

Thai News Update: 5 July 2018

1. ADB Loan To Boost Highways

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

Thailand has gained a US\$99.4 million loan from the Asian Development Bank (ADB) to help upgrade some of the country's highways and improve road safety in the Northeast. The loan agreement was signed July 4 by Finance Minister Apisak Tantivorawong and the ADB's director general for Southeast Asia, Ramesh Subramaniam. "Transport infrastructure is an important driver of growth for Thailand's economy," said Subramaniam. "Improving the country's road network will boost economic growth and improve people's access to economic opportunities and social services. It will also help Thailand become a trading and economic hub in the Greater Mekong Subregion (GMS)." The project follows the success of the ADB-supported GMS Highway Expansion Phase 1 Project in 2009, which upgraded 178 km of an existing two-lane national highway to a four-lane divided standard, including Highway 12 between Phitsanulok and Lom Sak (105 km) and Highway 359 from Phanom Sarakham to Sa Kaeo (73 km). These two routes link to the GMS East-West Economic Corridor and the GMS Southern Economic Corridor, respectively.

2. Concrete Firms Sign Train Contract

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

Insee Concrete and Sino-Thai have signed an agreement to supply concrete for the Yellow Line mass transit system (Lat Phrao-Samrong) and pink line (Khae Rai-Min Buri). Paul Heinz Hugentobler (second right), chairman of the board of directors, and Siva Mahasandana (far right), chief executive officer of Siam City Cement Public Company Limited, together with Pakpoom Srichamni (second left), president of Sino-Thai Engineering and Construction Public Company Limited, have signed a memorandum of understanding to supply 300,000 cubic metres of Insee Ready-Mixed Concrete for the construction of the elevated Yellow and Pink lines. The signing ceremony was held at Anantara Siam Bangkok Hotel.

3. MPC Outlines Policy Hike Conditions

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

The Bank of Thailand's rate-setting panel will start tightening monetary policy if economic expansion continues and inflation stays within its target range, said the Monetary Policy Committee (MPC) in its first extensive discussion on the conditions and timing for a rate hike in recent years. At the meeting, the committee voted 5-1 to leave the policy rate unchanged at 1.5%, the level it has been at since April 2015. One member voted for a 25-basis point increase, while member Kanit Sangsubhan was absent. The committee also upgraded its economic growth forecast for this year to 4.4% from 4.1%. The MPC's last policy rate hike was in August 2011, when the committee raised it a quarter percentage point to 3.5%. Thailand is among the few countries still shrugging off monetary normalisation, though some Asean central banks have already synchronised their monetary policies with the US Federal Reserve (Fed).

4. Thailand Joins EU Efforts For WTO Action On Global System

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

Thailand has teamed up with the EU to push the World Trade Organization (WTO) into greater engagement for handling protectionist and retaliatory issues to curb a possible trade war. Auramon Supthaweethum, director-general of the Trade Negotiations Department, said the latest meeting of the Thai-EU trade and investment working panel held on July 2-3 in Bangkok found both sides agreeing to ask the WTO to play a more active role in promoting the multilateral trade system. Both will call on WTO members to work together to maintain the validity and authority of the organisation, strengthen its policy review and negotiation functions, as well as the dispute settlement mechanism and stay away from the use of unilateral trade measures. The appellate body is a seven-member group that functions as the WTO's highest adjudicator. Each member serves a four-year term, with the possibility of a one-time renewal. Experts warn that without a prompt selection process, the court will not have enough judges to sign off on any appellate body rulings after December 2019. Under WTO rules, a minimum of three judges must sign off on any ruling.

5. Thailand Makes Holiday Magazine Poll, Despite Taxi Rip-Offs

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

Thailand held its ground as Thai Airways and Bangkok slipped in Smart Travel Asia magazine's latest poll. The big winners were Bali, Thailand (despite Bangkok's drop, largely on account of airport woes and taxi scams), Hong Kong, Shanghai, Dubai, and Singapore, with Vietnam picked as the fastest climbing destination with an attractive quality-to-price ratio. While Qatar Airways bagged top spot in 2018 as the best airline worldwide with the best business class, just ahead of perennial favourite Singapore Airlines, Thai Airways salvaged some pride with sixth place for cabin service (down from third in 2017). AirAsia was back as the No.1 budget airline in Asia, with Jetstar Asia at the second spot, while Nok Air featured in the top 10. No American airline made it in the top 10 list in any category. Singapore's Changi airport (where the new Terminal 4 operates) once again ranked as the best airport worldwide with a wider margin this year, while Bangkok's Suvarnabhumi was out of the top 10 for the second year in a row, with passengers complaining about overcrowding, poor traffic flow within the airport, and problems with taxis offering package deals instead of using meters.