

## Thai News Update: 19 March 2018

### **1. Squabble over EEC Foreign Land**

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

The much-touted Eastern Economic Corridor (EEC) is aimed at reviving the success of the Eastern Seaboard Development Project from the early 1980s, but one major sticking point drawing polarising opinions is whether to allow foreign companies to have 100% land ownership in real estate. At present, foreigners are allowed to own condominium units collectively of up to 49% of the total area of a project, while the Lease of Immovable Property for Commercial and Industrial Purposes Act of 1999 grants maximum lease terms of 50 years for industrial or commercial use and 30 years for residential purposes. The government is adamant that granting full ownership in EEC land would benefit the country, as this would attract more foreign direct investment in the property sector, meaning a boon for Thai real estate developers. According to Section 48 of the EEC Act, those investing in specific industries in the EEC will receive rights for land ownership for doing business, factories, condominiums or buildings for residential purposes. Those investors will be required to dispose of land or property within one year if they do not start their business in the EEC zone within three years, as the government wants them to have land and property for doing business. Wittaya Luengsukcharoen, a partner at the international law firm Baker & McKenzie, said there should be no concerns over the draft EEC Act on foreign ownership of land, as the right of foreigners to have 100% ownership of land for industrial business is not new.

### **2. Tokyo Connects Small Japanese Companies with Thai Food Makers**

**Source: Nikkei Asian Review ([Link](#))**

A business support organization affiliated with the Tokyo Metropolitan Government wants to connect food makers in Thailand with small and medium-size enterprises in Tokyo to develop new sales channels and markets. The Tokyo Metropolitan Small and Medium Enterprise Support Center will support companies by leveraging the strengths of Thailand -- one of the world's biggest food exporters -- such as the country's global reach and expertise in halal products. The Thai government is boosting food exports to the United Arab Emirates and other Middle Eastern countries with a focus on halal. Japanese companies are likely to see more business opportunities

in halal business as foreign visitors are expected to increase in the run-up to the 2020 Tokyo Olympics and Paralympics. At the event, attendees exchanged information on tie-ups and the challenges they have faced. The center will also invite Thai food makers to meetings at Foodex Japan, one of Asia's largest food and beverage trade shows, which kicked off on March 13 at the Makuhari Messe convention center near Tokyo. Japanese food is also popular in Thailand, which boasts relatively high income levels compared to other Southeast Asian countries.

### **3. Thailand to Pass Two New Cryptocurrency Laws**

**Source: Bitcoin.com ([Link](#))**

The Thai Minister of Finance, Mr. Apisak Tantivorawong, said on March 15 that the government is preparing to announce the regulations for cryptocurrencies and initial coin offerings (ICOs) by the end of this month, Channel 7 news reported. After the cabinet's meeting, the country's deputy prime minister, Mr. Somkid Jatusripitak, explained that two laws are being drafted, according to Thai Rath newspaper. The first is the Act on Digital Asset Businesses. It requires the registration and know-your-customer (KYC) compliance of cryptocurrency operators including agents, dealers, and brokers, the news outlet detailed. It also imposes penalties and remedies for violations. The second is the revision of the country's Revenue Code which concerns taxation related to cryptocurrencies and ICOs, the publication described.

### **4. TAT lays out Visitor Boost Strategies**

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

The Tourism Authority of Thailand (TAT) is mapping out plans to boost arrivals from Asia and the South Pacific, as well as high-end visitors from China. The plans also include families travelling from Southeast Asia, India and Australia. Santi Chudintra, deputy governor for international marketing for Asia and South Pacific, said the TAT will organise familiarisation trips to four secondary cities in China -- Jinan, Shijiazhuang, Zhengzhou and Wuhan -- during March 26-30. The TAT will bring 50 travel companies from the Association of Thai Travel Agents (Atta) to meet with 30-40 local travel companies in each city for business negotiations. China has been the largest source of international arrivals to Thailand for years, with 9.8 million visitors in 2017, representing 28% of total arrivals.

## **5. Lucky Seeks to Counter Trade Barriers and Baht Challenges**

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

LUCKY Union Foods Co Ltd, a Thai producer of surimibased products, plans to seek a balance between domestic and overseas sales to counter any risks caused by a stronger baht and trade barriers raised by importing countries. The company has been exporting its frozen surimibased products from its plant in Samut Sakhon province to more than 50 markets around the world. It set up a wholly owned processing plant in Poland in 2008 to be responsible for exports of its chilled products to about 25 markets in Europe. Vantanee said that exports accounted for about 70 per cent of total sales in 2012 and 2014, but will reach 60 per cent this year. Vantanee said that Lucky Union Foods a few years ago invested in new machinery at its factory, at Samutsakorn (Mahachai) Industrial Estate, to raise its production capacity from 20,000 tonnes per annum to 40,000 tonnes. The factory now produces between 30,000 and 35,000 tonnes per year. Lucky Union Foods also aimed to penetrate modern trade and leading department stores including supermarkets, convenience stores, food chains, fresh market representatives, and with business partners. With 27 years in business, the company has notched strong export sales, with the expansion to Poland starting in 2005.