

Thai News Update: 1 March 2018

1. Keeping the Coal Burning

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

Carbon capture and storage (CCS) technologies, which are currently able to eliminate up to 90% of the CO₂ emissions of power plants, could keep coal companies thriving in a world that is increasingly intolerant high-emissions energy production. Public opinion and international accords like the Paris Agreement, which requires nations to report their greenhouse gas production and take efforts to reduce it, are forcing countries to move away from fossil fuels. As government and public opinion shift to renewables, coal is set to decrease as a proportion of overall energy, from 37% Feb 28 to 27% in 2040, said Benjamin Sporton, chief executive of the World Coal Association (ACO). According to petroleum giant BP, renewables will represent close to 14% of energy sources by 2040. But Mr Sporton said renewables will make up 35% of energy at that time, assuming the relevant international agreements are respected. While demand for coal will slow down, it will keep increasing in absolute terms, especially in developing countries. The US and Europe are clearly moving away from the commodity, and demand in China has plateaued and will stay constant for the foreseeable future. In India and Southeast Asia, however, coal-generated power is set to double in the next few years.

2. SEC Closes in on Digital Currency Rules

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

The Securities and Exchange Commission (SEC) plans to introduce a regulatory framework governing investment in digital currencies, including the fast-moving trend for initial coin offerings (ICO). Sakkarin Ruamrangsri, assistant secretary-general of the SEC, said a meeting with related agencies would be held on March 8 and that the SEC would propose regulations dealing with corporate fundraising via ICOs and other forms of investment in cryptocurrencies. “The direction for the regulations could involve introduction of a law and that may some time given the need for careful consideration, he said. A draft amendment of the securities and exchange bill has revised the definition of a securities business without direct reference to ICOs and digital currency investments, Sakkarin said. More broadly, the amendment refers to providing flexibility in

innovations and new services to promote development of financial technology (fintech). Another significant issue for a proposed legal amendment is the need for an additional problem-solving mechanism that allows the SEC to call a meeting of shareholders in a listed company in an irregular case. Such a provision would help the company be able to run its operations and prevent its problems from spreading, Sakkarin said.

3. Officials to ‘Think Digitally’

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

State officials have been encouraged to “think digitally” under a programme to boost their skills in technology and enhance public services. The so-called Digital Transformation Programme was launched recently by the Thailand Digital Government Academy (TDGA) of the Electronic Government Agency (Public Organisation) and provides training sessions and workshops for government officials. The programme saw workshops piloted at five state agencies: the Revenue Department, the Employment Department, the Business Development Department, the National Health Security Office, and the Board of Investment. Under the programme, the participants learn how to change their mindset to “think digitally” or, in other words, like the founders of a startup. The focus is citizen-centric in a bid to maximise the potential for digital technology to improve public services. The Digital Economy and Society (DE) Minister, Pichet Durongkaveroj, Feb 28 said that the government would continue to promote its digital transformation policy in all state agencies this year. It has also promoted the use of Big Data to benefit the public.

4. BCPG Readies Bt10 Bn to Boost Green Energy Output

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

BCPG Plc, an alternative energy arm of Bangchak Corporation Plc, plans to spend up to Bt10 billion this year on an upgrade that will boost its production capacity by 200 megawatts (MW) as part of a focus on Asia-Pacific countries, the company’s president Bundit Sapianchai said Feb 28. The investment budget will come from both the company’s initial cashflow, with cash in hand now of US\$150 million or about Bt4.8 billion, and the rest from project financing from a commercial banks. Currently, the company has a production capacity of about 600 megawatts. Bundit said that the company would focus on alternative energy operations, such as from wind,

solar and biomass, with the investment targeted at Asia-Pacific countries. At present, the company has investments in wind power in the Philippines and geothermal power in Indonesia. The new investment would increase the company's production capacity in alternative energy by 200 MW, with 150 MW planned for the wholesale market, and 50 MW for retail, Bundit said.

5. Cryptocurrency to Fall under 'Know Your Customer' Rules

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

Regulations governing securities issuance, which requires underlying assets or service and Know Your Customer (KYC) rules, will be applied to the coming framework governing cryptocurrencies in an effort to protect investors, says Pornchai Thiraveja, an adviser to the Fiscal Policy Office (FPO). Digital currencies with either underlying assets or services will be tradable to prevent losses from investment, he said. Issuers also need to be licensed in the event that they operate any services that require licences by law. Trading cryptocurrencies will also have to comply with KYC, Mr Pornchai said. The regulatory framework for virtual coins is expected to take shape by early March, he said. The regulations must set standards for information disclosure and transaction reporting, while system security, transaction objectives and utilisation of proceeds arising from initial coin offerings (ICOs) will also come under the regulatory framework, Mr Rapee said.

6. Hotel Investment Sets Benchmark

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

Hotel investment in Thailand hit an all-time high last year, totalling 17 billion baht, led by a number of marquee transactions. Despite high levels of investor interest, transaction volume in 2018 is unlikely to match last year as fewer investment-grade hotel assets are on the market this year, said property consultancy JLL. Data from JLL's Hotels and Hospitality Group shows 12 hotel assets were sold last year with a combined value of 17 billion baht. This is a 70% jump from 2016 and is 39.7% higher than the five-year average annual recorded between 2012 and 2016 of 12.2 billion baht. By value, Bangkok dominated the investment activity with six hotel assets sold for 14 billion baht, accounting for nearly 80% of the market. The six assets are: the Edition hotel at Thailand's iconic Mahanakorn development, sold to a US private equity fund together with its observation deck; a 34-storey partially completed structure on Sukhumvit Soi 27 sold to Carlton

hotel group from Singapore; the former Premier Inn on Sukhumvit sold to Bangkok Dusit Medical Services; and a serviced apartment in Thong Lor sold to a private investor.