

Daily Thai News Updates: 30 August 2017

1. ICT investment vital to prosperity in Asia-Pacific

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

Thailand is one of the ICT infrastructure development leaders among emerging countries in Asia-Pacific, but its telecom firms and government agencies must embrace the challenges brought about by the development of the digital economy. Tasks facing Thailand include proactive policy-making and regulation, digital ecosystem development and practical solutions to boost return of investment. Similar to other countries in Asia-Pacific, 60% of the population in Thailand are young people and they are the primary users of digital services and data consumption...The ecosystem of digital services in Asia-Pacific and Thailand is mainly driven by young consumers who are interested in innovation, and demand better experiences and more efficiency.

2. Border trade rises 5.5% for first seven months

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

Thailand's border trade rose 5.51 per cent to Bt618.35 billion for the first seven months of this year, led by the country's border trade with Malaysia, Laos and Myanmar, respectively, according to the Ministry of Commerce. Commerce Minister Apiradi Tantraporn said that of the total border trade, exports amounted to Bt381.68 billion, up 9.25 per cent from the same period of last year and imports were Bt236.67 billion, down 0.02 per cent. Thailand's border trade notched a surplus of Bt145.01 billion.

3. One-stop service to help boost foreign flows into EEC

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

A one-stop service to facilitate foreign investments in the Eastern Economic Corridor (EEC) will start in the next three months. The service will be launched by the Industrial Estate Authority of Thailand, Kanit Sangsubhan, secretary-general of the EEC Office, said yesterday at a forum "Thailand Focus 2017"...The one-stop service would be located in the Map Ta Phut Industrial Estate in Rayong province, Kanit revealed. He acknowledged that complex regulations are a hurdle to securing investments in the EEC while the EEC law has eliminated almost all obstacles.He said

there was no problem in drawing foreign investors, as many Japanese and Chinese businesses were keen.

4. Korean tension and currency speculation affect Baht

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

Tension in the Korean Peninsula has made the baht volatile, according to the Central Bank. Meanwhile, the Bank of Thailand is still waiting for information from banks about speculation on the baht currency, but no capital control is needed, said Mathee Supapongse, the BOT's deputy governor on Tuesday. He responded to growing concerns among exporters over the appreciation of the baht, which has risen 7.7 per cent against the US dollar this year. When compared with other countries in the Asian region, the baht had risen only 2.6 per cent... The BOT recently asked banks to report baht transactions deemed as solely speculative activity on exchange move. The volatility of the South Korean won in light of renewed threats from North Korea has also affected the currency.

5. Cabinet passes aid for poor

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

The cabinet yesterday green-lighted a new aid package worth 41.94 billion baht for low-income earners. The package includes allowances for rides on public buses and trains, and subsidised utility bills. The scheme is scheduled to come into force on Oct 1, the start of fiscal 2018. According to Comptroller-General Suthirat Rattanachot, the package will be offered to 11.67 million qualified low-income earners who registered with the state agency. A total of 14.1 million low-income earners have registered this year with the government, up from 8.27 million in 2016. According to the government's plan, the scheme's recipients will receive smart cards that will contain their personal information and allow them access to state assistance such as subsidised transport utility bills, staple goods to be bought at the Commerce Ministry's Blue Flag shops, student uniforms, stationery and fertiliser. Moreover, the scheme's recipients who earn under 30,000 baht a year will receive money to help them meet basic needs and cross the poverty line. The smart card will be distributed to recipients from September, and state aid will be given from Oct 1.

6. Thailand 'still 8 years from EV era'

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

Various Japanese organisations expect electric vehicles (EVs) to be commercially available in Thailand by 2025 when all of the required infrastructure, facilities and technology has been put in place. Satoshi Nishino, director of the automotive bureau at Japan's Ministry of Economy, Trade and Industry, said Thailand is developing the technology and infrastructure to support the full implementation of EVs soon. It is expected to be ready for commercial use by 2025, he said. "Thailand will remain the Detroit of Asia, as it is now investing a lot in infrastructure to support EVs," Mr Nishino said. As part of Thailand 4.0, the government has launched a policy initiative to use new technologies to drive the economy forward. EVs rank among 10 targeted industries the government has vowed to support.

7. Personal debt still hampers spending

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

Even though household debt has been quite stable, massive leverage will continue to weigh on economic growth over the next few years, warns a high-ranking official at the Bank of Thailand. "The problem of high household debt remains with us, and I think it will remain a drag on consumption for the next few years," said Mathee Supapongse, the deputy governor overseeing monetary stability at the central bank. According to the Bank of Thailand's data, the country's household debt rose almost 80% to 11.5 trillion baht at the end of March this year from 6.41 trillion at the end of 2010...The high family debt load has crippled purchasing power and private consumption, which accounts for half of the country's GDP, and prevented a broad-based recovery, Mr Mathee said. "Household debt remains our concern," he said. "We've just started launching measures to curb high household debt."

8. Development plan for robotics gets nod

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

The cabinet yesterday approved a robotics development plan as the state pushes to enhance a 200-billion-baht investment scheme for the industry over the next five years. The cabinet also approved a slew of measures to support the development of robotics and other targeted industries to keep up with the Thailand 4.0 policy. Industry Minister Uttama Savanayana said the measures are aimed at encouraging the manufacturing and service sectors to increase productivity through

the use of robotics and automation systems. Participating firms will enjoy privileges from the Board of Investment (BoI), including a 50% reduction in corporate tax for three years, as long as the companies keep working in the related high-tech sectors. The Finance Ministry will also allow participating firms to deduct 300% of corporate tax for research and development expenditures.