

## Daily Thai News Updates: 31 July 2017

### **1. 5 rail contracts to be signed by September**

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

Contracts for the construction of five dual-track rail projects worth 95.8 billion baht are expected to be signed by September, says Anon Luangboriboon, inspector-general of the Transport Ministry. Mr Anon, who is also the acting governor of the State Railway of Thailand (SRT), was speaking at an "integrity pact" signing ceremony for the construction of three tunnels along the Map Kabao-Thanon Chira Junction line. The pact was signed by 16 companies. The SRT, bidders and an inspector of the Comptroller General's Department and six representatives from relevant organisations signed the pact to ensure integrity, transparency and accountability in the bidding process, he said. The 7.9km section will cost around 9.3 billion baht. As for the 196km Nakhon Pathom-Hua Hin dual-track project, bidding on the 15.8-billion-baht section will take place on Aug 10. Bidding on the 167km section between Prachuap Khiri Khan and Chumphon will be held on Aug 31.

### **2. Migrant worker registrations far below targets**

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

Fewer than 200,000 migrant workers were registered in the first week of a new government programme, far short of the target of 600,000 to 800,000 that authorities had set. The Labour Ministry said that 58,066 employers had sought registration for 190,926 workers since Monday at centres set up across the country. The registration drive was a response to employer complaints about the sudden introduction last month of tough new rules against illegal labour. The government subsequently backed down and delayed enforcement for six months to give employers and workers more time to comply. Ananchai Uthaiattanasak, a spokesman for the Labour Ministry, said the figures were compiled from 100 registration outlets nationwide including 11 in Bangkok. Registrations started on Monday. On Friday alone, 10,555 employers sought to register 38,208 workers. Most of the applications came from Bangkok, Samut Prakan, Rayong, Pathum Thani and Nonthaburi provinces, and were filed for workers from Myanmar, followed by Cambodian and Lao migrants. The largest number of applications was for farm labourers, followed by

construction, food and beverage sales, general services and farming-related businesses, Mr Ananchai said.

### **3. Full plate for new face at DE Ministry**

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

Ajarin Pattanapanchai, the designated permanent secretary of the Digital Economy and Society Ministry (DE), will have a raft of critical tasks awaiting her, says a ministry source. Five pending projects will be on hand for the new permanent secretary to tackle, said the ministry source. On July 25, the cabinet announced that Ms Ajarin, currently deputy secretary-general of the Board of Investment, will become permanent secretary of the DE Ministry, effective on Oct 1. She will replace Wilailuk Chuliwattanakul, who will transfer to the Prime Minister's Office as a special inspector. The source said several projects at the DE Ministry have been delayed, affecting the revenue of the state telecom enterprise, with the new permanent secretary expected to get the agenda back on track.

### **4. Indonesia and Thailand charting clear maritime boundaries**

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

Indonesia and Thailand are embarking on what could be a long and tedious negotiation process to determine the border of the exclusive economic zones (EEZ) between the two countries in the Andaman Sea. But even before formal talks begin, both countries have to tune into the right mood for a friendly and fruitful negotiation in order to reach a satisfactory result. The contested EEZ located north of Indonesia's westernmost province of Aceh is visibly delineated by purple dash lines that mark Indonesia's claim, along a clear blue line of Indonesia's continental shelf on the newly updated territorial map that the Jakarta government issued on July 14. Both lines extend southwest in the Indian Ocean where Indonesia has a maritime border with India and southeast down along the Malacca Strait where it shares maritime boundaries with Malaysia and Singapore. Negotiations with Thailand are still at a very preliminary stage, with informal exchanges of preliminary views following a meeting in late 2016, according to Bebeb Djunjunan, director for political, security and territorial treaties with the Foreign Ministry.

### **5. June factory output dips 0.16% y-o-y, worse than forecast**

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

Thailand's industrial output unexpectedly dropped in June, after a rise in the previous month, due to lower production of air conditioners and steel, suggesting economic recovery remains fragile. The Industry Ministry said on Monday the manufacturing production index (MPI) in June contracted 0.16% from a year earlier, compared with the median forecast of a 1.2% rise in a Reuters poll. May's index was revised to a 1.64% year-on-year rise from a 1.4% increase. Capacity utilisation at factories dropped to 61.05% in June from a revised 62.22% in May. Industrial goods accounted for about 80% of total exports, which rose 11.7% in June from a year earlier, customs data showed. Exports, a key driver of growth in Southeast Asia's second-largest economy, are recovering after years of weakness. The Bank of Thailand has forecast an economic growth of 3.5% this year, with exports rising 5%.

### **6. Trat SEZ pinned as border hub**

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

Thailand's much-touted Eastern Economic Corridor (EEC) and a new special economic zone (SEZ) in Trat province are expected to become instrumental in bolstering trade not only to Thailand but also to Cambodia and Vietnam, business leaders from the two countries said at a cross-border trade seminar. Entrepreneurs from the three countries are being urged to cash in on growing cross-border trade particularly for agriculture, seafood and consumer products, as well as tourism. "Although Trat is not a part of the EEC territory, the province is also expected to enjoy benefits from this megaproject, as it is 340 kilometres from Laem Chabang seaport in Thailand, and 25km from Sihanoukville seaport in Cambodia," said Trat governor Charnna Iamsang. Speaking at the "Strategic Trat-Koh Kong Route to Penetrate Cambodia and Vietnam Markets" seminar, Mr Charnna said Trat's Khlong Yai district, designated as the SEZ development location, will help strengthen businesses and the economy in the eastern coast of Thailand, where it borders Cambodia and Vietnam. The planned SEZ development in Trat covers 31,375 rai in three tambons: Khlong Yai, Mai Rut and Hat Lek

## **7. Malls shore up for online deluge**

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

Has the Thai shopping mall era come to an unceremonious end? With nearly everything now available with the touch of a button, physical shopping centres have been forced to fight for their commercial lives. That is no small task, with new online retailers willing to suffer losses for years to stake their claim in a piece of the market, all the while wooing sellers with their size, lower prices and shorter shipping times. Online retailers are gobbling up market share at a breakneck clip in developing markets. While some sectors like food and drinks remain fierce contenders in the brick-and-mortar arena, sales of apparel, cosmetics and electronics are quickly retreating from shopping centres. But while analysts have predicted doom and gloom for many years, malls have yet to turn into ghost towns with major shopping centre owners in Thailand maintaining sunny forecasts for their future earnings. “Malls must pull in customers through services that can’t be replicated on the web like beauty salons, co-working spaces or water theme parks, said Wuttikiat Techamongklapiwat, executive vice-president of property and lifestyle mall at Robinson Plc.