

## Thai News Update: 27 January 2020

### **1. Thailand, Laos target big jump in bilateral trade**

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

Thailand and Laos will hold negotiations late next month with the goal of giving a big boost to bilateral trade next year. Auramon Supthaweethum, director-general of Thailand's Trade Negotiations Department, revealed that on February 25-26 there will be a meeting of the Thai-Laos cooperation plan at the ministerial level. There will also be a meeting between the Ministry of Commerce of Thailand and the Ministry of Industry and Trade of Laos in Bangkok with the goal of promoting cooperation in trade and investment. They aim to nearly double bilateral trade from the 2016 figure of \$5.9 billion to around \$11 billion by 2021, she said.

### **2. Study on smart city in EEC close to completion**

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

The Office of the Eastern Economic Corridor (EEC) is close to finishing the study on developing the "smart city" project in Chachoengsao province. The office secretary-general, Kanit Sangsubhan, said that a group of private investors from China are keen to bid for the contract to develop the smart city in the province where they want to develop a financial centre. He added that the development of the smart city will be on a Public-Private Partnership basis. Recently Deputy Prime Minister Somkid Jatusripitak urged the EEC office to accelerate the development of mega-projects in the corridor as part of the government's policy to lift the softening economy.

### **3. Tourism Authority of Thailand rethinks strategy as 2020 doubts grow**

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

The Tourism Authority of Thailand (TAT) has revised its 2020 strategy, aiming to piggyback on local operators to survive the economic slowdown and intense competition. "The TAT will implement the YOU project, which stands for Yield, Overcome and Uncertainty," said TAT governor Yuthasak Supasorn. "The main purpose is to help local operators get higher yield, overcome challenging factors and come up with efficient risk management against uncertainty." All 45 domestic TAT offices will be assigned to talk directly with local operators to assess

problems in each area, find proper solutions and devise a risk management plan. The priority task is to solve the cumulative problems of Thai tourism, including safety, tourism scams, overcrowding and insufficient facilities such as airports, immigration control and public transport.

#### **4. Bank of Thailand considering licences for digital-only banks**

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

The Bank of Thailand is studying licences for digital banks, a tool meant to enhance financial inclusion and keep pace with consumer needs in the digital age, says a senior official. New players will encourage competition and disruption in the local banking industry, open more opportunities to Thais to access financial services, improve financial inclusion and develop the financial ecosystem in the overall market, said Ronadol Numnonda, deputy governor for financial institutions stability. "In the digital era, the central bank needs to consider the overall banking landscape in the long term, and digital banks are an option," he said. "Whether digital bank licences will be issued needs a comprehensive study of all dimensions."

#### **5. Thailand drops one spot in GTCI rankings**

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

Thailand slipped one position to 67th in the 2020 Global Talent Competitive Index (GTCI) of 132 countries, weighed down by poor vocational and technical skills. The GTCI report was developed by INSEAD, one of the world's biggest graduate business schools, in partnership with HR solutions provider Adecco Group and tech giant Google. The report was recently unveiled at the World Economic Forum in Davos, Switzerland. "For Thailand, more could be done to improve talent management and talent competitiveness, which would in turn lead to increased productivity and economic development," Bruno Lanvin, executive director for global indices at INSEAD and GTCI Index, told the Bangkok Post.

#### **6. EEC Office to speed up project terms**

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

Terms of reference for smart cities and the maintenance, repair and overhaul (MRO) facility's second phase at U-tapao airport are scheduled to be issued within two months. According to Deputy Prime Minister Somkid Jatusripitak, the Eastern Economic Corridor (EEC) Office has been ordered to speed up setting the terms of reference for the two projects and issue them over

the next two months. The MRO facilities are part of five megaprojects under the government's infrastructure development in the flagship EEC. The five projects, worth 695 billion baht in total, are the high-speed railway linking three key airports (225 billion baht); U-tapao aviation city (290 billion baht); the MRO centre (10.6 billion baht); the third phase of Laem Chabang seaport (114 billion baht); and the third phase of Map Ta Phut seaport (55.4 billion baht).

## **7. Online grocery shopping gains popularity in Thailand**

**Source: The Thaiger ([Link](#))**

The intense competition in online grocery sales is expected to surge in 2020. Online Apps like Line, Grab and Lazada are making major inroads into the Thai grocery market valued around 30 billion baht. Pushing the growth is the 'stay at home' phenomenon where people try and avoid air pollution, traffic, no plastic bags to conveniently carry any groceries and the free delivery offered by the online shopping providers. Lazada and Grab have already launched their grocery shopping services, LazMart and GrabFresh. Now Line Man, a subsidiary of Line Thailand, has announced it will partner with HappyFresh, to offer online grocery services