

Thai News Update: 17 April 2018

1. Thai-Russian Trade Yet To Surge Despite Long Ties

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

A visit by probably the biggest Russian trade delegation to Thailand in February this year can certainly be taken as a testament to Kremlin's "Look East" policy. But how it will be translated into real trade or economic interaction between the two countries remains a challenge. Thailand and Russia celebrate its 121st anniversary of diplomatic relationship this year. But as far as trade relationship is concerned, much is still left to be desired. However, the good news is that Thai-Russian relations in general has been on a gradual rise, especially after the meeting in Moscow between Prime Minister Gen Prayut Chan-O-cha and President Putin last year. But while as many as 1.3 million Russians visited Thailand last year and trade value between the two countries has increased dramatically to top US\$3 billion in 2017, Poj Harnpol, Charge D'affaires at the Thai Embassy in Moscow, admitted that Thailand still doesn't figure prominently enough on Russia's radar. While at present tourism is the main anchor in Thailand's economic relationship with Russia, Poj said aiming for bigger trade with Russia should be one of its important dimensions as Moscow is increasingly looking eastward to circumvent sanctions by European countries.

2. Thailand Worries Over Oil Price Spike

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

While the air strikes on Syria's chemical weapons facilities would have a limited impact on the Thai stock market, the overall economy and other national interests, Thailand's national security agency said on April 15 that the country was on alert to prevent other, unexpected consequences. The United States and its French and British allies launched one-off strikes at three alleged chemical weapons facilities in Syria early on April 14, after which President Donald Trump announced "mission accomplished" without any civilian casualties. The strikes neither seriously damaged the facilities – they had reportedly been evacuated beforehand – nor posed a threat to the regime of President Bashar al-Assad. While the United Nations has vowed to conduct an investigation into Assad's alleged chemical attacks in Syria, which reportedly killed more than 40 people, Trump threatened that the allies' attack would be renewed if the regime continued to gas

its own people. Kobsak Pootrakool, a minister in the Prime Minister's Office, expected a minimal impact on Thailand's financial markets. Bourses around the world will reopen after the weekend on April 16 but the Stock Exchange of Thailand remains closed for Songkran.

3. New Moderate Party To Push Tech Agenda

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

While a few major industries in Thailand have already been disrupted by new technologies, politics may be the next in line to be impacted as a new tech-savvy party, the "Moderate Party", aims to introduce "liquid democracy" to the country. Chumpol Krootkaew, founder of the Moderate Party or "Klang Party", wants to utilise new technology to ensure genuine public participation in political decision-making. He said he was inspired by the direct democracy of the ancient Greeks. "In the past, when societies did not have too many people, matters were discussed and decided directly by the people. That's direct democracy. But now, with technology, we can do even better than that. And it's called 'liquid democracy'," Chumpol explained. In a country where the representative system has been disrupted, Chumpol agreed the practice could be the future of democracy. However, he believes that technology and MPs could still work together. Chumpol is now awaiting approval from the Election Commission for his new party.

4. Crypto Fans Urge Capital Gains Rethink

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

Crypto enthusiasts and issuers of initial coin offerings have asked the Finance Ministry to delay or waive the capital gains tax to be imposed on ICOs and cryptocurrency trading, aiming to assist the fund-raising process for start-ups domestically. Tax could be an obstacle for startups and the fund-raising process, given that startups planning to raise funds in Thailand could opt to look at other places because of stringent regulations here, Mr Thuntee Sukchotrat, chief executive of JIBEX, a cryptocurrency exchange owned by JIB Computer Group Co Ltd. Operators of cryptocurrency e-wallet service have to apply for a licence from the Securities and Exchange Commission (SEC) if the e-wallet doesn't use baht for cryptocurrency trading, Mr Thuntee said. Other e-wallet companies operating services in baht are required to have a minimum registered capital of 200 million baht and must apply for a licence from the Bank of Thailand, he said. In

terms of principle, the SEC will likely supervise all types of ICO offerings and require issuers to disclose business models and future operations, Mr. Bhume said.