

Daily Thai News Summary: 2 November 2015

1. Boost to IUU cooperation efforts ahead of return of inspectors from EU

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

The Customs Department and Fisheries Department will sign a memorandum of understanding on Monday on tackling the issue of illegal, unreported and unregulated (IUU) fishing, in order to give themselves two months to show progress before the European Union returns for another round of inspection in January. The EU gave Thailand a yellow card in April for the country's failure to address the problem of IUU fishing, and is now considering whether to remove the card, maintain the Kingdom's status or slap it with a red card. The euro zone could decide to ban the import of fish from Thailand if the EU opted for the red-card scenario. *"The main agency in this issue is the Fisheries Department, with the Customs Department providing support, especially in terms of traceability. The main task is to make sure that we are able to trace back the fish in export cans all the way to where they were fished up, which vessel they arrived on and in what condition they arrived, such as whole, gutted, frozen or in pieces,"* said Kulit Sombatsiri, director-general of the Customs Department.

The fact that there is no import duty on fish imported by Thailand has led to the misfiling of types of fish and the condition in which they are arriving, he said, adding that this is one of the main concerns of the EU inspectors in regard to the smuggling in of illegal animals, he explained. He said another matter of major concern was cooperation between the two agencies, which had been non-existent until now. *"Some of the fish were filed as frozen when in fact they had arrived in pieces, while some came in as a whole but had been labelled as frozen, so all of this has to be regulated after the boats arrive,"* Kulit said.

2. Ministry to seek trade promotion strategies

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

The Commerce Ministry will propose that the International Trade Development Committee, which is chaired by Prime Minister Prayut Chan-o-cha, draw up a five-year trade-promotion strategy and measures to stimulate the economy, as well as decide whether Thailand should join the Trans-Pacific Partnership (TPP).

Deputy Commerce Minister Suvit Maesincee said the ministry would sum up problems and proposals from private enterprises for setting up trade-promotion plans in a more sustainable way. The International Trade Development Committee is scheduled to meet on December 9. Suvit said the committee would consider not only trade-promotion plans, but also how to

stimulate the domestic economy to ensure stable crop prices and increase farmers' incomes. *"The ministry will propose drawing up a plan to emphasise trade in services, as that would create sustainable and higher returns for the country,"* Suvit said. He said trade in services was now contributing about 30 per cent to gross domestic product, a proportion the ministry projects will rise to 50 per cent within five years. Moreover, Thailand's market share in exported services is now slightly larger than its market share in trade in goods, he said.

3. Envoy says Myanmar ripe for Thai firms

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

With a clear road map leading the way toward economic and political development, Myanmar has become a beacon of hope for a growing number of foreign investors lured by the promise of riches in the years to come. With that in mind, the Thai ambassador to Myanmar has suggested that Thai entrepreneurs jump on the bandwagon and rethink their strategies about doing business in this neighbouring country.

Pisanu Suvanajata said the Myanmar government has developed a promising road map for the country's political and economic reform, so the time is right for Thai companies to invest. *"Political reform started in 2008 with a new constitution, which was followed by a general election in 2010 and a by-election two years later. In the meantime, Myanmar stepped up and created global integration by improving its foreign relations. The result of that was the lifting of sanctions by the West,"* Pisanu explained.

Pisanu also said the November 8 general election was another indicator that the road map was on track with almost 90 parties contesting polls under the watchful eye of international bodies. In addition to this, the peace process is also underway. The government has signed a national cease-fire agreement with rebels and began political dialogue with relevant parties. He suggested that Thai business enterprises should have a strong presence in Myanmar, which has a population of 51.4-million people. They should establish a business here instead of monitoring the development in Myanmar from home, he said.

4. AEC a boon to distribution firms: DKSH

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

Implementation of the Asean Economic Community, which comes into effect at the end of this year, will see huge business opportunities emerge for distribution firms in expanding their logistics networks to cash in on the single market and trade liberalisation.

Jonathan Guyett, head of supply chain management, deputy head of the consumer-goods business unit, and member of group management at DKSH Management (Thailand), said that with the establishment of the AEC, companies would more easily be able to raise capital, employ workers thanks to the free movement of labour, transport products across borders and generally conduct business in the region. Moreover, it could lead to increasing investment in transport infrastructure across the region, such as the development of road networks within core connected AEC member countries, such as Singapore, Myanmar, Malaysia, Vietnam, Cambodia and Laos, as well as Thailand. *"We believe the AEC will provide a promising opportunity for companies. The Asean region is home to a population of more than 600 million. Already one in 11 citizens worldwide lives in Asean, a region that saw more than 300-per-cent growth in gross domestic product between 2001 and 2013. Leading institutes forecast that in 2025 as many as 125 million households in Asean will be part of the middle class, up from 67 million in 2015. This fast-growing middle class will demand high-quality consumer goods and healthcare products,"* Guyett said.

In the medium term, this will facilitate the development of regional distribution centres across Asean, supporting multiple countries, he said, adding that the trend is also driven by increasing retail tourism between neighbouring countries.

5. Hong Kong to import Thai eggs

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

Eggs from Thailand will once again be exported to Hong Kong after many years on the banned list due to bird-flu outbreaks. Commerce Minister Apiradi Tantraporn said the new opportunity would not cause a problem of oversupply of Thai eggs and the price should remain stable in the long run.

The new import allowance measure by Hong Kong is set to become effective for Thailand and 15 other countries on December 5. Apiradi said Thai eggs have stolen a march on key rivals such as China, Japan, Malaysia and the Ukraine, which have not yet received approval to export eggs to Hong Kong. The city state still forbids the import of eggs from 12 countries that have not passed sanitary standard inspections. Thai eggs should also be able to scramble for a competitive edge over the US and the European Union because of the closer distance and cheaper logistic costs. To ensure market penetration, Thailand will implement stringent food checking standards in accordance with Hong Kong's regulations and requirements.

By Harsha Hazarika