

## Daily Thai News Summary: 29 March 2016

### 1. Thailand looks to South Korea to create deeper economic partnership

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

In the biggest official delegation to South Korea in many years, Deputy Prime Minister Somkid Jatusripitak and six economic ministers were in South Korea last week to express Thailand's determination to create a deeper economic partnership between the two countries, reports The Nation's Pichaya Changsorn. Besides paying a courtesy call to South Korean President Park Geun-hye and meeting with private sector representatives, Somkid spent a significant part of his time there visiting innovation hubs to learn about the country's successful restructuring towards an innovation-driven economy. Joining him were economic ministers from the following ministries: Industry, Commerce, Information and Communications Technology, Science and Technology, Transport, and Tourism and Sports. The Deputy Prime Minister wants Thailand, which is in a dire need of restructuring its economy, to imitate South Korea through an unprecedented collaboration among the government, large firms and business start-ups to commercialise their ideas in a bid to create wealth and contribute as new drivers for the economy. *"Our objective of this visit is clear. South Korea is very important to the world's future because of its scientific advancement,"* he said.

Somkid is keen for the Koreans to contribute to Thailand's restructuring programmes towards a creative economy, smart cities and the "digital economy". Among the places the Thai delegation visited were the Daejeon Centre for Creative Economy and Innovation. Located at KAIST (Korea Advanced Institute of Science and Technology), one of the country's most prestigious universities with a focus on science and technology research and development, the Daejeon Centre opened its doors in October 2014.

### 2. "Thailand Team" project launched to boost trade and investment

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

Through a "Thailand Team" concept, the Commerce Ministry is bringing together public and private sector organisations to work together in a CLMV (Cambodia, Laos, Myanmar, Vietnam) pilot project. The cooperation involves major Thai corporations pairing up with small and medium-sized enterprises to explore business and investment opportunities in Asean. Commerce Minister Apiradi Tantraporn said the ministry wanted to set up a central database on trade and public/private investment which would support in-depth analysis and investment and business decision-making. The Thailand Team is made up of representatives from public and

private organisations, the Chamber of Commerce, Board of Trade, Federation of Thai Industries, commercial banks, plus local and foreign businesses here who will join forces in helping to boost exports and investment overseas, beginning with neighbouring CLMV, Apiradi said. The Thailand Team will compile trade and investment data and attempt to solve obstacles to trade and investment in CLMV. This way, the government can find ways to talk with CLMV governments and commercial figures in June on how to resolve issues that hinder trade and investment, Apiradi said.

### **3. China's Trina Solar invest \$200 Million in Rayong**

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

The World's largest manufacturer of photovoltaic modules, Trina Solar, has invested US\$200 million (Bt7 billion) in a factory in Thailand to increase its export volumes to the United States and European and Asean countries. The Chinese corporate, which is also listed on the New York Stock Exchange, selected Thailand as the largest overseas recipient of its investment for three reasons. First is the strong relationship between Thailand China, second is the clear regulations and incentives to support foreign investors, and third is its partners, including financial institutions, said Jifan Gao, chairman and chief executive officer of Trina Solar. The plant in Rayong province is operated by its subsidiary Trina Solar Science & Technology (Thailand), with registered capital of Bt2 million, to produce solar cells and PV modules. Gao said the Rayong plant would have 10 per cent of the total production capacity of the Trina Solar group. China Minsheng Bank and Siam Commercial Bank have provided a syndicated loan of \$100 million for the manufacturing facility. SCB has set aside additional financing of \$43 million for working capital.

Arthid Nanthawithaya, SCB chief executive officer and deputy chairman of the executive committee, said the arrival of the world's largest solar-module operator would encourage the mood of foreign direct investors, which Thailand needs after losing FDI market share to some other countries in Asean. Thailand has a full banking system to help support FDI, which means it does not only provide credit but the banks have to understand business management for its customers, he said. To draw FDI, Thailand has to show Chinese investors that previous investment by Chinese companies had been supported by local financial institutions and Thai-Chinese associations, Arthid said. The second- and the third-largest producers of solar cells in China are also interested in investing in Thailand, he said, adding that more than 10 Chinese companies in renewable energy, rubber products and infrastructure were also keen to establish plants in Thailand.

#### 4. Major Cineplex, Korean Company form first joint venture in ASEAN

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

CJ E&M, a South Korea-based entertainment and media-content company, yesterday announced its first joint venture in Asean, with Thailand's Major Cineplex Group. The Korean company aims to penetrate the film industry in Thailand and neighbouring markets. Under the JV, worth Bt100 million, CJ E&M and Major Cineplex Group will jointly set up a film-production company, CJ Major Entertainment Co. CJ E&M will hold 51 per cent of the new company, and Major Cineplex Group 49 per cent. The deal will also support Major Cineplex' plan to ramp up the expansion of its cinemas in Thailand and neighbouring Cambodia, Laos, Myanmar and Vietnam (CLMV). The group currently operates 600 cinemas in 92 locations in Thailand, while in Cambodia in has seven screens and in Laos five. It plans to increase the total number of cinema screens to 1,000 by 2020, of which 900 will be in Thailand and the rest in CLMV countries. The first film to be launched under the joint venture is "Miss Granny", a reproduction of a popular Korean movie. In Thailand, the movie has passed the pre-production process and is expected to be screened locally around the end of this year.

Vicha Poolvaraluck, chairman of the executive committee and chief executive officer of Major Cineplex Group, said the JV company would produce between 15 and 20 Thai films over the next five years, not just for Thailand but also for screening in Asean and other markets around the world. The average investment in production and marketing activities will be about Bt50 million for each film. "Thai movies have a share of only 30 per cent in Thailand's film industry, which is quite small. In China, Chinese productions control a share of more than 50 per cent of the market. Making Thai films needs professionalism and a higher scale of production," he said. Vicha added that in Korea, people watch about four movies on average per year, while in China, the average is about one movie a year. *"In contrast with those markets, in Thailand, our people watch fewer movies, lower than one movie a year on average. In Cambodia, we [Major Cineplex] have opened only seven cinema screens so far, which is quite |small compared with the |country's rich potential to have |100 screens."* He said Thai films now accounted for about 40 per cent of the total movie market in Cambodia. Many markets in Asean enjoy wide acceptance of Thai films.

## **5. Major foreign brands using Kingdom as their base to expand their international footprint**

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

The TOT board yesterday approved the state agency going ahead with the signing of a memorandum of understanding on a partnership with Advanced Info Service to provide wireless broadband service on TOT's 2.1-gigahertz spectrum. The MoU will see AIS starting a non-commercial trial service on 15MHz of the spectrum. AIS has informed the National Broadcasting and Telecom-munications Commission about this plan. The MoU is expected to be signed soon. Earlier, AIS chief executive officer Somchai Lertsuthiwong said the company expected to sign it this month.

AIS is seeking more spectrum bandwidth to serve its 40 million subscribers after failing to win an NBTC licence to the 900-megahertz spectrum last December. Currently it has licences to 15MHz of the 1,800MHz spectrum and 15MHz on 2.1GHz. TOT is expected to gain revenue of around Bt10 billion a year from this 10-year partnership with AIS. A TOT source said the MoU was just for the trial service and there was no payment requirement for the spectrum use. After this MoU is signed, AIS and TOT will sign five contracts, beginning with the AIS commercial trial service on TOT's 2.1GHz, which is scheduled to be signed within 30 days of the first MoU.

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**By Harsha Hazarika**