

## Daily Thai News Summary: 6 June 2016

### 1. Dubai, Oman expo opens doors for Thai SMEs

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

A Memorandum of understanding signed recently by the Thailand Business Council in Dubai and the northern United Arab Emirates (TBC) and the Office of Small and Medium Enterprises Promotion (OSMEP) is paving the way for more trade by Thai SMEs in the Middle East. Akavut Tangsilikusonwong, chairman of the TBC, said the organisation had formed an alliance through the MoU with Salinee Wangtal, director-general of OSMEP. This was authorised by Prime Minister General PrayutChan-o-cha and Deputy Prime Minister Somkid Jatusripitak to strengthen the competitiveness of Thai SMEs in the international market as well as to seek new markets.

OSMEP considers the UAE and Oman to have high economic potential and play vital roles as a springboard to other markets in the Gulf Cooperation Council (GCC) and elsewhere in the Middle East, and to further trade in Africa, another sizeable consumer market. The implementation of the key content of the MoU began with business matching for more than 30 Thai SMEs in Dubai on May 7 and the entry of Thai goods and services in the Oman market on May 9-13. The business matching was in nine categories: household appliances and home furnishings; consumer goods and fashions; healthcare and supplementary nutrition; spa and beauty products; food; jewellery and accessories; energy; educational services; and packaging services. The 110 buyers consisted of importers, distributors, investors and agents.

### 2. BAAC to lend Bt72 bn to SMEs

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

The Bank for Agriculture and Agricultural Cooperatives (BAAC) believes it will be able to provide Bt72 billion worth of special loans to small and medium-sized enterprises (SMEs) under the “One Tambon, One Agriculture” programme by March 31 next year. BAAC executive vice president Predermchai Jansena told a news conference that the bank had already approved loans worth Bt12.5 billion under the programme as of May 31 after its launch in February. The funding went to 2,701 agriculture SMEs in 2,701 tambon. *“When the project is complete on March 31, 2017, it will cover 7,305 tambon,”* he said. The loans charge a special interest rate of 4 per cent for the first seven years. The Thai Credit Guarantee Corporation (TCG) guarantees the loans in case farmers do not have sufficient assets to qualify for a loan.

TCG president Nitid Manoonporn said the corporation had already guaranteed Bt2.7 billion worth of loans for agriculture SMEs, Bt1.6 billion of the total approved between January 1 and May 31. *"We target guaranteeing at least Bt5 billion worth of loans under this project by the end of this year,"* he said. In total, the TCG targets guarantees for at least Bt85 billion in lending this year, he added. Phairot Pitipantararat, owner of Suan La Mai, an eco-tourist enterprise in Rayong province, said his business got a loan from the BAAC worth Bt5 million under the One Tambon, One Agriculture project. The money was used to buy fruits from farmers to sell to tourists visiting his farm under its "Fruits Buffet" campaign that started on April 27 and will run until August 14.

### **3. Bangkok Sheet Metal plans JV in Myanmar**

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

Bangkok Sheet Metal, Thailand's leading manufacturer of wide-range cable duct such as wire ways, cable trays and cable ladders, is eyeing a joint venture with a potential partner in Myanmar, marking the listed company's first overseas expansion of its manufacturing facilities. Managing director Tirawat Amornthatri said that the business was looking to form a joint venture especially for the manufacture and distribution of wire ways, switchboard cabinets and control panels, with a view to supplying the contractor channel in the neighbouring country.

The move is aimed at benefiting from the boom in construction and infrastructure development in Myanmar and to cash in on the country's more open-market environment. *"There are many Thai contractors who have expanded their business and got construction work in Myanmar. They have enjoyed the same business culture as working in Thailand,"* he said. *"We produce bulky products, which require local manufacturing when we are expanding abroad. We can buy local raw materials, especially steel plates, in Myanmar at a lower price than in Thailand. Myanmar imports steel plates directly from China at a lower import duty than Thailand,"* he explained. Tirawat said that from the macro point of view, Myanmar offered a tremendous business opportunity driven by its high population.

### **4. Happy Fresh enters Thailand armed with grocery-delivery app**

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

FOOD-TECH startup Happy Fresh has entered the Thai market to tap the increase in online grocery shopping, which it believes could help sustain growth in the retail segment in the country amid the economic slowdown. HappyFresh is a collaboration of a startup group in Asia that developed an app-based one-hour grocery-delivery service. Thailand is being overseen by managing director Siripa Jungsawat, who was corporate director and vice president of finance at

Zalora Thailand. Thailand is the third country HappyFresh has entered after Malaysia and Indonesia.

Siripa said the performance of HappyFresh (Thailand) in the first seven months of operation compared to HappyFresh in Indonesia and Malaysia over the same timeframe was better. *"We have services at 24 branches at superstore partners, covering 95 per cent of Bangkok and nearby [areas],"* she said. Traffic jams and the country's high penetration of smart phone has resulted in more Thai consumers using online service, which promoted HappyFresh to offer its service to retail operators. The Mall Group and its supermarket-gourmet markets, Tang Hua Seng and Big C Supercentre are three of the company's retail partners. Siripa said HappyFresh could fill a gap in the grocery market in Thailand especially for customer by catering to expats who don't have a vehicle, mothers, lovers of cooking and men who find shopping for groceries inconvenient.

## **5. Small good traders get a boost via internet**

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

The Commerce Ministry has initiated a project to encourage small-goods traders to trade products online, in line with the government's plan to strengthen small and medium-sized enterprises and serve its digital economy policy. The initiative is being done in partnership with global logistics firm DHL Express. Malee Choklumlerd, director-general of the International Trade Promotion Department, said the "Small Order OK" (SOOK) project aimed to encourage more SME goods traders to trade online and boost their competitiveness so they could sell goods to other countries.

Under the project, SMEs can advertise their products via the department's website [www.thaitrade.com](http://www.thaitrade.com), with buyers able to purchase goods through an e-payment system. DHL Express will support the logistics and the delivery products to customers both domestically and worldwide. Previously, [www.thaitrade.com](http://www.thaitrade.com) only facilitated business-to-business transaction and buyers had to order a lot of goods. SOOK will help SMEs generate sales by them getting small orders directly from customers, Malee explained. She said that her department also had a project to educate small business operators about online trading. Recently, the department was awarded the World Summit on the Information Society prize 2016 of the United Nations for helping SMEs trade online.

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