

Thailand Infrastructure News



Issue 9
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Source: Eastern Economic Corridor: An Update, published on The Stock Exchange of Thailand website

Headlines



B18bn projects approved for upper North



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Shinwa allots B3bn in part for low-rise close to Yellow Line



FUNDING OFFER FOR AIRPORT RAIL LINK UP FOR DEBATE



Czechs eye Thai trade, technology

Headlines



EEC Office upbeat ahead of election



Panel approves west section



Cabinet approves 116 projects for South in 4 years



Bt106.8-bn budget allocated as Cabinet nods to SEC



PDMO wary of Chinese rail loans

Headlines



IEAT rejects Map Ta Phut bid delay



MEA and TOT investing in Smart Park



Election date won't affect state projects



EEC gets 400,000 rai for development



Mass transit lines lure Bombardier's interest

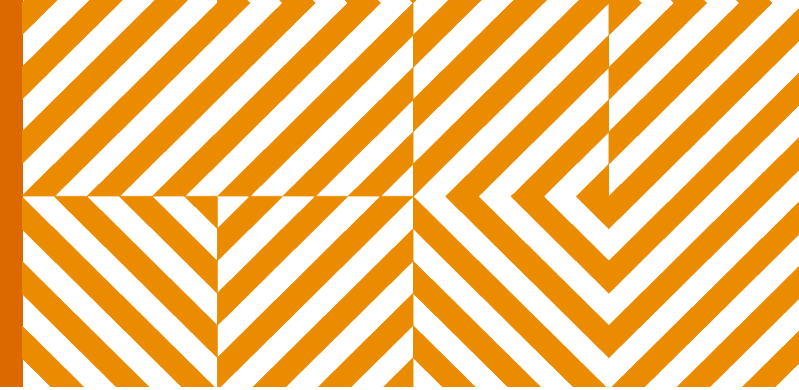
Headlines



Airports of Thailand sets date for decision on terminal

B18bn projects approved for upper North

15 January 2019



The cabinet has approved in principle 10 infrastructure projects worth a combined 17.7 billion baht for four upper northern provinces. Government spokesman Buddhipongse Punnakanta said on Tuesday a meeting of cabinet ministers, governors and representatives from the private sector, chaired by Prime Minister Prayut Chan-o-cha, agreed in principle the 10 infrastructure development projects for Lamphun, Chiang Mai, Mae Hong Son and Lampang. The meeting took place shortly before the mobile cabinet meeting in Lampang on Tuesday.

The projects are:

- Road expansion project for a 3km section of Highway 11, from four lanes to eight lanes (100 million baht);
- Road expansion project for a 19.15km section of Highway 116 on Pasak-Sapung-Bang Ruen-San Patong route, from two lanes to four lanes (850 million baht);
- Road expansion project for a 95.31km section of Highway 1035 on Wang Mor Pattana-Chae Hom route (3.33 billion-baht);
- Elevated road project between Highway 1 on Koh Kha-Samakchi route and Highway 11 on the North-Khun Tan route (100 million baht);
- Rail bridge project on Highway 1136 on Muang Nga-Lamphun route to link Lamphun province with Chiang Mai (300 million baht);
- Mae Rim bypass road project for a distance of 42.95km (6.97 billion baht);
- San Kamphaeng bypass road for a distance of 16.32km (4.26 billion baht);
- Truck terminal project (1.71 billion baht);
- Development project to turn Chiang Mai into a smart city (60 million baht); and
- Project to solve traffic problems around Chiang Mai international airport (budget unspecified).

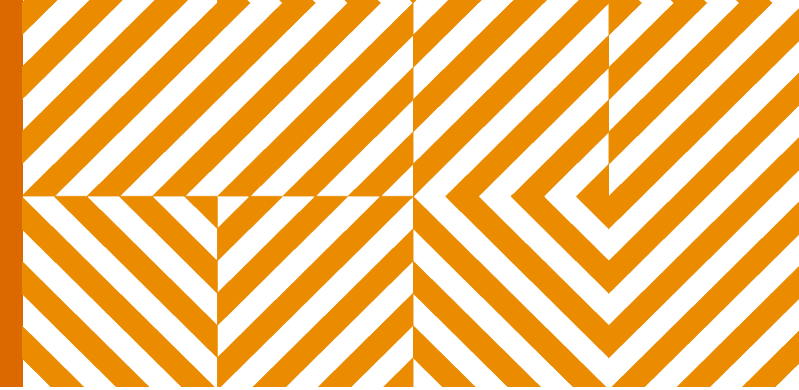
Kittisak Sinwanasap, chairman of the Lampang Industry Council, said the private sector wanted the government to accelerate the runway expansion project at Lampang airport. The runway, currently 1,975m long, would be extended to 2,100m to accommodate large aircraft. On the construction of the second Chiang Mai airport, Transport Minister Arkhom Termpittayapaisith said the ministry was considering a design for the project. The prime minister instructed the Transport Ministry to prioritise projects based on necessities in line with the transportation infrastructure development and the 12th National Economic and Social Development Plan (2017-21) and the 20-year National Strategy (2018-37), said the spokesman.

Source: Bangkok Post

<https://www.bangkokpost.com/business/news/1611638/b18bn-projects-approved-for-upper-north>

EEC heads call to meet with PAT

16 January 2019



The Eastern Economic Corridor (EEC) Office is calling for the state-run Port Authority of Thailand (PAT) to explain the lack of interest in the third phase of the Laem Chabang port in Chon Buri province after the 114-billion-baht megaproject had only one company submit a bid envelope. The document submission deadline was Monday and Associate Infinity Co was the only company to submit a bid envelope after 32 companies bought envelopes earlier. Of those, 17 companies were local firms and 15 firms were from overseas. The meeting between the two agencies is scheduled for Jan 21, and the EEC Office expects to extend the document submission period by another month. The PAT reported Associate Infinity did not pass the bidding criteria.

Kanit Sangsubhan, secretary-general of the EEC Office, said the PAT has to explain the lack of investor interest for this megaproject and figure out a solution.

"The period to prepare this project was only two months, which was not enough for the bidding companies to plan their documents," he said.

"We received 10 inquiries from bidding companies to extend the submission period."

The third phase of the Laem Chabang deep-sea port consists of two piers for cargo ships, designated as F1 and F2.

The F1 pier is estimated to cost 84 billion baht, with the total cost projected at 114 billion.

Construction for the third phase is scheduled to begin in 2020, with operation starting in 2025.

The Laem Chabang port is operated by PAT and located in Sri Racha district, Chon Buri, one of the provinces under the flagship EEC scheme.

According to the EEC Office, once the port completes the third phase, it will increase from 7.7 million throughput containers per year to 18.1 million containers per year in the next decade.

The number of car exports at the port is projected to increase from 2 million units to 3 million per year after the upgrade.

The amount of container shipments via railway will grow from 7% to 30% in the next decade.

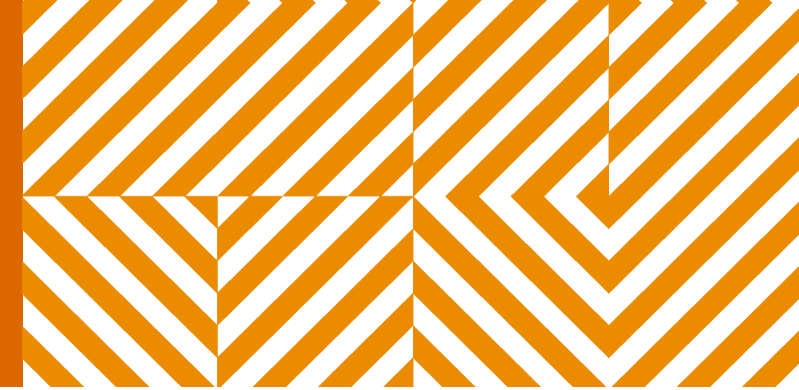
Mr Kanit said the EEC Office is confident the lack of interest in the Laem Chabang port project will not affect the other four megaprojects in the corridor.

The other four EEC megaprojects are: the U-tapao aviation city (worth 290 billion baht); a maintenance, repair and overhaul centre (10.59 billion); the third phase of the Map Ta Phut seaport (55.4 billion); and a high-speed railway linking three airports (225 billion).

"The EEC Office expects to announce the winning bidders of all five projects by April," he said.

Shinwa allots B3bn in part for low-rise close to Yellow Line

16 January 2019



Japanese developer Shinwa Real Estate (Thailand) plans to spend 3 billion baht in Thailand this year and aims to develop a pilot low-rise condominium project near the Yellow Line. Tomoyasu Yamabe, managing director of Shinwa Real Estate Thailand, a subsidiary of Shinwa Group from Osaka, said the group's investment policy this year will use the parent firm's cutting-edge construction technique as its key strength in developing quality condominiums with a truly Japanese spirit. One of Shinwa's subsidiaries is a contractor that owns an innovation. The group invested in Thailand two years ago and introduced the "Runesu" innovation -- a sigma beam adjusted to be the floor, and the floor serves as a beam freeing up another 25-40% of space, he said. "Thailand remains attractive for investment because of many positive factors including GDP growth, the consumer confidence index, which has remained high for many years, and the government's investment policy," said Mr Yamabe. "The government is pushing ahead many mass transit lines consecutively and quickly, which will have a domino effect on other investments, especially in the property sector. The mass transit projects will boost a lot of condominium projects, which will be good for customers as they will have a variety of attractive choices." Wichai Chula-Olarnkun, the company's executive director, said Shinwa's policy remains to focus on the middle section of Sukhumvit Road to meet Japanese customers' requirements, as it is the location and target for firm, in line with research data. This location has strong demand and price is on the rise, he said. The company's investment plan includes the REN Sukhumvit 39 project. In addition, the company this year will kick off a pilot project with a plan to launch a low-rise condominium project in a location near the Yellow Line in the Srinakarin area. The condo is to be situated on a plot sized nearly one rai with 7-8 storeys, a total of no more than 100 units, and a total area of 4,000 square metres worth around 200 million baht. It expects to start sales by the third quarter. Despite the smaller size, the project will have attractive gimmicks, which are Shinwa's identity. In the future, the company hopes to add new projects under the same concept in other community locations because they are small projects that can start development and close sales in a short period. This year, according to Mr Wichai, the company will realise revenue from unit transfers at Runesu Thonglor 5 project by the third quarter.

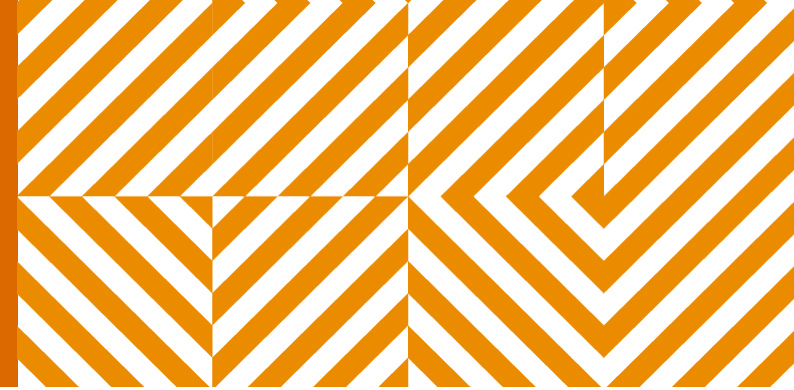
"Shinwa Group in Osaka has various businesses including construction, condominiums, serviced apartments, single detached houses, hotels, car parking lots and onsen. Developing property projects in Thailand should open the door to businesses in other segments in the future. These will include selling the Runesu innovation in target markets like Singapore and Malaysia, which are interested in our innovation," Mr Wichai said.

Source: Bangkok Post

<https://www.bangkokpost.com/business/news/1612474/shinwa-allots-b3bn-in-part-for-low-rise-close-to-yellow-line>

FUNDING OFFER FOR AIRPORT RAIL LINK UP FOR DEBATE

18 January 2019



The State Railway of Thailand (SRT) will today negotiate with CP Group the financial structure for the development of the high-speed rail link connecting three international airports : Suvarnabhumi, Don Muang, and U-Tapao.

"The board will consider CP's financial offer, focusing on the investment and return, to ensure the government can provide sufficient support to the private sector ," said Worawut Mala, SRT's acting governer yesterday.

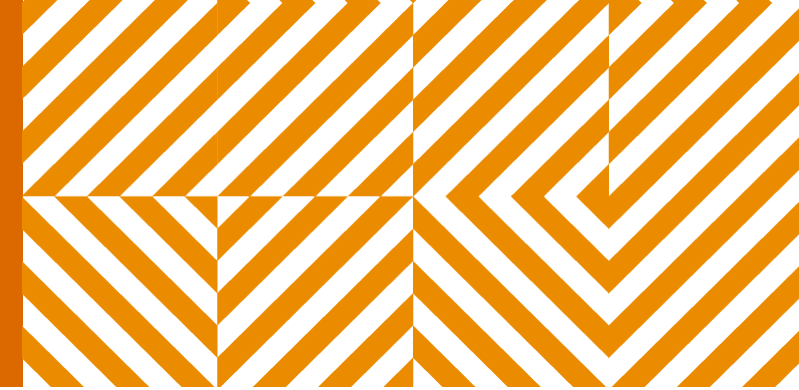
Source: THE NATION

<http://www.nationmultimedia.com/detail/Economy/30362461>

Czechs eye Thai trade, technology

Meeting promotes EEC, Industry 4.0

18 January 2019



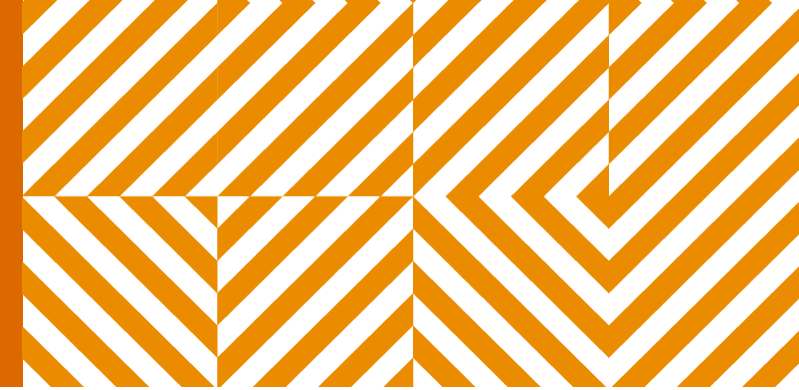
The government of the Czech Republic along with 39 companies from the Central European country met with the Thai government on Wednesday to discuss investment in trade and technological development in the Eastern Economic Corridor (EEC). The meeting resulted in the two governments signing a memorandum of understanding yesterday to further discuss and solidify investments. Industry Minister Uttama Savanayana said the meeting promotes Thailand's Industry 4.0 initiative, which coincides the Czech Republic's own development policies. "Czech investors from 39 companies want to invest in aviation, medical devices, high-speed trains and defence," he said. Czech officials met with Prime Minister Prayut Chan-o-Cha and the Industry Ministry at Government House to discuss trade, investment and a cooperative project between the governments. Mr Uttama spoke at an executive dinner talk entitled "Technology Disruption" held on Wednesday. Industry Minister Uttama Savanayana (third left) and Andrej Babis, prime minister of the Czech Republic (third right), at Thursday's Thai-Czech Business Forum in Bangkok. The government plans to expand the EEC to other eastern provinces in addition to Chon Buri, Rayong and Chachoengsao, the three designated for the first phase. The government has a 20-year national strategy (2017-36) to modernise Thailand's economy. The policy is meant to avoid the dreaded "middle income gap", where wages become too high to produce low-priced products, but the economy is not developed enough to offer high-paying jobs. The government has a development plan for investment in infrastructure, a technology and digital economy investment plan, a human and resource development plan and a social development plan. Mr Uttama said the government is investing in projects in the EEC like U-tapao aviation city (290 billion baht), due to begin operations in 2023; a maintenance, repair and overhaul centre (10.6 billion) set to open in 2022; the third phase of Laem Chabang seaport (114 billion) due to open in 2023; and the third phase of Map Ta Phut seaport (55.4 billion) due for launch in 2025. The government set up the Industry Transformation Centre (ITC) in the provinces to help small and medium-sized enterprises (SMEs), as well as 64 mini ITCs covering very small provinces. The ITC helps SMEs to improve efficiency and develop technology. Recently the government vowed to expand its ITCs to 13 centres accessible to all 77 provinces in Thailand. The government expects its 12 targeted industries, such as robotics and automation, to benefit from human resources development and upgraded robotics and automation systems in the future. "Robotics and automation is an opportunity investment sector for Thailand, with the government's Centre of Robotic Excellence, which is operated by the ministry, serving investors," said Mr Uttama. "Business, industry, the government and Thais should adjust to prepare ourselves for changes, especially the disruption technology can bring, both destroying and creating new businesses." Thailand has a strategy for development, but it should cooperate with all sectors and the people to develop together a decentralised platform to spread the wealth, he said, including using high technology such as 5G.

Source: Bangkok Post

<https://www.bangkokpost.com/business/news/1613082/czechs-eye-thai-trade-technology>

EEC Office upbeat ahead of election

18 January 2019



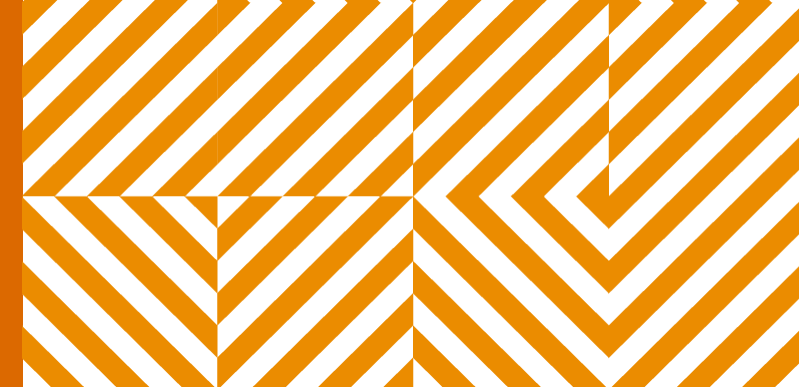
The Eastern Economic Corridor (EEC) project is unlikely to be affected by the upcoming election, thanks to the EEC Act that came into force last May. The government pushed for the EEC Act to build confidence for investors in Thailand and bolster faith in the country's long-term sustainability as an investment opportunity. Kanit Sangsubhan, secretary-general of the EEC Office, said the corridor will help Thailand's economy expand at a faster pace in the next five years and increase the GDP growth by two percentage points each year. GDP growth now averages 3-4% a year, and the government expects an increase to 5-6% despite a potential global economic slowdown, due to the government's investment budget of 1.7 trillion baht for five years (2018-22). The government hopes that by focusing on S-curve industries, the domestic economy will grow rapidly. Plans call for investing 300 billion baht a year in 12 targeted industries. The industries are next-generation automotive; smart electronics; high-income and medical tourism; efficient agriculture; biotechnology; food innovation; automation and robotics; aerospace; bioenergy and biochemicals; healthcare; defence; and education. "The EEC project will guarantee that Thailand's economy will continue to grow in the future because it will be a buffer to protect the domestic economy from negative external factors," Mr Kanit said. According to the Board of Investment (BoI), new EEC projects fell from 436 in 2017 to 422 in 2018. The total investment value of applications, however, rose to 684 billion baht from 288 billion in 2017. The BoI had set a target of 300 billion baht for EEC investment applications in 2018. Mr Kanit said the corridor will beef up growth in private-sector investment flows to 10% in the long run, up from 3%. Paiboon Nalinthangkurn, chairman of the Federation of Thai Capital Market Organisations, said the private sector has set high expectations for the general election this year because it's seen as a key factor in driving the economy forward. "The private sector has acknowledged that we will have a mixed government, and the private sector expects it to continue the policy," Mr Paiboon said. The private sector is adopting a wait-and-see attitude towards the election, he said.

Source: Bangkok Post

<https://www.bangkokpost.com/business/news/1612970/eec-office-upbeat-ahead-of-election>

Panel approves west section

22 January 2019



The Public-Private Partnership (PPP) Committee has approved the Orange Line's 235-billion-baht western section, stretching from Bang Khun Non to Min Buri, under the fast-track joint investment scheme.

The western section's investment will be in the form of the net cost PPP model, whereby the government will be responsible for land expropriation fees and the private sector will invest in the rail system and provide operating and maintenance, said Deputy Prime Minister Somkid Jatusripitak, who chaired yesterday's meeting.

The section's operating contract will run 30 years, Mr Somkid said. The new section will help commuters travelling from both Bangkok's western and eastern districts to the capital's centre after it completely connects with the eastern section, running from Thailand Cultural Centre to Min Buri, he said. The eastern Orange Line, scheduled for opening in 2023, is under construction.

Mr Somkid said he remains optimistic that the country's economic growth in 2018 will come in at 4%, though exports missed the government's 8% target.

Thailand's GDP growth is still able to keep pace amid global uncertainties, thanks to the government's plan to boost the local economy to create a balance between internal and external fronts, he said.

The government has created local demand through not only the Eastern Economic Corridor but also domestic tourism and investments in several projects, Mr Somkid said.

Meanwhile, Pantip Sripimol, a consultant for the State Enterprise Policy Office (Sepa), said the PPP Committee has approved granting a renewed lease contract for land on which the Grand Hyatt Erawan Hotel is located for 20 years after the current contract lapses in 2021.

The committee delegated the state-owned Syndicate of Thai Hotels and Tourists Enterprises Ltd to renew the contract in compliance with related laws.

The committee also gave the green light to proceed to the second phase of the National Housing Authority's Transit-Oriented Development initiative in Bangkok and the capital's vicinity under the PPP law.

The project is valued at 4.23 billion baht, Ms Pantip said.

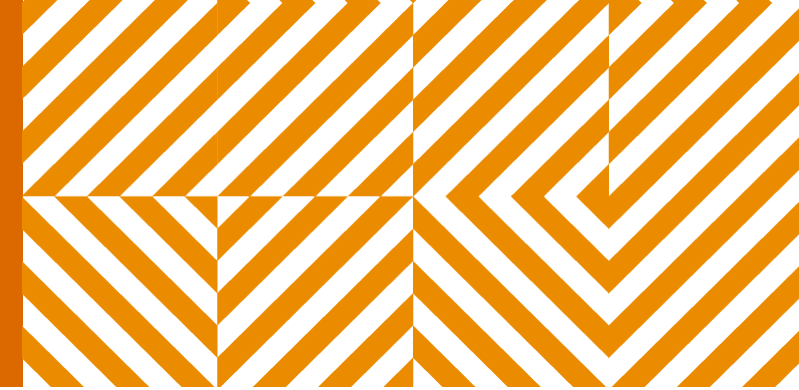
She said the Purple Line's southern extension route from Kanchanaphisek Outer Ring Road to Tao Poon, worth 128 billion baht, is expected to seek fast-track approval by the PPP committee early this year..

Source: Bangkok Post

<https://www.bangkokpost.com/business/news/1615278/panel-approves-west-section>

Cabinet approves 116 projects for South in 4 years

23 January 2019



The cabinet on Tuesday approved the development of the Southern Economic Corridor (SEC), covering 116 projects worth 106.79 billion baht. The 116 projects will be developed on a combined 300,000 square metres in Chumphon, Ranong, Surat Thani and Nakhon Si Thammarat during 2019-22. Nathporn Chatusripitak, an adviser to the minister of the Prime Minister's Office, said the four-year development will cover four key strategic plans, with the first aiming to develop the SEC as the gateway to South Asia and a link to the Eastern Economic Corridor. The first plan covers 11 projects worth 50.3 billion baht, including the upgrade of Ranong deep-sea port and airports in four provinces. The second plan will call for the development of tourism links between the "Royal Coast" tourism cluster, which includes Phetchaburi, Prachuap Khiri Khan, Chumphon and Ranong and the Andaman Sea, covering 33 projects worth a combined 39.6 billion baht. In March, the cabinet approved in principle the Royal Coast project around Hua Hin, where there is a royal residential retreat, as part of the government's 20-year development plan running until 2020. The government plans for a high-end tourism campaign in western coastal provinces to boost income in the region. Under the second plan, the government is also committed to upgrading and increasing the value of hot springs and the construction of a highway along the coast from Samut Songkhram, Phetchaburi, Prachuap Khiri Khan, Chumphon and Ranong. The third plan will focus on the development of bio-based and processed agriculture products covering 33 projects, worth 7.37 billion baht, such as the development of an integrated herbal centre, a research centre for aquatic animals and pilot plants for rubber innovation. The fourth plan covers 39 projects worth 9.6 billion baht for natural resource preservation, such as Ranong mangrove conservation, the construction of a service centre for the elderly in Chumphon, and the development of infrastructure for telecommunication. Mr Nathporn said the 107-km four-lane road to link the planned SEC area and other southern provinces is under construction, and the development of the 167-km double-track rail from Chumphon to Ranong is scheduled to be finished in 2022.

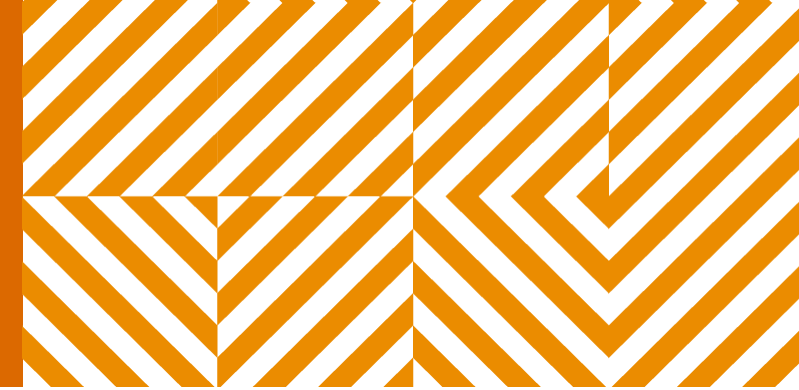
In a related development, the cabinet also approved five urgent projects worth 448.96 million baht to be allocated from the central budget of fiscal 2019 for the planned SEC provinces.

Source: Bangkok Post

<https://www.bangkokpost.com/business/news/1615906/cabinet-approves-116-projects-for-south-in-4-years>

Bt106.8-bn budget allocated as Cabinet nods to SEC

23 January 2019



THE CABINET yesterday gave the green light for the Southern Economic Corridor (SEC), allocating a budget of Bt106.8 billion for the development of 116 projects from 2019-2022. The SEC is expected to spur 5 per cent annual gross domestic product growth for 10 consecutive years. Deputy Prime Minister Nattaporn Jatusripitak said that the SEC would span the four upper southern provinces of Chumphon, Ranong, Surat Thani and Nakhon Si Thammarat, impacting the lives of some 3 million people. The SEC will also draw 1.2 million tourists per year, a Bt200-billion increase in investment in the manufacturing sector which will be upgraded to high-tech and environmentally friendly. The SEC aims to be Thailand's western gateway, which will be connected within the area, with the South, the East's special zones and with South Asia by land, air and water. Commercial airports in the area will be developed to accommodate at least 10 million passengers per year per airport.

The National Economic and Social Development Board (NESDB) has outlined four dimensions of development for the SEC. The first dimension involves the development of 10 projects worth Bt49.2 billion in the Western Gateway to connect coasts along the Gulf of Thailand, coasts along the Andaman Sea and South Asian countries. The projects include improvement of the Ranong airport and port. The second dimension involves 31 projects worth Bt39.5 billion for improvement of Chumphon airport and the Royal Coast project on the Samut Songkram-Phetchaburi, Prachuap Khiri Khan-Chumphon-Ranong routes for tourism. The third dimension is to develop 32 projects worth about Bt6.49 billion for bio-based and processed agricultural industry. Centres for economic aquatic animals and rubber innovations will be set up. The fourth dimension is to promote 38 projects worth Bt7.12 billion for green culture smart and liveable cities. At yesterday's meeting, the Cabinet also gave the nod to eight quick-execution projects worth Bt2.68 billion. These include a Bt70-million infrastructure and marketing promotion project of the Ranong port for the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation, the Bt158.2-million Ranong airport improvement project, and the Bt2.23-billion telecommunication infrastructure project for the Asean Digital Hub.

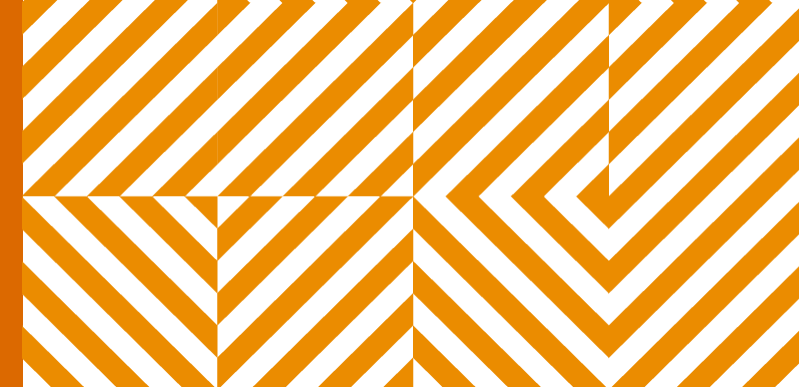
The remaining five projects worth about Bt448.69 million will be financed from the fiscal 2019 budget. These range from a Bt132.8-million tourism development project for the Phayam island off Ranong, a Bt85.5-million mangrove project off Ranong, a Bt194.6-million integrated herb processing promotion project, a Bt12.64-million project for ageing people in Chumphon and a Bt20-million project to set up a research centre in the SEC.

Source: THE NATION

<http://www.nationmultimedia.com/detail/Economy/30362731>

PDMO wary of Chinese rail loans

24 January 2019



Thailand plans to secure funding from China to finance the high-speed railway planned from Bangkok to Nakhon Ratchasima only if an overseas loan is needed and the rate is lower than that of the Thai government's 12.5-year-tenor bond, says a senior official at Public Debt Management Office (PDMO).

Loan conditions have not been concluded, but PDMO has joined 26 meetings under the Framework of Cooperation between Thailand and China for the high-speed rail project, said Jindarat Viriyataveekul, PDMO's deputy spokeswoman.

The Thai government bond with a 12.5-year maturity now carries a coupon rate of 2.8% per year.

The Thai-Sino high-speed railway stretching from Bangkok to Nakhon Ratchasima is the first phase of a rail route to Nong Khai. The first section is under construction and carries a cost of 179 billion baht, of which 13.2 billion will be financed by the government's budget and the remaining 166 billion by borrowing.

According to the plan, 80% of the 166-billion-baht in borrowing will be secured from domestic sources, with the remainder from overseas loans for expenses related to acquiring technology and machinery from abroad to eliminate a currency swap burden.

If the Thai government decides to borrow from China, it refuses to be limited by conditions to use Chinese technology, she said. Ms Jindarat said the rail project is not a joint venture between Thailand and China. It is on Thai land and is managed by the Thai government.

PDMO is considering an overseas loan to finance expenses related to foreign-denominated currency. No decision has been made on whether the loan will be from the Export-Import Bank of China or any other overseas financial institutions, and there is no concern the high-rail project will eventually be owned by China, she said.

The National Economic and Social Development Council, a government think tank, produced an analysis report on high-speed rail approved by the cabinet that estimated the project will enhance potential economic opportunities and support the country becoming a transport and logistics hub.

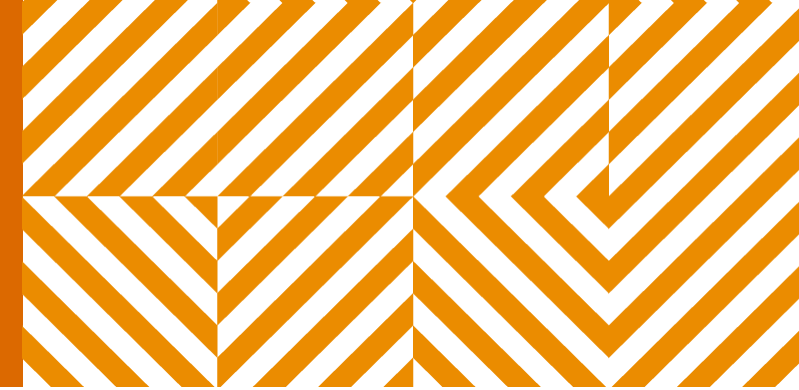
For domestic borrowing, the Finance Ministry already struck a deal for a 4-billion-baht loan, charged at a discount rate from the Bangkok Interbank Offered Rate.

Source: Bangkok Post

<https://www.bangkokpost.com/business/tourism-and-transport/1616682/pdmo-wary-of-chinese-rail-loans>

IEAT rejects Map Ta Phut bid delay

24 January 2019



The bidding period to submit documents for Map Ta Phut port in Rayong province will not be extended, even as some bidders are calling for it, says the Industrial Estate Authority of Thailand (IEAT).

The IEAT is the auction host for the third phase of the Map Ta Phut port worth 55.4 billion baht. The project is open for document submission, ending on Feb 6.

Somchint Pilouk, IEAT's governor, said there are 4-5 companies interested in bidding that are calling for an extension, saying they do not have enough time for document preparation.

"We are confident we provided plenty of time to prepare the bidding documents, allowing roughly three months for this process. The IEAT cannot extend the period," she said.

In November, the third phase of the Map Ta Phut port ended the period to buy bid envelopes, with 18 local and foreign companies taking the bait, mainly petrochemical makers, power producers and construction providers.

Ten of the bidders are Thai companies, while eight are from China, Japan, Sweden and the Netherlands.

Ms Somchint said the Map Ta Phut port auction will not fail, unlike the third phase of Laem Chabang port in Chon Buri, which had only one unqualified bidder during its two-month period for document submission.

For the Laem Chabang port, the document submission deadline was Jan 14. Some 32 companies bought bid envelopes, but only one bidder submitted a bid.

The state-run Port Authority of Thailand was the auction host for the 114-billion-baht Laem Chabang project.

The Map Ta Phut and Laem Chabang seaports are two of the five megaprojects planned for the government's Eastern Economic Corridor (EEC) scheme.

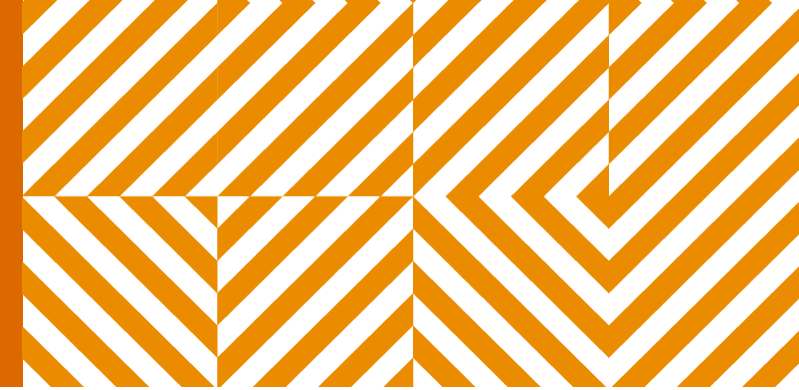
The other three EEC megaprojects are: the U-tapao aviation city (worth 290 billion baht); a maintenance, repair and overhaul centre (10.6 billion); and a high-speed railway linking three airports (225 billion)..

Source: Bangkok Post

<https://www.bangkokpost.com/business/news/1616594/ieat-rejects-map-ta-phut-bid-delay>

MEA and TOT investing in Smart Park

24 January 2019



The Industrial Estate Authority of Thailand (IEAT) has signed agreements with two state-run agencies to develop two advanced infrastructures in the Smart Park Industrial Estate in Map Ta Phut, Rayong, with a budget of 2.8 billion baht.

The first agreement was signed with TOT to develop digital and telecom infrastructures. TOT plans to invest in the system and platforms such as big data, cloud service and fibre optics to facilitate industrial and business operators in the project.

The second agreement is with the Metropolitan Electricity Authority to develop a smart energy system in the industrial estate.

The two agreements are expected to be completed by 2022. The Smart Park Industrial Estate has a price tag of 12 billion baht on 1,500 rai.

Somchint Pilouk, IEAT's governor, said this industrial estate has attracted five companies to invest in the development, including the Bangkok Mass Transit System, PCPG, Global Utility Services and Bangkok Industrial Gas.

"The Smart Park is set to be the first industrial estate for higher technology manufacturing in the country, serving the 12 targeted industries such as robotics, medical hub, logistics and aviation and aerospace," she said.

Ms Somchint said the IEAT will speed up work on the Smart Park project for completion before 2022.

The Smart Park project is undergoing an environmental impact assessment. The Natural Resources and Environment Ministry is expected to evaluate the report in mid-2019.

In addition, the IEAT is studying the feasibility for a railway system in the Smart Park project as it plans to build a 17-kilometre link to the U-tapao airport.

The Eastern Fruit Corridor (EFC) project, the country's first fruit auction market, is located adjacent to the Smart Park project.

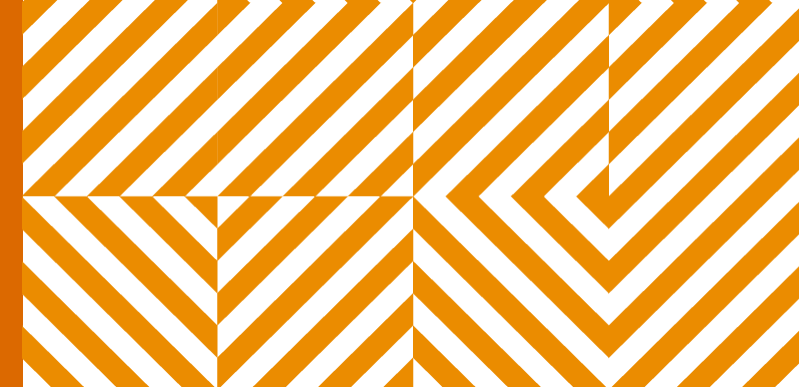
The IEAT has allocated 20 rai to construct a cold storage facility for the EFC.

Source: Bangkok Post

<https://www.bangkokpost.com/business/news/1616586/mea-and-tot-investing-in-smart-park>

Election date won't affect state projects

24 January 2019



The government's flagship development initiatives, notably the Eastern Economic Corridor (EEC), are unlikely to be affected by the general election date, now set at March 24.

Kanit Sangsubhan, secretary-general of the EEC Office, said the five main infrastructure projects in the EEC will move forward as planned, with the winning bidders expected to become available before April.

The EEC Policy Committee chaired by Prime Minister Prayut Chan-o-cha acknowledged Wednesday the progress of five projects, which were all endorsed by the cabinet. They are a high-speed railway linking three airports (225 billion); U-tapao aviation city (290 billion); a maintenance, repair and overhaul (MRO) centre (10.6 billion); the third phase of Laem Chabang seaport (114 billion); and the third phase of Map Ta Phut seaport (55.4 billion).

Mr Kanit said the government expects to come to an agreement with private bidders for the high-speed rail line linking the three airports by the end of this month.

Companies will be allowed to submit their proposals for U-tapao aviation city development by Feb 28, with the winning bidder expected by mid-April, he said.

The winner for the third phase of Map Ta Phut seaport is likely by March, while that for the MRO centre is expected within February, Mr Kanit said.

He said terms of reference for the third phase of Laem Chabang port are being improved, with the new ToR for the port scheduled to launch today. The private sector will be allowed to submit their interest on Feb 6, and the announcement of the winning bidders is scheduled for April.

The EEC of Digital (EECD), which is envisioned as a public-private partnership, is also scheduled to announce ToR today. Interested parties are required to buy bid details between Jan 25 and Feb 15 and submit their bids by April 24.

The EECD has a total investment cost of 4.32 billion baht, covering 569 rai of land.

Also Wednesday, Monton Sudprasert, director-general of the Department of Public Works and Town & Country Planning, said the committee approved a draft of town planning for the EEC.

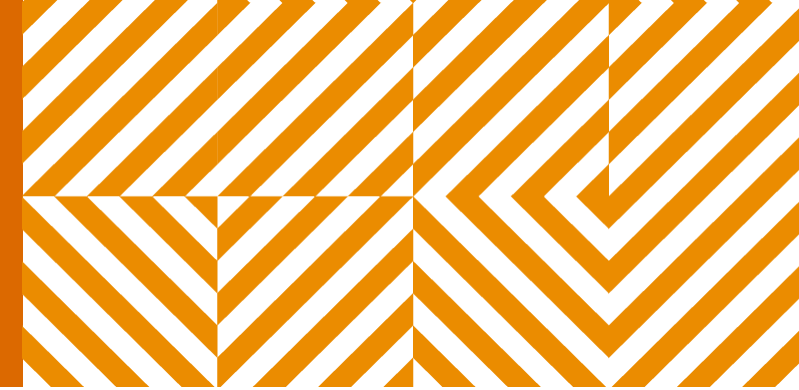
The draft is expected to go before the cabinet for approval by April.

Source: Bangkok Post

<https://www.bangkokpost.com/news/politics/1616618/election-date-wont-affect-state-projects>

EEC gets 400,000 rai for development

28 January 2019



As much as 400,000 rai will be designated for industrial areas within the government's flagship Eastern Economic Corridor (EEC). Monton Sudprasert, director-general of the Public Works and Town and Country Planning Department, said a town planning draft for the EEC was approved by the EEC Policy Committee chaired by Prime Minister Prayut Chan-o-cha last week. The draft calls for the industrial areas to be expanded by 122,931 rai from 286,492 rai. The new EEC town plan covers the three eastern provinces of Chachoengsao, Chon Buri and Rayong, which together span 8.3 million rai. The three have 11% of plots designated as urban or city areas, a total of 913,000 rai, with 3.4% for industrial (283,561 rai), 68% for farmland (5.65 million rai), 18% for forest conservation (1.49 million rai), and the rest for other purposes. Under the draft EEC town plan, city areas will make up 16% of the total land (1.33 million rai), up by five percentage points, with industrial areas increasing to 4.9% (406,492 rai). Farmland drops five percentage points to 63% or 5.23 million rai, while forest conservation areas have been reduced to 10% (830,000 rai). The additional industrial area will be allocated largely to special investment promotional zones, 12 targeted industries, large infrastructure (including Map Ta Phut and Laem Chabang seaports), new city and commercial areas, and the logistics centre. Mr Monton said that after the EEC Policy Committee's approval the draft will go to the cabinet for approval, possibly in April. "Additional land set aside for industry is likely to be large enough to accommodate industrial development until 2037," he said. Mr Monton said his agency still needs to design new city and lodging areas because the population in the areas is projected to double to 6.29 million by 2037. Tourist numbers are expected to increase 10% to 51.3 million by 2037.

Kanit Sangsubhan, secretary-general of the EEC Office, said the new EEC town plan will make investors confident that there will be sufficient space for industrial development. He said the government still needs to work harder to attract foreign investors to invest in new S-curve industries in the EEC, citing the Board of Investment's applications for such industries representing just 7.78 billion baht out of the total 902 billion baht in approved applications last year. The new S-curve industries include robotics, aviation, bioeconomy, medical devices and digital economy.

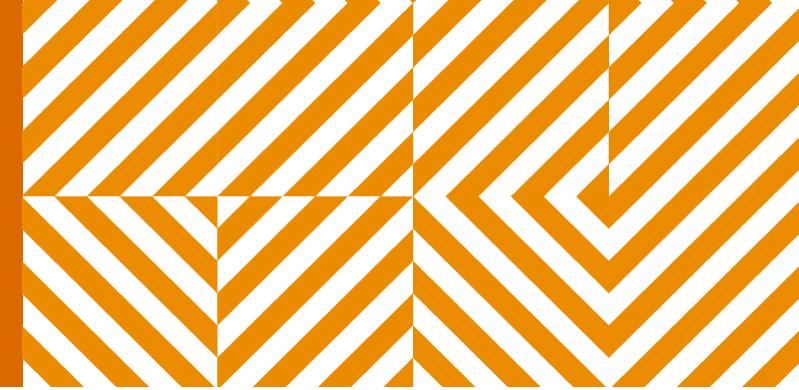
In a related development, Deputy Prime Minister Somkid Jatusripitak is scheduled to lead his economic team to visit Osaka and Kyoto from Jan 30 to Feb 2, with an aim to lure Japanese investors in automobiles, electronics, medical devices and food. In the government's first roadshow this year, Mr Somkid will give a keynote speech at a seminar called "Thailand: Advancing Asean-Japan Partnership" scheduled for Jan 31 in Osaka, with an estimated 500 participants. Kobsak Pootrakool, the Prime Minister's Office minister, will give a speech on "Enhancing Thailand's Business Ecosystem", while Digital Economy and Society Minister Pichet Durongkaverroj will speak about "Driving Thailand's Competitiveness through Digital Development". Mr Somkid is also scheduled to visit Wakayama prefecture in the Kansai region to study tourism management and processed farm products and Kyoto to study elderly care management and meet executives of leading Japanese companies such as Yamashina Seiki, a marine machinery supplier, and Omron Corporation, an electronics firm. Mr Kobsak recently met Hiroki Mitsumata, president of the Japan External Trade Organization, to provide an update to the schedules of the government's roadshows to Osaka and Kyoto, as well as meetings with Japanese companies there. Mr Kobsak said the government aims to draw Japanese investment not only in automobiles, electronics, food and medical devices, but also lodging services for the elderly in Thailand..

Source: Bangkok Post

<https://www.bangkokpost.com/business/news/1618938/eec-gets-400-000-rai-for-development>

Mass transit lines lure Bombardier's interest

29 January 2019



Canadian company Bombardier is keen to invest in monorail projects in major cities as the government revs up development in several provinces, including Chiang Mai and Phuket. After meeting with Donica Pottie, Canada's ambassador to Thailand, Kobsak Pootrakool, the minister to the Prime Minister's Office, said Bombardier indicated intent to invest in three Bangkok mass transit lines -- the Pink Line (Khae Rai-Min Buri in eastern Bangkok), the Yellow Line (Lat Phrao-Samrong in Samut Prakan), and the Gold Line monorail system linking Krung Thon Buri skytrain station with Prajadhipok Road. Bombardier has invested in Thailand for 30 years to supply signalling and operation equipment for electric rail. Mr Kobsak said plans are afoot for the government to develop monorail projects in major provinces to reduce traffic congestion. Last September, the cabinet approved a royal decree that would enable the Mass Rapid Transit Authority of Thailand (MRTA) to oversee construction of urban mass transit projects in Chiang Mai, Phangnga and Phuket worth a combined 50 billion baht. The projects will operate under the fast-tracked public-private partnership (PPP) scheme. The cabinet also approved a royal decree in December to allow the MRTA to implement an electric rail or tram in Nakhon Ratchasima. The cabinet also approved a master plan for a 50.09-kilometre light rail project in Nakhon Ratchasima with three routes -- Green (11.17 kilometres and an extension of 12.12km), Orange (9.81km and an extension of 5.37km) and Purple (7.14km and an extension of 4.48km). The project, worth 32.6 billion baht, will be implemented under the PPP scheme and is expected to begin operations within five years.

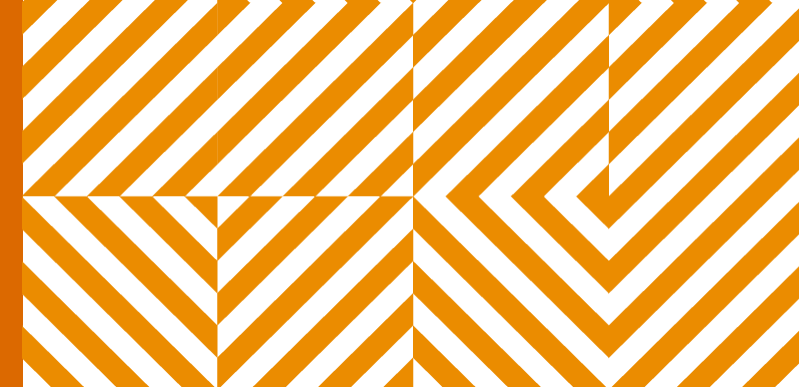
Mr Kobsak said Celestica, the electronic parts manufacturer, intends to expand manufacturing to the Eastern Economic Corridor. He said he also persuaded Canada to partner with Thai educational institutes to develop human resources for targeted industries that are seeing high demand in Thailand. Two-way trade between Thailand and Canada in 2017 amounted to US\$2.21 billion (69.7 billion baht), down by 1.33% from \$2.24 billion in 2016.

Source: Bangkok Post

<https://www.bangkokpost.com/business/news/1619570/mass-transit-lines-lure-bombardiers-interest>

Airports of Thailand sets date for decision on terminal

31 January 2019



Airports of Thailand (AoT) Plc will decide on Feb 20 whether to press ahead with the construction of a second terminal at Suvarnabhumi airport, its president Nitinai Sirismatthakarn said on Wednesday.

The shelved 42-billion-baht terminal project has attracted fierce criticism from several organisations, including the Council of Engineers (CoE) and the Architects Council of Thailand, who claim the facility would be poorly located and veers away from the original Suvarnabhumi master plan drafted in 1990.

The original blueprint says there must be two distinctly separate passenger terminals, while the shelved project seeks to build a second terminal adjacent to the current one.

Work on the new terminal was originally planned to start next year and open in 2021. However, due to the flood of criticism, the AoT put the construction on hold late last year.

Mr Nitinai said details about the proposed Terminal 2, set to be built between Concourse A and Thai Airways' maintenance centre, would be presented to the AoT board on Feb 20.

Before then, the board will glean opinions from relevant parties, including the CoE, about the project, he said.

If the CoE offers a suggestion that has significant implications on the planned project, new bidding may be called, the company AoT president said.

"On Feb 20, it should be clear whether we can press ahead with Terminal 2," Mr Nitinai said.

He said it could go ahead, be scrapped, or changes could be made with a new round of bidding called.

Mr Nitinai said the AoT is convinced that the National Economic and Social Development Board (NESDB), which is studying the project's viability, would agree to the construction of Terminal 2 at the airport is operating beyond its capacity.

DBALP Consortium, headed by architect Duangrit Bunnag, was awarded the contract to build the terminal on Aug 22 last year despite plagiarism claims regarding the design.

Source: Bangkok Post

<https://www.bangkokpost.com/business/tourism-and-transport/1620786/airports-of-thailand-sets-date-for-decision-on-terminal>

Thank you

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