

Thai News Update: 19 January 2018

1. B20bn Slated for Digital Plan

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

The government is set to invest 20 billion baht in infrastructure projects in fiscal 2018 as part of its ambitious digital development plan. Digital Economy and Society (DE) Minister Pichet Durongkaveroj said that in fiscal 2018 the government is committed to implementing an intensive programme for digital development, targeting both vital infrastructure development and improving laws. The ministry expects 2-3 billion baht to be spent this year by CAT Telecom on an international broadband network and submarine cables. Mr Pichet said the National Broadcasting and Telecommunication Commission also plans to invest 3 billion baht this year to finish construction of the broadband network to cover all villages nationwide, enabling communities to sell their local products online. Digital is one of six core areas the government set as its national development strategy this year, aiming to help raise the country's competitiveness and make it a developed nation in 20 years.

2. CPF Food Deal Helps ‘Make America Great Again’

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

Charoen Pokphand Foods’ (CPF) Bt38 billion acquisition of US food giant Bellisio last year was one step towards “make America great again”, said US ambassador Glyn Davies yesterday, referring to the policy shift under the Trump administration to rebuild its economy. The massive Thai investment will be a “win-win for both countries”, he said, as thousands of American jobs were saved and created as a result of the deal. The move was also positive as it increased the volume of US exports, a bone of contention over years of experiencing trade deficits with other countries. As of last week, the US packaged meals were sold at CPF’s outlets nationwide that included 7-Elevens and other key convenience stores. At the same time the purchase has allowed the Thai conglomerate to gain access to 50,000 retail outlets nationwide

3. Xiaomi Plans to Set up Representative Office in Thailand

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

Xiaomi plans to set up a representative office in Thailand in the first quarter of this year, followed by ones in India and Indonesia. The firm will also partner with telecom operator to provide executive smartphone models and will joint with partners to set up over 190 shops in Bangkok and upcountry, as well as launch three smartphones to support entry level market. John Chen, regional sales director of Xiaomi for Southeast Asia, said that the firm sees Thailand as having high potential growth after it entered the Thai market in August 2017. “Thailand is our focus country in the region. It is high potential growth market among four countries including the Philippines, Myanmar, Cambodia and Laos. We also have high potential growth in online and e-commerce. Online is also our important part to drive out smartphone to the market. We want to build Thailand is example country in the region,” said Chen. The Redmi 5A is a 5-inch smart phone with features, a Snapdragon 425 chipset, 5MP front camera and a 32 GB storage. The firm will come out with a notebook, home accessories and home automation in Thailand in 2018

4. Mitsubishi Electric Kang Yong Watana Seeks Edge through Product Quality

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

Mitsubishi Electric Kang Yong Watana Company Limited announced its business plan and policy for 2018 with aims to enhance brand equity through quality products and outstanding services. The company has recently introduced new products in the “inverter” ranges with a focus on state-of-the-art technology and effective energy saving to serve the consumers’ requirements namely new “JP Series” (standard inverter) inverter system air-conditioners at an affordable price, “PLY Series” inverter system air-conditioners for commercial use with 3D Move-eye Human Sensor, “LX Grande” 4-Door Neuro Inverter system Refrigerator with outstanding design and “Fresh & Healthy Life” technology. The company is confident it can grow over 8-10 per cent sales to reach over Bt14.5 billion within the fiscal year of 2018. The company expected that its sales for the fiscal year 2017 to be concluded on March 31, 2018 will be in accordance with target over Bt13.5 billion. “As we move forward to our 46th year of business operation...we also strive to cultivate good governance and responsibility towards society and environment under “Eco Changes” vision,” the executive said.

5. Ministry to Forward Plans for 2 Red Line Extensions

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

The Transport Ministry will propose two Red Line electric railway extensions worth around 26.5 billion baht to the cabinet to stage bidding by this September. The two proposed Red Line extensions are a Taling Chan-Salaya line worth 19 billion baht and a Rangsit-Thammasat line costing 7.5 billion baht. The board demanded the ministry review all management and operation plans for the extensions including expected costs, revenue and the estimated number of passengers each day. The ministry has assigned the State Railway of Thailand (SRT), which will run the Red Line, to work on the issues raised by the board and submit its conclusions within two weeks. The agency was in the process of hiring Chulalongkorn University to conduct a study on establishing the firm which should not take a long time, Mr Peraphon said. The university's recommendations would subsequently be proposed to the SRT board, the NESDB and the cabinet for approval.

6. Raja Ferry in New Push for Growth

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

RAJA FERRY Port (RP) has unveiled its business plan for 2018, aiming to expand its fleet to serve 1.5 million customers this year in a push to become the top sea transport operator in the next five years. RP has added a 14th ferry and started a bus-ferry service for commuting between islands, ready to transform the port area into a meeting station in response to the changing life styles of customers under a 10-year environmental management plan. For 2018, Apichart said, the company expected to see further growth in tourism, transport and the shipping businesses, particularly in tourists from China. Therefore, the company will diversify its services to cater to the needs of this customer group. "Last year, around 35 million tourists visited Thailand. The number of international tourists is expected to reach 40 million this year. In the past, more than 80 per cent of customers visiting Koh Samui and Koh Pha Ngan were European and American travelers. Nowadays, young Chinese are interested in travelling to these islands. Therefore, RP has partnered with WeChat and Alipay to facilitate spending in yuan currency by these tourists. Consequently, this group of customers has more than doubled. Thus, we will focus more on the Chinese tour groups," he said.

7. B30bn Budget Targeted for Large-Scale Farm Reforms

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

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8. PTT Unveils Bt1.54 Tn War Chest

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

PTT GROUP will spend Bt1.54 trillion from 2018-22 under an ambitious programme to boost its production capacity, move into new businesses and pursue mergers and acquisitions. The energy group’s operations are conducted by six companies: PTT Plc, PTT Exploration and Production Plc, PTT Global Chemical Plc, Thai Oil Plc, IRPC Plc and Global Power Synergy Plc. PTT Exploration and Production Plc has set aside an investment budget that averages US\$3.1 billion (Bt99.2 billion) a year. Some US\$1.8 billion will go to capital expenditure, which is funds used by a company to acquire, upgrade, and maintain physical assets such as property, industrial buildings or equipment. Some US\$1.33 billion will support investment in new businesses, the company’s chief executive officer Somporn Vongvuthipornchai said. Meanwhile, the company plans to upgrade and expand its production capacity to produce high-value oil such as jet oil and ship oil. It is also studying how to produce a clean fuel project (CFP), and a decision on such a project may be finalised in October 2018.