

Thai News Update: 21 January 2020

1. More measures to support economy

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

Second-home buyers will find it easier to borrow, SMEs will get tax refunds sooner and foreign reserves will be prudently invested overseas. These are among the latest batch of stimulus measures to battle worse-than-expected impacts of the world economy, according to economic ministers. Kobsak Pootrakul, secretary-general to economic ministers, said Deputy Prime Minister Somkid Jatusripitak called a meeting with concerned authorities at the Finance Ministry on 20 January morning to discuss measures to boost liquidity and stabilise the baht since the impacts of the global economic slowdown on the local economy were "beyond expectation".

2. Egat, B.Grimm ink major hybrid power deal

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

The state-run Electricity Generating Authority of Thailand (Egat) has signed a contract with B.Grimm Power-Energy China Consortium to develop the world's largest hydro floating solar hybrid power project at Sirindhorn dam in Ubon Ratchathani. Egat and the consortium signed the agreement on 20 January evening. The project has a power capacity of 45 megawatts for the floating solar farm worth 842 million baht. The consortium will develop the power project under an engineering, procurement and construction contract. Solar power generation on the water surface requires 450 rai, equal to solar panels on a ground site. Egat expects to commence operation of this project by December.

3. Toyota gets approval for EV, plug-in hybrid production in Thailand

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

Toyota Motor Corp has obtained official approval for its plan to produce electric vehicles and plug-in hybrids in Thailand, as part of its policy to globally expand EV sales. With approval from the Board of Investment, effective Jan 7, Toyota will have to initiate production within three years to benefit from the country's tax privileges, including corporate income tax exemption, although no penalties will be imposed for abandoning the plan. "We will examine

steps in line with the terms of the privileges," a spokesman for Toyota Daihatsu Engineering & Manufacturing Co, Toyota's Thai arm for compact cars, said on 17 January. Details about schedule and models for production have yet to be finalised, he added.

4. Ministry seeks nod for RCEP signing

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

The Commerce Ministry is scheduled to propose cabinet endorsement of Thailand's participation in signing the Regional Comprehensive Economic Partnership (RCEP) by the middle of this year. Auramon Supthaweethum, director-general of the Trade Negotiations Department, said after the conclusion of RCEP talks late last year Thailand and country members of the pact are in the process of scrubbing the legal wording of the pact, and asking for domestic approval procedures. She said the Commerce Ministry plans to file the proposal to the cabinet by the middle of the year to allow the commerce minister to formally sign the agreement during the Asean Summit in November in Vietnam.

5. BoT relaxes LTV rule for mortgages

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

The Bank of Thailand is easing loan-to-value (LTV) regulations governing mortgage lending, shortening the minimum debt-servicing period for first mortgages for those seeking a second for homes priced below 10 million baht. Another tweak is lowering the minimum down payment for first mortgages for homes valued 10 million baht or more. Those who buy residences valued less than 10 million baht and apply for a first mortgage are also allowed to take out a top-up mortgage of up to 10% on top of the housing loan, constituting as much as 110% for the mortgage bundled with the top-up. The move came into effect on 20 January, said Ronadol Numnonda, deputy governor of Financial Institutions Stability.

6. PTT, Mitsui join up for robotics, AI development

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

PTT Plc and Mitsui & Co (Thailand) Ltd have signed a cooperation agreement on the development of robotics and artificial intelligence (AI). The joint venture focuses on creating a value-based economy that is driven by innovation, digital systems, and high-tech automation in the industrial sector. Wittawat Svasti-xuto, Chief Technology and Engineering Officer at PTT, revealed that the agreement was a significant milestone for PTT's new business investment strategy to foster sustainable growth while

addressing challenges of the digital transformation. With a strong determination to promote the use of robot technology, automation and intelligent solutions in the industrial sector, this business partnership would emphasise the expertise of the two partners that would be beneficial to industrial development.

7. Agriculture Ministry seeks Cabinet nod for Bt8.9-billion grass roots development plan
source: The Nation ([Link](#))

The Agriculture and Cooperatives Ministry has prepared a grass roots economic development and promotion campaign, which will be presented to the Cabinet on 21 January for approval under the fiscal year 2021 budget. Agriculture and Cooperatives Minister Chalermchai Sri-on said on 20 January that “the campaign expects to use a budget of Bt8.9 billion to drive 114 projects in accordance with the government’s strategy to promote the grass roots economy”, he said. “The Ministry of Agriculture will be the central agency while the projects will be co-supervised by ministries of Commerce, Natural Resources and Environment, Interior, Public Health, Education, Industry, the Office of Prime Minister, National Farmers Council and Thailand Institute of Scientific and Technological Research.”