

Daily Thai News Updates: 25 September 2017

1. ASEAN 4.0

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

The world is in the midst of a digital transformation, and so is the Association of Southeast Asian Nations (Asean). The region of 630 million people has become a strategic battleground for the digital economy, in which established tech giants and startups alike are trying to seize market opportunities. Digital consumption is penetrating every nook and cranny of the region -- in some areas beyond our imagination. A case in point is Myanmar welcoming Uber, the ride-hailing pioneer that promises a new choice in a country where public transport is still rudimentary. Uber hopes to have better luck in Myanmar than in other countries including Thailand, where it was resisted by both conventional taxi drivers and authorities...The online and digitally related economy in Asean countries is estimated to worth around US\$50 billion, according to "Digital Acceleration in Southeast Asia: Navigating Tectonic Shifts", a study released in May by the global management consulting firm Bain & Company. Digital transformation has become a strategic imperative for countries in Asean to develop their economies. For example, technology lies at the heart of the Thailand 4.0 strategy intended to develop a new kind of economy based on creativity and innovation, with improved governance and transparency, welfare and education, in order to exit the middle-income trap. The OECD, representing the world's 35 most developed economies, is looking to spur development in Southeast Asia through a country programme, with Thailand the first in the region to take part.

2. FPO asks BoT to drop interest rate

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

The Finance Ministry has urged the Bank of Thailand to slash the policy rate by 50 basis points to help stimulate the economy and curb speculative inflows. The Finance Ministry has urged the Bank of Thailand to slash the policy rate by 50 basis points to help stimulate the economy and curb speculative inflows. If the repurchase rate is kept unchanged at 1.5%, overseas funds will continue to flood into Thailand for arbitrage, he said. Foreign investors may borrow from Japan, which has adopted a negative interest rate, to invest in Thai bonds and gain a profit from the stronger baht, said Mr Warotai...The Bank of Thailand's Monetary Policy Committee has left the

policy rate unchanged at 1.5% since a cut in April 2015 due to uneven economic recovery. The MPC meeting on the interest rate is due on Wednesday.

3. OTP unveils 20-year master rail plan

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

The Office of Transport and Traffic Policy and Planning (OTP) has unveiled a 20-year master plan for rail development, worth more than 2.7 trillion baht, to facilitate special economic zones (SEZs), tourism and local development. The plan was revealed at a hearing in Bangkok on Friday to receive feedback on the scheme...More than 200 people from the state, private, education and public sectors as well as media and independent agencies attended the hearing. According to Mr Chayatan, the plan will be divided into three periods. The short-term plan runs from this year to 2021, he said, adding the middle-term phase will be carried out between 2022 and 2026 and the long-term period will be from 2027 to 2036. He said the OTP conducted a study and mapped out the plan which aims to develop rail networks to support SEZs and tourism as well as bolster local development. This would help boost confidence among the public and investors and support the rail system as the country's key transport mode, he said. The plan covers double-track rail development, stretching 2,777km; metre-gauge rail routes with a total distance of 2,352 km; standard-gauge rail routes for high-speed trains, stretching 2,457km; the establishment of container yards; and the use of electric trains for rail transport.

4. PTT concludes Mozambique LNG deal

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

PTT Plc, the national oil and gas conglomerate, has sealed a deal to purchase 2.6 million tonnes of liquefied natural gas (LNG) a year from Mozambique's Rovuma Area 1 offshore project, says Piyasvasti Amranand, chairman of the board of directors. Stakeholders in Rovuma A1 project, including PTT subsidiary PTTEP, are due to make a final investment decision by the end of this year. Gas production is scheduled to begin at the project in 2022-23, said Mr Piyasvasti. PTT's board approved the purchase of LNG from the gas block last Friday and is in the process of reporting it to the National Energy Policy Council as well as the cabinet, he said. Mr Piyasvasti said the gas sales agreement (GSA) is scheduled to be signed by PTT and relevant LNG production companies next year.

5. New payment systems could replace cash

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

Transforming Thailand into a cashless society requires not only the political will of visionary policymakers, but also a secure electronic system and digital literacy. The country is gradually moving in that direction with an integrated e-payment system and quick response (QR) code payment, but there is still a lot of work to be done. Consumers will be able to use the standardized QR code payment on their smartphones to pay for purchases at shops, street vendors and motorcycle taxis starting in the final quarter this year as the Bank of Thailand has teamed up with five international payment networks and financial services providers in Thailand to implement the service...E-payments have a promising future in Thailand with the integration of the standardised platform for QR code payment with PromptPay, an electronic funds transfer service under the national e-payment scheme, and electronic data capture terminals, according to cybersecurity expert Rom Hiranpruk.

6. Listed companies eager to expand business overseas

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

SET-listed firms are expected to channel their investments for the remainder of this year into neighbouring countries with positive economic growth prospects by using both corporate earnings and commercial bank loans, says a Stock Exchange Thailand executive. Firms interested in expanding their businesses overseas include those in commerce, household and office equipment, fashion, electronics, mining, life and non-life insurance, transport and logistics, said akorn Peetathawatchai, senior executive vice-president at the SET. The majority of businesses will expand into Cambodia, Laos, Myanmar and Vietnam, he said. Mr Pakorn said listed firms planning to expand have expressed interest in mergers or joint ventures with local companies. These businesses include construction, commerce, energy, medical and healthcare, mining, transport and logistics firms.

7. Prachuap Khiri Khan works on tourism

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

The government of Prachuap Khiri Khan and tourism organisations aim to build on the momentum of growing arrivals in the province, hoping to position the area as an international

tourist destination. Udomsuk Nimcean, president of the Tourism Authority of Prachuap Khiri Khan, said the group has completed the framework for the province's strategic tourism plan for 1-4 years, 10 years and 20 years. Prachuap Khiri Khan is best known for its sandy beaches and scenic bays on the eastern coast. The western part of the province is mountainous and forested. The oldest beach resort in the country, Hua Hin, which houses Klai Kangwon Palace, the primary summer residence of the late King Bhumibol Adulyadej, is also part of the province. Prachuap Khiri Khan has 500 registered hotels with 3,000-4,000 rooms, excluding hundreds of non-registered hotels and accommodations. Most hotel rooms are in the Hua Hin area. Some 5-7 million visitors flocked to the province in 2016, with up to 45% staying in Hua Hin. Of the total visitors, 65% were domestic travellers, while the rest were foreigners, mostly from Sweden, Germany, Australia, Russia and China.