

Thai News Update: 15 January 2019

1. Thai Visitors Unfazed By Japan Levy

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

Thai outbound travel to Japan is set to continue growing this year despite the new departure tax, or sayonara levy, charged to all passengers leaving the country. Effective Jan 7, both Japanese and foreign travellers leaving Japan by plane or ship are required to pay a departure tax of ¥1,000 (about 300 baht). The levy will be added to airfares and ship fares. TTAA estimates the number of Thai tourists visiting Japan this year will exceed 1 million for again, after breaking 1 million for first time in 2018.

2. Franchise Ventures See Rapid Growth

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

Thailand's franchising business is thriving, with more than 50 food and services chains planning to explore opportunities in Thailand this year, says a franchise consultancy. Sethaphong Phadungpisuth, managing director of Gnosis Co, said those chains are from both local and international brands. Most of them are in the food, beverage, learning centre and cleaning sectors. Thanks to efforts by the Business Development Department to ease new business registration regulations, the number of entrepreneurs who want to build their business via a franchise basis in Thailand continues to increase every year.

3. Industry 4.0 Set To Add \$50bn In Productivity

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

Thailand's manufacturing sector could see incremental growth of US\$50 billion in productivity gains over the next decade by embracing Industry 4.0 technologies, according to a study by Cisco and A.T.Kearney. "Singapore, Malaysia and Thailand are the leading Asean countries with readiness to adopt Industry 4.0 as these countries have complex, large and export-oriented industries, with government policy support and technology infrastructure," said Naveen Menon, president of Cisco in ASEAN. "Cybersecurity and Industry 4.0 are two main agendas for Asean

this year and Thailand is a chairman of Asean, which can capitalise on the opportunity," said Mr Menon. Asean manufacturers are at the beginning of their digital journeys because of lower labour costs, a lack of demand, a shortage of experts, unclear business cases and complex supplier ecosystems.

4. Industrial Rubber Masterplan Being Proposed For Rayong

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

The Rubber Authority of Thailand (RAOT) has mapped out a masterplan to increase annual rubber exports from Bt250 billion to Bt800 billion, while establishing a rubber industrial estate in Rayong province, part of the Eastern Economic Corridor (EEC). Yiam Thawarorit, acting governor of RAOT, said that the strategies aim to help Thailand progress from a middle-income country, and will be proposed to the Cabinet soon. The RAOT has hired University of the Thai Chamber of Commerce (UTCC) to study the 20-year plan (2017-2036), aimed at driving development of the agriculture sector.

5. FTA Perks, GSP Almost Hit \$69bn

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

The use of free trade agreement (FTA) privileges and the Generalised System of Preferences (GSP) by Thai exporters topped US\$68.8 billion in the first 11 months of last year, up 15.3% from the same period a year earlier. Adul Chotinisakorn, director-general of the Foreign Trade Department, said the utilisation rate in the first 11 months of 2018 represented 97.2% of the target, set at \$70.8 billion by the department. Of the total value, FTA privilege use accounted for \$64.3 billion, up 15.3% from the first 11 months in 2017, with shipments under GSP totalling \$4.43 billion, an increase of 22.2%.

6. China Cuts Import Tax To Drive Thai Exports

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

China has reduced import tax on 1,585 products from an average of 10.5 per cent to 7.8 per cent, effective since November 1 last year, in order to drive Thai exports to China, the International Trade Promotion Department of Commerce Ministry reported on 14 January. The department said that potential export products to China include garment, ceramic, steel, and machinery.