

Daily Thai News Updates: 30 August 2016

1. BoI offers raft of incentives towards medical hub in Thailand

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

As part of the effort to turn Thailand into a medical hub, the Board of Investment yesterday approved a raft of promotions, including a five-year waiver of corporate income tax for pharmaceutical firms. It also granted investment privileges to 34 projects worth more than Bt200 billion, including PTT's Bt96.5-billion plan to install a natural-gas pipeline from Rayong to Nonthaburi. Hirunya Suchinai, secretary-general of the BOI, said investors applying for tax breaks between now and next year would enjoy an eight-year waiver. Those applying after 2017 would get five years. The board also resolved to add the tax support measures for small and medium-sized enterprises investing in medical equipment to its existing measures designed for promoting SME investment. This means businesses applying for support to invest in medical equipment under the SME measures will gain an extra two years on top of the existing privileges under the BOI's tax measures to support the medical-equipment industry by any company.

2. Bangkok Bank first Thai company to join R3

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

Bangkok Bank becomes the first financial institution from Thailand to join a consortium led by financial innovation firm R3 that designs and develops a distributed ledger for the global financial services industry. The consortium's members comprise of over 55 of the world's largest financial institutions. Through collaboration between members the consortium is developing innovative and groundbreaking commercial applications. BBL President Chartsiri Sophonpanich, President of Bangkok Bank, said that the bank is keen to learn, share and participate in the group. "The addition of Bangkok Bank - one of Thailand's major banking players - is a further milestone for R3. Asia is a key region for us as we expand our network of consortium members and continue to develop truly global applications for this groundbreaking technology," said David Rutter, CEO of R3.

R3 is leading a consortium of over 55 of the world's largest financial institutions to develop ground-breaking commercial applications for the financial services industry that leverage the appropriate elements of distributed and shared ledger technology. Operating in New York, London and San Francisco, the R3 team is made up of financial industry veterans, technologists, and new-tech entrepreneurs, bringing together experts from many FinTech fields.

3. Thailand, Bhutan plan closer tourism ties

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

Thailand and Bhutan have agreed to forge closer ties in tourism and to formulate a package called "Two Kingdoms One Destination", while exchanging business missions next year. After the first meeting of a Joint Trade Commission including Bhutanese Economic Affairs Minister of Lyonpo Lekey Dorji last week, Thai Commerce Minister Apiradi Tantraporn said yesterday that the two countries had foreseen closer cooperation in many ways, particularly in tourism, as both are strong in that sector. "Bhutan has encouraged more Thai investors to do business there as well as help transfer know-how in tourism management and human-resource development," she said. The cooperation will emphasise cultural and religious tourism. Meanwhile, the "Two Kingdoms One Destination" package could be promoted and advertised under a single campaign. Bhutan has also encouraged Thai high-end hotel enterprises to invest there to serve rising tourism.

So far, two Thai enterprises have already invested in Bhutan's hotel business. They are Haven Resort in the town of Paro and DhusitD2 in Thimphu, the nation's capital. In the agricultural sector, Thailand has provided support to Bhutan for a long time. It will increase cooperation in harvesting, research for biotechnology and laboratory development. For its part, Bhutan will set up a trade mission to Thailand early next year in order to showcase its strengths in trade, tourism and investment.

4. Digital ad spending to hit Bt10 bn in 2017

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

AD SPENDING on digital media will reach Bt10 billion next year, encroaching on territory held by mainstream media such as television and newspapers, the Digital Advertising Association (Thailand) projects. "The biggest ad spenders, particularly skincare products, are spending more on digital media than they did a couple of years ago, reflecting that online media have become the mass media for consumer goods," DAAT president Supachai Parchariyanon said yesterday. Based on research by the association and TNS Thailand, skincare products are among the fastest-growing industries by sales volume, followed by non-alcoholic beverages, banks, alcoholic drinks, and vitamins and food supplements.

The research report highlighted that digital advertising spending by the skincare segment was expected to rank No 2 with Bt974 million by the end of this year, representing 10 per cent of the total digital-ad industry, while the biggest spender is the motor-vehicle segment with Bt1.01 billion, mainly automotive dealers.

5. Goodyear plans B5.63bn expansion over 10 years

Source: **Bangkok Post** ([Link](#))

Goodyear (Thailand) Plc plans to spend B5.63bn over 10 years expanding its factory in Pathum Thani province to produce radial aviation tyres and meet growing demand. The board, which approved the investment plan on Monday, would hold an extraordinary shareholders' meeting on Nov 17 to propose the plan for endorsement. "The world's aviation fleet continues to grow and is projected to double in size over the next 20 years," said its managing director Finbarr O'Connor. "The fastest growth is seen in the Asia-Pacific region." Ernst & Young Corporate Services Ltd, the financial adviser, reviewed the investment project for the board and concluded it was in the best interest of Goodyear (Thailand) to move forward, he said.



By Nandini Malhotra