

## Thai News Update: 21 February 2018

### **1. Thailand ‘On Digital Transformation Fast Track’**

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

By 2021, digital transformation will add an estimated US\$9 billion (Bt282 billion) to Thailand’s GDP and increase the growth rate by 0.4 per cent annually, according to a business study released on Feb 20. The research, “Unlocking the Economic Impact of Digital Transformation in Asia-Pacific”, was produced by Microsoft in partnership with IDC Asia/Pacific. The study predicts a dramatic acceleration in the pace of digital transformation across Asia-Pacific economies. In 2017, about 4 per cent of Thailand’s GDP was derived from digital products and services created directly through the use of digital technologies, such as mobility, cloud, the Internet of Things and artificial intelligence.

### **2. Export Gains Prompt another GDP Revision**

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

An influential forecaster has raised its estimate for 2018 economic growth to 4.4 per cent, citing stronger than expected expansion in the economies of Thailand’s trading partners and the sustained gains in exports and tourism. The University of the Thai Chamber of Commerce Centre for Economic and Business Forecasting had earlier estimated growth of 4.2 per cent for this year. Thanawat Polvichai, the centre's director, said that this year could mark the first in more than six years that the economy achieves growth in gross domestic product of more than 4 per cent. The revised growth estimate also takes into account stability in the country’s politics, as a general election has been promised for late this year under the military government’s so-called roadmap for a return to democracy, said Thanawat, who noted that the baht is trading at around 31 to the US dollar.

### **3. Cabinet Approves B6.34bn for Nationwide Upgrades**

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

The cabinet on Feb 20 approved a combined 6.34 billion baht for projects to facilitate the ease of doing business and upgrade the country's competitiveness. Nathorn Chatusripitak, a spokesman

for Prime Minister Somkid Jatusripitak, said of the total, 3.29 billion baht will be set aside for the Science and Technology Ministry, 2.25 billion for the Digital Economy and Society Ministry and 800 million for the Office of the Public Sector Development Commission (OPDC). Some 250 million baht will be invested in a citizen feedback project, whereby the OPDC will develop a central platform to evaluate public satisfaction, with 400 million to be spent on a tracking system and 150 million to develop a central online queue system.

#### **4. Nestle Puts B450 Million into Developing Healthier Coffee**

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

Nestle, the Swiss multinational food and drink firm, is set to spend 450 million baht on developing technology at its factory in Chachoengsao province to produce a new premium instant coffee as part of its regional strategy to focus more on quality and less on sugar, in keeping with consumers' changing behavior. Audrey Liow, chairwoman and chief executive of Nestle Indochina, said Nescafe Gold Crema is the company's first premium pure soluble coffee product developed to meet the preferences of discerning Thai coffee lovers. Nescafe Gold Crema comes with an innovative design and was launched in Thailand at the same time as in Western Europe. This was to respond to the sharp growth of premium coffee in Thailand in the past 4-5 years.

#### **5. Hitachi and Hitachi Asia (Thailand) Sign MoU with Thailand Post to Support the Digitization of Postal Services**

**Source: Asia One ([Link](#))**

Hitachi, Ltd. (TSE: 6501) and Hitachi Asia (Thailand) Co., Ltd., a branch of Hitachi, on Feb 20 announced that they have signed a memorandum of understanding (MoU) with Thailand Post Co., Ltd., the Thai government-owned enterprise, under the supervision of the Ministry of Digital Economy and Society. The MoU concerns cooperation amongst the parties with a view of realizing an information providing service for the Thai people and other related new Thailand Post services. Based on this MoU, Hitachi and Hitachi Asia (Thailand) will work with Thailand Post to start proof of concept (PoC) regarding a new information transmission that utilizes the nationwide postal network as a highly reliable way to deliver public administrative information to Thai nationals.

## **6. TU Posts 14.6% Profit Surge as 2017 Sales Hit Record High**

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

SET-listed Thai Union Group (TU), the world's biggest canned and frozen tuna exporter, on Feb 20 reported a fiscal 2017 net profit of 6 billion baht, up 14.6%, propelled by record-high sales. Gross profit was 18.14 billion baht, while gross profit margin stood at 13.3%, up from 14.8% for fiscal 2016. High tuna prices contributed to the weaker margin, which was partly offset by the company's prudent foreign exchange management and stringent cost control. For 2017, sales in North America continued to play an important role in the company's revenue, accounting for 40% of total sales, while Europe contributed 32%. Thailand's domestic market grew to 10% of total sales, with Japan contributing 6%. Thai Union is regarded as the world's largest producer of shelf-stable tuna products with annual sales exceeding 135 billion baht.

## **7. Digital Post Service to be Trialled in Thailand**

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

Hitachi has signed a memorandum of understanding with Thailand Post, the Thai government-owned state enterprise under the supervision of the Ministry of Digital Economy and Society, to provide new postal services. Hitachi and Hitachi Asia (Thailand) will work with Thailand Post to start proof of concept regarding an experimental digital post service that will enable receivers to receive notifications from state agencies through their computers and smartphones. The agreement will also accommodate the outsourcing of a mail-printing service.