

Thai News Update: 25 February 2020

1. Bangkok outpaces Manila as Southeast Asia auto hub

Source: Business Mirror ([Link](#))

Manila is losing out to Bangkok in the race to become the automobile center of Southeast Asia, and proof of this is Honda's closure of its assembly plant and the eventual transfer of production to Thailand. Trade Secretary Ramon M. Lopez on 24 February admitted the Philippines lost Honda's production to Thailand, where the vehicle assembler is now producing at a rate of 200,000 units annually. He also conceded the cost of production is higher than in Thailand, and this is largely the reason Honda is shutting down its Laguna plant to transfer its manufacturing. "If you read between the lines [based on] their statement, it has something to do with their allocation. In cases like that, it has something to do with cost competitiveness. That means it's cheaper for them to produce in other countries where their production is on a high volume," Lopez told reporters after meeting Honda executives.

2. Finance Ministry earmarks B100bn for tourism

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

The Finance Ministry is preparing to offer 100 billion baht in soft loans as a lifeline to coronavirus-ravaged tourism operators as part of new relief measures that will seek the cabinet's approval by early March. The soft loans, sponsored by the Government Savings Bank (GSB), will be offered through commercial banks with an interest rate of 3-4%, said a source familiar with the matter who requested anonymity. Operators who do not need fresh funds will be entitled to other financial assistance, such as debt suspension and interest rate reductions, the source said. The Bank of Thailand will consider easing regulations for commercial banks in return for their aid to customers.

3. Exports up for first time in 6 months

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

Exports rose for the first time in six months in January, largely driven by shipments of oil and gold. The Commerce Ministry reported on 24 February that customs-cleared exports rose 3.35%

year-on-year in January, fetching US\$19.62 billion, with imports dropping 7.86% to \$ 21.18 billion, generating a trade deficit of \$1.55 billion. Pimchanok Vonkorpon, director-general of the Trade Policy and Strategy Office, said the export direction reflected positive sentiment from the Phase-1 deal between the United States and China. Exports of products related to US-China tariff measures such as computers and components expanded in both the US and China markets.

4. Tourism campaign launched in Thailand

Source: Xinhua News ([Link](#))

The Tourism Authority of Thailand (TAT) launched a campaign here on 24 February to help tourism operators showcase their products and services after a massive drop in tourists coming from China. The "Iconsiam, Thais Help Thais" campaign also included massive discounts in domestic flights, and 50 percent discount in leading hotels, food and beverages. "The COVID-19 outbreak has reduced the number of Chinese tourists by 90 percent and the number of foreign tourists has dropped by over 60 percent," said Minister of Tourism and Sports Phiphat Ratchakitprakan. "Therefore I am calling on Thai people to spend money, shop and travel in Thailand. Thais should help Thais."

5. AIS launches 5G commercial service

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

Advanced Info Service (AIS) kicked off its 2600MHz 5G commercial service today (February 24), making it the first 5G operator in the country to do so. The mobile phone operator officially received the 2600MHz licence on February 21 and switched on its 5G network the same day. As part of the launch, AIS is giving its subscribers, who buy upcoming smartphone models such as the Samsung Galaxy S20 Ultra 5G or Huawei Mate 30 Pro 5G, the right to use them with its 5G service free of charge until June 30. The two models, which will go on sale here in early March, will be able to use AIS's 5G service instantly after a software upgrade.

6. ASEAN members vow to enhance cooperation amid COVID-19 outbreak

Source: GMA Network ([Link](#))

Members of the Association of Southeast Asian Nations (ASEAN) vowed to work together in addressing the coronavirus disease 2019 (COVID-19) outbreak during a Special Foreign Ministers' Meeting. The meeting, held last Thursday in Vientiane, Laos, was co-chaired by Foreign Affairs Secretary Teodoro Locsin Jr. and Chinese State Councilor and Foreign Minister

Wang Yi. In a statement, the Department of Foreign Affairs said that the foreign ministers underscored the importance of risk communication and community engagement in dealing with COVID-19 during the meeting. The ministers also adopted a statement on COVID-19 in which they agreed to enhance cooperation in the region by capacity building, sharing information and best practices, and pursuing initiatives with external partners.