

Thai News Update: 11 May 2018

1. International Pilots Caution Over Soft Ground

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

The federation of international pilots has issued alerts to its members about an ongoing risk to aircraft operations at Suvarnabhumi Airport due to soft ground conditions affecting taxiways, taxi lanes and aircraft stands. The alerts were issued on May 11 by the International Federation of Air Line Pilots' Associations (IFALPA) which represents over 100,000 pilots and flight engineers in almost 100 countries. According to the warning, the soft ground conditions known in the aviation business as "soft spots", have been encountered and reported by flight crews and ground service providers at the airport since at least 2008. The federation has advised airlines to alert flight crews to the existing hazards related to push back and taxi operations at the airport, and to apply appropriate operating procedures to mitigate the associated risks. In addition, flight crews are encouraged to report all soft spot occurrences immediately to air traffic control so Airports of Thailand (AOT) personnel can be sent to investigate and assist as needed. Short term mitigation measures implemented by the AOT have included temporary and semi-permanent pavement repairs and a 24 hour on-call team for quick repairs to minimise disruption to operations.

2. FTI Seeks Clarity For Renewables

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

The Federation of Thai Industries (FTI) has demanded a clear policy framework for purchasing renewable power, stressing that the feed-in tariff (FiT) rate should stay above 3 baht per kilowatt-hour (kWh), not 2.44 baht as the Energy Ministry requires. The higher rate, the FTI argues, is justified because green energy production has higher costs than its fossil-fuel counterparts. The proposal came after Energy Minister Siri Jirapongphan announced that the government would stop purchasing electricity from renewable power generators for the next five years. Such projects, Mr Siri contended, have caused retail electricity tariffs to jump by 20-25 satang per unit, and in his view the electricity system has enough installed capacity for now. The higher-production costs of renewable energy are passed on to consumers, while Thailand's bigger price tag will inevitably reduce the country's competitive capacity against other Asean countries, Mr. Siri said.

3. Small Businesses Offered Costs Carrot To Upgrade Legal Status

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

The country's ranks of small-business owners, believed to be as many as 800,000, are being encouraged to register their operations as corporate entities and enjoy lower business costs. The Revenue Department issued the call as its director general, Prasong Poontaneat, also said the department is investigating suspected tax evasion at a controversial market in Don Mueang district. Prasong on May 10 met 250 representatives of accounting firms in Bangkok and broadcast the conference to tax officials and accountants nationwide. He called on the accountants to support the department plan's by passing on its advice to their clients. With as many as 800,000 small businesses operated by individuals or families across the country, the department wants their owners to register the businesses as corporate entities. The government has extended tax allowances for them until the end of this year. They will be exempted from value-added tax payment, Prasong said. In an effort to assuage concerns over tax payments at a rate, Prasong assured the accountants that their clients would benefit greatly from the new status. Individuals pay personal income tax at rates between 5 and 35 per cent, depending on their income. The first Bt150,000 in income is exempted from tax. However, small businesses will be exempted from tax for the first Bt300,000 booked as profits. Amounts between Bt300,000 and Bt3 million will be subject to a tax rate of 15 per cent. Profits that exceed Bt3 million incur the top rate in corporate income tax of 20 per cent.

4. SEG To Amalgamate With Thai Insurance

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

Southeast Group (SEG), a holding company controlled by tycoon Charoen Sirivadhanabhakdi, has struck a deal to amalgamate with Thai Insurance Plc (TIC), a move to pave the way for the group to have a backdoor listing on the Thai stock market. Under the deal, SEG or any person assigned by SEG will arrange the conditional voluntary tender offer for TIC's shares as an alternative for those who want to exit, while a holding company, Thai Group Holdings Plc (HoldCo), which will be incorporated by TIC's 15 shareholders and or directors, will allocate 730 million shares at a price of 34.24 each, worth 25 billion baht in total, to SEG in return for the group's assets and liabilities. Another 23.5 million shares are in exchange for TIC's shares, TIC said in a filing to the

Stock Exchange of Thailand (SET). Upon completion of the newly issued share offering, SEG will hold at least 96.9% in HoldCo, depending on how many TIC shareholders exit, with TIC's shareholders making up the rest. HoldCo will hold up 100% in TIC as well as SEG's entire assets and liabilities.

5. Expedia Says Visitors Open To 'New Shades Of Thailand'

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

Gastronomy, culture and beach tourism are on the rise in Bangkok and the provinces, in line with the Tourism Authority of Thailand's latest campaign, "Open to the New Shades of Thailand". Chiang Rai and Sukhothai recorded healthy growth in April of more than 50% year-on-year in inbound demand, according to Expedia data. Chiang Rai registered 80% year-on-year inbound growth, which has been attributed to the lure of local hill tribes and their distinctive customs. Chiang Mai experienced healthy growth of over 30%. While Asian travellers seem more interested in experiencing local customs, European visitors from France, Germany and Britain showed greater interest in exploring Thailand's historical ruins. While Asian travellers seem more interested in experiencing local customs, European visitors from France, Germany and Britain showed greater interest in exploring Thailand's historical ruins.

6. Finance Allocates B40m To Promote NSF

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

The Finance Ministry has allocated a 40-million-baht budget to the National Savings Fund (NSF) to help self-employed workers become voluntary pension fund members after it failed to reach its goal of 1 million members. Most self-employed workers including farmers do not know enough about the NSF's benefits, so advertising is necessary to help it attract more members, said Charuluck Ruangsuwan, secretary-general of the NSF. The promotion will be conducted via community radio, digital and social media, as well as at state agencies, banks and schools. The NSF, which was set up in August 2015, is a retirement safety net for 21 million self-employed workers not covered by a pension fund, social security or a provident fund. But its ranks have only reached 540,000 since incorporation. The government makes a matching contribution worth up to 50% of savings but not more than 600 baht a year for workers aged 15-30, up to 80% but not more

than 960 baht a year for workers aged 31-50, and upto 100% but not more than 1,200 baht a year for those over 50.