

Thai News Update: 22 January 2018

1. 'Soft Connectivity' Key To India-ASEAN Ties: Thai Envoy

Source: The Economic Times ([Link](#))

As New Delhi continues to push for better connectivity with Southeast Asia through the northeast under its Act East Policy, Thailand's Ambassador to India Chutintorn Gongsakdi has said that "soft connectivity" is the key to India-ASEAN ties. Commenting on the India-Myanmar-Thailand Trilateral Highway, work on which is under way, Chutintorn said that construction on the Thailand side has been completed and "we are waiting for India to finish road construction in Myanmar". "But what is more important is that when the road is finished, we have to be prepared on the customs, immigration and quarantine aspects because we cannot have roads and then people getting stuck at the border," he said on the sidelines of a Thai food festival in the capital. "So, we are interested in what we call the 'soft connectivity', the software for the people, the rules and regulations. Now we are negotiating the motor vehicle agreement."

2. PTT and RISE Join Hands to Launch Thai Digital Hub

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

PTT Group and RISE have launched the DNEXT programme to support the creation of a regional digital hub in the country in the near future. Chansin Treenuchagron, chief technology and engineering officer at PTT Group, said the corporation would focus on support and facilitate startups in five countries-Singapore, Malaysia, Indonesia, Vietnam and Thailand-to participate in the DNEXT programme. It aims to accelerate startup programmes to provide boot camps and increase their capabilities to become digital leaders in Asean. The programme also aims to facilitate a regional digital hub in the country in the near future. Arawadee Photisara, managing director of PTT Digital Solutions, said the DNEXT programme was a gateway for the new generation who are equipped with fresh ideas and different perspectives to create innovation, new markets and business expansion for the PTT Group.

3. Completion of High-Speed Southeast Asian Rail Link is Still Far Down the Track

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

With progress made in rail projects in Laos and Thailand, China has advanced its dream of a trans-Asian railway network to link Southeast Asia. But no one can predict when the dream will become true, as many countries in the region remain at different stages of development and commitment. Long before China's Belt and Road Initiative, ASEAN planned in 1995 to build a railway from Singapore to Kunming, the capital of China's Yunnan province. The grouping spent time and money exploring the possibility, but the project was never implemented until China took action years ago as its own rail industry incorporated world-class technology. For the new rail link, Thailand and Laos decided to use standard gauge to fulfil what is expected to be the busiest route in the region, he said. However, while the Thailand-China train would have a maximum operational speed of 250kph, Laos's trains could not move faster than 150kph.

4. New Cigarette Excise Tax is Trade Discrimination: European Business Group

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

The European Association for Business and Commerce (EABC) has expressed concerns over an ongoing issue related to cigarette excise taxes. In a statement issued on Jan 19, the association said what they see as "unfair trade" may undermine foreign business confidence in Thailand. Any new regulation requiring that the tax base for cigarettes be the suggested retail price prevailing upon the date the new law entered into effect (September 16, 2017) would be an unnecessary market interference, contradicting the principles of good governance and a free market, said Stefan Teuchert, president of the EABC. The European Union, one of the world's leaders in tobacco control policy and where cigarettes are subject to a mixed system of excise taxation, the taxation system allows "freely formed prices" where retail prices of tobacco products are freely set by business.

5. Railways, Trams to Hit Fast-Track in 2018

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

This will be a "strong" year for plans to kick-start provincial public transport systems across the country, with such plans in at least five provinces on the government's radar, says Office of Transport and Traffic Policy and Planning (OTP) Chief Chaiwat Thongkoon. The OTP, as well

as other transport-affiliated government authorities, received orders from Deputy Prime Minister Somkid Jatusripitak earlier this month to bolster transport systems outside of Bangkok, he said. According to Mr Chaiwat, tourism industry front-runner Phuket will lead the way with the OTP's plans for a light rail transit (LRT) network -- also known as a tram network -- to be carried out by the Mass Rapid Transit Authority of Thailand (MRTA) this year. Mr Chaiwat said initial steps will involve talks between the government and private sector to establish a public-private-partnership (PPP) investment scheme for Phuket's mass transit network, to keep up with the province's rapid growth in tourism and infrastructure.

6. SCG Chemicals Builds Homes for Fish to Help Local Community

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

In five years of building “fish homes” in Rayong and Chonburi provinces SCG chemicals has completed 1,100 fish homes made of polyethylene pipes in an effort to work with local people to restore the abundance of marine resources and create new opportunity for community fisher folk. SCG chemicals kicked off the fish home project in 2012 as awareness grew about the decrease in fish and aquatic animals in the gulf of Thailand and the resulting impact on the income and living conditions of Rayong fisher folk. The chemical company hit on the idea of a fish home project to help preserve remaining coastal biodiversity and encourage the self-reliance of those who make their living from the sea.

7. Fear of Fallout over Baht's Rise

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

The baht's continuous rise is once again the topic of contentious discussions, with businesses operating in the real sector making the most noise. The baht's strengthening has unsurprisingly caused jitters among exporters, as foreign exchange gains have hit their bottom line. But exporters are not the only affected parties: foreign tourists are at a disadvantage when converting their currencies into baht, and employees who earn salaries in foreign currencies are taking their their lumps as well. Amid the weakening US dollar, overseas investors have moved their investment capital into Thai bonds as a shelter to reap foreign exchange gains, on top of the prospects of an improved bond yield return, Assoc Prof Somjai said.