

Thai News Update: 17 May 2018

1. THAI Bets Big On Maintenance Hub

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

A PLAN by Thai Airways International (THAI) for a showpiece aircraft maintenance centre in the Eastern Economic Corridor (EEC) – intended to cement the country’s status as a regional aviation hub – is edging closer to reality, with a feasibility study due to be completed this month. The project for the aircraft maintenance, repair and overhaul (MRO) centre at U-Tapao International Airport is being led by the national carrier, which will operate the facility in a joint venture with a yet-to-be selected aircraft manufacturer. Planned to open in 2022, the so-called MRO Campus is billed as a world-class facility that will further entrench Thailand’s standing as an aviation hub in the region and help propel the development of the flagship economic zone that hosts it. Ronnachai Wongchaoum, vice president of the TG MRO Campus Project Office Department at Thai Airways International Plc (THAI), said the airline expected to submit the feasibility study for the project to Prime Minister Prayut Chan-o-cha by this month or the next. Prayut, who chairs the Eastern Economic Corridor Management Committee, would decide whether to approve the project in principle.

2. New Cryptocurrency 'Still Has Gaps'

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

Authorities are being urged to roll out supplementary laws to plug loopholes in the royal decree governing cryptocurrency transactions, which took effect early this week. Yanyong Teng-amnuay, an expert on digital transactions from the Digital Economy and Society Ministry, said the legislation came "too early" and focuses mainly on tax collection while excluding matters of legal execution. Due to the use of cryptocurrency wallets, digital assets are secure and authorities cannot gain access to them or have them confiscated if the owners refuse to provide the passwords, he said. "Debtors must be required by law to hand over their passwords so the digital assets can be seized and transferred. There must also be regulations to govern [this] as well as auctioning off seized digital assets," he said during a workshop on the new legislation. Without organic laws, authorities cannot proceed with seizing and auctioning off digital assets or they will risk violating

other laws, he said. Issues related to money exchanges must also be addressed by the law, he added. Thailand has not yet established an official digital exchange platform, and digital currencies must be converted into fiat (Thai baht) first to pay creditors.

3. PM Assures South Koreans Of Friendly Investing Climate

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

Prime Minister Prayut Chan-o-cha on May 16 urged South Korean investors to ramp up investment and trade with Thailand and pledged to facilitate their investment in the country. Gen Prayut met Paik Ungyu, South Korea's trade, industry and energy minister, who led 180 South Korean investors to join a seminar on the 60th anniversary of South Korea-Thailand diplomatic relations. Gen Prayut met Paik Ungyu, South Korea's trade, industry and energy minister, who led 180 South Korean investors to join a seminar on the 60th anniversary of South Korea-Thailand diplomatic relations. Gen Prayut said Thailand's economic development will follow a 20-year national plan, under which foreign investors can rest assured of continuity irrespective of government changes. Under the 20-year plan's targets, the economy is projected to grow at an average rate of 5% a year. This will boost per capita GDP from US\$6,000 (187,620 baht) to copy5,000 by 2036. Other targets include 3% growth in productivity and getting Thailand ranked inside the top 20 on the list of globally competitive countries. According to the rankings compiled by the Swiss-based International Institute for Management Development (IMD), Thailand now ranks 27th out of 63 nations.

4. ITE Eyes Switch To Solar Power

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

Italthai Engineering Co, the construction firm arm of Italthai Group, plans to diversify its business into renewable energy even though regulations from energy policymakers have hurt potential for the segment. The company aims to focus on solar power generation, covering both domestic and overseas markets. Sakol Laosuwan, president and chief executive of Italthai Engineering, said the company is seeking merger and acquisition (M&A) deals in renewable energy because it believes this business still has high growth potential in the long run. "We want to expand into solar power because we are now experts in this segment in terms of constructing power plants for investors,"

he said. Mr Sakol said Italthai Engineering is in talks with many solar power and greenfield companies across the region, expecting to reach a conclusion sometime in 2018. Nuttha Pramojaneeya, executive vice-president at Italthai Engineering, said the construction and engineering projects in Myanmar are to build factories for Thai investors, expanding their operations at Thilawa Industrial Zone. But the company has yet to set a revenue target in Myanmar because it just entered the market and is looking for further bidding projects in other provinces such as Yangon and Mandalay, said Mr. Nutha.

5. Banpu Shrugs Off Poor Q1 Results

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

SET-listed Banpu Plc, Thailand's largest coal miner, kept its growth performance outlook for 2018 even after recording a net loss from the one-off court payment in the Hongsa case of US\$86 million (2.76 billion baht) to Siva Nganthavee. Banpu reported total sales revenue of \$700 million (22.1 billion baht) in the first quarter and a 5% increase of earnings before interest, tax, depreciation and amortisation (Ebitda), or \$ 11 million (347 million baht), compared with the same quarter last year. Banpu's coal business reported sales revenues of \$593 million (18.7 billion baht), a 5% increase over the same period last year because the average sales price of coal in the global market was higher amid tight supply. The company's average selling price of coal for this quarter was \$80.91 per tonne, representing a 23% or \$5.05 per tonne increase compared with the same period last year. Banpu's gas business reported revenues of \$26 million (820 million baht), representing an increase of 259% or \$9 million (599 million baht) over the same quarter last year. The business reported a significant increase in Ebitda of \$ 14 million...