

Thai News Update: 12 March 2018

1. Bt1-trn Budget for Alternative Energy

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

ENERGY FIRMS plan to expand their investments by more than Bt1 trillion in alternative energy and in adopting a new business model from 2018 to 2022 to ensure long-term business growth is sustained. For example, PTT Plc has set aside an investment budget for 2018-22 of about Bt585 billion to expand its investment in both the energy sector and in new business. Bangchak Corporation Plc has set aside a budget of Bt113 billion for the same period to expand investment in energy and alternative energy, along with new business. PTT Plc's president and chief executive officer, Tevin Vongvanich, said recently that the company has a five-year investment plan worth Bt585 billion for the next five years. This budget is separated into two categories. An investment budget averaging US\$3.1 billion (Bt99.2 billion) a year has been set aside, said PTT Exploration and Production Plc's chief executive officer Somporn Vongvuthiporn-chai. About \$1.8 billion will go to capital expenditure to acquire, upgrade, and maintain physical assets such as property, industrial buildings or equipment. And \$1.33 billion will support investment in new businesses such as battery storage, along with new businesses related to the electricity business.

2. Industrial Estates Buoyed by EEC Law

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

The approval of the new Eastern Economic Corridor (EEC) law in late February will help drive the industrial sector and boost the residential market, property experts say. James Pitchon, executive director for research and consulting at property consultancy CBRE Thailand, said opportunities for growth in the industrial sector will rise as the government focuses on the EEC. "Sales of serviced industrial land plots picked up last year after a significant drop since 2013," he said. "After the industrial sector was ignored many years ago, the government is trying to refocus on it, which will help boost growth." The EEC spans 30,000 rai in the eastern provinces of Chon Buri, Rayong and Chachoengsao. The corridor's 10 targeted industries are next-generation cars; smart electronics; affluent, medical and wellness tourism; agriculture and biotechnology; food; robotics for industry; logistics and aviation; biofuels and biochemicals; digital; and medical

services. The government has been avidly pushing the EEC, introducing new laws to fast-track its progress. Despite the lack of public participation in the decision-making processes, the EEC bill was approved by parliament early last month. The project is projected to generate 1.3 trillion baht of investment over the next decade.

3. Thai Coal Mining Subsidiary Fined \$145,000 for Dumping Hazardous Waste

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

An Indonesian subsidiary of a Thai coal mining company operating in East Kalimantan has been fined Rp 2 billion (US\$145,000) for dumping nearly 4,000 tons of hazardous coal waste on an open dump, which is considered illegal in Indonesia. In a ruling dated Dec. 6, 2017, the Tenggarong District Court in East Kalimantan found PT Indominco Mandiri -- a subsidiary of coal producer Indo Tambangraya Megah (ITM) that is controlled by Banpu Group Thailand -- guilty of illegally dumping two types of waste, fly ash and bottom ash, which were produced at the firm's coal power plant. Fly ash is a powdery material made by burning ground coal, while bottom ash is formed at the bottom of a coal furnace. The Environment and Forestry Ministry has categorized fly ash and bottom ash as hazardous toxic waste. If not managed, the two can pollute waterways, ground water, drinking water and the air. Articles 60, 104 and 116 of the 2009 Environment Protection and Management Law state that a person who illegally dumps waste faces two years in jail and a maximum fine of Rp 3 billion.

4. IMF Urges Creation of Thai Sovereign Wealth Fund

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

The International Monetary Fund (IMF) has suggested that Thailand create a sovereign wealth fund, Deputy Prime Minister Somkid Jatusripitak said on March 9. IMF officials had met Somkid to discuss the economic situation. Somkid said the IMF suggestion was prompted by Thailand's large accumulated foreign exchange reserves of US\$215 billion. The sovereign fund should invest the reserves to generate more revenue for the country like many other countries do, the IMF officials suggested. Somkid explained that making use of international reserves is a sensitive issue in Thai society. He said the government previously had asked the central bank to study the creation

of a sovereign wealth fund in order to ease pressure on the baht, which in recent years has risen against the US dollar.

5. B2S reaches out for Partners in Lifestyle Hub Renovations

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

B2S Co, the book and stationery chain under Central Group, is forming strategic alliances with local and international partners to transform its stores into lifestyle hubs in response to consumers' changing preferences. Somchai Tawonrungroraj, the company's managing director, said B2S is in talks with 20-30 global partners and local publishers to be neutral parties distributing both books and e-books, as well as developing products with leading Asian and European brands for sale exclusively at B2S. B2S at CentralPlaza's Bangna and Pinklao branches will be renovated under the concept of co-lifestyle space, integrating the stores with coffee shops and leading Thai restaurants in the same area. The government should focus not only on boosting export growth, but also stimulating local consumption and private investment," he said. "More importantly, the government should promote long-distance education to increase learning opportunities for students in remote areas."