

Thai News Update: 27 March 2018

1. Ma Set To Visit Thailand In April To Announce Alibaba's EEC Investment Plan: Uttama

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

Jack Ma, the founder and executive chairman of China-based e-commerce giant Alibaba Group, will visit Thailand next month to announce the company's investment plan in connection with the Eastern Economic Corridor (EEC) initiative, Industry Minister Uttama Savanayana said on March 25. The planned visit has been confirmed by Ma's team, he added. Uttama said Ma would use the visit to officially announce his company's readiness for the Smart Digital Hub CLMVT to be built in the EEC. Alibaba aims to use Thailand as its logistics centre to support the group's e-commerce in the region. The company has asked the Industrial Estate Authority of Thailand to find space to build a warehouse for the distribution centre, and it wants a location close to the nearest airport in the EEC investment area, the minister explained. Uttama said there were four planned areas of collaboration between Alibaba and Thailand: promoting digital usage for smart small and medium-sized enterprises (SMEs); supporting farmers to become e-commerce operators; promoting the use of technology and digital to help the development of start-ups; and promoting tourism in the Kingdom.

2. Cabinet Approves High-Speed Train Project Linking 3 Main Airports

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

The Cabinet on March 26 approved a project for a 200 billion baht high-speed train network connecting three international airports. Nattaporn Jatusripitak, an adviser to Prime Minister's Office, told reporters after the Cabinet meeting that the terms of reference, defining what is to be achieved and how, will be drafted as soon as possible, following by a bidding process. He said the investment will be in the form of a public-private partnership, allowing the private sector to engage in the project in cooperation with whatever government agencies are in charge of it. The high-speed train will link Suvarnabhumi and Don Mueang airports that both serve Bangkok, and U-Tapao, a joint civil-military public airport that serves the cities of Rayong and Pattaya on Thailand's eastern seaboard. The 220-kilometre rail project is part of the Eastern Economic

Corridor, the government's flagship project for the development of infrastructure in Thailand's eastern seaboard, covering Rayong, Chachoengsao and Chonburi provinces. Industry Minister Uttama Savanayana said on Monday that at speeds of up to 250km per hour, the train will take 45 minutes from Bangkok to U-Tapao airport, compared to 2-3 hours by car. It will initially have five stations: Chachoengsao, Chon Buri, Si Racha, Pattaya and U-Tapao.

3. Thai Businesses Bullish On Future Trade Prospects: HSBC Study

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

Businesses in Thailand are highly optimistic about the future trade prospect, according to a new report from HSBC bank. The survey of 200 Thai firms found them optimistic about the growth in demand for trade finance and its accessibility. Yet they say their largest concern is exchange rate volatility and its impact on meeting their trade finance needs, according to the report, entitled “Navigator: Now, Next and How for Business”. The large majority (92 per cent) of the 200 businesses surveyed in Thailand are optimistic about their international business prospects and project an increase in the volume of trade over the next 12 months. This is above the global average (77 per cent) with Thailand noted as one of the top three markets with the most positive outlook among those surveyed, after Bangladesh and India. The survey, conducted on behalf of HSBC by Kantar TNS, is compiled from responses by decision-makers at over 6,000 businesses – from small and mid-market to large corporations – across a broad range of industry sectors in 26 markets including Thailand.

4. Thailand Likely To See Full 5G Within 4 Years, Huawei Says

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

Thailand is expected to see a full commercial 5G wireless broadband service in place within the next four years, by which time the ecosystem is expected to have been put in place, Huawei Technologies (Thailand) managing director Qiang Hua said on March 26. Qiang said that it would not be too late for Thailand, if the commercial service was launched in that time. The availability of a 5G service was not dependent only on the allocation of the spectrum bands to telecom operators to provide services, he said, but requires the collaboration of all related parties and all industries to ensure a fast uptake of the service. Industry will be the major user of 5G services,

including for those involved in the emerging “smart farming”, connected vehicle and smart cities sectors. Huawei will launch its first 5G mobile phones in the global market next year, Qiang said. The company is China’s leading information and communications technology solution provider.

5. All Eyes On Big C Pickups

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

Commerce Minister Sontirat Sontijirawong says authorities have been monitoring Big C's mobile grocery stores and the government looks set to exercise two laws to ensure fair trade. "The ministry has already made inquiries after Big C Supercenter Plc began operating mobile grocery stores in pickups to sell consumer goods in villages. While the company said the mobile grocery store just a pilot project for a new business concept and is yet to be truly commercialised, the department is monitoring this issue as it oversees retail business to ensure trade is fair both to small- and large-scale operators under the Act on Prices of Goods and Services (1999) and the Trade Competition Act (2017)," he said. A retail business source said the competition will heat up this year as players start providing omni-channel services after heavily investing in IT systems to respond to changing consumer lifestyles.

6. Merger of Grab and Uber Drive Monopoly, Pricing Concerns

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

The merger between Grab and Uber is driving market concentration to monopoly levels, underlying the urgency of regulations that legalise and keep in check ride-sharing service in Thailand, say industry and research analysts. Sumet Ongkittikul, research director for transport and logistics policy at the Thailand Development Research Institute (TDRI), said the consolidation of ride-hailing firms in Southeast Asia might increase prices to “unaffordable levels.” Grab is acquiring Uber's ride-sharing and food delivery businesses in Southeast Asia, and integrating them into Grab's transport and fintech platform. In exchange, Uber will receive a 27.5% stake in Grab, which is reflective of the companies' respective market shares. The acquisition reflects Grab's transport market leadership in Southeast Asia. Grab will also take over the Uber Eats operations to immediately become a major player in the food delivery sector.