

ASEAN TODAY

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ASEAN Economic Community News

Inaugural ASEAN Cooling Summit

The first ASEAN Cooling Summit was held in Bangkok this month and leaders from business, government, and academia met to discuss sustainable cooling solutions for Southeast Asia. Experts say that demand for air-conditioning in emerging economies, including ASEAN, could cause a 64% increase in household energy use and produce 23 million tons of carbon emissions by 2040. Current air conditioning technology also relies on climate damaging refrigerants. The summit explored sustainable development for cooling and identified solutions to increase the adoption of energy-efficient technology, remove financial barriers, and raise awareness of the critical need for climate-friendly cooling systems.

Projected E-Commerce Growth

A leading global financial services company reported a forecast of 32% compound annual growth rate (CAGR) in ASEAN e-commerce spending, rising to US\$90 billion by 2025. However, the financial services company warns that the projected high growth in e-commerce spending could trigger disruptions in the ASEAN economy and cause lower inflation, digital division, and financial disruptions. The company believes that Indonesian e-commerce shows the greatest potential growth over the next 10 years due to the country's increasing middle class and young consumer market.

ASEAN-China Trade

Trade between China and ASEAN reached a record high in 2017. Bilateral trade totaled US\$515 billion, up 13.8% from 2016. Exports from China went up 9% and imports from ASEAN to China grew 20% year on year. Vietnam, Malaysia, and Thailand were China's top trading partners.

Myanmar Watch

Gold Market Liberalization

Myanmar has begun liberalizing its gold market and announced that exporting and importing gold and gold jewelry will be permitted. This is the first time in the country's history that the export of locally-produced gold and gold products has been allowed. With liberalizing the gold market, the government wants to legalize the trading of local gold and maximize tax revenues as gold prices continue to rise.

Vietnam Bulletin

Goods-Origin Self Certification

Vietnam's Ministry of Industry and Trade (MOIT) has made changes to the pilot implementation of goods-origin self-certification as per the ASEAN Trade in Goods Agreement (ATIGA), valid for Laos, the Philippines, Indonesia, and Thailand. Now, all Vietnamese companies, including small and medium-sized enterprises (SMEs) are eligible to conduct self-certification of good origins for the four countries.

Indonesia News

Deforestation

The Indonesian government announced that it has reduced deforestation within the country by 21% over the last two years. The government attributes the deforestation reduction to improved forest management policies including a moratorium on palm oil plantations and new regulations on land use.

Singapore Update

Patent Applications

The Intellectual Property Office of Singapore (IPOS) continues to make the patent application process easier and more efficient. The IPOS has further amended the application process and made changes to some of the application forms. The changes will allow applicants more flexibility in sequence listing and in amending the specification and the details of investors.

THAILAND UPDATE

Intellectual Property

IP Mart

Thailand launched an intellectual property e-marketplace, the IP Mart, where existing copyrights, patents, and geographical indications (GIs) can be bought or developed into businesses in conjunction with the IP owner. The government believes the site will help entrepreneurs and small and medium-sized businesses (SMEs) to sell their intellectual property. www.ThailIPMart.com was launched with over 600 IP items available for sale.

Madrid Application Receiving Office

On January 10, 2018, the Commerce Ministry opened the new Madrid Application Receiving Office (MARO) in the Department of Intellectual Property. The MARO will facilitate trademark registration in foreign countries under the Madrid Protocol. Trademark owners can now apply for protection in up to 116 countries using one application.

Treasury

Low Cost Housing

The Treasury Department is launching a new low-cost housing scheme that will allow individuals with lower incomes to own a home. The Treasury Department will put state land under auction in eight provinces for the private sector to develop homes. 2000 units under the scheme are planned for 2018.

Agriculture

Farming Sector Warning

Experts warn that Thailand's farming sector is becoming weaker as other ASEAN countries keep improving with better products. Rising competition and market openings with the ASEAN Economic Community integration have increased regional market access, but have depressed Thai farm products.

Farmland Criteria

The Agriculture and Cooperatives Ministry will set the criteria for undeveloped land declared as farmland. The ministry will fix the number of trees or amount of crops required to be grown to prevent owners from reaping the tax benefits of claiming land as farmland.

Taxation

Children Incentives

Thailand is becoming an aging society, so the Cabinet approved new tax incentives for families who will have more children. One incentive will allow a household to deduct 60,000 baht for their taxable income in 2018 for their second legitimate child; the first child is already eligible for a 30,000 baht exemption. Families can also deduct 60,000 baht for birth expenses or prenatal care.

Double-Taxation Treaty

The Agreement between Thailand and Cambodia for the Avoidance of Double Taxation came into effect on January 1, 2018. The agreement was fast-tracked for approval as a part of a consolidated action plan for the ASEAN Economic Community as it was only signed on September 7, 2017.

Securities and Exchange

Information Disclosure

Through Thailand's Securities and Exchange Commission (SEC) application programming interface, information disclosure on capital markets is now available for the private sector. The first phase of information disclosure will provide information related to mutual funds and licensed or approved individuals in the capital market.

Cryptocurrencies

The Bank of Thailand (BOT) announced that cryptocurrencies, Bitcoin and others, are illegal in Thailand. However, the SEC has stated that trading in cryptocurrency futures on international global derivatives trading services is allowed as they are regulated futures contracts. The SEC says it does not endorse the status of cryptocurrencies nor is any cryptocurrency legal tender in Thailand, but cryptocurrency futures are assets that can be legally traded.

Business

Top Global Ranking

In a survey by a global business publication, Thailand was ranked first in the list of best countries to start a business for the second year running. 80 countries are ranked and the survey is based on the opinions of 21,000 respondents from around the world.