

## Thai News Update: 20 April 2018

### **1. Time To Go Digital, Ma Tells Farmers**

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

Chinese e-commerce giant Alibaba Group agreed during CEO Jack Ma's brief trip to Bangkok on April 19 to help small-and medium-sized enterprises (SMEs), startups and farmers in Thailand by getting them more digitally connected through its platforms. It also discussed plans for a smart digital hub that will be developed in the Eastern Economic Corridor (EEC) based on the company's recent investment there. Four memoranda of understanding were signed covering cooperation in four areas: Using e-commerce to boost local farm product exports to China; developing human resources for Thai e-commerce operations and startups; running a digital tourism platform in Thailand; and Alibaba's 11 billion baht (US\$352.4 million) investment in a smart digital hub in the EEC. "Given Thailand's unique strengths in people and culture, we are confident of its future and growth potential under the government's Thailand 4.0 policy. "We are committed to being a long-term partner of Thailand to help enable its digital transformation," the Alibaba co-founder added. The prime minister said Thailand and China can also generate income through a digital platform for tourism that Alibaba and the Thai government have agreed to develop. The final MoU was between Alibaba Business School and two Thai authorities -- the Industrial Promotion Department and the International Trade Promotion Department -- to help develop more suitable human resources for SMEs.

### **2. PTT Plans Massive Expansion In Laos To Meet Growing Demand**

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

PTT Plc, the state-owned fuel supplier in Thailand, has plans for massive business expansion in Laos six years after entering the market of 7 million consumers. In a recent interview with Vientiane Times, the managing director of the company's Lao subsidiary, Songpon Thepnumsommanus, said the firm has plans to expand the number of its petrol stations from 45 units to 100 units by 2022. The company's business expansion plan is a response to growing fuel consumption and business opportunities to provide quality fuel and best services in Laos, he said. "Our business emphasis is quality of fuel and best service," Songpon of PTT (Lao) Co Ltd said.

According to him, the expansion of petrol stations will be based on direct investment by the Thai company and sale of its business franchise to local business partners who trust in the Thai business model. The cost of a PPT petrol station franchise, excluding land, ranges between Bt15 million and Bt35 million, he said, adding the investment costs for local investors depends on the category of petrol station. In addition to the popularity of the brand, PTT has come up with business models that attract local consumers. The company not only wants to sell fuel but also services that make a petrol station a one-stop service where people can get many things, including dining and banking, according to local observers

### **3. Cryptocurrency Launch Aimed At Local Enterprises**

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

THE E-Commerce for Tourism Business Association (ETA) has teamed up with Decentralised Exchange (DEX) to launch a cryptocurrency intended to serve the needs of community enterprises and other small traders with shops. The backers of the digital currency, called ETA Coin, say it will be the first in Thailand focused on expanding the funding sources for local-level enterprises. ETA president president Satapol Channarong said that, with the initial capitalisation set at Bt500 million by the middle of this year, the ETA Coin initiative would help small and medium-sized enterprises (SMEs) and community enterprises to gain access to new sources of funding for their business operations, especially for expansion plans. The association recently bought ETA Coins through an initial coin offering (ICO) for its members. Under a project known as ICO BC Warehouse, investors will gain ownership rights to income from planned ICOs. Satapol said that about 5,000 shops are expected to join the ETA Coin initiative over the next year. By doing so, they will gain connections with investors in member countries of the Asean Economic Community (AEC), such as Malaysia and Cambodia, as a means of spurring the global use of ETA Coin and supporting the tourism industry.

### **4. Thai Government Snipping Red Tape From Foreign Business Visas**

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

Foreign chambers of commerce in Bangkok are feeling the pain of Apple, the U.S. tech company, as it gropes through Thailand's arcane bureaucracy in an effort to open its first flagship store in the

capital. Industry insiders say the project hinges on how many work visas the Thais will allow for Apple's foreign experts. Interest first stirred when Apple placed job announcements for 13 positions late last year for the first store of its kind in Southeast Asia's second largest economy. Apple's fate is a test for the military government, which last month promulgated the National Competitive Enhancement Act for Targeted Industries. It wants to attract foreign investment in 10 existing and emerging high-tech industries that involve significant research and development. These include biotechnology, robotics, digital and smart devices, and logistics. The policy is part of a broader plan, Thailand 4.0, to invigorate the country's flagging economy, which largely developed since the 1970s on the back of export-based, manufacturing industries and tourism. The new carrots on offer include a limited number of "smart" visas for foreign experts needed for the Thailand 4.0 initiative. Foreign executives of small and medium enterprises, which make up the bulk of companies employing foreigners, complain of "extreme" paperwork. One working for a trading company has turned up each time for the past eight years with 200 pages for his renewal.

### **5. Thailand's Top Banks Post Faster Quarterly Profit Growth, Face Fee Income Strains**

**Source: Reuters ([Link](#))**

Two of Thailand's top banks posted a faster pace of quarterly profit growth as an expanding economy boosted demand for loans and financial services, but intensifying competition from non-bank players is set to put pressure on their results this year. Kasikornbank Plc, the country's third largest lender, reported on April 20, a 5.8 percent rise in net profit to 10.8 billion baht (\$342.51 million) for the quarter ended March, a shade better than the average 10.6 billion baht expected by three analysts, according to Thomson Reuters data. The bank attributed the gains to a 2.6 percent increase in interest income and a 4.7 percent rise in net fee and service income. Thailand's economy, Southeast Asia's second-largest, has benefitted from higher tourist arrivals and stronger exports, with the central bank raising in March its forecasts for economic growth and exports this year. Siam Commercial Bank, the second-largest bank, reported on April 19 a 4.6 percent dip in first-quarter net profit, partly due to costs associated with investments in digital banking.