

Daily Thai News Updates: 22 March 2017

1. BOT signs cooperation MoU with India's central bank

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

The Bank of Thailand (BOT) on March 20 signed a memorandum of understanding (MoU) on Exchange of Banking Supervision Information with the Reserve Bank of India (RBI), the regulator of financial institutions in India. The MoU provides a formal basis for banking supervisory cooperation between the two authorities. It allows for cooperation between the BOT and the RBI in the areas of information sharing and communication from the licensing process to supervision of banks operating under their jurisdiction.

2. Land and buildings tax draft gets nod

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

The cabinet on Tuesday approved the draft bill for the long-awaited land and buildings tax, intended to narrow economic disparity, after a review by the Council of State. Nathporn Chatusripitak, an adviser to Prime Minister's Office Minister Suvit Maesincee, said the draft bill amended by the Council of State is slightly different from the version proposed earlier by the Finance Ministry, as the tax rate for unused or vacant land tweaked to 2% for the base tax year. That rate is subject to increase by 0.5 percentage points every three years until it is capped at 5%. The change is aimed at prompting landlords to use their lands, as the incremental tax rate will take sometime to hit the ceiling.

3. Cabinet backs credit boost for SMEs in Bt 15 bn package

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

The Cabinet yesterday gave the nod to the Small and Medium Enterprise Development Bank of Thailand to extend up to Bt15 billion in loans to small and medium-sized enterprises. The cabinet also approved plans for a major industrial estate development project in Sa Kaeo. "About 3,000 SMEs will be assisted to gain access to capital with loans of up to Bt15 million each being made available. Some Bt68.7 billion in capital will be put into circulation in the economic system," said Nattaporn Jatusripitak, adviser to the Prime Minister's Office. The credit assistance will help keep

24,000 workers in employment, she said. About 3,000 SMEs targeted in this scheme must fit into three groups: those facing some form of financial pressure, start-ups seeking to pursue innovation and those about to become operators under the government's Thailand 4.0 vision for technological development. For businesses to qualify for support under the scheme, they must not have non-performing loans and must not use the funds for refinancing. "SMEs can develop their operations to be competitive," Nattaporn said. The term loans under the programme, known as the SME Transformation Loans scheme, are set to run up to seven years.

4. Policymakers ready for gas disruptions

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

The country's energy policymakers have made preparations for possible disruptions of gas supply, particularly from the Yadana gas field in Myanmar, during the hot season when power demand peaks. Concerns over possible disruptions from gas blocks, not only from Myanmar's Martaban Sea but also from the Gulf of Thailand, have re-emerged as April approaches. Thailand normally requests that Total SA, a gas production operator in Myanmar, conduct maintenance activities during the holiday-heavy Songkran Festival or other weekends, when power demand is lower. But for the first time in seven years, Total SA will not be able to abide the request. That has raised concerns about possible gas disruptions during the hottest month of the year.

5. Komatsu \$25m training centre opens doors

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

Japanese machinery maker Komatsu opened a regional training centre in Chachoengsao yesterday with an investment of US\$25 million to support dealers in 20 Asian countries. The Asia Training and Demonstration Center (ATDC), on the Bangkok-Chon Buri Motorway in Bang Pakong district, spans an area of 77,392 square metres. Yeo Tong Hiang, ATDC's deputy general manager, said the Tokyo-based company has also transferred its know-how and advanced technology to help put the Thailand centre on par with those in Japan, the US, Russia and China. The centre will provide 35 training courses annually, aiming to develop its distributors' human resources. ATDC supports dealers in Thailand, Indonesia, Malaysia, Cambodia, Myanmar, Laos, Vietnam, the Philippines, Taiwan, South Korea, India, Bangladesh, Nepal, Bhutan and Sri

Lanka. "By fiscal 2017, starting April this year, ATDC expects to have 1,000 trainees, 10% of whom will be Thai," said Mr. Yeo.