

Thai News Update: 4 July 2019

1. Visitor numbers to rise 7% to 39-39.8 million in 2019

Source: National News Bureau of Thailand ([Link](#))

Visitor numbers in the latter half of 2019 are expected to reach 20.1 million following proactive marketing campaigns by tourism businesses to better attract tourists with different needs and purchasing power, according to Kresearch. Kasikorn Research Center Company Limited (KResearch) estimates the number of visitors to Thailand in the latter half of 2019 will be 20.1 million, higher than the figure in the first half of this year. The forecast is however considered low compared to the previous year as the growth of international visitor numbers is expected to rise by 7% in the remaining half of this year.

2. Local logistics prospects bright on better quality and service

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

Same-day delivery, quality 24-hour service and a slowing price war with Chinese logistics firms are brightening prospects for the Thai logistics sector, says Shippop, a local logistics aggregator. E-logistics services are booming, the startup said, driven by the popularity of e-commerce, even in the face of an economic downturn and fierce competition among global e-marketplace providers. Thailand's e-logistics services are expected to grow up to 15% in 2019, up from 31 billion baht in 2018. "There are still new logistics providers, particularly from China, waging price wars to attract new customers, but overall logistics services will return to focusing more on service quality and delivery prices will surge," said Sutthikead Chantarachairoj, chief executive of Shippop.

3. Tourism agencies focus on second-tier provinces

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

The Tourism Authority of Thailand (TAT) will work with the National Economic and Social Development Council to help boost the competitiveness of second-tier provinces. The first 10

provinces will be selected for a pilot project that aims to develop the destinations to meet market demands. The provinces are Chiang Rai, Mae Hong Son, Nong Khai, Ubon Ratchathani, Sa Kaeo, Trat, Chumphon, Ranong, Trang and Satun. The first batch are part of the 55 second-tier provinces or cities that receive no more than 4 million visitors a year. Tourism in these less-popular destinations has been promoted by the government in recent years, aiming to use the travel sector to generate more income for local communities.

4. Wage hike could repel Chinese firms

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

A hike in the daily minimum wage could discourage Chinese manufacturers in labour-intensive industries from relocating their production base to Thailand, says a Chinese banking executive. "This is a very big problem for some low-end [Chinese] factories," said Zhigang Li, chairman of the board of directors at ICBC Thai. "If the labour cost increases, they may not have the confidence to invest here and may go to other countries like Vietnam, Myanmar and Laos because of lower [minimum wages]. But for some medium- to high-tech [businesses], they could accommodate this cost because their [profit] margin is higher." A sharp increase in the daily minimum wage is a key concern among businesses because the new government coalition, led by the Palang Pracharath Party, has a commitment that the new rate will increase roughly 30% to 400-425 baht.

5. Chutima wants next in line to zero in on crop prices

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

The next commerce minister is being urged to focus on farm price stability through the principle of minimal intervention and continue the existing integrated rice development plan and demand-driven production strategy. Acting commerce minister Chutima Bunyapraphasara said on 3 July at her last press conference that under Thailand's rice strategy and the existing demand-driven production strategy during 2015-19, the country's rice sector has developed positively. Rice quality has improved, she said, and new varieties such as Kor Khor 43 white rice and coloured rice such as riceberry have been introduced.

6. Phuket among the ‘World’s Best Places to Visit’

Source: Tourism Authority of Thailand ([Link](#))

The Tourism Authority of Thailand (TAT) is pleased to announce that Phuket has been included in the ‘World’s Best Places to Visit’ and ‘Best Places to Visit in Asia’ 2019 rankings released by U.S. News & World Report. TAT Governor Mr. Yuthasak Supasorn said: “Each time a Thai destination is included in a ranking of the ‘world’s best’ places to visit, it serves as a welcome recognition that Thailand continues to offer visitors from around the globe memorable holiday experiences.” Phuket was ranked number 8 out of 30 in the ‘World’s Best Places to Visit’ list and number 3 out of 15 in the ‘Best Places to Visit in Asia’ list. The island also features in a slideshow of ‘The World’s 30 Best Places to Visit’.

7. Duty-free bids at Don Mueang airport to wait on new minister

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

Airports of Thailand (AoT) plans to call bids for concessions to run duty-free shops at Don Mueang airport after a new transport minister takes office, said a senior executive. Wichai Boonyu, deputy AoT chairman in charge of marketing and commerce, said the bidding process will proceed after the AoT receives policy guidelines from the minister. "There are changes being made at the ministry, so the AoT thinks it should wait for the policy [from the minister] to ensure smooth operations," he said. Under the plan, the bidding process will go ahead as soon as the AoT signs contracts with the winner of the bid to run duty-free operations and other commercial areas at Suvarnabhumi airport, and Chiang Mai, Phuket and Hat Yai airports.