

Daily Thai News Summary: 8 June 2016

1. Foremost producer to make Thailand ASEAN export hub

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

Netherlands-based Royal FrieslandCampina, the producer of Foremost dairy products, plans to make Thailand its Asean export hub. The company expects income from Asia to be contributing half of its total revenue globally within five years, chief executive officer Roelof Joosten said yesterday. He said Thailand was well placed to serve the emerging growth of the Asean region, particularly in Cambodia, Laos, Myanmar and Vietnam. Therefore, the company will focus its investment here and transfer know-how and expertise to local farmers. "So far, about 40 per cent of the company's total revenue has [come] from Asian markets. The firm will focus [on expanding its] business in the region and foresees Thailand as the hub of the dairy industry for milk and dairy-product exports in Asean and other Asian markets," he said during a visit to Bangkok. FrieslandCampina's annual revenue amounted to 11.3 billion euros (Bt452 billion) last year, an increase of 6 per cent amid fluctuating milk prices.

For this year, the company expects 2-per-cent growth in its global revenue. Joosten said the company would keep on investing in production, research and development, and marketing to make Thailand its Asean supply hub. FrieslandCampina (Thailand) will invest Bt1 billion in each of the next five years on expanding its production line and on research, innovation and marketing, managing director Marco Bertacca said. Last year, FrieslandCampina (Thailand) exported Bt2.3 billion worth of milk and other dairy products to Cambodia, Myanmar, Laos, the Philippines, Vietnam, Hong Kong, and a few other markets.

2. Japanese hotel-supply firm expects to source products from Thailand

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

World Service Co, a Japanese supplier of amenities and products for hotels, sees Thailand as a source of amenities, decorative items and furniture to serve more than 800 of its member hotels in Japan. Chantira Jimreivat Vivatrat, deputy director-general of the Commerce Ministry's International Trade Promotion Department, said yesterday that from June 20-22, World Service would send a team to Thailand for business matching and trade negotiations to select Thai products to supply 800 hotels under its service supply chain. The visit is set for Bangkok and Chiang Mai. Potential Thai products are furniture, kitchenware, household textiles, candles, shampoo, soap and spa products. The visit is a result of the department's business-matching strategy for Thai enterprises to penetrate Japan. World Service has shown strong

interest in many Thai products as they show good quality and design, Chantira said. Many local manufacturers, especially small and medium-sized enterprises, should get a chance to start shipping products overseas. This will be a great opportunity for them to sell to five- to six-star hotels in Japan, she said.

3. Govt revenue in first 8 months of fiscal year totals Bt 2.69 Tn

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

For the first eight months of fiscal 2016, collections of revenue from state agencies and contributions from state-owned enterprises via the Government Financial Management Information System totalled Bt2.69 trillion as of May 3. Overall government spending from October to May was Bt1.79 trillion, or 65.77 per cent of the Bt2.72-trillion budget, Manas Jamveha, director-general of the Comptroller-General's Department, said yesterday. The largest proportion of the revenue came from value-added tax at Bt50.81 billion, or 17.36 per cent of all tax revenue received, followed by corporate income tax at Bt30.44 billion or 10.40 per cent, personal income tax at Bt24.67 billion or 8.43 per cent, and tax on oil and oil products at Bt12.99 billion or 4.44 per cent.

Other non-tax revenue comprised Bt27.71 billion in contributions from state enterprises and Bt30.13 billion in off-budget funds. The department expects tax revenue last month will exceed that of May last year thanks to the slight improvement in the economy. State disbursements in the period accumulated to Bt1.79 trillion, or 65.77 per cent of the Bt2.72-trillion budget. State agencies expedited their spending to help boost the economy in line with the government's economic stimulus measures. Manas said the stimulus measures were raising the standard of living in sub-districts (tambon) and at the village level, investing in small stimulus schemes nationwide and upgrading villages' potential to help expand the economy.

4. JSCCIB calls for work skills based visas, work permits in bid to boost foreign “s-curve” investment

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

The Joint Standing Committee on Commerce, Industry and Banking (JSCCIB) is to propose a change to immigration policy, urging the government to consider issuing visas and work permits to foreigners based on their work skills in order to accommodate foreign investment under the “Thailand 4.0” master plan. The proposal will be submitted to the Joint Government-Private Sector Committee, which is headed by the prime minister. Predee Daochai, chairman of the Thai Bankers' Association and chair of yesterday's JSCCIB meeting, said the panel had agreed that the country should have a clearer framework for immigration policy. This

is because under the strategy to develop super-clusters and 10 targeted industries under the "new S-curve", Thailand needs experts such as skilled young talent and research and development specialists from overseas, he explained.

To encourage such expatriates to work in the Kingdom, visa and work permits should be issued based on the type of work involved and a person's skills to perform that work, he said. A revamping of immigration policy in this way would boost confidence among foreign investors, apart from the ease of doing business, the banker said, adding that the government would be holding a meeting on the ease of doing business next Monday. However, a Supreme Court ruling on May 16 on corporate-tax exemption, in which it dismissed a Board of Investment-promoted company's arguments against tax assessment by the Revenue Department, could reduce confidence among Thai and foreign investors, and the JSCCIB therefore wants the government to take action over the case, he said. Although the Investment Promotion Act prescribes the exemption from tax on a company's BoI-promoted project profits, this does not override the prescription under the Revenue Code concerning the method of tax computation for companies with BoI-promoted projects.

5. Pop-Up restaurants add diversity to Bangkok's retail market

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

POP-UP restaurants are a growing trend in Bangkok shopping malls and in suburban main streets. These are temporary restaurants that can operate from any location where there are customers and that is safe for cooking and serving food. While beer gardens operating during the cool season are probably the pop-up format that Thais are most familiar with, pop-up kitchens and food trucks are gaining popularity in Bangkok. The Mall Group recently introduced pop-up kitchens around its supermarkets. Patrons can buy fresh produce and ask for it to be cooked at these kitchens. Although seating is limited, the food fad has caught on and it is not surprising to find queues forming at these new eateries. Another trend that is transforming the street-food culture in Bangkok is the mobile food truck. Summer Street, which serves grilled seafood, and Daniel Thaiger's burger truck are names that have gained a following. Potential patrons keep track of opening hours and the location of these trucks on social-media platforms - an indication that the digital age has fundamentally changed the way people dine and socialise.

Pop-up restaurants can range from the simple to the ultra-high-end, but one thing they all have in common is the element of exclusivity. Because of their temporary nature, pop-ups intrinsically create a "moment in time" that cannot be replicated; this also ties in neatly with the experience trend and craving for new and exciting concepts. These food and beverage developments have given some of Thailand's malls and retail streets a revival, adding diversity and vitality to the shopping experience and keeping people in the malls longer. The mobility of these pop-ups and food trucks means that empty spaces can be easily converted into food halls or

markets, helping to breathe new life into sometimes derelict but architecturally exciting space, such as former factories, warehouses, office buildings and marketplaces that are in good locations.



By Harsha Hazarika