

## Daily Thai News Updates: 27 June 2017

### **1. Interim panel to address cyber threats**

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

The government will set up an interim national cyber security committee to optimise the state's response to cyber threats. The committee, to be formed by July, is needed in the absence of the cyber security draft bill which is being consideration by the National Legislative Assembly, said Pichet Durongkaveroj, the digital economy and society (DE) minister. The committee will be chaired by Deputy Prime Minister Prajin Juntong. The Thailand Computer Emergency Response Team (ThaiCERT), which operates under the umbrella of the Electronic Transactions Development Agency (ETDA), will provide the main workforce for the committee. Mr Pichet said cyber security was one of the most critical issues facing the country, as cyber attacks increasingly result in frauds, system hacks and terrorism. He said the interim committee would be responsible for setting the cyber security strategy and undertake all needed measures to strengthen critical digital infrastructure of the country as well as prevent cyber threat to state agencies' websites. However, until the cyber security draft bill is put into effect, the government must set up the cyber security committee to handle the job in line with the bill. A committee under the bill will later replace the interim committee.

### **2. Banks, insurance players eye boost to fintech ties, PwC says**

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

Due to growing concerns of incumbents losing business to a new breed of financial service providers, more than 82% of financial institutions have expressed interest in forming relationships with fintech firms in the next three to five years, according to a PwC report. Businesses such as commercial banks, insurance firms and financial investors plan to adopt fintech in the coming years in the hope of receiving a rate of return on investment of up to 20%, PwC said in a report entitled "Redrawing the Lines: Fintech's Growing Influence on Financial Services". The report surveyed more than 1,300 respondents, largely CEOs, department heads, innovation heads and IT chiefs from 71 countries across six regions in a variety of industries, including banking, asset management, fund payments, insurance, reinsurance and fintech...Fintech startups must target investors from large financial institutions to form ties while financial investors better their

understanding of fintech innovations and disregard outdated forms of customer service... Vilaiporn Taweelapontong, PwC consulting lead partner, said that current financial business operations in Thailand, especially financial institutions, are increasingly using fintech, with many commercial banks exploring the usage of blockchain technology to manage contract information and decrease costs and risk.

### **3. Firms report better purchasing power**

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

Although private investment remains relatively low, the private sector has seen clearer signs of improving purchasing power this month. Sanan Angubolkul, vice-president of the Thai Board of Trade, said yesterday the latest economic data from the Thai Chamber of Commerce showed a spending recovery in all regions since early June, boosted by rebounding farm products, growing exports and tourism. The Commerce Ministry reported last week Thai exports jumped 13.2% year-on-year to US\$9.9 billion (676 billion baht), the highest in more than four years, as the global economic recovery helped boost demand and shrug off the impact of the baht's appreciation. The rise in May exports was far above the 8.4% growth in April, driven by increases in demand for several products. Agricultural and agribusiness exports rose 17.6% year-on-year in May, fetching \$3.24 billion, helped by higher shipments of rubber, sugar, rice, vegetables and fresh fruits -- particularly durian, shipments of which jumped 159.3% from the same period last year. Exports of industrial products rose by 12.8% to \$5.6 billion, led by processed rubber, automobiles, electric circuits, computers and components, while jewellery remained in negative territory.

### **4. Business Development Dept, Board of Trade to help four priority sectors reap EEC benefits**

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

The Business Development Department has joined forces with the Board of Trade of Thailand to support 30 trade associations in drawing up strategies for driving business growth. The initial focus will be on four priority businesses: tourism, lifestyle, logistics and property development. Bangjongjitt Angsusingh, director-general of the department, said on Monday that the strategies to develop the four priority businesses would emphasise the encouragement of business operators to reap benefits from the Eastern Economic Corridor (EEC), as those sectors had greater opportunities to expand and grow along with the development of the EEC. After developing those

four businesses, the department and trade associations will expand their collaboration to develop others kinds of business in the future, she added. Under the plan, enterprises from 30 trade associations will be coached to do business in a more professional way, while also being encouraged to link their operations with other businesses to reap the maximum benefit from the EEC in terms of penetrating neighbouring countries and broader overseas markets, she explained.

### **5. Korn frets over risks of zero-growth economy**

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

Former finance minister Korn Chatikavanij is more troubled by the country's sluggish economic growth rather than the prospects for a repeat of the Asian financial crisis that broke out in 1997. Korn expressed his concerns about persistently low economic growth at a forum yesterday that marked the 20th anniversary of the crisis. The economy has been expanding at a rate of about 2-3 per cent over recent years, compared with the expansion of about 10 per cent seen before the crisis flared up. Thailand could potentially suffer a sustained period of no growth that had been experienced in some African countries and which entrenched widespread poverty, Korn told the forum, which was hosted by Infinity Global Investors. Korn, who was finance minister from 2008 to 2011, said the country faced a loss of competitiveness due to factors such as the low skills of the workforce, a poor education system and a squeeze in exports from trade rivals. While Korn noted that the government's Thailand 4.0 technology vision is aimed at supporting innovative industries, he said there may not be sufficient people capable of contributing to these sectors. "Has anyone asked farmers if they are ready to switch over?" Korn said. Government investment in infrastructure projects makes up only a part of the whole economy, he told the forum. The former minister cited demographic changes in Thai society as key concerns. The ageing of the population that will coincide with shrinkage in the ranks of those of working age will be a negative factor felt over the next 20 years. The ratio of working-age people to seniors is 4:1; the ratio will be 2:1 in the next 20 years. Social welfare costs will rise significantly, putting great pressure on the government budget, he said. Korn also expressed concern over the impact of what he describes as the vast liquidity in the global system.

## **6. PNP pushes joint startups with South Korea to spur 4.0 drive**

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

PNP Management Group, a Thai-Korean technology investment consultant, is pushing for the development of joint Thai-Korean startups in line with the government's so-called Thailand 4.0 initiative. PNP and the National Innovation Agency (NIA) will organise "Startup by PNP: Let's Explore Asean", a programme offering networking opportunities for entrepreneurs of both countries, which is expected to result in over 100 million baht in investments for Thai-Korean startups. This programme will help Thai startups expand across Asean and East Asia, in line with the Thailand 4.0 model. Peerapong Sriintravanich, managing director of PNP Management Group, said South Korea has enormous potential as a startup market supporter. It is at the forefront of technological development and industrial innovation. For example, South Korea spends 3.74% of its GDP on research and development. In contrast, Thailand spends 0.37% of GDP on R&D.

## **7. JCC and BoI to set up joint committees for EEC focus**

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

The Japanese Chamber of Commerce (JCC) has teamed up with Thailand's Board of Investment (BoI) to set up joint committees to support investment in the much-touted Eastern Economic Corridor (EEC). According to BoI secretary-general Hiranya Suchinai, Thailand and Japan will work together to support investors in the EEC, while the joint committees will focus on supporting and promoting investment in medical equipment and digital ventures. The EEC has been heavily promoted by the government as a new special economic zone to attract foreign investment. The corridor spanning more than 30,000 rai in the three eastern provinces of Rayong, Chon Buri and Chachoengsao is projected to help generate new investment of up to 1.5 trillion baht within five years from both the government and the private sector. The area is meant to be Thailand's new growth engine through 10 targeted industries: 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. According to Ms Hiranya, Japanese investors are now confident about investing in Thailand, especially in the EEC project.

**8. Dusit makes bold expansion in RP**

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

After two decades of operating a lone hotel in the Metro Manila city of Makati, Thai hospitality group Dusit International is expanding its footprint in the Philippines with a pipeline of new hotels that could quadruple its local portfolio to more than 2,000 rooms within three years. Dusit has invested around 2 billion pesos (Bt1.35 billion) to develop its second hotel in the country called dusitD2 The Fort Manila, which also integrates a hotel and restaurant management school – the Dusit Hospitality Management College near the SM Aura mall in Taguig City. The facility will offer 220 guest rooms, of which 100 will be serviced apartments. Set to open next year, this also marks the introduction of the dusitD2 brand in the Philippines. The brand targets young people with its modern amenities. Dusit International group chief executive officer Suphajee Suthumpun said the idea for the school was “to have students staff the hotel itself so we provide an integrated learning platform for the students so they can learn the practice from the very first year”. Degree programmes will be certified by Switzerland’s Ecole Hoteliere de Lausanne, deemed by some as the best hospitality-management school in the world. After 20 years of operating the 500-room hotel in Makati, Dusit International is likewise ready to expand outside the Philippines’ National Capital Region. “We have signed and started quite a few projects here in the Philippines,” said Suphajee, who flew in from Thailand to sign a new deal to manage Robinsons Land Corp’s beachfront hotel-resort in Mactan, Cebu province, which should be ready by 2019.