

## Thai News Update: 29 June 2018

### **1. Thailand's Middleman Role Touted**

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

Thailand is ready to serve in a middleman role between the countries of two economic groupings in East Asia as part of the country's efforts to promote economic cooperation across the broader region, Deputy Prime Minister Somkid Jatusripitak said. Somkid, in a speech at the Belt and Road Summit in Hong Kong June 28, was referring to the Ayeyawady-Chao Phraya-Mekong Economic Cooperation Strategy (ACMECS) and the Greater Bay Area (GBA). He said that Thailand would act as a coordinator between the Southeast Asian-focused ACMECS and the GBA, which promotes economic integration between Hong Kong, Macau and Guangdong province in southern China. After discussions with Hong Kong Chief Executive Carrie Lam, Somkid requested that Hong Kong push for a mechanism to coordinate linkages between the two groupings for the strategic development of both initiatives. With a population of about 230 million, with 130 million workers, ACMECS is a political, economic, and cultural cooperative grouping that brings together Thailand, Laos, Vietnam, Cambodia and Myanmar, as well as the key market and supply chains in Asia.

### **2. Alert Sounded On \$4.5 Bn Export Hit**

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

Trade conflicts initiated by the United States could last for up to four years, says a research house, which has penciled in a potential hit on Thai exports of as much as US\$4.5 billion for next year. Siwat Luangsomboon, assistant managing director at Kasikorn Research Centre (KResearch), said the confrontational US trade policy has run into retaliations from the country's main trading partners and these ructions will shake up the trading order and the global economy. Export-driven countries, such as Thailand and other members of Asean, as well as China, stand to be affected. Siwat said US President Donald Trump is motivated by domestic politics in his trade actions. Based on forecasts of the tariff collections to be made by China and the US, Thailand is expected to see US\$280 million to \$420 million wiped off the value of its exports this year and as much as \$4 billion to \$4.5 billion in 2019. However, on the back of an 11.6 per cent year-on-year increase in exports for the first five months of this year, KResearch has raised its forecast for this year's

growth in shipments from 4.5 per cent to 8.8 per cent, said Nattaporn Triratanasirikul, head of research at KResearch.

### **3. Line Gears Up To Boost Services For Financial Sector**

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

LINE Corporation on June 28 said that it is devoting more attention to providing services for the financial sector, making use of blockchain technology. The Japan-based company, which made its name in social media with its popular messaging application, also said it would keep moving forward with its range of services that cover media, entertainment, business and commerce. At its annual Line Conference in Japan, the company said it would do so by redesigning its existing services to become more focused on customers. This user-centric approach would be applied to the roll-out of services in the future, the company said. The company said that, for the financial sector, it would “build a payment revolution” through its Line Pay platform as well as create new financial infrastructure built with blockchain. It announced the Line Token Economy concept, which uses blockchain technology custom-developed by the company to reward users with Line’s own currency for reviewing services. The company plans to spread this token economy out into other, non-Line services.

### **4. Taiwan Extends Visa-Free Entry For Thais, But Only 14 Days**

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

The trial visa-free travel programme for visitors to Taiwan from Thailand, the Philippines and Brunei will be extended for another year, local media reported on June 27. The programme for all three countries will be extended to July 31 next year, the Central News Agency quoted Chang Ching-sen, a minister without portfolio, as saying. Taiwan began a trial one-year visa-free travel regime for visitors from Thailand and Brunei in August 2016 and extended it once before. Philippine tourists were added to the program last November for an initial nine-month trial period. With the new extensions, the number of days travellers from Thailand and Brunei will be able to visit Taiwan visa-free will be reduced from 30 days to 14 days, the same as that of travellers from the Philippines currently. The visa-free programme is part of the government's effort to increase the number of visitors from countries included in its "New Southbound Policy" covering the 10

Southeast Asian countries, six South Asian countries, Australia and New Zealand. The policy is aimed at offsetting a significant slump in tourists from mainland China since 2016 when President Tsai Ying-wen of the independence-leaning Democratic Progressive Party took office.

### **5. SME Funds To Be Merged Into B1.8bn For Lending**

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

The Industry Ministry aims to merge two small and medium-sized enterprise (SMEs) funds with a 1.8-billion-baht budget into a single fund, expecting to ease lending criteria approvals for SMEs. The Office of Small and Medium Enterprises Promotion (Osmep) has been told to fold two funds -SME Entrepreneurs Recovery Fund (1.2 billion baht) and SME Rehabilitation Fund (600 million), said the Industry Minister Uttama Savanayana. The recovery fund previously had a budget of 2 billion baht, but part of it was disbursed for a 800 million baht in loans. The rehab fund was allocated a budget of 1 billion but only 400 million baht in loans was approved for SMEs. Mr Uttama said the reason to merge the two funds is to help SMEs more easily access the government's funds. The government has received many complaints from SMEs that loan approvals were very slow and the criteria too restrictive for them to qualify.