

Thai News Update: 11 July 2018

1. Cabinet Approves Land Windfall Tax

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

The cabinet approved a draft bill July 10 on the land windfall tax -a levy on inflated property prices driven by transport infrastructure projects. Nathporn Chatusripitak, an adviser to the PM's Office Minister, said the new tax will charge both individual and corporate owners for commercial purposes and condominium projects worth more than 50 million baht every time their ownership is transferred from the time when the transport infrastructure project starts construction until the project's completion. A draft bill on the land windfall tax caps the ceiling at 5% of the inflated price, but the applicable rate will be decided on later. Those liable for the tax must own land within a radius of five kilometres of a station serving high-speed, double-track or electric trains, or of the on- or off-ramp of an expressway. Those who own plots within 5km of building-restricted zones such as airports or ports will also be required to pay the tax. Mr Nathporn said the government has been investing in a number of infrastructure projects that need huge budgets, while tax collection from landlord owners or property developers will help the government generate revenue to offset massive investment

2. Sri Lanka To Begin FTA Talks, Strategic Economic Partnership As Thailand PM Visits

Source: Economy Next ([Link](#))

Sri Lanka is expecting to ink a deal on a strategic economic partnership with Thailand when Prime Minister Chan-o-cha visits the island on July 12, and launch free trade talks, the foreign ministry said. He will be received by President Maithripala Sirisena. During the visit a memorandum of understanding on a strategic economic partnership will be inked as well a deal on technical co-operation on adding value to primary products. The initial talks on a free trade agreement between Thailand and Sri Lanka will also be launched. The Thai Prime Minister will also visit the Temple of the Tooth Relic in Kandy and call on the Chief Priests of Malwatte and Asgiriya Buddhist chapters. The Kandyan Bhuddist orders, also known as Siam Nikaya have strong connections to Thailand, dating back several centuries. Both Sri Lanka and Thailand have Indianized cultures and have been part of sprawling Indian colonial empires that stretched as far as Indonesia and beyond.

3. Thailand Inks Deal With Planet For Satellite Monitoring

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

Planet, a San Francisco-based firm specialising in satellite mapping, has signed a deal with the Geo-Informatics and Space Technology Development Agency (GISTDA), under Thailand's Ministry of Science and Technology, to provide satellite imagery to enable monitoring of the country. Planet will provide GISTDA with Planet Basemaps of the country on a quarterly basis. The basemaps will offer updated, cloud-free images for use by several ministries, including Agriculture, Rural Development, and Water and Irrigation. "With persistent monitoring and analysis from Planet, Thailand will gain unprecedented insights, which will guide national priorities like sustainability and resource management, urban planning, food security, and environmental stewardship, not only at a political level, but also grassroots level," said Kandasri Limpakom, director of the Business and Alliance Development Office.

4. UK Boosts Support Fund For British Investments In Thailand

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

Thai Ambassador to the UK Pisanu Suvanajata has welcomed the announcement by the UK Export Finance (UKEF) of a 4.5-billion pounds financing in support UK investors' ventures and sourcing of materials in Thailand. The amount represents an increase from 2.25 billion pounds, announced by the UK Secretary of State for International Trade Liam Fox, on a recent visit to Thailand, and highlights the potential of UK-Thai trade. "It is good news that the British government has offered a great opportunity for UK businesses to explore the Thai market by allocating a 4.5-billion pounds funding through the UKEF ," Pisanu said. This will not only stimulate the economic cooperation between the two countries, but has also come at the right time ahead of Brexit as it will help drive British businesses to look for future markets in other regions. "We are prepared to welcome all British friends to take their opportunities to invest in Thailand, which serves as a genuine gateway to other countries in Southeast Asia. We offer numerous business opportunities in our Eastern Economic Corridor (EEC) project with unparalleled investment privileges in 10 targeted industries. These industries are attractive to UK investors, he added

5. Coimbatore Chamber, Codissia To Create Platform For Trade With Thailand

Source: The Hindu, Business Line ([Link](#))

The Indian Chamber of Commerce and Industry Coimbatore (ICCI), Coimbatore District Small Industries Association (Codissia) and India-Thai Chamber of Commerce (ITCC) on July 10 inked an agreement to promote bilateral economic relations by providing a platform for business meets and exploring business opportunities for mutual growth between the two countries. The parties to the agreement have agreed to develop strong institutional trade between India and Thailand, exchange information and general economic status, taxation, investment opportunities, trade policies and legislative changes of their respective countries to strengthen ties, assist each other in trade promotional events, act as a platform to understand the rich culture, heritage and history of the two countries and assist each other in development of pilot projects in the MSME sector. While ITCC is looking at inking more such agreements to strengthen ties and trade relationship with associations, it has proposed to have similar ties with Asean and BRIC countries during the current year, he said. “We have signed an MoU with the Kolkata Chamber of Commerce. This is working well. A lot can be done through such ties,” he added. D Devadas, past president, ITCC, who is said to have been instrumental in bringing about such a tie-up said the Chamber is trying for a Tamil Chair at one of the universities in Thailand.

6. Energy Stocks In Spotlight Amid Crude Strength

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

Energy stocks are expected to help sustain the momentum in the Thai share market as the US ramps up the pressure on oil-producing Iran, brokerages say. Wilasinee Boonmasungsong, research director at Globex Securities, said that Thai stock market has gained from the higher oil prices that followed the US’ imposition of sanctions against Iran in the wake of Washington’s exit from a multi-party nuclear deal with Tehran. US supplies have touched a three-and-a-half year low, further supporting prices and spurring a buying spree in energy stocks, she said Wilasinee she also cited an improvement in Thailand's overall consumer confidence index as another positive, along with expectations of increased spending on consumer products in the coming two months. This year's Thailand’s economic outlook is forecast to be better than that expected early this year, driven by expansion in exports and tourism, she said. However, pressure on investment remains

as a result of an escalating global trade conflict as a number of countries retaliate against the United States' decision to enforce tariffs on steel and aluminium, Wilasinee and Asia Plus Securities noted.