

Daily Thai News Summary: 4 April 2016

1. Treasury sets sights on CLMV countries for coin minting

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

As Thailand is surrounded by neighbouring countries that only circulate banknotes, the Royal Thai Mint is eyeing Cambodia, Laos, Myanmar and Vietnam (CLMV) for its regional expansion plan. Deputy director-general of the Treasury Department Werawut Sripaoraya said that officials would tour Laos and Cambodia this year to propose the new coin designs and specifications to the relevant authorities. The treasury had made similar trips to encourage the CLMV countries to reissue coins last year, Werawut added. *"These four countries used to circulate coins; we would like to invite them to visit our mint in Thailand and convince them to reissue coins," said Werawut. Compared to banknotes, coins are more durable with a lifetime of 15 to 20 years while banknotes usually last only one to two years. We will mint the coins if the CLMV countries decide to reissue coins for their currencies. These countries place a high level of trust in Thailand and the logistics cost to transport the coins there won't be that high,"* said Werawut.

The treasury issues 1.3 billion pieces of replacement coins in various denominations each year for domestic consumption. Besides circulative coins, 15 per cent of the production of the mint consists of commemorative coins and medals. Werawut declined to reveal the mint's revenue. The falling raw material prices contributed to lower production cost, he added. The treasury issues around five series of commemorative coins each year and the latest release featuring the Thai elephant would be marketed internationally for the first time, said Werawut. *"We have signed several agreements with dealers from US, Europe, Korea and Japan on the distribution of the new series during the World Money Fair in Berlin recently. A number of coin collectors came to our booth and expressed interest in Thai releases, coins with images of the king are very popular among the collectors,"* said Werawut. He noted that coin collecting and investment are still in infancy and a hobby for a niche group in Thailand. *"Asians love gold and most of the collectors favour gold or silver coins. It is less common for sale transactions of coins to be made online, as most collectors still like to visit a physical showroom and they love the feel of the coins in their hands,"* said Werawut.

2. Move to boost rural economies

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

THAPANA SIRIVADHANABHAKDI, chief executive and president of Thai Beverage Plc (ThaiBev), is keen on strong cooperation between all stakeholders from the government and the private sectors to drive rural economic development. Thapana's mission is to promote higher incomes and better living conditions for people in rural communities, he said. He said that the private sector would help farmers and small business entrepreneurs in rural areas through enhanced production and management, as well as marketing know-how and communication methods to build awareness. *"It makes the cogwheels roll and move on,"* he said. *"Meanwhile, the government will be responsible for granting and executing the policies that are set to promote better incomes and living conditions in the rural economy, as well as related stimulus measures."* Thapana, who leads one of the 12 public-private steering committees under the Pracha Rath project, said that his committee's mission was to increase the income of the rural communities throughout the Kingdom. As a result, people will be happier based on having better living conditions, he said. *"To achieve our mission, we will focus on enhancing the development of three strategic pillars, which are agriculture, product processing by small and medium-sized entrepreneurs, and community tourism,"* said Thapana, adding that the aim is to develop farmers and micro entrepreneurs to become SMEs.

Thapana said that the launch of the social enterprise endeavour would be the nucleus for mobilising cooperation between the government and private sectors to develop the rural economy. He said that the social enterprises would work as legal business entities but not for the benefit of their shareholders, with all profits returned to the community. He said that enterprises would be enhanced by good governance and would operate without government subsidies or donations from charities. The first social enterprise, Pracharath Rak Samakkee Phuket, was launched last week with Bt5 million in primary investment capital, raised from a grant of 5,000 shares for Bt1,000 each. ThaiBev has allocated Bt1 million as a seeding fund for the company and more than Bt1 million has been raised by local businesses.

3. Ascend Group wants to be Kingdom's Alibaba, Amazon

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

Thailand's Ascend Group aims to create the country's first world-class digital platforms that are comparable to those of Alibaba and Amazon with a focus on e-payment and e-commerce features which will benefit from the faster speed of the new 4G cellular network due to be operational this year. Punnamas Vichitkulwongsa, chief executive of Ascend Group, said in an interview that the firm's e-commerce business volume was forecast to jump 60 per cent this year to Bt4.5 billion from last year's Bt2.8 billion due to the advent of the 4G cellular service. 4G will

be about five times faster than the current 3G so it will give a big boost to mobile commerce. Provincial clients will be among the new customer groups in addition to those in Bangkok and urban areas.

At present, the Internet penetration rate in Thailand is about 45 per cent of the entire population who use the 3G network, while the 4G service is due to be widely available in the next few months. *"E-commerce and e-payment will be made easier and faster,"* Punnamas said. *"For those in remote areas, they will find it more convenient to top up their prepaid cards via the cellular network or pay other bills or use financial services. The faster cellular service is also expected to drive e-commerce growth. "4G should boost the use of the cellular network to account for 70 per cent of all e-commerce transactions this year, up significantly from last year's 40 per cent because it is more convenient and secure to use your mobile phones for these transactions than using the Wi-Fi network at home or office. Online purchases of goods and services depend on a reliable and comprehensive eco-system which consists of fast Internet access and e-payment infrastructure. For Thai consumers, a trusted e-payment service is very important because many Thais are reluctant to use credit cards."*

As for e-commerce, it is set to grow rapidly in the coming years as the eco-system has emerged to support widespread adoption, especially in terms of logistics and delivery services. E-commerce's share of the country's total retail transactions is forecast to double to 2 per cent shortly. For logistics, Ascend Group's subsidiary, Aden, is responsible for order fulfilment within 24 hours for delivery within Bangkok and three days for the rest of Thailand.

4. Thai firms to help SMEs trade overseas

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

Leading Thai companies will join hands with the Commerce Ministry in training and supporting local small and medium-sized enterprises (SMEs) to expand their trade and investment overseas, under the government's policy to drive outward investment. Malee Choklumlerd, director-general of the International Trade Promotion Department, said her agency is scheduled to hold a signing ceremony for a memorandum of understanding (MoU) between large Thai enterprises and the Commerce Ministry in regard to helping SMEs in this way. Deputy Prime Minister Somkid Jatusripitak will chair the event. Large companies set to sign the MoU include the likes of Berli Jucker, SCG and Srithai Superware. The priority target markets for large enterprises to escort SMEs in starting trading and investing will be neighbouring countries, in particular Cambodia, Laos, Myanmar and Vietnam - the CLMV countries, for short. The promotion of SMEs to do businesses overseas is part of the government's "Pracha Rath" (State of People) project, under which it wants to promote both inward and outward investment.

Large enterprises will help train SMEs by providing information and contact persons - or business-matching - for SMEs, while helping them to penetrate each market. Malee said the project would create win-win benefits for both sides, since large businesses would get additional suppliers, while SMEs would be able to expand by conducting business overseas.

5. “Biggest Fair” to be held at Impact Muang Thong Thani next month

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

Asia’s biggest consumer fair is scheduled to take place in Bangkok next month and expected to attract one million shoppers and generate spending of Bt800 million. Veraded Jitsakdanont, managing director of Union Pan Exhibition Co, said it planned to stage "Thailand Biggest Fair 2016" from May7 to 15 at Impact Muang Thong Thani. *"In terms of space, this will be the largest consumer fair in Asia with a total space of 47,000 square metres,"* he said. The company expected to attract more than one million visitors during the nine-day fair and generate spending up to Bt800 million. The event will feature 12 different events under one roof. More than 2,000 exhibitors have already agreed to showcase their products and services. This year highlights including best furniture fair, electronic and power fair, fashion and beauty and spa, wedding, baby and family items, Bangkok best bike, animals, a float market, green tourism, and net idol market. *"We will organise events in mid-year to tap consumer spending coming from the government's mega-projects. The current Baan Pracha Rath project should not halt spending in the long term,"* he added.

Last week, Thailand Convention and Exhibition Bureau revealed that Thailand remained a strong venue for events and exhibitions especially fundamental businesses such as automotives, energy, food and agriculture products, healthcare and wellness, plus infrastructure. Additionally, supporting the growth of the exhibition sector will help to transform Thailand into a trading nation.

