

Daily Thai News Updates: 27 March 2017

1. Economic growth above 3% ‘achievable’

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

The strong confidence shown by public and private enterprises with their investment budgets is good reason to believe that Thailand’s economy will grow by more than 3 per cent this year, economic experts said. Total investment by private and state enterprises is set to exceed Bt1 trillion, while the government’s investment budget for this fiscal year is worth Bt400 billion. There will also be an extra Bt160 billion drawn from the government’s central budget this fiscal year to add to the regular investment budget. All of this investment worth a combined Bt1.56 trillion is expected to stimulate gross domestic product by about 0.30.4 per cent. Meanwhile, overall tourism revenue is targeted at Bt2.77 trillion, for another GDP stimulus of about 1 per cent.

2. Investments in Thailand up by 20 per cent

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

Thailand’s corporate and state enterprises plan to invest more than Bt1 trillion this year, including in projects eligible for tax incentives from the Board of Investment (BOI), according to a survey by The Nation. This is more than 20 per cent higher than last year’s total investment value, suggesting confidence that the Thai economy will recover this year even though the global economy still faces risks, including the unpredictable effects of the new US administration’s trade policies. Of the state enterprises, PTT has the largest investment budget of Bt83.66 billion for both domestic and overseas projects – about Bt45.79 billion of the total will be invested in Thailand. This is part of its five year (2017-21) investment plan worth a total of Bt338.85 billion. The plan emphasizes the extension of investment in PTT’s infrastructure and oil businesses, including natural gas pipelines, service stations and facilities for imported liquefied natural gas.

3. Thai firms told to watch out for GI certification

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

IP Department calls for caution in the use of certain words to market their products. The Intellectual Property Department has warned Thai enterprises to beware of using imitation words to name their products as it could breach the intellectual property right on Geographical Indication (GI). The comment came after Japan proceeded to seek GI protection for three products – Yubari melon, Tajima beef and Kobe beef – in Thailand. Thosapone Dansuputra, the Department director general, said Thai enterprises must be more cautious in the use of words to promote their products as some products from other countries already have GI certification in Thailand; for instance Bordeaux wine, Scotch whisky, Pisco grape and Parma ham. “Kobe beef is very popular and famous in Thailand. Once Japan gets the certification for the product, Thai enterprises should carefully consider when they use wording for promotion of their products,” he said.

4. Move to extend lease period expected to stir interest of foreigners

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

The move to revise the leasehold act and extend the lease period from 30 years to 50 years will be good for developers who offer residential homes to foreigners, both in Bangkok and at tourist destinations, property experts said. “This act will support developers who develop property to serve the demand only from foreigners,” Issara Boonyong, chief executive officer of Kanda Group, said. Finance Minister Apisak Tantivorawong said last week that the ministry has been studying ways to amend the law to extend the length of time foreigners can hold land and property in Thailand to 50 years from the present 30 years in order to boost the real estate sector. The managing director of property agency firm Jones Lang Lasalle (Thailand), Suphin Mechuchep, said recently the move would boost foreign investors’ confidence to expand their investment in the property market when the leasehold is extended from 30 years to 50 years.

5. Cyberrisks ‘to aid’ IT spending

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

Thailand’s spending on information security is likely to drive the overall annual IT spending to growth in 2017 after five straight years of contraction, thanks to the increased awareness of cyber threats. "We see growing demand for security devices and technology in Thailand, boosted by the development of the Thailand 4.0 model and the increasing adoption of data analytics and Internet of Things (IoT)," said Vatsun Thirapatarapong, managing director of Cisco System Thailand, the local operating unit of the world's largest IT networking company. "Thailand's IT spending is expected to grow by at least 7% this year, after five consecutive years of contracting," he said. Cybersecurity is fundamental to businesses under the Thailand 4.0 economic model, as organisations need to ensure greater ability to cope with growing security risks.

