

Thai News Update: 24 September 2019

1. CP given airport link ultimatum

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

The Charoen Pokphand Group (CP)-led consortium, winner of the bid to build the 224-billion-baht high-speed railway linking three airports, will be told to sign the contract on Oct 15 or face a fine for failing to honour the terms of the bid. The ultimatum was decided upon on 23 September at a meeting between Deputy Prime Minister Anutin Charnvirakul, who oversees the Transport Ministry, Transport Minister Saksayam Chidchob, senior transport officials and the chief of the Eastern Economic Corridor (EEC) Office. Mr Anutin said the bid selection committee will hold a meeting on Friday and issue an official letter to inform the CP-led group of the contract-signing date which is set for Oct 15.

2. Thailand spends 560 million USD on EEC development

Source: Vietnam Plus ([Link](#))

The Thai government plans to allocate 17 billion baht (560 million USD) for the development of the Eastern Economic Corridor (EEC) in fiscal 2020, according to Kobsak Pootrakool, deputy secretary-general to Prime Minister General Prayut Chan-o-cha. The official said Thailand wants to speed up investment in the region, especially in transport, adding that the government is applying a holistic approach to budget allocation as it needs efficient coordination between many state agencies and educational institutions. Part of the budget would be used for investment in the high-speed rail project currently waiting for the public-private partnership contract to be signed. The Highways Department of the Transport Ministry will get the largest share of the budget of 9.9 billion baht, while the National Science and Technology Development Agency will receive 1.3 billion baht.

3. New province joins 1st-tier tourism ranks

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

Nakhon Si Thammarat will not be second-tier anymore, as the province is set to receive some 4 million tourists this year, meeting first-tier province criteria set by the state. The southern province will join 22 others as first-tier provinces, leaving behind 54 provinces in the second tier. Reaching the top tier has assured the local administration it will receive more investment in infrastructure and can offer new tourism products. Wirat Rakphan, the province's deputy governor, said the Airports Department has an expansion plan for Nakhon Si Thammarat airport's runways and terminal by 2022 to deal with an anticipated increase in international flights to support foreign visitor arrivals.

4. China's planned focus on domestic economy 'will hit Thai exports badly'

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

Thai exporters will face the biggest challenge once China shifts its focus to its domestic economy as a result of its trade war with the United States. In an interview with Nationmultimedia Group, Chinese Ambassador to Thailand Lyu Jian confirmed that though China will continue supporting multilateral trade under the World Trade Organisation, it will at the same time put more emphasis on domestic economy. Though the envoy said he foresees a good economic relationship with Thailand and Asean by linking its Belt and Road Initiative with the Thailand 4.0 and Eastern Economic Corridor projects. However, Sompop Manarungsan, president of the Panyapiwat Institute of Management, said China's focus on its domestic economy, combined with slower growth and the ongoing trade dispute, will pose serious challenges to Thai exporters.

5. SET, Clearstream join to ease international investor access to Thai fund market

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

The Stock Exchange of Thailand (SET) and Clearstream Banking SA, an international central securities depository, have joined to enable cross-border funds transactions. The new linkage between SET's mutual fund platform FundConnex and Clearstream's global fund processing platform Vestima enables international investors to access the Thai fund market. As of August

2019, the Thai mutual fund market encloses assets under management at Bt4.01 trillion. In return, Thai investors have access to more than 190,000 investment funds from close to 50 jurisdictions worldwide via Vestima. The linkage of the two platforms is operated via SWIFT's standard messaging format ISO 20022. Cash will flow through Standard Chartered Bank (Thai) Plc.