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5% TFF YIELD SEEN

Udon Thani mass-transit plan on cards

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14 September 2018

Udon Thani residents have called on the government to usher in a mass-transit project in urban areas of Muang district to ease traffic congestion. The demand was made as the Office of Transport and Traffic Policy and Planning (OTP) held a meeting with relevant agencies and local residents about mass-transit development in the northeastern province late last month, OTP deputy director Wilairat Sirisoponsil said Thursday. The meeting was part of the OTP's study of mass-transit development in Udon Thani. The OTP is studying types of public transport that would best suit the province. They range from monorails, light rail transit, buses and mass rapid transit to trams. The study also touches on the development of land surrounding public transport terminals as well as environmental impacts. Officials would also glean opinions raised by Udon Thani people for the development, said Ms Wilairat. Most of the people who attended the meeting favoured the development of a transit network in urban areas, particularly the zones that have shopping malls, fresh markets, schools, universities and government offices, said Ms Wilairat. The transit network needs to be connected to bus terminals, train stations, the airport and ring roads surrounding Muang Udon Thani, she said. It would allow people living outside Muang district to park their vehicles in surrounding areas and use public transport to commute to the inner urban areas, thereby helping reduce traffic congestion in these urban zones, she said about proposals raised by the locals. Mass-transit routes in the province are likely to be decided next month, and authorities will decide which mode of public transport would best suit Udon Thani later.

The demand by Udon Thani residents came as the government is pushing for mass-transit development in the provinces.

The cabinet on Tuesday 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. A "Light Rail Transit" (LRT) system, or lightweight trains, would be developed between Phangnga's Thanun train station and Chalong intersection in Phuket, running for a total of 58.5 kilometres. The 39-billion-baht project, which has 24 stations, will also pass Phuket International Airport. A maintenance centre will be built in Phuke's Thalang district. In Chiang Mai, three LRT lines would be constructed with a total distance of 34.9 kilometres. The 12.5km Red Line is planned to pass Nakornping Hospital, Chiang Mai government centre, Chiang Mai international airport, the provincial land transport office and Big C shopping centre in the Hang Dong area. The 12-station route is expected to cost 24.2 billion baht. The 11.9km Blue Line will run from Chiang Mai Zoo to Don Chan district. The project, which consists of 13 stations, is estimated to cost 30.5 billion baht. The 10.4km Green Line will start northeast of the city and head southward to Chiang Mai airport. The 10-station project will cost 25.5 billion baht

Source: Bangkok Post

https://www.bangkokpost.com/news/transport/1539554/Udon-Thani-mass-transit-plan-on-cards#cxrecs_s

Bombardier eyes Bt100 bn from Thai rail

September 20, 2018

BOMBARDIER, the Canada-based leading manufacturer of planes and trains, expects business value in Thailand to reach Bt100 billion by 2022 thanks to the Kingdom's increased investment in infrastructure projects, including rail systems. This will boost by 100 per cent our total backlog, which is projects worth Bt50 billion already on hand and scheduled for delivery to our customers in the next three to five years," said Gregory Enjalbert, the company's vice president, Asia Pacific, Rail Control Solutions, and managing director of Thailand Bombardier Transportation, during a group interview at InnoTrans 2018 in Berlin on Tuesday. In keeping with the demand, the company will increase the number of employees in Thailand from 600 to 700 next year and boost the number to 1,000 in 2022. Up to 80 per cent of total staff are Thai nationals, he said. We are investing in developing people in the country where we are expanding our market, because we believe to develop our business in the long term we have to train local staff to become experts so that they can help us drive business growth," he said. He added that Thailand is its most aggressive market in Asean countries, as the Kingdom is pursuing a policy to develop the country's infrastructure, including the rail system. The company will focus on rail systems such as double track, high-speed trains, light rail, the trains, engineering system, parchments, maintenance, signal system, and other aspects. Thailand's Transport Ministry had announced early this year that bids for infrastructure projects worth up to Bt2.02 trillion will be invited from 2018 to 2022, of which 79 per cent of the total, or Bt1.59 trillion, will be for rail systems. We have the technology and staff to support all rail systems in Thailand. Our headquarters in Thailand employs 600 personnel who are experts in rail engineering systems. This helps our customers with maintenance and development of their system together. We partner our customers to take care of them through research and we design the system to support them with sustainable business," Enjalbert said. He added that the company continued to collaborate with Mahidol University to develop a Rail Engineering bachelor's degree programme to create engineering support staff for the country's growing rail system. The programme will be announced next year. Bombardier Transportation has signed a memorandum of understanding with Mahidol University to strengthen cooperation for graduate education and research in the field of rail transportation over the next five years (2018-22). "We believe that Thailand has to develop the country's rail system to support economic growth, which will require more transportation. Urbanisation also has changed people's lifestyle in the city, driving increasing demand for railways. This is the key to drive our business growth in Thailand although the market still has high competition from other railway companies who are also eyeing a greater share of Thailand's infrastructure projects," he said. However, the company has the confidence it can expand its business in Thailand to achieve its goal of Bt100-billion in business value in the next five years, as it has the technology, expert personnel, and relationship with its customers when they need some help in resolving a system error. The company already supports and helps them solve their problems immediately. Five years ago, Bombardier's business value, or backlog, in Thailand was only Bt5 billion. But that has risen rapidly to Bt50 billion, which is the company's fastest business expansion in Asean, he said.

Currently, the company has signed a turnkey agreement to construct the Pink Line and the Yellow Line monorail worth over Bt20 billion with BSR, the entity awarded the contracts. It is a joint venture between BTS Group Holding, Sino-Thai Engineering and Construction and Ratchaburi Electricity Generating Holding.

The company also has signed an agreement to provide Bombardier Innovia 300 Automated People Mover cars, Bombardier Cityflo Communications-based Train Control (CBTC) and system integration for the Bangkok Gold Line (phase one). The company is also providing the Cityflo CBTC solution for operation on the MRT Purple Line

Source: THE NATION

<http://www.nationmultimedia.com/detail/Corporate/30354825>

Construction of new Khon Kaen airport terminal begins

23 September 2018

KHON KAEN: Transport Minister Arkhom Termpittayapaisith on Sunday presided over the foundation stone-laying ceremony for construction of a new passenger terminal for the Khon Kaen international airport.

A budget of about 2 billion baht was approved by the cabinet on Oct 10 last year for the construction of the second terminal, the expansion of the existing terminal building and the extension of the car park building.

Under the plan, the existing terminal building will be expanded from 16,500 square metres to 44,500 square metres to accommodate a larger number of passengers - from 1,000 to 2,000 per hour, or about 5 million passengers per year.

The car park building will be extended from five floors for 450 cars to seven floors for 1,160 cars.

Mr Arkhom said the project is due to be completed in three years.

The minister said the new passenger terminal will be built in a northeastern architectural style, accentuating the identity of the Northeast, together with modern technology to serve passengers.

A stone-laying ceremony is held on Sunday at the site where a new terminal of Khon Kaen airport will be built.

The Khon Kaen international airport currently serves 18 arrival and 18 departure flights per day, all regional. In the near future, he said, the airport will also provide service to several cities in China.

Mr Arkhom said the new passenger terminal will open in late 2021, complementing transportation links to be provided by the Nakhon Ratchasima-Nong Khai high-speed rail route now under construction

Source: Bangkok Post

<https://www.bangkokpost.com/business/tourism-and-transport/1545246/construction-of-new-khon-kaen-airport-terminal-begins>

More seeking southern comfort “Thailand Riviera” to link coastal tourist attractions by road and rail

24 September 2018

Following a mobile cabinet meeting to Chumphon and Ranong last month, various bodies are coming up with ideas to expedite promoting coastal attractions further south on the spectacular western coastline as an extension to the already popular destinations in Phetchaburi’s Cha-am district and Prachuap Khiri Khan’s Hua Hin district. The ambitious idea has already been turned into a tourism development scheme called “Thailand Riviera” to link existing coastal tourist attractions in the four provinces and introduce more unseen ones to visitors, and so generate more tourism income in less known destinations, Tourism and Sports Minister Weerasak Kowsurat said. “Thailand Riviera is basically a tourism development project in a vertical line running along the Tanao Si Range, Phetkasem Road and the southern railway,” he said. First of all, fresh water resources in areas along the western coastline will have to be better regulated to prevent conflicts between the farming sector and the tourism sector when demand for fresh water in the tourism sector grows, he said. “New roads will then be built to allow better access to the magnificent views along the coastline and at the same time help ease traffic on Phetkasem Road. “Each of the major train stations along the coastline will be renovated to make them worthy of a photo shoot,” he said. Local fishing communities and nearby natural tourism sites such as trekking paths will be included in tour packages designed for tourists who may want to leave their belongings with a luggage storage service at any of the train stations and drop by these unseen attractions during their train trips. “The geographical location of the Royal Coast project, the official name of Thailand Riviera, has potential to be developed into a resort coastline similar to the French Riviera and Italian Riviera” said Thanasorn Dokduea, chief of Prachuap Khiri Khan’s provincial tourism and sports office. The project is designed to be a sustainable tourism development based mainly on car and train travel, he said. So transport development is an important element in the implementation of this project, which will attract high-end tourists to attractions along the western coastline, he said. The Department of Rural Roads had surveyed the location for a plan to build a minor road that will run along the western coastline, said Phaibul Ruangyuwanon, director of the Prachuap Khiri Khan Rural Road Office. On certain spots along the road, there will be sufficient scenic points for tourists to stop and enjoy the view and cycling tracks connected to tourist attractions in the nearby communities. “Most parts of the construction project will deal mainly with improving, expanding and connecting existing roads,” he said. Vason Kittikul, vice-president of the Tourism Council of Thailand, welcomed the government’s decision to push ahead with the project, saying the government deserves the credit for coming up with it. However, he said, to achieve the ultimate goal of becoming another Riviera, the government and all parties concerned would have to first connect Hua Hin with Cha-am in terms of both tourism capacity and quality. “Community tourist attractions, enterprises and health-based tourism sites will have to be connected, for the sake of tourists’ convenience,” he said. Numerous royal projects in Phetchaburi and Prachuap Khiri Khan as well as their local history, art and culture should also be included in this tourism development project. “Phetchaburi, for instance, has several historic Buddhist temples with a long and interesting history and three palaces, namely Phra Nakhon Khiri (Holy City Hill), also known as Khao Wang; Phra Ram Ratchaniwet, also commonly known as Ban Puen Palace; and Mrigadayavan Palace,” he said. Hua Hin district has Klai Kangwon Palace, he added. And aside from developing land transport infrastructure for this project, the government should include offshore cruise ship moorings into the plan, he stressed. More importantly, the government should aim to attract more foreign tourists starting with those from Scandinavian nations which now make up the majority of holiday makers in Hua Hin. Earlier this month, Deputy Prime Minister Somkid Jatusripitak told the Board of Investment that the BoI should take a more proactive role in attracting foreign investors to tourism and related industries. He said the BoI knows the potential of each company in various sectors

Source: Bangkok Post

<https://www.bangkokpost.com/business/tourism-and-transport/1545366/more-seeking-southern-comfort>

Bombardier eyes Asean infrastructure

September 24, 2018

BOMBARDIER, the Canada-based manufacturer of planes and trains, expects strong growth in its business in Asean countries due to expanding investment in infrastructure projects in the region. The rising gross domestic product and increasing urbanisation are changing the lifestyles of people, said Laurent Troger, president of Bombardier Transportation. He was speaking last week at InnoTrans 2018 in Berlin. “We will maintain our market share among the top three in the Asean market by providing more technology, innovativeness, service, and also customise our products to serve demand in this region,” Troger said. He added that the company believes in growing strong local roots in key growth markets and sees potential in Asia Pacific for development of urban mass transit and advanced railway networks. Its long-standing presence in Asia began over 50 years ago and continues with 28 offices and production sites established across the region. Currently, Bombardier’s expertise is evident in the supply of metro cars in cities like Shanghai, Shenzhen, Beijing, Guangzhou, Hong Kong, New Delhi, Yongin in Seoul, Manila, Taipei, Kuala Lumpur and Singapore. Bombardier has also delivered mainline and mass transit rail control systems in China, India, South Korea, Malaysia, Pakistan, Philippines, South Korea, Taiwan and Thailand.

In Thailand, Bombardier supplies both rail system, control system, trains, and other business related to train systems. At present, the company is ranked second for train providers in the Thailand market. “Thailand’s politics is now stable and the country’s economy is still growing, driving strong and aggressive demand to develop infrastructure projects compared with others countries in this region,” he said. Bombardier entered Thailand in 1964 by delivering products to the State Railway of Thailand (SRT) when the first diesel locomotives were supplied. Bombardier and SRT have had a long relationship in both rolling stock and signalling systems. In 2007, Bombardier Transportation was awarded the contract for the resignalling of the full BTS Skytrain route. Bombardier is delivering its CITYFLO 450 communications-based train control (CBTC) solution, which enables rail traffic headways to be reduced, increasing passenger capacity. Currently, the company has also signed a turnkey agreement with BTS Group to build two monorail systems – Pink and Yellow lines – worth more than Bt20 billion.

In Singapore, the company was awarded an asset renewal contract to upgrade the Bukit Panjang LRT line with 19 new Bombardier Innovia APM 300 as well as 15 years of maintenance and spare parts contracts this year. In addition, another contract was awarded to Bombardier Transportation to supply 396 Moviametro for the North-South and East-West MRT line. The new order brings the number of Movia vehicles in Singapore to 672, making it one of Bombardier’s largest metro fleet in the world. To date, Bombardier has received orders for more than 3,900 of these Movia metro cars worldwide, he said.

The company also ranks second in terms of value in providing rail system in Singapore, the company’s president said. In Malaysia, Bombardier Transportation and Taylor Woodrow International were lead sponsors in the Kuala Lumpur Sri Petaling and Ampang lines, formerly known as STAR (Sistem Transit Aliran Ringan). STAR was a special-purpose, limited-recourse project company, which was awarded a 30-year concession to finance, design, build and operate both phases of the Kuala Lumpur Light Rail Transit. The 27-kilometre system is now operated by RapidKL. Bombardier Transportation has established an operations office in Kuala Lumpur to deliver these fully integrated turnkey transportation systems and harness a dedicated specialist team of 148 people to manage the entire scope locally.

Philippines and Indonesia are also seeing aggressive investment to develop the country’s infrastructure to serve the rising population. Rail system is integral to driving the country’s economy growth and supporting an urban lifestyle, he said. He added that Bombardier is dedicated to become a strategic supplier to operators and authorities in Southeast Asia. The rail market in the Asia-Pacific region represents a dynamic growth of 2.5 per cent, according to analyses from the UNIFE 2010 market study. Transport authorities have announced several upcoming projects at the moment, including new metro lines and extensions of existing lines in Bangkok, Singapore, Kuala Lumpur, Manila, Jakarta, Hanoi and Ho Chi Minh City, all of which Bombardier sees great potential in.

“We expect to maintain our market share among the top three in Asean countries this year, and if we can become market leader that will be okay,” he said. At the end of 2017, Bombardier Group reported total revenue of US\$16.2 billion, with Bombardier Transport accounting for \$8.5 billion

Source: THE NATION

<http://www.nationmultimedia.com/detail/Corporate/30355056>

Airport rail link timeline announced

Winning bidder to be unveiled in January

25 September 2018

The contract for the high-speed railway set to link Don Mueang, Suvarnabhumi and U-tapao airports will officially be announced and signed by the winning bidder by next January, the State Railway of Thailand (SRT) has announced.

The railway operator's acting governor Voravuth Mala made the comments Monday during a second pre-tender meeting, comprising representatives from all 31 previously announced firms that purchased bidding documents. The documents, which were up for grabs in June and July, cost each firm one million baht to obtain. The SRT's timeline for the 224-billion-baht, high-speed airport link states that tender documents should be submitted by the firms on Nov 12.

"By that evening [Nov 12], we will have the official list of bidders for the project," Mr Voravuth said, adding that the authority will also find out which firms have decided to group together to make bids.

Current plans and contract bidding papers call for a 220-kilometre, 250kph railway linking the three main Bangkok-area airports. According to SRT reports, the firms may group together however they please, since the project's stipulations do not include any grouping restrictions.

"So far, we have received over 600 questions from the firms, half of which we have already answered," Mr Voravuth said. "Most of the questions involved some confusion regarding the tender instructions, land acquisition and commercial developments around the route"

Upon its completion, the airport-linking railway will be approximately 220km-long, with its trains reaching up to 250kph, according to initial SRT reports. It is set to link Don Mueang airport to U-tapao airport in Rayong, through a route that will also see it stop at Suvarnabhumi in Samut Prakan, completing the three-airport connection. The network will use the current Phaya Thai-Suvarnabhumi Airport Rail Link's (ARL) and extensions will be built to Don Mueang and U-tapao. The mega-project was fast-tracked as part of the government's plans to develop the Eastern Economic Corridor (EEC), which comprises Chachoengsao, Chon Buri and Rayong.

However, Mr Voravuth said the project must first pass an environmental impact assessment (EIA) from the Office of Natural Resources and Environmental Policy and Planning before any contract-winner can ink an agreement with the SRT. According to him, the EIA should be approved early next January, in time for the winning bidder to sign the project's contract by the end of that month.

The acting chief said the railway network must take no more than five years to complete after the contracts are signed, adding he expects the network to be open by the end of 2023. In a related development, Mr Voravuth said the SRT has been preparing for the gradual decommissioning of the company it had set up to manage the existing ARL to make way for the new high-speed rail link. As per the contract, the winning bidder will also manage the ARL in addition to the actual high-speed railway. Some staff from the firm, called the SRT Electrified Train Co Ltd, will be transferred to a new company set to operate the SRT's upcoming Red Line commuter rail network, set to open in January 2021. "There are about 400 operational staff members at the ARL, while we will need at least 900 for the Red Line," Mr Voravuth said. "After the firm's decommission, there is no telling who will be transferred to the new company and who will choose to leave altogether. "Some may even join the new company set to manage the new airport-linking high-speed railway," he added

Source: Bangkok Post

<https://www.bangkokpost.com/business/tourism-and-transport/1545986/airport-rail-link-timeline-announced>

EXIM to fund Bangkok aeroplane deal

26 September 2018

Pisit Serewiwattana, president of the Export-Import Bank of Thailand (EXIM), and Puttipong Prasarttong-Osoth, president of Bangkok Airways, have signed a financial agreement to provide credit of Bt3 billion to finance the airline's acquisition of four ATR72-600s to expand domestic and international routes.

The expansion is in line with EXIM's mission and government policy. Tourism is Thailand's major source of revenue, in 2017 totalling Bt2.76 trillion, representing around 20 per cent of GDP

Source: The Nation

<http://www.nationmultimedia.com/detail/business/30355264>

Infrastructure fund prices IPO shares at 10 baht

27 September 2018

The Thailand Future Fund, a government infrastructure fund, priced shares for its initial public offer at 10 baht per share, it said in a security filing on Thursday.

The fund expects to raise between 40 billion baht to 44.7 billion baht to fund infrastructure projects in the country, in what will be largest public listing this year.

Initial purchasers include J.P. Morgan Securities Plc and Merrill Lynch.

Domestic book runners are Phatra Securities, Finansa Securities and Krung Thai Bank

Source: Bangkok Post

https://www.bangkokpost.com/business/news/1547818/Infrastructure-fund-prices-IPO-shares-at-10-baht#cxrecs_s

TFF details to be announced in October

Book building in process after SEC nod

28 September 2018

The range for Thailand Future Fund's (TFF) IPO price, allotment and expected returns are poised to be announced in mid-October after receiving approval from the Securities and Exchange Commission on Friday.

Book building, a process where an underwriter attempts to determine the price to place an IPO based on demand from institutional investors, is expected to be completed in mid-October, said Expressway Authority of Thailand (Exat) governor Suchart Chonsakpipat.

Once the process is completed, the TFF will begin trading on the Stock Exchange of Thailand, which is projected to begin next month, he said. Mr Suchart said the TFF is expected to generate around 2.2 billion baht in revenue for the Exat next year, or 45% of total revenue from the two expressway projects -- the Chalong Rat Expressway and Burapha Withi Expressway. Revenue for these two expressways has grown by around 5% per year, he said. The expressways have a combined length of 83.2 kilometres and revenue is projected to continue rising because they are core expressways linked with the Eastern Economic Corridor. From September 2015 to September 2017, the two expressways had average combined traffic of 369,464 car units per day, according to Exat.

Total revenue for both expressways was logged at 4.67 billion baht for fiscal 2017 and 3.59 billion for the first nine months of fiscal 2018, ending in June. Exat project revenue will increase over the coming years as the number of car users is expected to continue rising, said Mr Suchart. Exat will continue to supervise and manage the Chalong Rat Expressway and Burapha Withi Expressway, he said.

After receiving funds from the IPO, Exat will use them to finance construction of the expressway linking Rama III Road-Dao Khanong and the Western Outer Ring Road, worth 30.4 billion baht, and the third stage of the long-delayed northern expressway linking the Kasetsart intersection and Nawamin Road, also known as the N2 section, worth 14.4 billion baht.

“The TFF domestic roadshow and overseas roadshow have received a lot of interest as investors have expressed confidence in investing in the fund and they are waiting for the IPO allotment period,” Mr Suchart said.

Regarding the Supreme Court’s ruling on Sept 21 ordering Exat to pay compensation worth 1.8 billion baht plus interest to Northern Expressway (NECL), a subsidiary of Bangkok Expressway and Metro Plc (BEM), for failing to make sufficient revenue under the Bang Pa-in-Pak Kret Expressway agreement, Exat forwarded the case for cabinet consideration on Tuesday with hopes that the government will consider compensating Exat for the payment, said Mr Suchart.

The compensation process will take around 90 days to complete, he said.

“This project occurred under the previous government, so it is expected the incumbent government will discuss the matter with us next month,” said Mr Suchart. The court’s decision is associated with the construction and operation of Exat’s Don Mueang Tollway linking the National Memorial and Rangsit, which NECL claims to be a conflict of interest with its Bang Pa-in-Pak Kret Expressway, where terms and conditions state the expressway is a non-competitive operation

Source: Bangkok Post

<https://www.bangkokpost.com/business/news/1547958/tff-details-to-be-announced-in-october>

5% TFF YIELD SEEN

28 September 2018

State Enterprise Policy Office (Sepa) expects Thailand Future Fund (TFF) to yield an average three-year return of 5 per cent per annum.

Prapas Kong-ied, Sepa director-general, said TFF sets free float at no less than 60 per cent, using small lot first as its subscription method.

The fund's initial public offering units are set at Bt10 apiece with the subscription period being October 13-16. Institutional investors will be able to subscribe TFF units from October 20

Source: The Nation

<http://www.nationmultimedia.com/detail/Economy/30355347>



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