

## Daily Thai News Updates: 9 December 2016

### 1. Fin techs to be allowed three services

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

The Securities and Exchange Commission plans to allow financial-technology firms to try out three capital services in the sandbox in the first half of next year. The three services are private funds, investment advisory services, and clearing and settlement services. The SEC can grant permission for those services without amending its law, Tipsuda Thavaramara, deputy secretary-general of the SEC, said yesterday. The objective of the sandbox scheme is to encourage the development of innovative financial services that have never been used in Thailand, such as robot-advisers for investors. The SEC will give fin techs about 12-18 months before considering giving those licenses.

### 2. Alibaba agrees to support Thai SMEs

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

The government yesterday clinched a letter of intent with Chinese e-commerce giant Alibaba Group on the cooperation, expansion and promotion of Thai small and medium-sized enterprises (SMEs). The letter of intent also calls for Alibaba's assistance in developing Thailand's digital human resources and logistics systems and invites the Chinese firm to invest in Thailand's ambitious Eastern Economic Corridor (EEC), which will run through Chon Buri, Rayong and Chachoengsao provinces. The corridor has been designated for development as a high-tech industry cluster, with an eye towards becoming Asean's leading economic zone for industrial, infrastructure and urban development. The project is meant to accommodate 10 targeted industries being promoted as clusters by the government. Those industries are next-generation cars; smart electronics; affluent, medical and wellness tourism; agriculture and biotechnology; food; robotics for industry; logistics and aviation; biofuels and biochemicals; digital; and medical services. The corridor will also rely on developments in transport infrastructure, including air, land, rail and water links. The EEC is set to become an Asean water transport hub, linking the Dawei deep-sea port in Myanmar with Sihanoukville in Cambodia and Vung Tau in Vietnam. According to Mr Somkid, the letter of intent also calls for Alibaba's cooperation in developing Thailand as Southeast Asia's digital and data centre hub.

### **3. Air Asia signs maintenance pact with Air France-KLM affiliate**

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

Air Asia Group and Air France Industries KLM Engineering & Maintenance (AFI KLM E&M) have inked a repair services and solutions agreement for the low-cost airline's new fleet of Airbus A320neo planes at its Kuala Lumpur facility. "This is the biggest deal for our maintenance work. Cooperation is a proper strategy for budget airlines, as the deal can help reduce the cost of repair and maintenance," Tony Fernandes, group chief executive officer of Air Asia, said yesterday. Under the agreement, the Air Asia fleet of Airbus A320neo models will be serviced for 10 years from this year onwards. Tony said the pact would create business worth Bt37 billion over the next decade. Air Asia is scheduled to have a total of 304 Airbus A320neo planes by 2028, and took delivery of its first new aircraft on September 7 in Hamburg. AFI KLM E&M will also provide tailor-made services for the low-cost carrier and has an experience with large-scale support for parent airlines or third-party airline clients. The partnership will help Air Asia meet with large-scale requirements for adaptive and world-class support, since the Air France-KLM affiliate firm is a major multi-product maintenance, repair and overhaul (MRO) provider. AFI KLM E&M offers comprehensive technical support for airlines, ranging from engineering and line maintenance to engine overhaul, aero structure and fan thrust reverser (FTR) support, as well as management, repair and supply of aircraft components, structured around a powerful logistics network. The firm provides support to almost 1,500 aircraft operated by 200 major international and domestic airlines. Air Asia has already tested the effectiveness of the MRO solutions, which currently provides component support for the fleet of A330s operated by Air Asia X, Air Asia's budget long-haul subsidiary.

### **4. NEPC approves key PTT deals**

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

The National Energy Policy Committee (NEPC) yesterday gave its approval to PTT to enter a 15-year agreement to buy liquefied natural gas from Malaysia's Petronas, LNG-receiving-facility projects worth billions of baht, a new gas-pipeline tariff formula, and the liberalisation of LPG imports from next month.

The move is an acknowledgement of an increase in natural-gas demand and a projected increase in LNG imports. Prime Minister Prayut Chan-o-cha, who chairs the supreme energy body, said energy was important for the country now and in the future, so every relevant party has to make society understand the need to increase the procurement of energy to serve demand. He said that demand included the government's "Thailand 4.0" scheme, which would involve several mega-projects and special economic zones. The NEPC has acknowledged a revision of the National Gas Plan 2015 that will increase projected demand for natural gas in 2036 from 4,344 million cubic feet per day to 5,062mcf, and LNG imports from 13.5 million tonnes to 17.4 million tonnes in 2022 and 31 million tonnes to 34 million tonnes in 2036. The NEPC has given the nod to a long-term LNG supply contract that will result in PT|T purchasing 1 million tonnes per year of LNG from Petronas next year and in 2018, and 1.2 million tonnes per year thereafter.

## **5. SCB's Economic Intelligence Centre lauds govt's 'digital economy' move**

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

Transforming Thailand into a "digital economy" is one of the government's top priorities to foster the economic and social prosperity of the country, according to Siam Commercial Bank's Economic Intelligence Centre (EIC). During the past year this policy has progressed with the establishment of a Ministry of Digital Economy and Society and the drawing up of a "digital Thailand" plan. The government is also accelerating the roll-out of a national broadband project. On Wednesday, the Cabinet assigned TOT to lay down broadband Internet connections for 24,700 villages, while the office of the National Broadcasting and Telecommunications Commission will handle the installation for the remaining 15,732 villages. The EIC believes the digital-economy policy will open new opportunities to a wide range of businesses, but at the same time introduce new challenges to traditional businesses. The EIC said governments around the world had shown interest in a "digital economy", while many were using this type of policy to boost economic growth. More than 80 per cent of Organization for Economic Cooperation and Development (OECD) member countries, including Australia, Japan and France, has established national strategies related to a digital economy.

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