's broadcast arm to help them cope with the expected weakening of advertising income in the new year. Led by Suphab Kleekachai, president of the Association of Digital TV Broadcasting (Thailand), executives from 13

terrestrial-based digital TV operators yesterday lodged a petition to the president of the Royal Thai Army Radio and Television Channel 5, seeking to negotiate with the Army, which currently provides a transmission service to telecast their TV programmes.

Those commercial digital TV broadcasters comprise PPTV, Amarin TV and One for high-definition (HD) service, while Workpoint TV, GMM 25, Now 26, Mono 29, New TV, Nation TV and Bright TV broadcast in standard definition (SD). Suphab said the group wanted to stress the quality of digital-TV transmission by the Army, which does not cover all areas of the country yet, particularly in rural parts. This has affected the confidence of advertisers and media agencies spending money on digital TV. Kematat Paladesh, president of Bangkok Media and Broadcasting, the operator of PPTV, said that after almost two years in the digital-TV business, his company had never enjoyed any reduction of or discount to the transmission fee despite the incomplete coverage area.

3. Fiscal Policy Office positive on economy

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

The Fiscal Policy Office expects the economy to expand by 3.8 per cent next year thanks to government investment in mega-projects, export expansion and stimulus measures, while the Finance Ministry's Bt15,000 tax-reduction policy is expected to boost 2015's growth to nearly 3 per cent instead of 2.8 per cent projected earlier. The Commerce Ministry expects the December 25-31 year-end shopping tax incentive to raise spending by Bt150 billion over the week.

The FPO, though, expects this measure to inject at least Bt22.5 billion into the economic system, based on the assumption that around 3 million consumers will spend no more than Bt15,000. That would translate into a 0.4-per-cent expansion in domestic consumption or 0.1-per-cent boost in gross domestic product. "Our estimate is that the 2015 GDP growth will be closer to 3 per cent thanks to this measure," said Kulaya Tantitemit, director of the FPO's Macroeconomic Policy Bureau. She predicted that in 2016, the economy would be supported by fast-tracked public-private partnerships and other transport mega-projects such as the railway double-tracking, motorways, and urban rail as well as the expansion of Suvarnabhumi Airport and the Laem Chabang port and industrial estate.

Expansion of the export sector is also expected to be positive next year, though it will be lower than the 2.5 per cent projected earlier, mainly because of a contraction of more than 5.5 per cent in the first 11 months of 2015. The sector will be backed by continuous expansion in border trade, which is expected to grow by 7-8 per cent next year thanks to the newly set-up special economic zones in five border provinces. The tourism sector is also expected to remain good next year, though the projected number of visitors will be based on the FPO's revised economic projects, which will be revealed next month.

4. Joint Thai-Vietnamese business council urged

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

Thailand has encouraged Vietnam to collaborate on a joint business council to help drive two-way trade to US\$20 billion (Bt722 billion) by 2020, nearly double its current value. After meeting with Vietnamese Ambassador to Thailand Nguyen Tat Thanh, Commerce Minister Apiradi Tantraporn said bilateral trade could double within five years under closer cooperation between the two nations' public and private sectors.

Establishment of a Thai-Vietnamese business council should help increase cooperation between the two countries' private sectors, in conjunction with the existing Joint Trade Committee, which is a government-to-government mechanism to discuss and solve trade and economic issues. The target is to drive two-way trade to \$20 billion by 2020. In 2014, trade between Thailand and Vietnam was valued at \$11.82 billion, up 13.1 per cent from the previous year. Vietnam is Thailand's fourth-largest trading partner in Asean and the 11th in the world market. In the first 10 months of this year, two-way trade was worth \$10.83 billion, up by 11.74 per cent, with the value of Thai exports to Vietnam \$7.3 billion. To increase exports to Vietnam, Thailand has also encouraged that country to lift its export ban on four Thai fruits - longan, rambutan, lychee and mango. Hanoi banned those fruits after some insects were found on products exported early this year.

5. Thai firms warned to protect trademarks

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

The Intellectual Property Department has warned businesses to register their patents, trademarks or copyrights before trading in markets, both local and international, as some Thai products have already been registered abroad and sold without the consent of the real owners. *"The department found more cases of Thai intellectual-property rights [IPR] being breached in some countries, mainly in China, because Thais are less concerned about IPR,"* said Nuntawan Sakuntanaga, director-general of the department. Among the Thai companies whose trademarks have been registered overseas are Malee, Tipco, Tao Kae Noi, Lobo, Red Bull, Mama and Paitai Norasingh, which make fruit juice, energy beverages, peanuts, snacks, chilli paste, sauce and instant noodles.

Those Thai products have been copied by local agents and traders who benefited from loopholes that allowed them to register the products trademark overseas before the real owners. Thai companies need to take IPR more seriously amid global trade liberalisation, she said. More Thai logos, trademarks and product designs have been pirated. If local firms do not protect their IPR, they could lose opportunities to sell their own products and penetrate other markets. Even products sold in the domestic market have been copied and sold overseas. If companies want to

expand to other countries, they may be unable to do so because foreign players or pirates may have already registered their knockoffs. The department is dealing with some cases where products are owned by Thais, but they cannot be sold abroad as they have not been registered. To avoid the problem, the department urges businesses or innovators to register their rights with the department. By mid-2016, to help IPR owners, Thailand will join the Madrid Protocol, an international treaty for trademark registration. This initiative will allow Thai enterprises to also apply to register their trademarks in many countries that have also signed the treaty.

By Harsha Hazarika