

Thai News Update: 16 July 2018

1. Shanghai Branch Helps SCB's China Foothold

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

Siam Commercial Bank (SCB) is positioning its newly opened Shanghai branch to serve as a financial services innovation resource to develop the skills and expertise required by the banking sector. The strategic move by the country's second-largest lender by assets is to push towards a digital transformation that allows SCB to create customer-centric digital financial services in anticipation of a severe competitive environment. Banks are waging a technological arms race to compete with companies like Alibaba and Amazon, both of which are active in fintech. Technology has turned e-commerce into a multi-industry powerhouse. China's tech firms have already begun overtaking Silicon Valley in the local e-commerce and mobile payment space. SCB had an official opening of its Shanghai branch last week as the bank zooms into its overseas expansion and seeks to promote Sino-Thai trade and investment. The Shanghai branch targets Chinese seeking to expand into Thailand and neighbouring countries, as well as enabling Thai clients to take advantage of business opportunities under China's Belt and Road Initiative (BRI).

2. King Wai Insurance Enters Thai Market To Seize Opportunities By Embracing Digital Transformation

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

On July 11, 2018, King Wai Group announced the launch of "King Wai Insurance" in Bangkok, Thailand, an insurance business focused on bringing innovation to the Thai market and creating a differentiated business identity. The event was joined by Vice Chairman of King Wai Group, Mr. Antonio Hang Tat Chan, Deputy Secretary General of the Office of Insurance Commission (OIC), Mr. Chuchatr Pramoolpol, Vice Chairman of King Wai Group, Mr. Hang Lee Chan, Chairman of ICBC Thailand, Mr. Li Zhigang, Vice President of Thai-Chinese Chamber of Commerce, Mr. Narongsak Putthapornmongkol, Vice President of Thai-Chinese Chamber of Commerce, Mr. Boonyong Yongchareonrat, and Honorary Chairman of ICC Thailand, Mr. Kasemsit Pathomsak. This significant milestone has also brought together numerous reputable business partners from Thailand and the international scene, making the launch a prominent and

rewarding evening. King Wai Insurance will operate a broad spectrum of general insurance business which includes Property, Fire, Engineering, Marine, Pleasurecraft, Motor, Personal lines and etc. The existing team will continue their excellent services and leverage on the strong foundation of King Wai Group to generate new business opportunities and expand our product offering, strengthen capital to support business expansion to differentiate from competitors, such ambition is align with the digitalization in the insurance sector promoted by the Thailand regulators.

3. Japan's First Plea Deal Spares Plant Builder In Thai Bribery Case

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

Mitsubishi Hitachi Power Systems has struck a plea bargain in a bribery case involving a plant construction project in Thailand, the first such deal since Japan introduced the system this June. Prosecutors will forgo charges against the plant builder in exchange for its cooperation with the investigation, which targets an employee who allegedly bribed a local civil servant. The Yokohama-based company, created through the merger of the power plant businesses of Mitsubishi Heavy Industries and Hitachi, took over a Thai plant order that Mitsubishi Heavy had received in August 2013. A civil servant working at a southern Thai port demanded a bribe for letting the company unload plant equipment, according to sources. The employee allegedly complied and paid the equivalent of hundreds of thousands of dollars in violation of antitrust law. Mitsubishi Hitachi Power ranks third in the global market for large-capacity plant turbines, after General Electric of the U.S. and Siemens of Germany. Besides Japan, the company counts Thailand and Indonesia as main markets. President Kenji Ando pledged to strengthen operations in Southeast Asia at a June strategy briefing.

4. Hantharwady Airport Project Back On Track For 2019 Ground-Breaking

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

Hantharwady International Airport's long-delayed construction work is expected to take off next year if the Japanese government endorses the detailed financing plan in September, according to a Myanmar aviation official. Ye Htut Aung, deputy director-general at the Department of Civil Aviation (DCA), said in an exclusive interview that both Myanmar and Japan are busy working

out the financing details. Myanmar seeks to obtain an official development assistance (ODA) loan from Japan to develop the US\$1.5 billion (Bt50 billion) new airport that will substantially improve the aviation capacity of the country. A consortium which includes Japan's JGC Corporation and Changi Airports International of Singapore will develop the project. "The details about cooperation will be submitted to Japan's cabinet in September. Once approved by the cabinet, there will be a call for tender in Japan so Japanese firms can be involved in the implementation of the project," Ye Htut Aung said.

5. Thammasat University, Pattaya Campus to expand Eastern Economic Corridor (EEC)
Source: Bangkok Post ([Link](#))

The government's Eastern Economic Corridor Policy designates eastern Thailand as an area with high economic potential. As it is steadily developed, the land in eastern Thailand will be used appropriately to encourage commerce and industry. This is in accordance with the hope and expectation that modern and high technology will lead to environmentally-friendly innovations. The government's Eastern Economic Corridor Policy designates eastern Thailand as an area with high economic potential. As it is steadily developed, the land in eastern Thailand will be used appropriately to encourage commerce and industry. This is in accordance with the hope and expectation that modern and high technology will lead to environmentally-friendly innovations. Assoc. Prof. Gasinee Witoonchart, Rector of Thammasat University, revealed that the first step is the development of the specific short-term learning curriculum. The second step of the plan involves building academic cooperation with international educational institutes and business organisations. The third step is to establish a specialised operations centre and in-depth Engineering Research Centre for Thammasat University Pattaya Campus.

6. Thailand Asks Japan For CPTPP Hand
Source: Bangkok Post ([Link](#))

Thailand is seeking support from Japan to help the country become a member of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), a newly formed bloc of 11 Pacific Rim nations excluding the US, as the country plans to submit its application for CPTPP membership later this year. Deputy Prime Minister Somkid Jatusripitak

said the fourth meeting of the Thailand-Japan, High-Level Joint Commission, scheduled for July 18, will include Japan's support for Thailand in the new bloc among other key issues. The 11 CPTPP countries combined had US\$ 10.2 trillion (319 trillion baht) in GDP in 2017, making up 13.5% of the global total.