

Thai News Update: 12 September 2019

1. World-beating currency gives Thailand major economic headache

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

Thailand's effort to revive economic growth with more than 316 billion baht of stimulus faces an obstacle from its surging currency. The baht has strengthened more than 6% against the dollar in 2019, the most among major Asian currencies, and its appreciation leads the world over the past five years, according to data compiled by Bloomberg. The climb has hurt tourism and exports, contributing to the weakest economic expansion since 2014 as the US-China trade spat also hits home. The baht is seen as a safe haven and officials will be wary of intervening too much in foreign-exchange markets as the United States closely monitors countries' currency policies, according to Australia & New Zealand Banking Group Ltd.

2. InnoSpace (Thailand) set up

Source: National News Bureau of Thailand ([Link](#))

To strengthen Thai start-up operators, the government has established InnoSpace (Thailand) as a center for comprehensively promoting and developing startups to promote Thailand as the hub of innovation and startups in ASEAN. The Ministry of Industry has signed a memorandum of understanding (MOU) with 13 investment partners to promote Thai startups without expecting returns. InnoSpace (Thailand) has mobilized initial funding worth 515 million baht to promote and nurture Thai startups at an early stage, and continuing until they reach a unicorn status or are worth one billion US dollars or above. (Bt30.62 billion). It will gather experts and research, and link financial support and investment from the private sector. Government agencies will provide policy-driven support. Mr. Somkid Jatusriphithak, Deputy Prime Minister, said the partnership is a starting point for economic structural reform in order to create a future for the country. It is aimed at attracting more new industries which focus on innovation and technology especially in the Eastern Economic Corridor (EEC) to see Thailand become established as the hub of innovation and startups in ASEAN.

3. Thailand promotes new policies to lure foreign investment

Source: Vietnam Plus ([Link](#))

The Thai government on September 10 endorsed a package of measures aimed at attracting more foreign investment, especially to expedite investments from companies seeking to relocate their production plants in the context of the escalating US-China trade tension. The new package includes investment acceleration incentives, and policies to ease constraints faced by foreign investors, especially in target industries. According to Kobsak Pootrakool, Deputy Secretary-General in charge of political issues of Thai Prime Minister Prayut Chan-o-cha, the package will also include measures to support science, technology, engineering and mathematics (STEM) manpower development. Kobsak said the new stimulus package will help Thailand be able to compete with other countries in Asia in attracting foreign investment, especially from high-tech enterprises. Secretary General of the Thailand Board of Investment Duangjai Asawachintachit said the agency would promote foreign investment by coordinating with relevant agencies to deploy promotion campaigns in China, Japan, Taiwan (China), and the Republic of Korea.

4. Thailand ranks 31st in WEF tourism competitiveness index

Source: Thai Business News ([Link](#))

Thailand ranked 31st in the tourism Competitiveness Index (TTCI) 2019, the country has South-East Asia's largest T&T GDP, which is reinforced by some of Asia-Pacific's most attractive natural resources (10th) and most efficient tourist services infrastructure (14th). Released by the World Economic Forum (WEF) every two years since 2007, the TTCI 2019 analysed 140 economies and scored each according to their performance on the following six pillars – Air transport infrastructure, ICT readiness, Price competitiveness, International openness, Travel & tourism prioritisation, and Safety and Security. Spain holds the top spot in the ranking, followed by France, Germany and Japan. In Southeast Asia, Singapore was ranked as the most competitive travel and tourism economy while Vietnam was placed 5th.

5. Thailand's new Labour Protection Act

Source: Thai Business News ([Link](#))

Thailand's labour laws have long been known for the strength of protections afforded to employees. To meet international labour law standards, Thailand has announced a new labour protection act. The main changes relate to better compensation and leave allowances, which have been amended to bring them more into line with current standards. Continuing this trend, a slew of new amendments to the Labour Protection Act (LPA), passed on December 13, 2018, will further enhance worker protection, improve working conditions, and impose sanctions on employers who fail to uphold them. The updates to Thailand's labour law will come into effect 30 days after its publication in the Government Gazette, which is expected to be in early 2019.

6. New digital trading platform to be made part of national agenda

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

Rachada Dhnadirek, deputy government spokesperson, said the Cabinet has approved the setting up of a National Digital Trade Platform and has assigned the Office of the Public Sector Development Commission (OPDC) to work with related agencies and the Joint Standing Committee of Commerce, Industry and Banking (JSCCIB) to achieve this. The JSCCIB comprises of the Thai Chamber of Commerce, Board of Trade, Federation of Thai Industries and the Thai Bankers Association. Rachada added that the prime minister has also called on all sectors to make the development of the digital platform part of the national agenda and link it with the Asean Single Window to create an online trading system with Asean countries.

7. Free trade RCEP's talk conclusion expected in Danang this month

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

Speaking at the closing press conference of the week-long 51st Asean Economic Ministers and related meetings on Tuesday, Deputy Prime Minister and Commerce Minister Jurin Laksanawisit said that Asean and the six partner countries in the Regional Comprehensive Economic Partnership (RCEP) have agreed to conclude RCEP negotiations by the end of this year and have given a mandate to officials to work on concluding the technical details when they meet in Danang, Vietnam from September 19 to 27. The Economic Ministers will then will wrap up the

RCEP talks in November at a meeting in Bangkok and propose to RCEP leaders that they announce the successful conclusion of the talks.

8. Thailand's healthcare ranked sixth best in the world

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

Thailand is gaining worldwide recognition for the quality of its healthcare services, after the US magazine CEOWORLD placed Thailand sixth in its' 2019 list of countries with the best healthcare systems, the Public Health Ministry said. Public Health Minister Anutin Charnvirakul hailed the ranking as an indication of the country's success in developing its healthcare sector. However, Mr Anutin also said on 9 September that the government must not rest on its laurels, as mere rankings do not matter as much as how well the ministry performs its duty of maintaining public health. According to CEOWORLD, which published the list early last month, Thailand was among the few Asian countries which managed to enter the top 10 in 2019, along with South Korea in second place and Japan in third place. European countries dominate the list, with Austria leading at fourth place, followed by Denmark (5th), Spain (7th), France (8th) and Belgium (9th).