

Safe Border Opening For Economic Recovery

European Association for Business & Commerce

23 Nov 2020



“Operation Successful, Patient Dead”

Thailand has done well in managing the COVID 19 pandemic but the ‘zero’ mindset is killing the economy

Borders need to be opened for economic survival.

EABC offers some ways for safe border opening

Summary

Achieving 'zero' was the result of a good plan and execution which brought safety. But borders which are effectively closed means economic hardship, ... can move from 'zero' to manageable to allow entry for limited groups of arrivals.

These proposals offer ways to support essential functions for the economy; the public health system can support a level of risk (to be determined by economic and public health experts), which may need some additional investment.

In a phased and targeted way, with precautions and proper management, allow in for short stays **THREE GROUPS:**

1. **Short stay professionals** (technical skills, engineering, arbitration, mediation etc), short-stay **business people** for managing investments, FDI purposes. Manufacturing / exports are vital. No quarantine should be needed.
2. **Tourism** – accelerated reduction of quarantine time, from 14 days to none)
3. **MICE** (which could fit into either)

Public and private sector both have roles in risk management and keeping safe.

Proposals involve graduating from 'zero' – why?



Quick actions by government in February, March and April made us secure and addressed a whole range of administrative actions. The world was still learning about how to cope with this virus.

Thailand has won accolades for achieving safe communities, where quick responses were necessary. There are many business support measures (EABC maintains a Compendium 'Business Continues'). Economic Recovery is a shared responsibility.

Policy has necessarily been the focus of public health professionals. But now more information emerges and we are facing, like much of the world, the challenges of economic recovery.

New perspectives need to be added to the expertise which is guiding the economy.

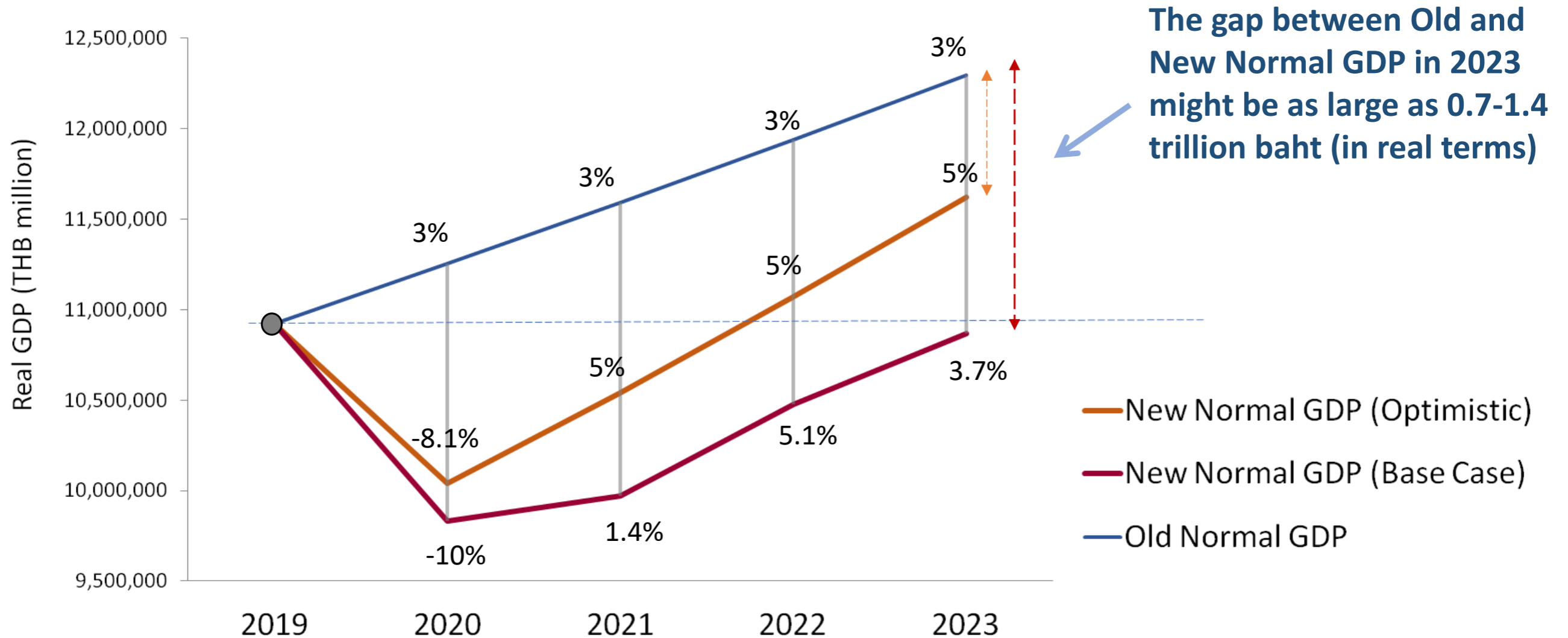
The proposals thus move from 'zero' to 'manageable', to tolerating and working with a level of risk. Most public health officials say this is manageable.

Whole year GDP contraction

- World Bank changed from -5% (June) to -10.4%
- BoT -8.1%
- Others – 7.3%, over -10%

Average indication – 9% to – 10%

Economic Activity at pre COVID 19 levels only in 2022/2023?



These assume some border opening; achieve pre-COVID 19 GDP levels likely 2-3 years

Source: Dr Charl Charl Kengchon, Executive Chairman, Kasikorn Research Center – BOI webinar 5 August

Exports & Tourism make up at least 70% of GDP

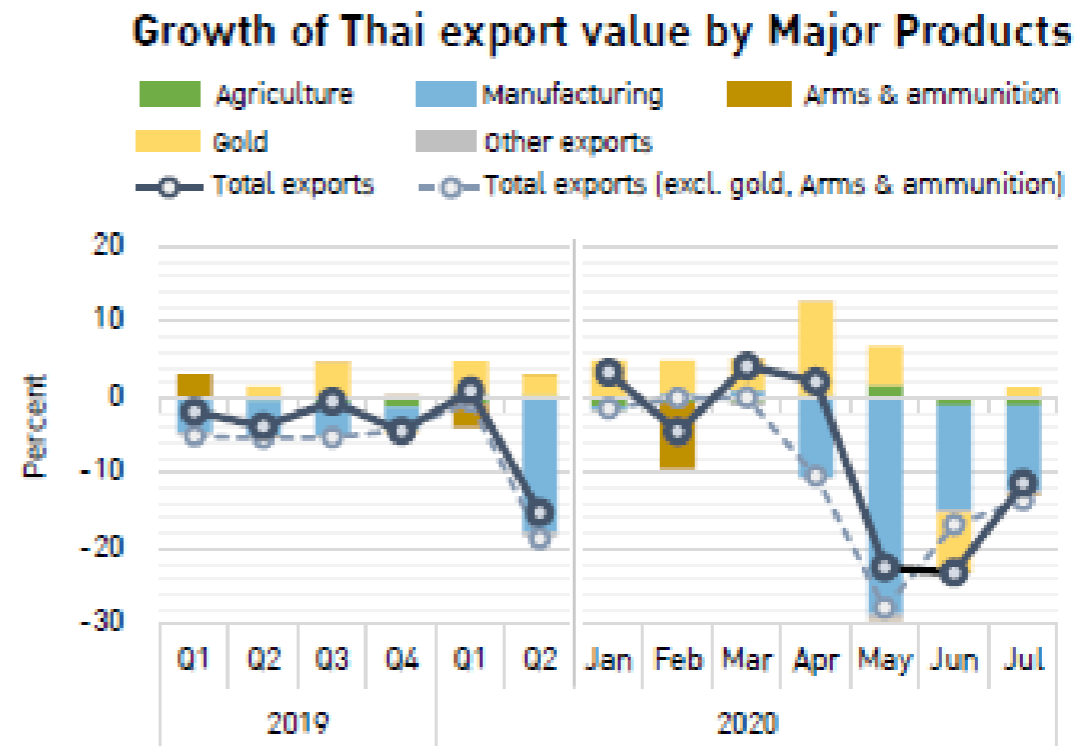


Dr Kirida (TDRI) – 9 October:

Exports of goods and services – 54% of GDP. Thus manufacturing, production etc are vital. Keep the machinery working and growing. Exports could reduce by almost 14% this year (UTCC); - 10% (TDRI)

Tourism almost 18% GDP Tourist arrivals to 7-8m from 39,8m in 2019 (BoT), 12.5m in 2021 (mid case of three, TAT)

- In 7M2020, exports declined by 7.7% yoy; excluding gold and ammunitions, export declined by 10.2%yoy, the lowest in 5 years.
- Exports to all market have collapsed with the exception of US & China
- Exports in 2020H2 are expected to recover from H1 as major markets gradually open. However, exports for the entire year may contract up to 10%.



Source TDRI 9 Oct 2020

Why Two Different paths to lessening quarantine for these two groups



1) Short stay professionals /technical/ business visits

2) Tourism

Each has different risk profile, operational exigencies, economic impact.

EABC recommends receiving short stay professionals / business people now; Tourism should adopt a more moderated development path, from 14 days quarantine and progressively decreasing to 0 days.

Technical Skills - 1

Big Impact on business activities and overall economy:

These experts are technicians who are fundamental for the completion of important industrial and infrastructure and also needed to keep some business operations running.

Short term presence of foreign experts and technicians to install, operate and service technical installations is crucial and often needs the manufacturer's direct inputs or the expertise is regionally resourced.

Also necessary to fulfil contractual obligations in Thailand, which is essential for current and future investments in the country.

Economically importance for foreign business engaged in Thailand and their Thai business partners, but also for the overall economy in a situation where Thailand is facing a severe downturn.

Practical arrangements: the entry of these professionals are targeted to carrying out concrete technical works in infrastructure sites or factories.

Special arrangements, like a hotel-to-factory scheme - traceability and control on incoming travellers.

Should be available for all nationalities with 'green lane' / 'bubble' or selective screening..

A phased plan, with SOP to manage possible infections

Domestic – already implemented with newly expanded targets

‘We Travel Together’

Expat domestic;

special experts committee includes TC chair, others in business Community

Other strategies

Diversification – additional industries – Phuket – eg marinas, education, health and wellness, tuna exports, seafood and gastronomy as well as sports and events businesses.

A phased plan, with SOP to manage possible infections

International, with quarantine (monitor and develop to lessen quarantine in future)

Medical Tourism – round up the stay to 14 day quarantine.

'Safe and Sealed' – two weeks – isolated area – Phuket start; monitor and develop from there to allow short stay, from safer international origins. Has not worked well.

STV (Special Tourism Visa) - 90 days

Reduce to 10 days then down

Devise means of lessening quarantine:

MICE – a safe way for short stays for exhibitors and buyers

Tourism - 3



World Travel & Tourism Council <https://wttc.org/COVID-19/Government-Hub/Global-coo-save-the-sector>

For information: WTTC Safe Travel policies; & see letter to G7+3 leaders.

- 1. Wear a mask:** Mandatory on all modes of transport visiting any interior venue and in locations where there is restricted movement
- 2. Testing and contact tracing:** Invest and agree on extensive, rapid, and reliable testing results - 90 minutes, and at a low cost, before departure and/ or after arrival. Effective and agreed contact tracing tools. One or multiple tests, with the second after five days, will help to isolate infected people.
- 3. Quarantine for positive tests only:** Quarantine for healthy travellers, damages the economy, should not be necessary if testing is done before departure and on arrival, and effective containment measures are taken. This can replace blanket quarantine in a more targeted and effective way
- 4. Reinforcing global protocols and standardise measures:** Global health and safety protocols will help rebuild traveller confidence and ensure a consistent, coordinated and aligned approach. Public Health Corridor Concept which promotes a clean and safe end-to-end journey.

Other expected economic facts



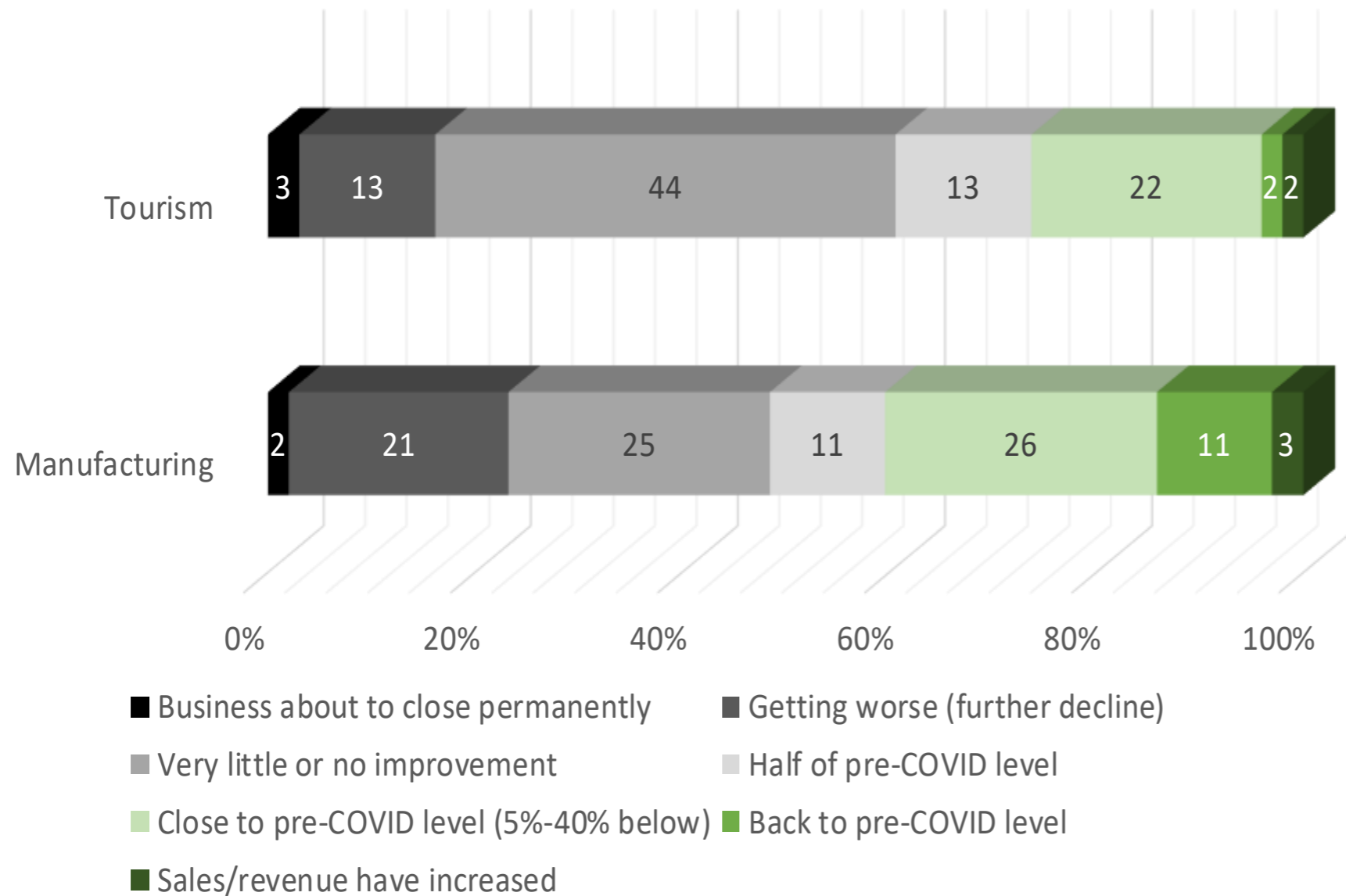
Unemployment is a fact in many parts of the world due to COVID 19.

In Thailand, likely 8 million workers will be laid off and unemployed by the end of this year compared with the current unemployed number at 3.3 million people

Means problems for household debt servicing, business sector and of course, livelihoods.

Other expected economic facts

MSME Revenue - Change since Lockdown (May)



MSMEs are struggling to return to pre-COVID levels of revenue

Only 4% of **tourism** MSMEs have reached pre-COVID level, 44% have had little to no improvement since May, and 16% have had further decline

Impact is broadening to the rest of the economy – 23% of **manufacturing** MSMEs have had further decline in revenue, and 60% are still below half of their pre-COVID sales

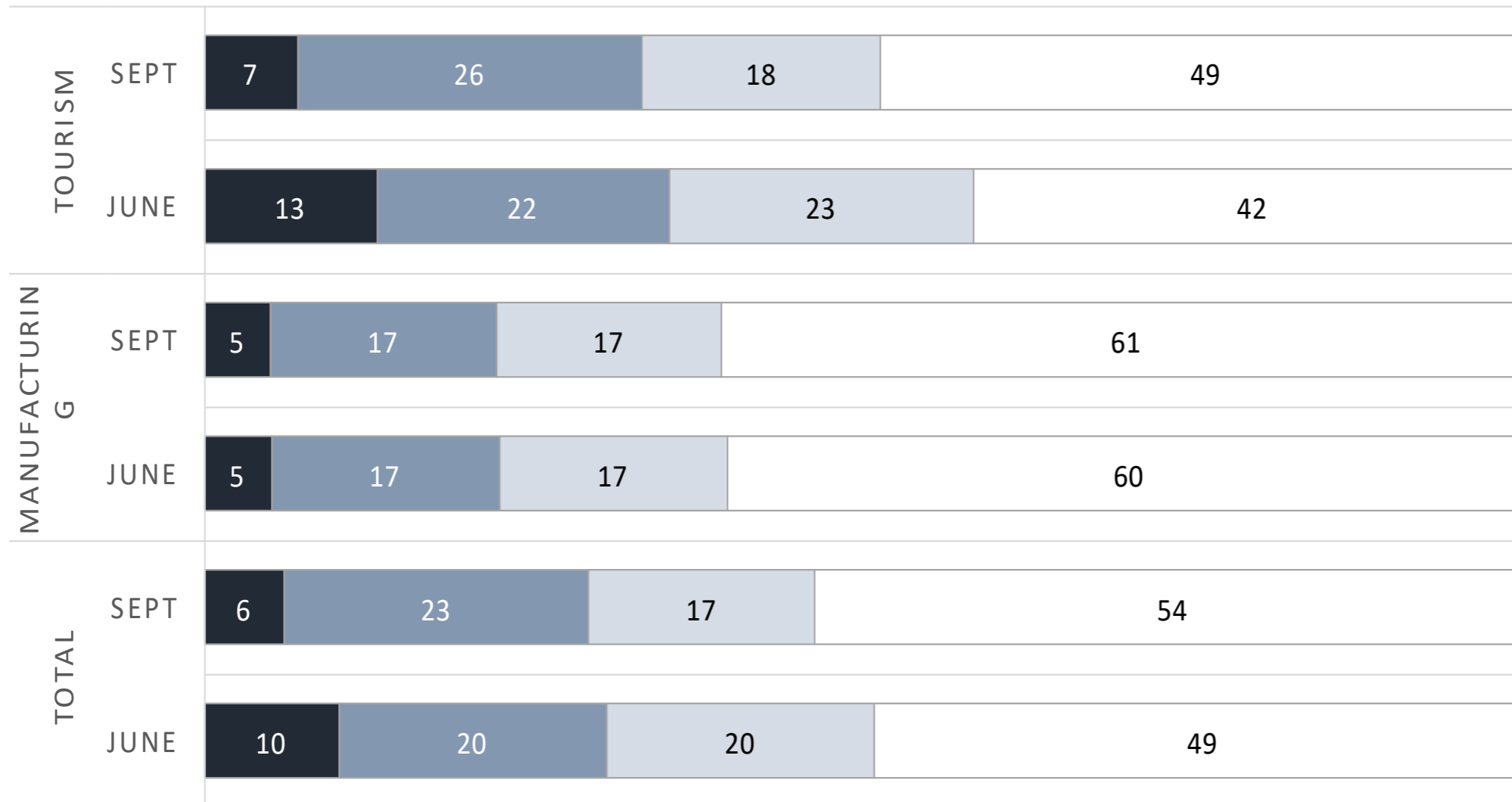
Source – Asia Foundation research at ISEAS 30 Oct 2020

Other expected economic facts



HOW LONG CAN YOUR BUSINESS SURVIVE UNDER CURRENT CONDITIONS

2 months or less
 3-6 months
 More than 6 months
 Indefinitely

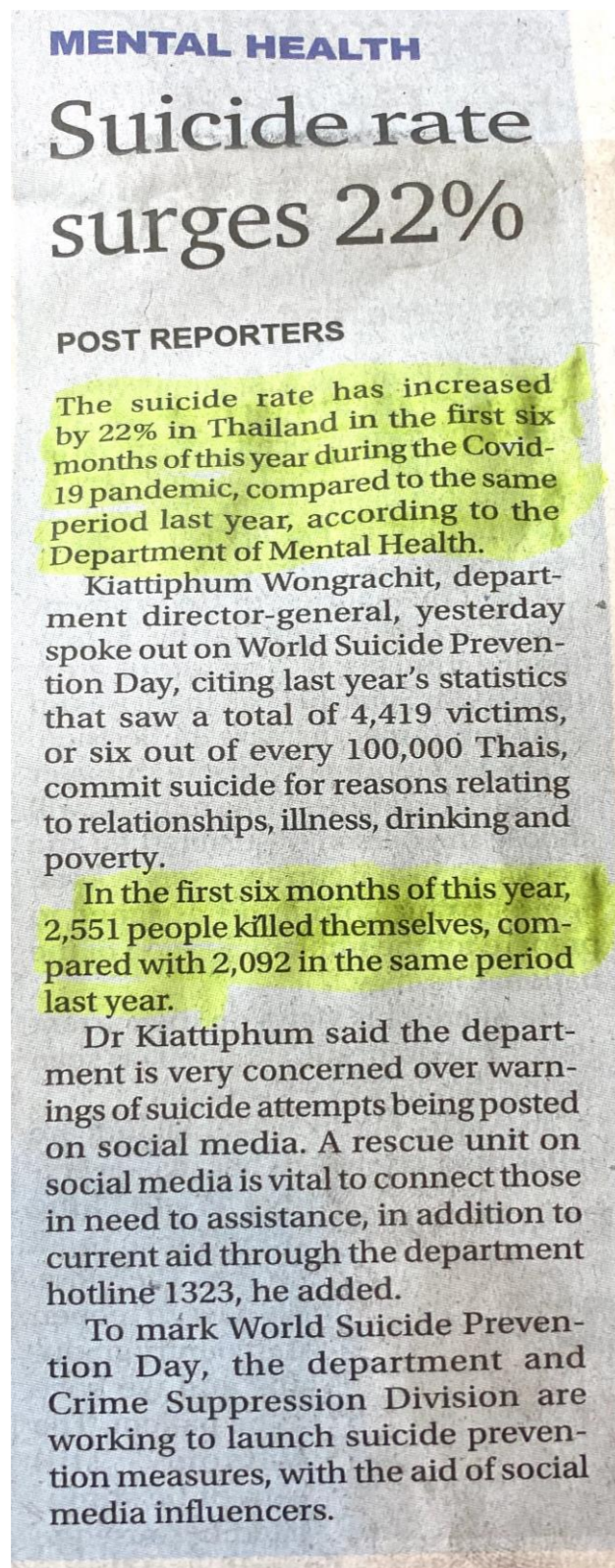


6% of MSMEs surveyed are on the verge of shutting down, though this is slightly better than June

Less than half (49%) of tourism MSMEs are confident that they can make it through the crisis

Manufacturing slightly better, but no real improvement since May

Source – Asia Foundation research at ISEAS 30 Oct 2020



Director General of Thailand's Department of Mental Health, MOPH reported 2,551 suicides during the first 6 months of 2020, an increase of 459 victims compared to 2019.

This compares with a low death rate of only 59 so far this year for COVID 19 related deaths.

“There is an infections range that Thailand is capable of handling. This range can then be worked into a system of test, trace and isolate (TTI). “

A second wave can be quelled, say health bigwigs

<https://www.bangkokpost.com/thailand/general/1956539/a-second-wave-can-be-quelled-say-health-bigwigs>

published : 24 Jul 2020

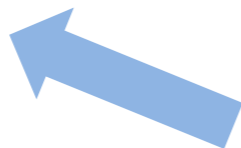
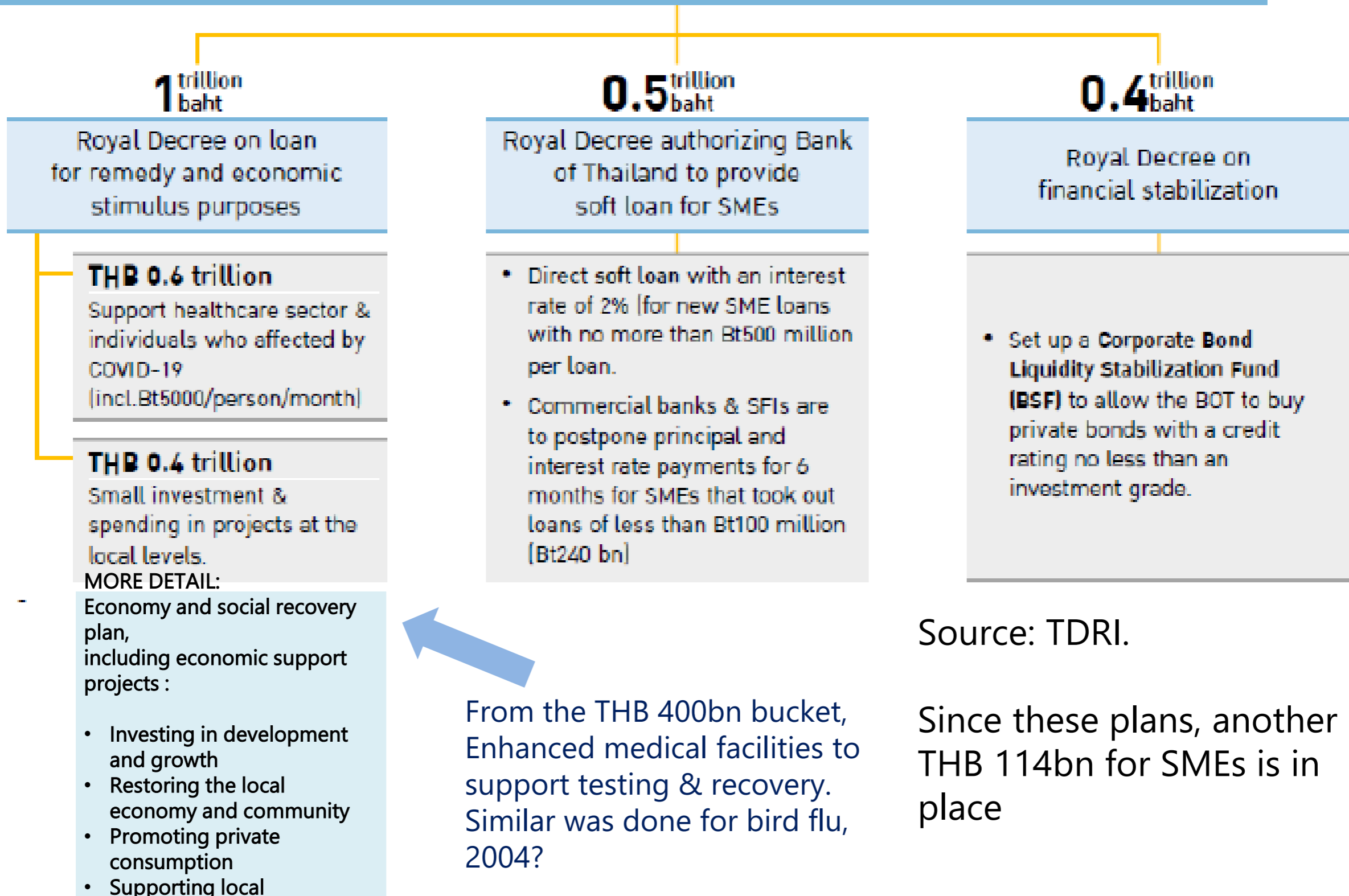
D-G DDC Suwannachai Wattanayingcharoenchai

“Thailand will be able to handle and curb a second wave of Covid-19 as lessons have been learned from the first outbreak, say senior public health officials.”

“If local transmission re-emerges, it is likely there will only pockets of infections. It is like sparks of a fire that we can put out.”

Supporting public health response – enhance capacity if needed

THAI GOVERNMENT COVID-19 RELIEF MEASURES PHASE 3 (1.9 TRILLION BAHT)



From the THB 400bn bucket, Enhanced medical facilities to support testing & recovery. Similar was done for bird flu, 2004?

Source: TDRI.

Since these plans, another THB 114bn for SMEs is in place

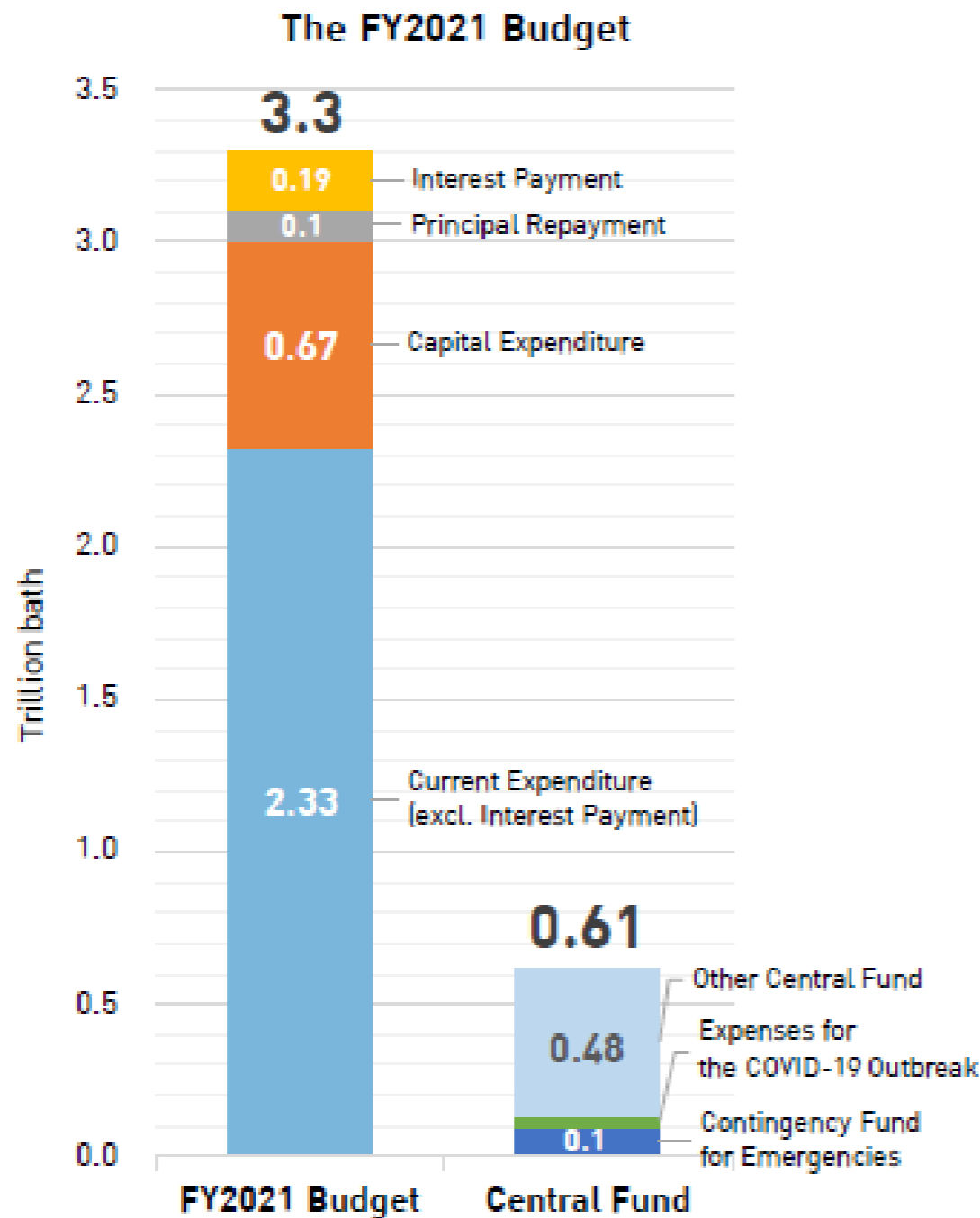
Many in public health have opined that the public health system is robust, that it had handle:

- Infections and treatment in isolation of a reasonable number
- Supporting quarantine in cases of outbreak (other than eg SQ or ASQ for in-bound travellers)
- Quick response to prevent development of clusters
- Public education with more discipline on personal and group hygiene.

Not just treating infections but supporting and managing quarantine / isolation in case of infection

If a change to specifications for public health infrastructure is needed, this could be a good use of economic recovery budget as the objective is to support economic recovery.

Government debt has room



Source: Budget Bureau

- Total FY2021 Budget is Bt3.3 trillion (+3.1% from FY2020); excluding debt repayment is Bt3.0 trillion or 17.8% of GDP (+4.3% from FY2020)
 - Current Expenditure (excl. interest payment) 70.6% (+4.2% from FY2020)
 - Capital Expenditure 20.5% (+4.7%)
- Central Fund in FY2021 Budget is Bt614.6 billion (Bt518.8 in FY2020) of which Bt40 billion are COVID19 pandemic-related expenses.
- Additional borrowing can be up to Bt1.9 trillion in Y2021 (12% of 2021 GDP) if public debt were not to exceed the current 60% of GDP ceiling and up to Bt2.7 trillion (17% of 2021 GDP) if the public debt ceiling is lifted to 65% of GDP.
- Only Bt100 billion soft loans for SMEs have been extended (out of Bt500 billion).

Source TRDI 9 Oct 2020

30 June rules - sources



CCSA detailed Guidelines – 11 categories of entrant – 30 June, EN version released; see Excel chart (made by JFCCT)

2 July CAAT Notification about who can be on aircraft – follows 11 categories (replaces similar 29 June CAAT announcement).

MFA Note Verbale 20 July applies to Work Permit/Smart Visa & similar . Relies on Emergency Decree orders of 26 March. Now category 8 (work permit) of 30 June Order. Identical to MFA NV of 28 May except now include PCR test from departure, and spouse/family categories

Exceptional carveouts (five categories) – later (all quarantine)

Quarantine required for all categories (other than crew etc)

Since 30 June: Add: APEC Business Travel card holders. In addition to 'Non O' family members, also long stay O-A (1 yr) and O-X (5 yrs) holders.

11 categories from 30 June (some additions since)



<i>Categories of persons entering – 30 June CCSA</i>	
1	Thai Nationals
2	Exempted people or people specified by PM or Chief CCSA Official.
3	Diplomats / consular missions or similar, including spouses, parents or children
4	Carriers of necessary goods; then promptly depart
5	Crew / vehicle operators, with departure schedule
6	Non-Thai nationals = spouses, parents or children of Thai nationals.
7	Residents, or permit to be
8	Work Permit, Smart Visa holders or similar approvals, including their spouses or children.
9	<p>Students of approved educational establishments, including their parents or guardians, except for students of non-formal schools in accordance with laws on private schools or similar</p> <p>9.1 Private school students - international schools or universities that provide international curriculum, including parents or guardians</p> <p>9.2 Students under the Office of the Basic Education Commission / other government agencies excluding the parents or guardians of such students.</p> <p>9.3 Students of border patrol police schools or schools affiliated to other agencies with similar missions excluding the parents or guardians of such students.</p>
10	Medical 'tourists', including their accompanying persons (max 3), except for treatment for COVID-19. Round up treatment to 14 days (like Quarantine)
11	<p>Special arrangements with other countries.</p> <p>(11.1) For long stay</p> <p>(11.2) For short stay</p> <p>Quota per MFA list approved by CCSA for each category</p>

Other developments

- Bill Heinecke (Minor Group) letter urging shorter quarantine and more open borders
- Minister for Tourism and Sports statement about reducing quarantine to 10 days
- Proposals Testing facilities at airports
- Long parliamentary statement from Minister for Transport (SGP) show possibilities
- European airport testing facilities (eg Germany)
- Safe Travel (SGP) – Green Lane (unilateral and partners – more than 8 economies – business and official visits). Bubble – all visits; 0 quarantine in most cases of business and official short stays. <https://safetravel.ica.gov.sg/arriving/overview> -

Apply on-line - <https://safetravel.ica.gov.sg/>



EABC Proposal – 1 of 3



- A. As Covid-19 testing becomes less costly, more reliable, more available and at... with shorter time to results, EABC recommends increasing testing capability at all entry points, and installing large-scale testing facilities at major airports.
- B. Foreign nationals who live in Thailand and need to apply for, extend or convert non-immigrant visas, or work permits should not have to leave the Kingdom.
- C. To support short stays, safe substitutes for quarantine are needed. It is recommended to start with green lane and bubble economies for professional, technical and business people (exceptions may be made if essential skills cannot be feasibly locally sourced):
- i. government-approved test before departure (co-operation with foreign governments needed to work out protocols, availability and mutual recognition);
 - ii. government-approved tests at arrival airport;
 - iii. observe local hygiene practices (see item E);
 - iv. visitors should be contactable at all times. The proposed smart wristband, introduced on 1 November 2020, needs checking for functionality; in some cases allow for an 'escort'
 - v. report symptoms daily
 - vi. some areas may be off limits (e.g. 'hotel-to-factory' / 'hotel to office' model);

EABC Proposal – 2 of 3



D. Online filing for all aspects, not just SOE. Streamline the process, without lessening the rigour of checks.

E. Basic personal and group hygiene (no exceptions) for all:
masks;
hand washing;
respect social distancing.

EABC Proposal – 3 of 3



F. Insurance policies from global brands should be recognized by the Thai Government and accepted by medical care providers.

G. Enhance public health infrastructure for Covid-19 response and support, with economic recovery budget, if needed.

H. Where quarantine of some period may still be needed, allow it to be done safely at home.

I. Public and private sector-supported campaign to highlight the importance of enacting these measures so as to contribute to the economic recovery and well-being of the Thai people. Procedures should be in place in the event of infection cases.

Remote-Monitoring

Challenge

Facing a heavier load of cases, doctors are unable to address all patient needs in person.

Solution

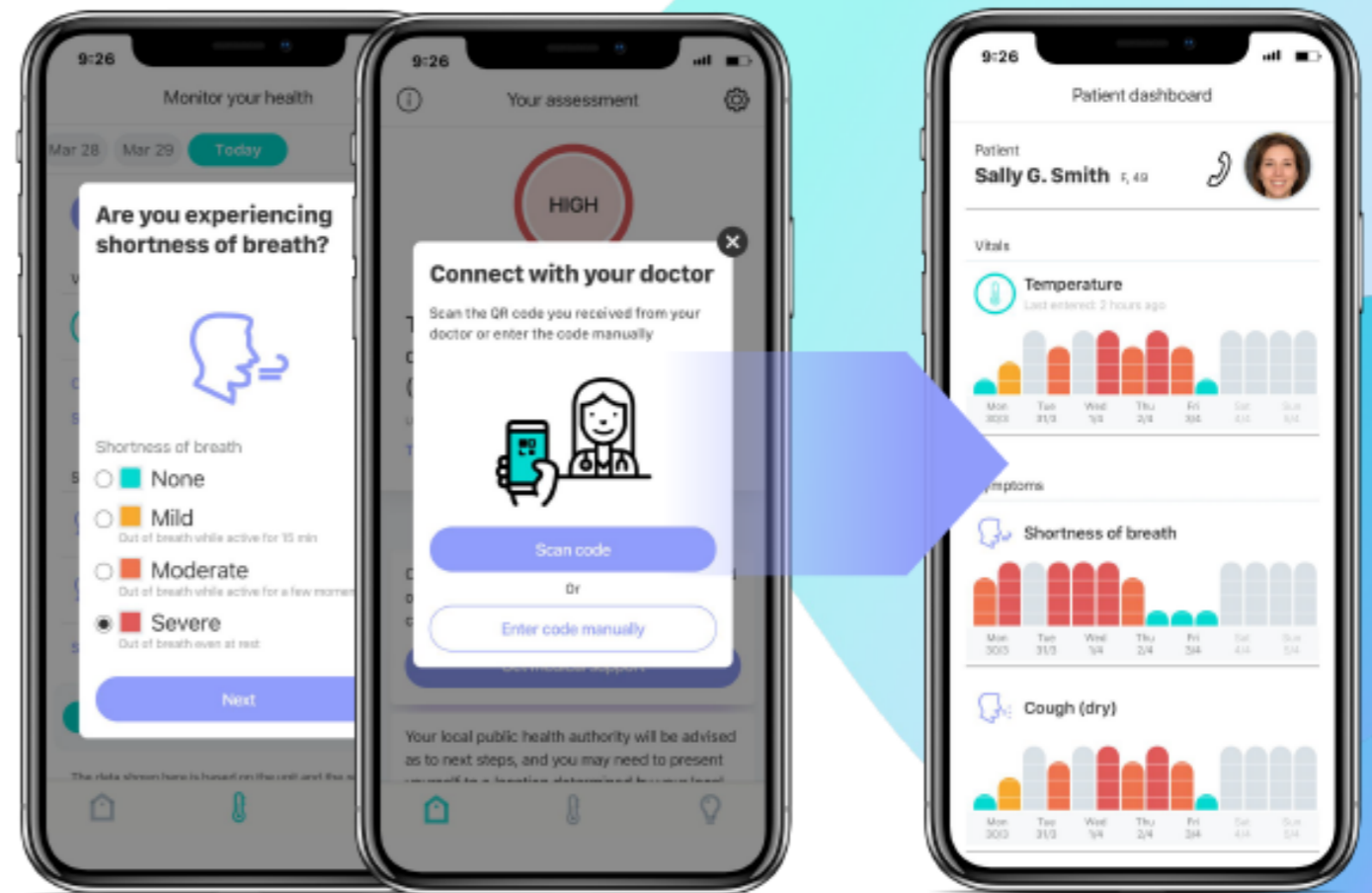
A doctor follows up with self-monitoring patients and is able to track their symptoms

With partner support

Connecting CoVive monitoring features with 3rd-party providers (telemedicine platforms, doctor booking systems, ...)

Dashboard and data integration

Back-end to manage doctors and connected patients



Patients track their symptoms and connect with a doctor who can review, consult and advise them.



Example – from Roche – CoVive from Medicus AI

EABC

Proposals for Opening Borders with safety;
domestic rules for personal and group hygiene

THANK YOU

European Association for Business and Commerce

www.eabc-thailand.org

EABC

Proposals for Safe Border Opening

MISCELLANEOUS BEYOND HERE

Short visits – update (about Work Permits – not tourism)



Announcement of the Dept of Employment, Ministry of Labour, with Omnibus rule changes 30 September, gazetted 20 October, with effect from 1 Nov 2020. Many changes to WP but most not material, some e filing, but not much.

Base law:

June 2017 Decree No. 1 as amended by Labour Decree No. 2 of March 2018. We call this the 'Labour Decree'. This replaced the Foreign Employment Act.

Key points of proposal for Work Permit

- *WP holder overseas.*
- *WP should be issuable and usable while employee is overseas.*
- *Support Change of job and other actions without having to make a trip*
- *Digitalisation – processes on line*
- *Allow Non B holder as an approved category for entry*
- *Need WP for part time work*
- *Harmonisation/Rationalisation between WP and visa processes*
- Overall complexity

COE Application on line from 1 November

Bring necessary travel documents

1. Certificate of Entry : COE
2. Health Insurance
3. COVID-free medical certificate
(issued 72 hours prior to flight)
4. Fit to Fly medical certificate
(issued 72 hours prior to flight)
5. Passport
6. Thai visa (if necessary)



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COE Application on line from 1 November



1) COEOnlineRegistrationSystem

- <https://coethailand.mfa.go.th>

2) Check passenger's eligibility and registration status

- <https://coethailand.mfa.go.th/regis/airs>

3) RegistrationGuide(VDO)

For Thai national

- <https://youtu.be/E2BYPNrpVuc>

For non-Thai national

- <https://youtu.be/1c1dNaXv0mM>

4) ASQ / ALQ / AHQ information

- www.hsscovid.com

5) COVID-19 Insurance Protection Program which its terms and conditions are covering requirement of Thai government.

- <http://covid19.tgia.org>