

Daily Thai News Updates: 21 August 2017

1. Govt to offer incentives to port investors

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

Authorities are seeking approval from Deputy Prime Minister Somkid Jatusripitak for a new benefit-sharing arrangement between state and private sectors to give four river and sea ports shunned by investors a new lease on life. Benefit-sharing proposals have not been attractive enough to draw private firms to invest in the four port projects. To increase the projects' appeal, the Marine and Treasury departments, which are directly connected to the projects, have agreed to reduce the state's portion of the benefit sharing arrangement... The scheme is believed to be a major part of the department's plan to encourage companies to pour investment into the Khlong Yai port in Trat, Sala Loi port in Ayutthaya, Khlong Wan port in Prachuap Khri han and Nakhon Phanom port in Nakhon Phanom. The ports are built by the Marine Department while the revenue sharing calculation is the responsibility of the Treasury Department.

2. Far-reaching changes afoot for excise tax

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

Organic laws concerning the new excise tax rates, which will apply to all products subject to excise duties except for alcohol and cigarettes, will top the cabinet's agenda this week. The cabinet will seek to approve new duties for alcohol and cigarettes shortly before the new excise tax regime comes into force on Sept 16. The move is aimed at preventing people from hoarding products to reap windfall profits, said an informed at the Finance Ministry. The Excise Department insists that the new excise tax structure will not add a significant burden to operators, the source said. The new excise tax will mark a radical change in how taxes are computed for products spanning vehicles, alcohol, cigarettes, non-alcoholic drinks, batteries, crystal glass and air conditioners.

3. Full-year GDP growth revised up after better-and-expected Q2 figure

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

Thailand's gross domestic product in the second quarter surprisingly grew 3.7 per cent, prompting the National Economic and Social Development Board (NESDB) to revise up its full-year growth projection from 3.5 per cent to 3.7 per cent. The economy grew 3.3 per cent in the first quarter, said Porametee Vimolsiri, secretary general of the NESDB, on Monday at a press conference. Second-quarter GDP growth was driven by exports, household consumption and private investment. Private investment grew 3.2 per cent after contracting 1.1 per cent in the first quarter, while public investment contracted 7 per cent in the second quarter after growing 9.7 per cent in the first quarter. Second-quarter consumption expanded 3 per cent compared to 3.2 per cent in the first quarter, while exports in dollar terms grew 8 per cent compared to 6.8 per cent.

4. Ministry plans Northeast rail line

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

The Transport Ministry will seek approval from the cabinet in October for the construction of a 355-kilometre Ban Phai-Mukdahan-Nakhon Phanom railway line worth 65.7 billion baht. Sorapong Paitoonphong, deputy spokesman for transport, said on Saturday the dual-track rail line was approved by the State Railway of Thailand (SRT) board. The board is in the process of submitting the project to the ministry for consideration before tabling the issue in the cabinet meeting in October. Once it has been approved by the cabinet, land expropriation will be implemented in order to begin construction next year. The project is expected to be completed and start official operations in 2024...The railway will cut through northeastern provinces including Khon Kaen, Maha Sarakham and Sakon Nakhon.

5. Bangkok to become regional hub

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

India's Jet Airways promises to cater for soaring passenger demand to Thailand. India-based Jet Airways' business strategy in 2018 will focus on Asia with a plan to open more new routes in the region, including in Thailand. The airline plans to increase its local business and will take possession of 75 new Boeing 737 jets from June 2018 until 2020, according to Colin Neubronner, the airline's senior vice president commercial for Asia Pacific and Southeast Asian Association for

Regional Cooperation (SAARC). “Asia is showing aggressive growth in travel compared with others regions. Up to 33 per cent of our international routes will come from the Asia market. This is the reason that we will expand our new Asian routes next year,” he said...Neubronner said that Thailand would be its regional hub and act as a gateway to the CLMV countries (Cambodia, Laos, Myanmar, and Vietnam) and the company plans to increase its flights from Bangkok to Mumbai and New Delhi from next June.

6. Shedding light on solar panels

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

Thailand is among a number of countries trying to cut reliance on fossil fuels by highlighting renewable energy development, but the colossal task of managing solar panel waste remains a bottleneck, dimming the light of hopeful advancement in renewable energy. The government aims to increase the proportion of energy that comes from renewable sources to 30% by 2036 and to 40% (or 19,000 megawatts) soon thereafter, under Prime Minister Prayut Chan-o-cha’s policy. Since Thailand opened the solar farm market to private players in 2008, renewable power-generating capacity (mostly generated from solar farms) has skyrocketed...Energy policymakers will soon let individual households generate their own power through solar rooftop panels. More solar panels will result in lower power costs for homes.

7. Time for foreign workers and employers to get their papers in order

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

The Royal Proclamation on Managing the Work of Aliens BE 2560 issued in June has shaken up the work environment in Thailand, with stiff fines and even jail time for foreign workers and employers who don't strictly follow the law. The proclamation increases penalties for foreigners, employers and anyone who hires foreigners without appropriate documentation. The penalties are particularly severe for working without a work permit and for working in any way in a prohibited occupation. If you are a worker you could face five years in jail and your employer could face a fine of up to 800,000 baht. And don't forget your work permit when you go to your place of employment. The fine for not being able to produce it if asked is up to 10,000 baht. And if your employer takes your work permit, they could face six months behind bars. Another big change is that employers will be legally bound to notify the Labour Department of terminations of foreign

workers. Previous regulations did not require this, but now, notification must be given within seven days from the last working date, or employers face a penalty of up to 100,000 baht.

8. Airbnb holds out for state support to gain foothold

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

Airbnb, an online service that lets property owners rent out their residences directly to others, is calling for legal support from the Thai government, saying its business model can help strengthen the local economy and generate more income for communities. Having a good relationship with the government would facilitate the company's operations, said Nate Blecharczyk, the co-founder and chief strategy officer of Airbnb, who was in Bangkok last week and met Tourism and Sports Minister Kobkarn Wattanavrangkul to discuss how Airbnb can drive the tourism industry through its household-sharing platform.