

THAI NEWS UPDATE: 22 JUNE 2021

1. Govt to study sustainable tax structure

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

The Finance Ministry has teamed up with the World Bank and the Asian Development Bank (ADB) to conduct a study on how the government can ensure sustainable revenue growth through a tax restructure, said Kulaya Tantitemit, director-general of the ministry's Fiscal Policy Office. Ms Kulaya said the new tax structure would ensure fair treatment, keep pace with the economic environment, and be in line with international best practices. The Covid-19 pandemic and the government's launch of a slew of tax and fiscal measures to alleviate the impact of the pandemic on the economy has affected revenue collection since last December.

2. Civil Aviation Authority readies measures for reopening Phuket

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

The Civil Aviation Authority (CAA) on 21 June approved measures to prepare the aviation industry for the reopening of Thailand to foreign tourists, starting with Phuket on July 1 under the Phuket Tourism Sandbox scheme. Transport Minister Saksayam Chidchob, who chaired the CAA meeting, said: "If the scheme turns out to be a success, similar schemes would be implemented in nine tourism provinces while the full reopening of the country will start within 120 days." "It is estimated that until the end of the year, the aviation industry will see a total of 1.4 million international passengers, up about 10 times the estimate for July." To prepare for the increasing number of visitors, the CAA has ordered airports to arrange flight slots accordingly.

3. Asean-Canada FTA expected to boost Thai GDP by 255bn baht

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

Thai trade negotiators met virtually with their US and Canadian counterparts on June 14-15 to discuss the framework of the Asean-US Trade and Investment Agreement and the scope of the Asean-Canada FTA. Progress was made in extending the Asean-Canada FTA to areas such as labour, the environment and state enterprises, department deputy director-general Sunart Nithi-Uthai reported. Results from the talks will be presented to the Asean-Canada Economic Ministers Meeting in September so that FTA negotiations can begin this year, he added.

4. Phuket hopeful UK may halt quarantine for 'amber' nations

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

Thai tourism is hoping that a review by the UK government regarding travel regulations this week will unlock access to another big market for the Phuket sandbox scheme and help draw 93,200 British tourists this year to the island as pent-up demand is expected to be robust. Since May, Downing Street has been following a traffic light system -- red, amber and green -- to set different entry rules for countries in three groups. Currently, Thailand is listed as an amber country which means that British travellers flying back from the kingdom are required to quarantine at home for 10 days even if they are vaccinated, said Chiravadee Khunsub, director of the Tourism Authority of Thailand's (TAT) London office.

5. Fitch affirms Thailand's long-term rating at BBB+

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

Fitch Ratings has affirmed Thailand's long-term foreign-currency issuer default rating (IDR) at BBB+ with a stable outlook. The country's ratings are supported by robust external and public finances, which continue to provide buffers against downside risks amid a prolonged economic recovery from the coronavirus pandemic, Fitch said in a statement. "These strengths are balanced against weaker structural features relative to BBB range peers, including lower World Bank governance scores and per capita income, and weaker medium-term growth prospects based in part on population ageing," it added.

6. TAT proposes ways to loosen quarantine

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

The Tourism Authority of Thailand (TAT) aims to offer city bubble and activity-based travel agreement in sandbox areas to ease quarantine requirements in Thailand and the visitor's home country. "Even though international arrivals can visit sandbox areas with quarantine-free entry, they might face quarantine back home as Thailand is still perceived as high risk," said TAT governor Yuthasak Supasorn. The city bubble, a travel agreement which involves low-risk cities, will allow more tourists to visit safe destinations in the sandbox programme in Thailand.

7. Japan to give Thailand AstraZeneca vaccines as token of friendship

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

Public Health Minister Anutin Charnvirakul announced on Monday that Japan has offered to donate AstraZeneca vaccines to Thailand. He added that the agreement will be signed on Thursday and the shipment should arrive within July, though the number of doses was not disclosed. "Japan's donation is a token of friendship between the two countries. It will help

Thailand with its supplies and give the vaccine rollout more flexibility. Japan is a major investor in Thailand, and after the Covid situation is resolved, investment and trade between the two countries will become stronger than ever,” Anutin said.