

Thai News Update: 7 August 2020

1. New shipping routes set to sail

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

The Foreign Ministry has announced that from September onwards, new Thai passports issued will have a 10-year validity. Chatri Archjananun, director general of the Department of Consular Affairs, said the ministry was initially planning to launch the project in August, but it had been delayed due to the Covid-19 outbreak. Currently, 21 passport offices provide services on Mondays, Wednesdays and Fridays, but will start opening every day once the virus situation is completely under control.

2. Thailand misses chance to join CPTPP this year

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

Thailand's chief trade negotiator said the country had missed its chance to join the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) this year. Thailand had not applied for membership at yesterday's (August 5) annual meeting of CPTPP members and would have to wait till next August's meeting to apply, Trade Negotiations Department director-general Auramon Supthaweethu told the Cabinet. Auramon is also a member of the committee tasked with studying the benefits of CPTPP membership, which she says will boost Thai GDP by 0.12 per cent or Bt13.3 billion with investments up 5.14 per cent and exports up 3.47 per cent, citing a Commerce Ministry study.

3. New Cabinet economics team faces huge challenges: experts

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

Newly appointed economic ministers will find it severely difficult to rescue the economy from the Covid-19 fallout, given dwindling financial resources, rising unemployment and the global threat of a second-wave contagion, warn economists. The immediate challenge is to support workers and businesses as relief measures including cash handouts come to an end, said Charl Kengchon, executive chairman at the Kasikorn Research Centre.

4. Steep rise in Thai mergers and acquisitions as firms fight off virus crisis

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

The Covid-19 pandemic has sparked a steep rise in mergers and acquisitions, according to an expert at CIMB Thai Bank (CIMBT). Businesses are choosing to fight the crisis by expanding or merging – especially in the hotel, health, hospital, and production sectors, said Pornchai Padmintra, CIMBT's co-head of Wholesale, Corporate, and Investment Banking.

"Currently, many more bank customers than previously are discussing business mergers and acquisitions in deals worth from Bt1 billion to Bt20 billion," he said.

5. PDMO applauds terms of \$1.5bn extended by ADB

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

The US\$1.5 billion borrowed from the Asian Development Bank (ADB) comes with favourable conditions for Thailand, says the Public Debt Management Office (PDMO). On Aug 4, the cabinet approved the Finance Ministry's proposal to borrow \$1.5 billion from the ADB to stimulate and rehabilitate the economy. The borrowing scheme is part of the government's plan to issue a royal decree to borrow 1 trillion baht to revive the virus-hit economy. The interest rate, instalment period and grace period for principal payment represent a good deal for Thailand, said PDMO director Patricia Mongkhonvanit.

6. Mall Group readies facelift for Emporium

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

The Mall Group Co, the operator of The Emporium shopping complex, plans to spend billions of baht on a facelift for the mall next year so it will fit new lifestyles. Onthira Bharksuwana, deputy managing director for retail leasing of The Emporium and The EmQuartier complex, said the company will start renovating The Emporium in the second half of next year. The renovation will be divided into four phases, with all phases due to be complete in the first half of 2022. "This is the first big renovation of The Emporium in five years, featuring a new retail style and design. All 250 shops at The Emporium will be reshuffled to fit customers' new lifestyle after the Covid-19 outbreak," said Ms Onthira. The concept is to remain a luxury department store blended with a mall.

7. Osmep chases funds for SMEs

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

The Office of Small and Medium Enterprises Promotion (Osmep) is looking for new financing sources for firms after a plan to set up a novel fund to help SMEs survive the pandemic is likely to miss out on funding from the state's 400-billion-baht economic and social rehabilitation scheme. On Aug 19, Osmep officials will discuss alternatives with the agency's board, then forward them for consideration to the new cabinet. Osmep chief Veerapong Malai said the fund, worth 50 billion baht, was to help SMEs better access soft loans as many of them fail to qualify for loans from commercial banks, usually based on strict conditions. The state legal advisory body, the Council of State, said Osmep cannot use money from the 400-billion-baht package because of legal complications.