

## Thai News Update: 18 May 2018

### **1. EEC, Poll Boost Mood, Stanchart Boss Says**

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

AMBITIOUS spending plans under the Eastern Economic Corridor (EEC) initiative have boosted investor confidence in the Thai economy, said Standard Chartered Bank (StanChart) chairman Jose Vinals, who also expressed faith in the government's plan for an election next year. As Thailand will hold a general election early next year, that will be very positive for the country, said Vinals, referring to the government's so-called roadmap for a return to democracy that has been marked by delays in the election schedule. "This is something that is a natural and a welcome development, and what we hope is that those elections will take place in a context of full normality. That is something that I think will be very positive for the country," said the chairman of the UK bank that is known for its Asia and emerging markets focus. Aside from the infrastructure investment mostly associated with the EEC, Thailand also needs political stability, more women participating in labour market and improvements in the quality of education to drive the country to achieve a 5-per cent-plus economic growth rate, Vinals said. Early this week, he met Deputy Prime Minister Somkid Jatusripitak for discussions on the Thai economy on his first visit to Bangkok since he was appointed chairman of the Standard Chartered Group in October 2016.

### **2. World Bank Report Urges Thailand To Revisit Migrant Worker Policies To Pursue 4.0 Growth Strategy**

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

Thailand is home to more than 55 per cent of the region's migrant workers but if the country could back it up with proper policies, it could contribute to economic growth under the much-talked-about Thailand 4.0 strategy, according to a world bank report. Unveiling the report May 16 at an event jointly organised by the labour ministry and world bank, Mauro Testaverde, the bank's economist for the east Asia and Pacific social protection and labour unit stressed that effective migrant systems could play a critical role in May 17 knowledge-based economies by attracting highly productive, formally employed workers. While the ASEAN economic community may now allow free movement of workers, the expert explained that ASEAN countries only focused on

high-skilled migration which did not cover the majority of the intra-region migrants, who were mostly low-skilled and often undocumented. Although trends showed a change in demography that indicated Thailand may be in need of more workers, Testaverde pointed out that Thailand has banned migrant workers from 39 occupations, including some of those listed by the ASEAN's mutual recognition agreements, such as engineering, accounting, and architects. Thailand at least could first address shortages in the labour markets, he said.

### **3. Trade Groups Sound Alarm On E-Booking**

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

Major tourism associations have called on the government to protect local booking companies as big hotels and online travel agents (OTA) spend huge sums in Thailand, out of fear that the trend will critically damage local operators and forced them out of business. Vichit Prakobkosol, president of the Association of Thai Travel Agents (Atta), a group that has many booking firm members, urged the government to lay out measures to protect local businesses, especially small and medium-sized operators. Mr Vichit said most of the big hotel chain operators, both local and foreign brands, are injecting a great deal of money into online marketing, using the internet and social media to sell products and services. Under this model, it's not necessary for local hotels to give an allotment to travel agents as they did before. The increasing impact from foreign OTAs prompted the Tourism and Sports Ministry to announce on May 15 that Pongpanu Svetarundra, permanent secretary of the ministry, planned to talk with major foreign OTAs about the issue. The ministry noted that big OTAs have entered Thailand to take advantage of booming tourism, and Thailand may suffer a drain in revenue to these firms. The ministry said many hotels are forced to offer low prices to OTA companies, enabling OTAs to deliver rooms at low prices on their websites.

### **4. Nissan Still Wary Of Thais' EV Readiness**

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

Nissan Motor Thailand remains committed to introducing its best-selling Leaf electric vehicle (EV) in the Thai market some time this year, even though the market remains weak and the infrastructure undeveloped. Japan's Nissan Motor Co plans to begin selling the Leaf in seven

markets in Asia and Oceania, including Thailand, during its fiscal 2018, which began last month. The company has yet to announce a timeline for any of the countries. President Antoine Barthes said Thai customers need to be educated about the shift from internal combustion engines to EVs. Nissan showcased its new-generation Leaf at the Thailand International Motor Expo last year, but the company has no plan to introduce that model for a test drive in the local market. E-Power, Nissan's latest eco-friendly technology, was exhibited at the same event, offering a smaller battery than a gasoline engine, similar to a hybrid EV. In Thailand, Nissan has set an ambitious target to achieve a double-digit market share by fiscal 2020. The brand had anticipated a higher market share for several years, but Nissan has yet to successfully hits its targets.

## **5. SEC Moves Towards Finalisation Of Trading Rules On Digital Assets**

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

AMID THE global boom in fund raising through initial coin offering (ICO), the Securities and Exchange Commission (SEC) has held a public hearing for drafted notifications and criteria under the emergency decree on digital asset businesses as a means to govern offering of digital tokens and digital asset businesses. That will not obstruct interested and related persons on digital asset services with proper mechanism for investor protection. The emergency decree on digital asset businesses came into force on May 14 with the SEC as the authority to regulate the issuance and offer of digital tokens to the general public, and digital asset businesses. The securities watchdog also has the power to set related criteria, procedures and conditions. The SEC has distributed documents on a public hearing for proper regulations to allow those seeking benefits from digital assets to do so legally, as well as protecting investors from frauds, being taken advantages of, and prevent money laundering. Based on the legal conditions, digital tokens will be offered after a filing of information and prospectus with the SEC's approval. The offer must be made through ICO portal approved by the SEC. The public hearing, which will end on May 30, will deal with issues ranging from criteria on approval for offer of digital tokens, qualifications of ICO portals and eligibility criteria for investors in digital assets.

## **6. Parliament Set To Cut Bt8bn IT Budget**

**Source: The Nation (Link)**

The Bt8-billion budget to install IT equipment in the newly constructed parliament building must reportedly be decreased after the Cabinet refused to approve it. The National Legislative Assembly (NLA) president, Pornpetch Wichitcholchai, on May 17 said that the budget, originally set to be around Bt3 billion, almost tripled following plans to install equipment such as microphones, voting machines and security systems. The IT budget had been cut out once in 2013 when the then-Cabinet approved a Bt12-billion overall budget to construct the building. “My duty is only to conduct the construction project to move forward. I have no authority to order or infringe on any operation,” Pornpetch said “However, as there are complaints about too expensive procurement, I might ask them to consider decreasing the budget and also perhaps to tone down the expected quality of equipment,” he added. May 18 meeting should resolve by how much the budget would be deducted, said Lower House secretary general Sorasak Peinwet.