

Thai News Update: 22 May 2020

1. Thailand to remain key producer for Panasonic

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

Thailand will remain an important production base for Japanese electronics company Panasonic, although the company has decided to shut down its washing machine and refrigerator plants in Chachoengsao and move to Vietnam. Sirirat Yongcharoenchai, general manager for corporate communication at Panasonic Management (Thailand), said top executives in Japan and Thailand have discussed closing the 41-year-old plants since last November and informed staff last month so they could prepare. The two factories are managed by Panasonic Appliances (Thailand) Co, located at Wellgrow Industrial Estate in Chachoengsao province, employing about 800 workers.

2. Local SMEs set to make aircraft parts

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

The Royal Thai Air Force (RTAF) is helping SMEs expand into manufacturing aircraft parts for the maintenance and repair industry in a new venture. RTAF commander ACM Maanat Wongwat said all spare parts for aircraft will be manufactured domestically through cooperation between the RTAF and Thai Aviation Industries Co Ltd (TAI Thailand). However, he stopped short of saying when the venture will take effect and which models of aircraft will be targeted. The initiative was discussed during his visit to the aircraft repair and services and maintenance facility in Nakhon Sawan's Wing 4, which is run by TAI Thailand.

3. Draft contract for Eastern Airport City and U-Tapao airport projects endorsed

Source: Thai PBS World ([Link](#))

Thailand's Eastern Economic Corridor (EEC) Policy Committee on 21 May approved the draft joint venture contract for the development of the 290-billion baht Eastern Airport City and U-Tapao airport project. The project is one of the five Public-Private-Partnership infrastructure projects inside the EEC. EEC Policy Committee secretary-general, Mr. Kanit Sangsuphan, said on 21 May that the draft joint venture contract, already vetted by the Office of the Attorney-General, will be forwarded to the Cabinet for consideration, after which a contract will be signed between the Royal Thai Navy, the owner of the land, and the BBS Consortium (BTS Group Holding, Bangkok Airways Pcl and Sino-Thai Engineering), tentatively planned for June. "We have been working for more than a year to get to this stage," said Mr. Kanit, as he hailed the EEC Policy Committee's approval of the draft

contract, adding that this infrastructure project, and the high-speed train project linking U-Tapao with Suvarnabhumi and Don Mueang airports, will form the backbone of the EEC projects.

4. Thai Chamber of Commerce urges for all businesses to reopen, with proper safety guidelines

Source: The Pattaya News ([Link](#))

The Thai Chamber of Commerce estimates that a prolonged COVID-19 pandemic will cause 10 million Thais to lose their jobs. Meanwhile, businesses must adjust themselves to new regulations and health standards, as the health crisis is expected to last for at least a year. The Thai Chamber of Commerce's (TCC) Chairman, Kalin Sarasin commented in a seminar this week, that the COVID-19 pandemic will write off 5.8 to 8.8 trillion U.S. dollars from the global economy, according to an estimation from the Asian Development Bank. The global health crisis is expected to cause the global GDP to shrink 6.4 to 9.7 percent. Some 7 million people in Thailand are expected to lose their jobs due to the pandemic. The number may increase to 10 million should the situation become prolonged, while the pandemic fallout will likely affect Thailand for at least a year.

5. BoI seeks to lure makers of medical equipment

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

As Asian supply chains reshuffle in the wake of the pandemic, the government is focusing its efforts to attract foreign investors in need of a new manufacturing base around the medical devices sector, a promising industry in light of the health crisis. The Board of Investment (BoI) aims to set up joint ventures or convince foreign firms to move their manufacturing base for medical devices here. Sonklin Ploymee, executive director of industrial linkage development at BoI, said the group is focusing on developing the country's subcontracting sector to serve new targeted industries in the future. "Initially the BoI will focus on the aerospace, medical devices, electric vehicle, smart electronics and the railway system sectors," she said. The division has successfully conducted several programmes to assist foreign assemblers and manufacturers with sourcing high-quality parts and components from Thai small and medium-sized enterprises.

6. Tourism sector looks to resume domestic trips

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

The tourism sector is unfazed by the possible extension of the emergency decree, with operators saying their businesses are flexible and it will not interrupt the goal to kick-start domestic travel nationwide in June. The Tourism and Sports Ministry is planning to discuss

with the prime minister permission to allow domestic tourism to start in provinces that reported zero new cases for the past 21 days, said Tourism and Sports Minister Phiphat Ratchakitprakarn. The partial kickoff will help operators run their businesses and reduce the likelihood of laying off employees. The government set a goal of recording 100 million domestic trips within this year. Mr Phiphat said the ministry wants curfew times relaxed, which it will discuss with the Transport Ministry if the curfew is extended.

7. Exports unexpectedly rise 2.1% on boost from agriculture, gold

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

Customs-based exports in April unexpectedly rose 2.12% from a year earlier, helped by higher shipments of agricultural products, food and gold, the Commerce Ministry said on 22 May. The result compared with a Reuters poll forecast for a fall of 4.6% in exports, a major driver of Thai growth, and against March's surprise 4.17% increase. Exports, excluding gold, fell 10.31% year-on-year, likely reflecting the underlying weakness in global trade amid the coronavirus pandemic.

8. CP's big boss urges govt to court rich investors for post-Covid era

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

Dhanin Chearavanont has advised the government to lure those rich persons and investors to invest in technologies after the Covid-19 is resolved. In an online talk entitled "Top CEO's Vision for Business Crisis", the senior chairman of Charoen Pokphand Group (CP) said that the crisis has improved Thailand online activities, especially in terms of education. He said working online gave people enough freedom to go travelling and spending time with their family. Dhanin also said that once the Covid-19 crisis is resolved, global travel will start again, and Thailand can attract more travellers not just because it's a world-class destination but also because it has been very successful in tackling the virus.

9. CCSA approves extension of emergency for a month

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

The Centre for Covid-19 Situation Administration (CCSA) meeting approved on Friday (May 22) extension of the state of emergency for a month until June 30, as proposed by the National Security Council (NSC). The NSC on Thursday (May 21) decided to propose the emergency matter as well as those related to the next phase of relaxation of the lockdown and curfew to the CCSA. It invited representatives from related agencies like national security, public health and economy to hold a meeting in order to discuss the state of emergency, which has been enforced since March 26