

Thai News Update: 7 August 2019

1. Shippers urge war room to solve export woes

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

A group of Thai shippers is calling on the government to set up a war room to handle the impact of the US-China trade row and boost the country's exports. According to Ghanyapad Tantipatpong, chairwoman of the Thai National Shippers' Council, the Commerce Ministry needs to bring together academics, economic specialists and trade experts within the ministry to propose best practices on how to expand into new markets and boost exports. "Thai exports are now full of myriad risk factors, be it the simmering trade row between the US and China, political problems in the European Union, city-wide strikes in Hong Kong or the strong baht," she said. "The central bank is, therefore, in dire need of help to harness the baht's appreciation." Ms Ghanyapad said that given the current economic and export conditions, a rise in the daily minimum wage would be untimely.

2. Cabinet approves B3.2tn for fiscal 2020 budget

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

The cabinet on 6 July endorsed a fiscal 2020 budget of 3.2 trillion baht, up 6.7% or 200 billion baht from fiscal 2019, which ends Sept 30. Of the 3.2 trillion baht, regular budget will account for 74.7% or 2.39 trillion baht, up 5.3% from 2.2 trillion in fiscal 2019, said spokeswoman Narumon Pinyosinwat. The government estimates revenue collection at 2.73 trillion baht, up 7.1% from fiscal 2019. According to Mrs Narumon, fiscal 2020 will run with a budget deficit of 469 billion baht, up 4.3% from fiscal 2019. The budget deficit will be mostly allocated to investment. The investment budget in fiscal 2020 will be 655 billion baht, accounting for 20.5% of the total. The government plans to pay principal of 89 billion baht, making up 2.8% of total loans.

3. Thai Tourism minister addresses dual pricing for foreigners, says it should be the same as Thai pricing

Source: The Pattaya News ([Link](#))

Thailand may be seeing the beginning of the end to a subject that angers many visitors and residents in the kingdom, dual pricing for foreigners and tourists. Thailand's new Minister for Tourism and Sports Pipat Ratchakitprakarn was speaking to Thai reporters this morning, August 6th, 2019, about what needs to be done to stimulate the tourism sector specifically. He said that prices for Thais and tourists at historical and heritage sites like the ruins of Sukhothai and Ayuthaya ought to be the same. However, it was unclear if he would actually institute a plan to address this or take any action or if he was expressing a personal opinion regarding the pricing.

4. Baht seen as SE Asia's 'safest bet'

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

The Commerce Ministry's International Trade Promotion Department will meet the directors of its offices around the world later this month to discuss likely impacts from the US-China trade war. Banjongjit Angsusing, the department's director-general, said on 5 July the directors will be bringing foreign buyers to attend the logistics show "Tilog – Logistix2019" in Bangkok from August 28-30. It's a prime opportunity to discuss with them adjustments to Thailand's export strategy for the second half of the year, she said. Banjongjit noted that Washington plans to apply a 10 per cent import tax to \$300 billion worth of products from China starting on September 1 and there will be a significant impact on Thai exporters.

5. Thailand to open up visa-free stays

Source: TTR Weekly ([Link](#))

As China and India emerge as priority targets for Thailand's latest tourism promotions, visa-free-travel is back on the table for urgent consideration. Last week, Minister of Tourism and Sports, Pipat Ratchakitprakarn, told Prachachat Business he intends to introduce visa-free travel for Chinese and Indians later this year. Currently, citizens of both countries need to apply for a visa-on-arrival although the THB2,000 service fee has been waived until October this year. The new minister says all that might change with both countries joining a long list of countries that enjoy visa-free entry for a stay of 14 days, possibly as early as 1 November. This year's target for

tourism revenue, including domestic travel, has been set at THB3.4 trillion. Earnings from international tourists will reach around THB2.2 trillion while tourist arrivals should exceed 40.5 million. The move is part of a broader policy to increase tourism revenue and reverse the slow down in the tourism growth rate.

6. Japanese investors keen on EEC and 4.0

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

Japanese investors have urged the government to continue key economic policies including megaproject developments, the Eastern Economic Corridor (EEC) and the Thailand 4.0 initiative. On 5 August Deputy Prime Minister Somkid Jatusripitak met with Shinji Nakano, president of the Japanese Chamber of Commerce (JCC), Bangkok, who called for government stimulus measures as soon as possible. "I reassured the JCC that despite the coalition government, the new government is committed to maintaining policies to develop infrastructure, the flagship EEC and Thailand 4.0 initiative, as well as human resource development," said Mr Somkid. Mr Somkid told the JCC not to worry about the new coalition government's effectiveness, pointing out an economic cabinet has already been established, chaired by Prime Minister Prayut Chan-o-cha, to drive economic development.

7. FETCO offers to help boost Thailand's presence among global investors

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

The Federation of Thai Capital Market Organisation (FETCO) is ready to act as a medium between global investors and the Thai government to help improve the state's relations with investors and attract more foreign investment into the Kingdom. FETCO chairman Paiboon Nalinthrangkurn will meet Finance Minister Uttama Savanayana on Wednesday to discuss how the government can use the stock market to boost the country's presence at a global level. "We have analysed the government's immediate economic policies and identified the ones that can be supported by the stock market," Paiboon said earlier on 6 August. He said one way the government can achieve its aim to boost Thailand's role globally is by improving its relations with investors. The government currently does not have an official channel for communicating

with global investors, he said, adding that FETCO is ready to help establish this medium with its network of global investors.