

Thai News Update: 8 May 2019

1. Bid To Revive Slumping Exports

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

The trade Policy and Strategy Office (TPSO) is rushing to draw up plans to stimulate exports and complete negotiations on the Regional Comprehensive Economic Partnership (RCEP) within this year amid fears Thai exports saw a decline in the first quarter of this year due to the prolonged US-China trade war. TPSO director-general Pimchanok Vonkorporon said that the trade war is partly responsible for causing a slowdown in the global economy and trade.

2. New Expat Tax Regime Kicks In At Month's End

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

For many years now, the Thai government has offered tax incentives to companies (for up to 15 accounting periods) under the “pre-existing regimes”. These pre-existing regimes aim to attract multinational companies to place their headquarter activities in Thailand by providing income tax incentives for companies and expatriates in Thailand. For example, under the IHQ regime, IHQ companies receive a 0 per cent corporate income tax (CIT) rate on qualified income derived from foreign associated enterprises and a 10 per cent CIT rate on qualified income derived from local associated enterprises. “Qualified income” here refers to income derived by the Thai IHQ in the performance of headquarters functions, holding company functions, treasury functions and trading functions.

3. SCG goes ‘Bag to the Future’ With Three Top Fashion Brands

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

SCG Cement has launched the “Bag to the Future” project, in collaboration with the Department of International Trade Promotion (DITP) and three of Thailand’s leading fashion brands – Issue, Kloset & Etcetera and Urface. The project aims to encourage public awareness of sustainable fashion and the circular economy by creating limited-edition fashion bags from unused cement

sacks. Each fashion brand is producing just 100 pieces for its limited edition, which will be retailed at select outlets of the brands from May 1 onwards. Prices range from Bt1,880 to Bt3,590 apiece. Proceeds will go to the Habitat for Humanity Foundation which works to improve Thais' quality of life via habitat and community development.

4. Eight Trends Shaping E-Commerce In Asean

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

The e-commerce market in Southeast Asia is forecast to be worth at least US\$2 billion by 2025, according to the latest "e-Conomy of Southeast Asia" report by Google and Singapore-based Temasek. The report also notes the growing confidence among investors in the region, with startups raising \$9.1 billion in the first half of last year, almost as much as in all of 2017. As the momentum continues to build, it's timely to look at anticipated trends for online retailers and brands in Southeast Asia.

5. Egat Plans To Convert Used Cars into EVs

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

The state-run Electricity Generating Authority of Thailand (Egat) plans to develop electric vehicles (EVs) by modifying used cars, aiming for commercial sales in 2020. Jiraporn Sirikum, assistant governor for research, innovation and business development, said Egat is teaming up with the National Science and Technology Development Agency to modify three subcompact cars -- Toyota Vios, Honda Jazz and Nissan Almera -- for the trial. In a related development, the Energy Regulatory Commission (ERC) has launched the ERC Sandbox to support innovative research projects in the country's energy and power sectors.

6. THAI to submit B156bn New Plane Purchase Plan To Cabinet

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

Thai Airways International (THAI) will seek cabinet approval this month to buy or lease 38 new planes at an estimated cost of 156 billion baht, with 31 planes to be procured over the next five years. Airline president Sumeth Damrongchaitham said on Tuesday the aircraft acquisition plan would reach Deputy Prime Minister Somkid Jatusripitak this week and be put to the cabinet later

this month for approval. Procurement would be by purchase and leasing, with the planes a mix of wide and narrow body models, he said.