

Thai News Update: 21 July 2020

1. Best betting on Thai market

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

Best Inc, a Chinese logistics firm backed by e-commerce titan Alibaba, plans to invest 300 million baht in the second half to boost its express delivery service, Best Express, in Thailand. The company wants to tap the booming logistics industry, buoyed by online shopping, in the wake of the pandemic. The amount is part of the company's five-year investment budget of 5 billion baht in Thailand, starting from this year. The logistics market in Thailand is projected to rise 35% to 6.6 billion baht this year.

2. Ranong Port being improved to serve Bimstec nations

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

The Port Authority of Thailand has accelerated improvement of Ranong port to support 12,000DWT vessels at both docks in a Bt41.8 million project, director-general Lieutenant Kamolsak Promprayoon said. The improvement is part of the Southern Economic Corridor (SEC) Project to connect water, road and rail transportation between the Andaman coast and the Gulf of Thailand from Ranong to Chumphon ports and Laem Chabang Port in the Eastern Economic Corridor. The government aims to make Ranong Port a hub for the transportation of goods on the Andaman coast, linking Thailand to other Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (Bimstec) countries such as Bangladesh, Sri Lanka, India, Myanmar, Nepal and Bhutan.

3. PTTEP gets finance for Mozambique LNG

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

PTT Exploration and Production (PTTEP), the oil and gas drilling arm of national oil and gas conglomerate PTT, and business partners have reached a US\$14.9-billion agreement with creditors to push ahead with a liquid natural gas (LNG) facility development project in Mozambique's Rovuma Offshore Area 1. The project, estimated to cost \$20 billion, will be funded by equities and senior debts. PTTEP informed the Stock Exchange of Thailand yesterday its wholly owned PTTEP Mozambique Area 1 and investors in Rovuma Offshore Area 1 already signed senior debt financing agreements for the project.

4. ‘Good progress’ on 7 new regional airports

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

The Department of Airports (DOA) has spent Bt14 billion in 2019-20 to develop new airports and boost capacity at its existing 29 airports, said Deputy Transport Minister Thaworn Senneam. The projects are part of a 10-year airports plan (2015-2024) with a total budget Bt36.634 billion. For 2021, the DOA has received a budget of Bt5.8 billion to upgrade regional air hubs such as Krabi airport, which is using Bt6 billion in funds from 2019-2021 budgets to construct a new passenger terminal after Phase 3 renovation, as well as constructing an apron to accommodate large aircraft. Construction is expected to be complete in 2022.

5. EGCO powering ahead with 4 big projects

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

Electricity Generating Plc (EGCO) is on track to develop four major construction projects in Thailand and neighbouring countries, president Thepparat Theppitak said during the company's shareholders meeting. “These projects are the Nam Tern Power Plant 1 in Laos, with the deadline of the second quarter of 2022, the Kan Dong project in South Korea, to be completed by the fourth quarter, the Yun Lin Wind Energy project in Taiwan and the expansion of an oil pipeline to the Northeast, with a fourth quarter deadline, which we are carrying out together with our subsidiary, Thai Pipeline Network, in which EGCO holds a 44.6 per cent stake,” he said.

6. Thai corporates announce 5 SDG strategies

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

Fifty-four leading Thai companies under the Global Compact Network Thailand (GCNT) have agreed to adopt United Nations sustainable development goals (SDGs) strategies for 2020. Formed under the auspices of the UN in 2018, the GCNT pushes for responsible corporate practices and integration of SDGs into Thai business strategies. "This action is to bring significant changes and uplift corporate governance standards in business operations," said Suphachai Chearavanont, CEO of Charoen Pokphand and GCNT chairperson.

7. Second phase of “We Travel Together” in the pipeline

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

With the “Rao Tiew Duay Kan” (We Travel Together) tourism stimulus scheme opening for public registration last week, the Tourism and Sports Ministry aims to now propose a second phase of the scheme to the Cabinet for approval in a further boost to domestic tourism. As of

Saturday (July 18), the first day for hotel reservations, 87,960 people booked accommodations under the scheme. Tourism and Sports Minister Phiphat Ratchakitprakarn said he would take two weeks to consider the second phase, if the ministry's remaining finances were enough for this. The minister said it was too soon to conclude that public purchasing power was low.

8. GSB to offer Bt120 billion soft loans to tourism, service sector entrepreneurs

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

The Government Savings Bank (GSB) is readying a new batch of soft loans worth Bt120 billion to help tourism and service entrepreneurs who could not access its current Bt150-billion loan package. "The government has ordered GSB to provide soft loans to entrepreneurs affected by the Covid-19 situation since March under the budget of Bt150 billion, whereas Bt135 billion will be provided through financial institutions at an interest rate of 0.01 per cent, while the rest Bt15 billion will be provided directly by GSB at 2 per cent interest rate," GSB president Withai Ratanakorn said.

9. Covid-19 to hit investment in research and development in 2020

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

The Covid-19 situation will cause investment in research and development in 2020 to dip from 1.45 per cent of gross domestic product to 1.09 per cent of GDP, the Office of National Higher Education, Science, Research and Innovation Policy Council reported. The office is positive that R&D investment is still capable of reaching the goal of 2 per cent of GDP within 2027. "To achieve this goal, the government must provide investment stimulus measures from now on and prevent the outbreak situation from escalating, which will diminish investor confidence," it said.