

Thailand Infrastructure News

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



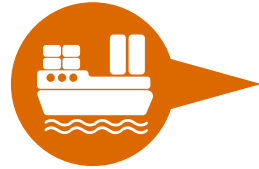
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Small investors own half of B45bn Thailand Future Fund



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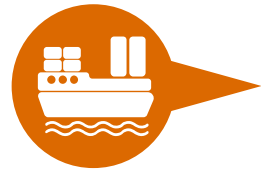
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China plans to deepen EEC focus



**Full steam for circular parks plan
Industry Ministry to promote zones**



Monorail Gold Line proves a BIG DRAW



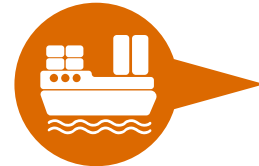
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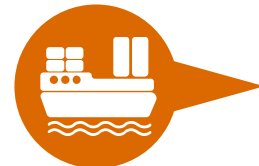
Plans halted for national holding firm



Chiang Khong focus of border SEZ



Nod for Bt631-bn EEC, water projects



4 EEC projects worth B470bn get nod



Thailand Future Fund climbs as much as 3% in SET debut

IEAT readies B39bn budget

13 October 2018

The Industrial Estate Authority of Thailand (IEAT) has prepared an investment budget of 39 billion baht for fiscal 2019, starting this month, to develop infrastructure projects in the government's flagship Eastern Economic Corridor (EEC) scheme and industrial zones across the country. Some 27 billion baht of the total budget is allocated to three EEC provinces: Chachoengsao, Chon Buri and Rayong. The remaining 12 billion baht is for industrial estates in other provinces. Newly appointed governor Somchint Pilouk said the agency has been keen on developing the EEC scheme since the EEC Act was enacted in May. The IEAT will host the development of two EEC-related megaprojects: the third phase of the Map Ta Phut seaport, worth 47.9 billion baht, on 1,000 rai; and Smart Park Industrial Estate on 1,500 rai. "Both megaprojects in Rayong will be allocated 12 billion baht each from the government side in the form of public-private partnership," she said. The PPP offers 70% ownership to private entities, with the government owning the remaining stake. "This seaport is set to connect Thailand and other countries through exports, while the Thai government aims to develop the most modern port in Southeast Asia," Ms Somchint said. She said the smart park project is scheduled to be developed within this fiscal year, also in EEC provinces.

The IEAT is maintaining the government's special economic zone (SEZ) initiative, even as the EEC has become the focus in the past couple of years, Ms Somchint said. The SEZ scheme began in 2015 in 10 provinces: Tak, Trat, Mukdahan, Sa Kaeo, Songkhla, Chiang Rai, Nong Khai, Nakhon Phanom, Kanchanaburi and Narathiwat. The programme is aimed at improving the local economy in border provinces. Only the Sa Kaeo and Songkhla SEZs are well developed, while other provinces have unclear plans. "We will focus on the two developed SEZs and attract new investments to those locations," Ms Somchint said. Separately, the IEAT reported that land sales dropped by 54% to 1,377 rai in the last fiscal year, which ended in September. Value for the period stood at 28 billion baht, down 76% from a year earlier.

Source: Bangkok Post

https://www.bangkokpost.com/business/news/1557226/IEAT-readies-B39bn-budget#cxrecs_s

Khon Kaen takes lead in Thailand's race to smarten up

14 October 2018

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Khon Kaen has been chosen to be the government's model smart city for other provinces to learn from. Last Saturday, Khon Kaen hosted the Smart City Expo 2018, an event designed to showcase a variety of projects aimed at achieving the goal. Known as the centre of the Northeastern Region, Khon Kaen -- the 9th largest municipality in the country -- is the first province to hold such an expo in Thailand. Jointly held by both the public and private sectors in the province, the expo, organised at Khon Kaen International Convention and Exhibition Centre, included innovative ideas for improving the bus and light rail networks. The theme of the event was "Be supportive and move forward together". Transport hub: A digital rendition of the planned Khon Kaen light rail project. Photos: Khon Kaen City Development (KKTT) Co., LT D. Deputy Prime Minister ACM Prajin Juntong, who presided over the expo, said he was confident Khon Kaen would become a good model for other provinces to follow. One of the province's main strengths is the local educational institutions' contribution to the efforts to make the smart city scheme happen. "These are pieces of work by the Thai people. The work includes technology, studies and innovations by Khon Kaen that has adopted a smart work ideology," he said. "The bus project, for instance, will be implemented next year," he added. Khon Kaen's Smart City development programme has also been included in the country's 12th national social and economic plan (2017-21). The programme calls for the city to double its annual GDP per person to US\$12,000-\$15,000 (394,000-493,000 baht) by 2029 from an average of \$6,000 in 2016. Khon Kaen has a population of 1.8 million and its GDP was 190 billion baht in 2017. "The scheme has been created in the best interest of the public," said ACM Prajin who serves as the chairman of the government's committee on the smart city scheme. The committee has recently assigned the Digital Economy Promotion Agency (Depa) to carry out a logo design contest for the project. "To become a smart city, a city must fulfil at least two criteria: A smart environment and either a smart economy, mobility, energy, governance, living or population," ACM Prajin said. Any cities interested in participating are required to submit a plan to the government for consideration. Applications will first be screened by a subcommittee before the committee makes a final decision as to which cities deserve to receive full smart city status. A model for others: Deputy Prime Minister ACM Prajin Juntong presides over the Smart City Expo 2018 in Khon Kaen on Oct 6. Photo: Chakkrapan Natanri

A CITY FOR ALL

Rawee Hanpachern, lecturer on architecture at Khon Kaen University told the Bangkok Post that the Smart City Expo 2018 is the latest effort by the province to invite all sectors to work together on the initiative. The first expo includes people from a broad array of professions and backgrounds including low-income housing communities, non-governmental organisations, environmental conservation groups, waste recyclers, bicycle groups and also women's and children's groups. "We are trying to create a platform for all sectors to come together to find smart solutions to managing various issues in the city because a true smart city is not just about building train lines, or improving the internet, it is about management solutions to handle refusal disposal issues and improving the local environment. It can be anything, not just infrastructure," he said. "After all, a city is all about people. And a smart city is where smart people come together to create better management solutions," said Assc Prof Rawee, also a native of Khon Kaen and one of the founders of the Khon Kaen Think Tank (KKTT). Comprising natives of the city -- including successful local businessmen -- the KKTT was established in January 2015 and became the spearhead for driving initiatives in the province. "What made the Khon Kaen Smart City project so unique and successful was collaboration. We have an active community, who can link with the university and provincial administrations. All the provincial governors agreed to help us too," he said.

CHALLENGES TO SUCCESS

The government has welcomed the Khon Kaen model, but at a local level, some residents believe the smart city project benefits only the elite and wealthy middle class, not people from all walks of life. "It will take time to bring everyone in the community on board. It is a long term project, and we need to involve all sectors. A true smart city does not leave anyone behind, and is definitely not exclusively for the elite or wealthy," Dr Rawee said, adding that the KKTT will focus on including people from all sectors to join various community-level initiatives. Another obstacle is that central government remains reluctant to allocate administrative power to the province. Currently, the KKTT is waiting for the government to give overall approval to the Khon Kaen Light Rail Transit, the flagship initiative of the project.

Source: Bangkok Post

<https://www.bangkokpost.com/business/tourism-and-transport/1557742/khon-kaen-takes-lead-in-thailands-race-to-smarten-up>

Khon Kaen takes lead in Thailand's race to smarten up

14 October 2018

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LIGHT RAIL CATALYST

Local business groups and the provincial administration joined hands to launch the Khon Kaen Transit System Co (KKTS) in 2017. The only similar company in Thailand is Krungthep Thanakom, launched by the Bangkok Metropolitan Administration (BMA) to operate transit services in the capital. The planned 26km light rail network from Samran to Tha Phra sub-district will involve the construction of 18 to 21 stations, and need two years to complete. Even in these relatively early days of the project, progress has been made. Local business and provincial administration, including the five municipalities in the province, launched the Khon Kaen Transit System Co (KKTS) in 2017. The light rail project has been valued at around 15 billion baht. So far, the Land Traffic Management Commission (LTMC), a national think tank for transportation policy, has approved the plan. All that remains is for the cabinet to approve the development project before bidding on the construction and running of the railway can begin. "Some people might perceive that urban mass transit is created for only the wealthy or middle class. However, this infrastructure when completed will create a new ecosystem for the urban area and bring changes to the way of life for all in the province," Dr Rawee said.

ORIGIN OF THE SMART CITY

Tired of waiting for central government, a community of business people in Khon Kaen struggled to find their own solution. And they came up with the "Khon Kaen Model". The model is based on Transit-Oriented Development (TOD), which uses mass transit as the backbone for real estate and city development. If successfully implemented, Khon Kaen will be the first city in Thailand, apart from Bangkok, to have its own rail system. The backbone of the Khon Kaen urban development plan is the construction of a 26-kilometre light rail transit line to solve traffic congestion and increase the value of real estate along the line. The plan is to generate sufficient income and wealth to cover the cost of constructing and maintaining the rail system. However, the goals of the Khon Kaen people are not only to solve traffic problems and develop real estate, but also to make their city more liveable and their economy more prosperous. The Khon Kaen business community also has an ambition to master rail technologies so that they can develop more transit lines in the future and even sell such transit projects to other cities. Thus, they chose to develop their system using trams, which is an open system, rather than those used in all Bangkok mass-transit systems. Such closed-systems necessitate relying on foreign technologies indefinitely. Fully aware that Khon Kaen is not a tourist city, the local businessmen made an effort to position the city as a regional hub for meetings, incentives, conferences and exhibitions (Mice), with a proposal to construct an international convention centre. They also plan to establish an inland container depot (ICD) to cut storage and transportation costs for the goods of small- and medium-sized enterprises. All of this will be executed and funded by the private sector. The Khon Kaen Model sets an example of participatory development in which many sectors take part in the process. It all began when 20 local tycoons, who have known one another well since their school days, each invested 10 million baht to establish the Khon Kaen Think Tank (KKT) Group in January 2015. The company was set up to be a vehicle to collaborate with Khon Kaen University to develop strategies for urban development. With assistance from the KKT, five municipalities along the tram line have also founded their own company, the Khon Kaen Transit System Co (KKTS), to implement the model.

Source: Bangkok Post

<https://www.bangkokpost.com/business/tourism-and-transport/1557742/khon-kaen-takes-lead-in-thailands-race-to-smarten-up>

IEAT on course to develop industrial estates in support of EEC, SEZs

15 October 2018

The Industrial Estate Authority of Thailand (IEAT) is in the process of developing industrial estates across the country in a bid to accommodate investments in the Eastern Economic Corridor (EEC) and special economic zones. Ms Somchint Pilouk, Governor of the IEAT, disclosed today that her agency has been assigned by the EEC Policy Committee to develop a total of 150,000 rai of industrial land by 2021 in preparation for an increase in investment activities in the EEC. In this regard, she said, for the 2019 fiscal year, which runs from this month to September next year, the IEAT plans to develop 124,547 rai within 29 industrial estates. Of this amount, almost 15,000 rai is currently in the development stage while another 7,762 rai has been completed and is already welcoming investors. So far, foreign investors have shown interest in both conventional and S-Curve industries, such as next-generation automotive, smart electronics and robotics. As for the provision of support for special economic zones in border areas, the IEAT Governor reported that Sa Kaeo Industrial Estate, with an area of 660 rai, has begun accepting reservations from investors, who mostly represent the garment and cleaning product segments. The site is expected to be fully operational in January or February of 2019. She added that Mae Sot Industrial Estate in Tak province is in the process of submitting the environmental impact assessment report. Meanwhile, Sadao Industrial Estate in the southern province of Songkhla is undergoing its first phase of development, covering 629 rai. The construction of utility systems and various facilities is scheduled to commence by the end of the current fiscal year.

Source: NATIONAL NEWS BUREAU OF THAILAND (NNT)

http://thainews.prd.go.th/website_en/news/news_detail/WNECO6110150010020

IEAT targets new Sadao SEZ investment of B20bn

16 October 2018

The Industrial Estate Authority of Thailand (IEAT) is confident a new special economic zone (SEZ) in Sadao, Songkhla will be able to attract investment worth 20 billion baht and create roughly 6,000 jobs.

The Sadao SEZ will start development in the fourth quarter, said Somchint Pilouk, governor of the IEAT. For the Sadao SEZ project, the cabinet approved a 1.29-billion-baht budget to establish an industrial estate in that district. The IEAT will be responsible for developing infrastructure and facilities in the first phase on 629 rai under this budget. The remaining 298 rai will start being developed in 2020, she said. The Sadao SEZ has a total area of 927 rai, with combined investment of 2.89 billion baht allotted for the whole project. "The project will serve logistics, transport and agriculture in that province and it aims to promote the rubber, electronics, textile and garment sectors along with trade along the border in the South," said Ms Somchint. "This region can connect three countries -- Malaysia, Singapore and Indonesia -- as the Thai government sees opportunity in the region and is confident the SEZ will improve the local economy and increase local folks' incomes." She said the Sadao SEZ is in talks with seven companies for new investment projects in logistics, tourism, agriculture and material-building. Furthermore, the Indonesia-Malaysia-Thailand Growth Triangle, a sub-regional cooperation initiative, should bring new investors to visit the Sadao SEZ project, said Ms Somchint. "The government is confident it can fully book the Sadao SEZ through new investors after the project is completed," she said. The SEZ scheme began in 2015 in 10 provinces: Tak, Trat, Mukdahan, Sa Kaeo, Songkhla, Chiang Rai, Nong Khai, Nakhon Phanom, Kanchanaburi and Narathiwat. It is meant to improve the local economy in border provinces. Only the Sa Kaeo and Songkhla SEZs have been developed, as the other provinces have unclear plans for their SEZs. For Sa Kaeo, the project occupies 660 rai of land leased from the Treasury Department since February 2016 and is only 3 kilometres from the Cambodia border in Aranyaprathet district. The Sa Kaeo SEZ started development in May. "We will speed up development of the two SEZs to attract new investments to those locations," said Ms Somchint.

Source: Bangkok Post

https://www.bangkokpost.com/business/news/1558770/IEAT-targets-new-Sadao-SEZ-investment-of-B20bn#cxrecs_s

Terminal designer set to sue EIT, two media firms in Duangrit crosshairs

17 October 2018

Renowned architect Duangrit Bunnag, who won the bid to design Suvarnabhumi airport's new passenger terminal, will file defamation suits against the Engineering Institute of Thailand (EIT) and two media companies, he has said. "We are discussing with lawyers and preparing the documents," Mr Duangrit, managing director of Duangrit Bunnag Architect Co, told the media Tuesday at a forum held by Airports of Thailand (AoT) on the terminal's design. His company is part of DBALP Consortium, a joint venture that competed in the bid. It also comprises Nikken Sekkei, EMS Consultants, MHPM, MSE and ARJ Consortium. Four consortiums joined the bid and DBALP took the prize after the AoT's first winner, SA Group, was disqualified for failing to submit a price quotation.

SPAN Consultants and Sign-Tech Engineering Consultant joined forces to create SA Group. They won the highest score but ultimately lost out. SA Group has since filed a complaint with the government claiming AoT is guilty of unfair treatment. It reportedly plans to file a petition with the Central Administrative Court. Critics have questioned whether Mr Duangrit's architectural firm is guilty of plagiarism as the design of the new airport terminal resembles a bridge designed by world-renowned Japanese architect Kengo Kuma. Other associations including EIT have questioned the suitability of the design and accused DBALP of other irregularities. Mr Duangrit denied all of the accusations. "I personally hate corruption and have been following a policy of transparency," he said. "EIT claim our company is unfit to win the contest and that we copied the design from another project. Media companies have also reported that we are involved in graft. These stories are groundless. They were all made without any evidence to back up the allegations," Mr Duangrit said, adding he plans to sue two media outlets. AoT said Mr Duangrit's design won partially because it was capable of accommodating expected future capacity at the new terminal, which is likely to see over 30 million passengers a year. The new building will be complete with 14 airport aprons and parking areas for planes. The terminal is expected to open in 2021. AoT invited private firms to bid for the project, which has an estimated construction cost of 35 billion baht and a design cost of 329 million baht. Construction is due to begin next year, with the terminal due to be fully operational by 2021 or 2022 at the latest. The second terminal is part of the third phase of development at Suvarnabhumi airport. The airport is already overcrowded with 60 million passengers visiting annually despite it only having capacity to serve 45 million. The new northeast terminal will boost capacity by 30 million, officials said

Source: Bangkok Post

<https://www.bangkokpost.com/business/tourism-and-transport/1559166/terminal-designer-set-to-sue>

SRT organizes market sounding on development of transportation hub in Phaholyothin area, Plot A, project

17 October 2018

The State Railway of Thailand (SRT) conducted a market sounding on its plan to develop a transportation hub in Bangkok's Phaholyothin area on Wednesday. The acting Governor of the SRT, Worawut Mala, said his agency and the Ministry of Transport had cooperated with the Japan International Cooperation Agency (JICA) to draft the master plan for the development of the transportation hub in Phaholyothin. The hub, which covers a total area of 2,325 rai (about 910 acres), is divided into nine plots of land. It is scheduled to be completed in three phases - in 2022, 2027, and 2032. The SRT will initially develop its Plot A, which is located south of Bang Sue station into a center of transport and business district to accommodate the opening of the Bang Sue central station. The market sounding was attended by representatives from government agencies, business sectors, real estate groups, banking groups, investor groups, and trade associations both in Thailand and abroad

Source: NATIONAL NEWS BUREAU OF THAILAND (NNT)

http://thainews.prd.go.th/website_en/news/news_detail/WNECO6110170010022

Provincial mass transit projects expedited, think tank in limbo

18 October 2018

The government is revving up construction of mass transit projects in Phuket, Chiang Mai, Nakhon Ratchasima and Khon Kaen, worth a total 194.29 billion baht. Deputy Prime Minister Somkid Jatusripitak, who chaired yesterday's meeting of the Land Traffic Management Commission, said a national think tank for transport policy and mass transit development in those provinces needs to be sped up to boost the provincial economy and ease traffic congestion. The meeting yesterday acknowledged the progress of provincial mass transit development. plans, include the 58.5-kilometre light rail (tram) in Phuket, worth 39.40 billion baht, running from Tha Noon in Phangnga; three tram routes in Chiang Mai spanning a combined 34.84km with total investment of 95.32 billion baht; three light rail routes in Nakhon Ratchasima spanning 28.14km, worth 32.60 billion baht; and a 22.8-km light rail in Khon Kaen, worth 26.96 billion baht. Chaiwat Thongkhamkoon, the transport permanent secretary, said the cabinet already approved a draft of a royal decree to permit the Mass Transit Authority of Thailand (MRTA) to implement Phuket's tram project. The tram will run from Tha Noon in Phangnga to Chalong intersection in the south of Phuket. The MRTA will build the first phase from Phuket airport to Chalong circle, with 24 stations worth 30.15 billion baht. The cabinet also approved a draft of a royal decree to allow the MRTA to pursue tram development in Chiang Mai. The project comprises three routes -- the Red Line with 12 stations of 12.45km, worth 28.72 billion baht; the 10.47-km Blue Line, worth 30.39 billion baht; and the 11.92-km Green Line with 10 stations, worth 36.19 billion baht. Yesterday the commission also approved a master plan of Nakhon Ratchasima's light rail project with three routes -- Green (11km with 18 stations worth 8.4 billion baht), Orange (9.81km with 17 stations worth 5.2 billion baht), and Purple (7.14km with nine stations worth 4.8 billion baht). According to Mr Chaiwat, the commission also approved the Khon Kaen municipalities to implement the first phase of the 22.6-km Red Line (Samran-Tha Phra), a north-south route with 16 stations worth 30 billion baht. Khon Kaen appears to have made the greatest progress towards the government's smart city scheme. The development has been propelled by the province's strong private sector, notably third-generation Chinese entrepreneurs aged 40-50 who have been friends since childhood. They jointly established the Khon Kaen Think Tank Group on Jan 9, 2015 with the goal of finding the most appropriate city development plans to improve transport infrastructure in the province. The think tank established Khon Kaen City Development Co shortly after, with registered capital of 200 million baht, and has since been working with Khon Kaen's Muang district and adjacent municipalities to raise public awareness and form a feasible joint investment in infrastructure funds for a public transport system. Mr Chaiwat said the commission acknowledged the feasibility study of the light rail development in Phitsanulok. The MRTA has been authorised to handle the project. The project comprises two phases, with the first phase covering six routes spanning 80.5km worth 3.2 billion baht, and the second phase covering two routes spanning 30.1km worth 911.42 million baht. For Bangkok, the commission also endorsed a 3km expansion of the Pink Line to Muang Thong Thani, worth 3.37 billion baht, and a 2.6km expansion of the Yellow Line to link the Green Line at Phahon Yothin with 24 stations worth 3.77 billion baht. The committee approved the Transport and Traffic Policy and Planning Office to build the first phase of road along the Chao Phraya River in Nonthaburi, which will span 9.8km and be worth 5 billion baht. Construction is expected to take 2-3 years

Source: Bangkok Post

<https://www.bangkokpost.com/business/tourism-and-transport/1559834/provincial-mass-transit-projects-expedited-think-tank-in-limbo>

State project spend up 60%

18 October 2018

State enterprises' investment budget disbursement for the eight months through August surged 60% from a year earlier, thanks largely to accelerated investment of large projects and PTT Group, says the chief of the State Enterprise Policy Office (Sepo). State enterprises doled out 283 billion baht worth of investment budget from January to August, said Prapas Kong-Ied, director-general of Sepo. The sharp increase in disbursement could be due to accelerating investment in big-ticket infrastructure projects, including the State Railway of Thailand's double-track rail, stretching from Jira to Khon Kaen province; the Orange Line electric train linking Thailand Cultural Centre to Min Buri; and the Green Line electric train connecting Mo Chit-Saphan Mai to Khu Khot. The Electricity Generating Authority of Thailand's South Bangkok Power Plant Replacement phase 1, its Transmission System Expansion Project No.12, and investment from PTT Group also played a role, Mr Prapas said. For fiscal 2018, the total investment budget for state enterprises was set at 446 billion baht, with 89% disbursement. Investment budget disbursement is a government tool used to drive the country's economic growth and enhance competitiveness, so Sepo uses disbursement to assess state enterprises' performance, Mr Prapas said. Sepo also uses Line to communicate with state enterprises' top executives, chairmen and Finance Ministry representatives who sit on state enterprises' boards, urging them to speed up investment. On a fiscal-year basis, 45 state enterprises drew down 302 billion baht in investment budget from October to August, some 89% of the target, said Chanvit Nakhburee, deputy director of the Fiscal Policy Office. Income remittance from state enterprises has helped the government's net revenue collection exceed its target as the three tax-collecting agencies -- the Revenue Department, the Excise Department and the Customs Department -- fell short of their targets. State enterprises' contributions were expected to surpass their target by 20 billion baht in fiscal 2018, with the tally as of August outpacing the target by 24.2 billion baht or 19%.

Source: Bangkok Post

<https://www.bangkokpost.com/business/news/1559926/state-project-spend-up-60->

TFFIF draws hordes of retail investors in IPO debut

20 October 2018

The IPO for the Thailand Future Fund (TFFIF) received an overwhelming welcome from investors, with the portion allocated to retail investors oversubscribed by 60%, says the State Enterprise Policy Office (Sepo). Strong interest in the infrastructure fund has compelled Sepo and selling agents to think twice about the portion offered to small investors, Sepo director-general Prapas Kong-ied said without specifying the size of retail investors' share. The cabinet recently approved more than half of the TFFIF's 4-4.47 billion units to be offered under a small-lots-first basis to retail investors. The cabinet resolution had also called for 45% of future revenue from the Chalong Rat Expressway and Burapha Withi Expressway, both owned by the Expressway Authority of Thailand, to be used to back TFFIF's first batch of units, with an expected fund-raising size of 45 billion baht. Proceeds from the fund's IPO will be used to finance construction of the expressway linking Rama III Road-Dao Khanong and the Western Outer Ring Road, worth 30.4 billion baht, as well as 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.

TFFIF's subscription period for retail investors closed yesterday, while that for institutional investors will start on Monday. Mr Prapas said the largest subscription value stood at 50 million baht per investor. "The subscription from retail investors was overwhelming and significantly beyond our expectations, so we will remove cooperatives and the Government Pension Fund from the retail investors list," he said. "These institutional investors originally were included in the part of retail investors, as we had estimated that small investors' demand would not be significant. "Retail investors with high subscription value won't get all they need." With high demand from retail investors, the number of TFFIF units to be offered to institutional investors could be reduced, but Sepo will try to keep an appropriate ratio to balance against retail investors who are more susceptible to sensitivity, Mr Prapas said. "We expect to announce an allocation list after the subscription period of institutional investors ends, likely late next week," he said.

Source: Bangkok Post

<https://www.bangkokpost.com/business/news/1561158/tffif-draws-hordes-of-retail-investors-in-ipo-debut>

Small investors own half of B45bn Thailand Future Fund

22 October 2018

The 44.7-billion-baht Thailand Future Fund (TFFIF), an infrastructure fund launched by the government, has drawn overwhelming interest from the public, according to the Finance Ministry. Of the total value, 2.88 billion units were bought by the public in 41,200 bookings, averaging 700,000 baht each, said Prapas Kong-Ied, director of the State Enterprise Policy Office under the ministry. The IPO offering was made during the Oct 12-19 and the price was later set at the top end of the indicated range, or 10 baht each. The fund will begin trade on the Stock Exchange of Thailand on Oct 31, he added. Charnwit Nakburi, deputy director and spokesman of the office, said after the sale, the public owned 50% of the fund, followed by institutional investors (40%) and the Finance Ministry (10%). The fund invests in the right to 45% of toll revenue of the Expressway Authority of Thailand on the Chalong Rat (Ram Intra - At Narong) expressway and Burapha Withi (Bang Na) expressway, totalling 83.2km, over 30 years.

Proceeds from the fund's IPO will be used to finance construction of the expressway linking Rama III Road-Dao Khanong and the Western Outer Ring Road, worth 30.4 billion baht, as well as 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. Analysts estimated the yield to be around 5% a year as the prospectus projected it to be in a range between 4.75% and 5.3% in the first year. Its dividends will also be tax-exempt in the first 10 years

Source: Bangkok Post

<https://www.bangkokpost.com/business/news/1562570/small-investors-own-half-of-b45bn-thailand-future-fund>

TFFIF largest IPO since 2015 on strong demand

23 October 2018

Thailand Future Fund (TFFIF) has offered IPO units at the top end of the proposed range with some 4.47 billion to raise 44.7 billion baht, emerging as the country's largest public listing since 2015. With the strong demand, the fund's first-year return stands at 4.75%, said Varah Sucharitakul, executive director at Finansa Securities. The fund received an overwhelming response from the public, with retail investors' combined subscription value of 28.8 billion baht exceeding the originally proposed sales portion, while institutional investors were oversubscribed, he said. "Since the book building process, local institutional investors, including mutual funds, provident funds and the Social Security Fund, have shown demand for more than the offered units," said Mr Varah. To comply with the government's policies to allow general investors to have an investment alternative with stable returns and growth potential, TFFIF units will be offered under a small-lots-first basis to retail investors, who have been allocated 2.3 billion units, he said. Cornerstone investors took up 1.81 billion units of TFFIF and the Finance Ministry bought 357 million units. TFFIF will initially invest in a 30-year right to earn 45% of future revenue from Chalong Rat Expressway and Burapha Withi Expressway, both owned by the Expressway Authority of Thailand. Proceeds from the fund's IPO will be used to finance construction of the expressway linking Rama III Road-Dao Khanong and the Western Outer Ring Road, worth 30.4 billion baht, as well as 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. Mr Varah said retail investors who failed to receive all the TFFIF units they subscribed to, or whose books were denied, will receive their money back within three days after the allocation list is announced. State Enterprise Policy Office director-general Prapas Kong-Ied said retail investors' subscriptions for TFFIF numbered 41,200. Chavinda Hanratanakool, chief executive of Krungthai Asset Management (KTAM), said TFFIF will start trading on the Stock Exchange of Thailand on Oct 31. KTAM is acting as the fund manager. The infrastructure fund has a policy to pay dividends at least twice a year, with a payout ratio of no less than 90% of the reviewed net profit, she said.

TFFIF's dividend payment to retail investors will be exempt from withholding taxes for eight years, Mrs Chavinda said

Source: Bangkok Post

<https://www.bangkokpost.com/business/news/1562878/tffif-largest-ipo-since-2015-on-strong-demand>

TurbineAero opens MRO in Amata City

24 October 2018

TurbineAero, a maintenance, repair and overhaul (MRO) provider for the aerospace industry, announced plans to open a new building next year in the free zone of Amata City Industrial Estate in Chon Buri province. The 4.6-rai facility will house up to 250 employees and handle advanced technological testing and MRO for aircraft components and systems, tailored to the region's unique needs, helping to further develop aerospace MRO services in Thailand. "We are delighted to start the construction of TurbineAero's new auxiliary power unit (APU) MRO facility," said Peter Gille, vice-president and general manager of TurbineAero Repair Thailand. "This new facility will include three fully digital APU test cells as well as the most modern non-destructive testing, inspection, repair and overhaul equipment. The new equipment and work floor layout will enable us to further improve on turn times, efficiency and performance." Mr Gille said in February 2017, TurbineAero Asia acquired Thai-based Triumph Aviation Services Asia's aircraft engine and APU-related businesses as the company set to capitalise on Thailand's aerospace-related products and services. "The construction of a facility of this kind is complex and expensive, proving the trust our board of directors have in Thailand's efforts to strengthen its position as an innovation and service-based economy in Southeast Asia," he said. Wilson: Thai facility to be world-class TurbineAero Inc also announced the hiring of Robert Wilson as its new chief executive. Prior to this position, Mr Wilson served leading aerospace companies in consulting and board roles. Mr Wilson has 27 years of experience in leadership roles supporting commercial airlines, military and business aviation customers, and was president of the business and general aviation business at Honeywell for nine years. "I am honoured and excited to be leading TurbineAero's global team of APU specialists, as we enter an exciting phase of our continued growth," he said. "We are pleased to take this key step in building a world-class facility for our experienced TurbineAero Thailand team to provide superior APU MRO services to current and future customers in the region." As the largest independent MRO company globally, TurbineAero has four locations. Three are located near Phoenix, Arizona in the US, and the fourth is to be at Amata City in Chon Buri

Source: Bangkok Post

<https://www.bangkokpost.com/business/news/1563482/turbineaero-opens-mro-in-amata-city>

China plans to deepen EEC focus

26 October 2018

CHINA plans to further invest in the Eastern Economic Corridor (EEC) and the country's agricultural technology as part of its effort to support the Thailand 4.0 policy while furthering its own One Belt, One Road (OBOR) initiative. China is committed to facilitating a strong partnership with Cambodia, Laos, Myanmar, Vietnam and Thailand (CLMVT), Yang Yang, counsellor for political affairs at the Chinese embassy in Bangkok, said yesterday at a seminar addressing the infrastructure-focused OBOR initiative and its role in the CLMVT subregion. The OBOR initiative is an economic development strategy put forward by the Chinese government that addresses infrastructure needs and the development of trading routes covering more than 65 countries, including Thailand its near neighbours. China will ensure that its investments that further the OBOR vision will also benefit the domestic policies and goals of each country in the CLMVT bloc. In the case of Thailand, it will gear its investment to support the government's technology-promoting Thailand 4.0 policy and the development of the EEC, Yang said. She cited planned investments in the manufacturing industry in Rayong province, which is part of the EEC. This is not only so that Chinese businesses can benefit from these investments but also to increase the production capabilities in Thailand, further supporting economic cooperation in the CLMVT subregion, Yang said. Furthermore, China understands that agriculture is at the root of the economies of the CLMVT countries. Hence, it will further invest in the development of agricultural technologies in these countries to support low-income farmers, Yang said. The total value of proposed investment both in Rayong and in agricultural technology was not disclosed at the event. China's investment plans in Thailand go hand in hand with Bangkok's economic policy towards the Asean region disclosed at the seminar yesterday, which comes with a heavy emphasis on trade.

Push for connectivity, As the next host of the Asean summits next year, Thailand aims to push for more connectivity within the region, says Sakon Varanyuwatana, Thailand's Vice Minister of Commerce. "This includes encouraging the development of cross-border logistics to reduce transportation costs for exporting businesses within the region, and to improve trade regulations between countries to allow for more convenience in trade," he said. Thailand will also be putting more emphasis on small and medium-sized enterprises (SMEs) as their exports within the Asean region have been overshadowed by big businesses, despite SMEs making up more than 95 per cent of total businesses in Thailand, according to Sakon. Additionally, Thailand will push for the development of e-commerce businesses with the aim of increasing trade among the CLMVT countries. In a separate event yesterday, Wu Zhi Yi, president of the Asian International Trade and Investment Association, said that as a result of the US-China trade war, China is looking to increase the value of trade with the Asean region in order to mitigate its risks. "The trade war has led to an increased economic cooperation between China and Asean countries, which has always been strong. Furthermore, China has been the biggest trader with countries in the Asean region in the past nine years," Wu said. "In 2017, the trade value between China and Asean countries stood at US\$514 billion, increasing by 6.6 times from 2003. The trade value between China and Asean countries in the first five months of this year stood at US\$236 billion, increasing by 18.9 per cent compared to the same period last year. "We expect the trade value between China and Asean in 2018 to be even higher than last year

Source: THE NATION

<http://www.nationmultimedia.com/detail/Economy/30357195>

Full steam for circular parks plan Industry Ministry to promote zones

27 October 2018

Although a framework for the circular economy has yet to be finalised by the government, the Industry Ministry is keen on the plan that creates the Resource Recovery Parks as industrial estates for the circular economy. Industry Minister Uttama Savanayana said the ministry will promote the Resource Recovery Parks on 1,000-rai plots managed by the state-run Industrial Estate Authority of Thailand (IEAT). "The parks will be located in six regions across the country, and the IEAT will take charge of this project to determine the direction of the circular economy in the state industrial parks," Mr Uttama said. "We will conclude specific directions soon." A circular economy is a regenerative system in which resource inputs and waste, emissions and energy leakage are minimised by slowing, closing and narrowing energy and material loops. This can be achieved through long-lasting design, maintenance, repair, reuse, remanufacturing, refurbishing, recycling and upcycling. The government is promoting and supporting advanced technological development of 11 targeted industries -- cars; smart electronics; affluent, medical and wellness tourism; agriculture and biotechnology; food; robotics for industry; logistics and aviation; biofuels and biochemicals; digital; medical services; and defence. The circular economy concept will soon be in the 12th targeted industry plan, but it has to receive cabinet approval first. Mr Uttama said the IEAT will cooperate with the Industrial Works Department to utilise waste to supply the new industrial estates. Many state agencies are working on the circular economy concept, such as the Office of Industrial Economics and the Board of Investment, to come up with a roadmap, strategy and investment incentives for the project. Mr Uttama said the ministry has ordered the IEAT to set up a small and medium-sized enterprises (SME) and Industry Transformation Centre (SMEs-ITC Centre) to support and promote SMEs and startups in 13 provincial areas. The SMEs-ITC Centre includes a knowledge space, a co-working space and networking. "The IEAT will also support 450 communities, covering 180,000 people surrounding industrial estates to create new products from waste for commercial purposes," Mr Uttama said. Separately, the ministry plans to revise the Industrial Estate Authority of Thailand Act of 1979 to adjust some sections to accommodate the upcoming changes, the process for which is under consultation with the Office of the Council of State. Somchint Pilouk, IEAT's governor, said the terms of reference (ToR) for the third phase of the Map Ta Phut seaport, worth 47.9 billion baht, will be proposed to the cabinet meeting for acknowledgment and approval on Oct 30. The ToR will be issued to interested companies at the beginning of November. "This megaproject has drawn interest from PTT Plc, Italian-Thai Development Plc and Ch.Karnchang Plc," Ms Somchint said. The seaport in Rayong will be allocated 12 billion baht from the government in the public-private partnership

Source: Bangkok Post

https://www.bangkokpost.com/business/news/1565286/Full-steam-for-circular-parks-plan#cxrecs_s

Monorail Gold Line proves a BIG DRAW

29 October 2018

THE ONGOING development of the Gold Line by the Bangkok Metropolitan Administration, extending the BTS Green Line from Thonburi Station to the Phra Pok Klao bridge, has attracted a slew of property projects alongside the 2.8-kilometre monorail route. Property companies are expected to invest more than Bt100 billion in the development of commercial and residential projects, ahead of the Gold Line's completion in 2020, according to a survey by The Nation. In 2014, Siam Piwat Co Ltd, the operator of Siam Centre and Siam Discovery Centre, entered into a partnership with Magnolia Quality Development Corporation and Charoen Pokphand Group, for the development of Iconsiam, a Bt54-billion riverside mega-mall and residential properties located close to the new rail line. So far, six condominium projects worth a total of Bt37.9 billion have been launched along the route, offering 2,967 units at sale prices between Bt71,000 to Bt380,000 per square metre. These projects have drawn warm responses from homebuyers, with Banyan Tree Residences posting a pre-sales rate of 40 per cent, The River 92 per cent, and The Residence Mandarin Oriental Bangkok 85 per cent, according to Collier International (Thailand). The realty agency also reported robust sales of condominium units on Charoen Nakhon Road from Sathorn bridge to Klong San, an area close to Phra Pok Klao bridge at the end of the Gold Line. Up to 85 per cent of the 1,116 units in the location have been sold, it added. Land prices on Charoen Nakhon Road, especially for plots close to Chao Phraya River, have surged 125 per cent from an average of Bt200,000 per square wah in 2011 to Bt450,000 this year or a double-digit annual increase for seven years in a row, said Phattarachai Taweewong, senior manager/research department of Collier International (Thailand). Despite the soaring prices, there are hardly any vacant plots in the area, he added. A JLL (Thailand)'s research shows a total of 2,600 luxury condominium units on the banks of the Chao Phraya River currently on sale, catering to both local and foreign and business people, said the company's managing director Suphin Mechuchep. The prices of riverside condominium units in the luxury and ultra-luxury segments have risen to Bt250,000-Bt300,000 per square metre from Bt140,000 per square metre five years ago, amid a shortage of suitable plots and new supply, she said. A large space is a requisite for the development of a riverside condominium as a setback area from the river is required. Currently, there are few large riverfront plots available on Charoen Krung road, she added. According to the Bangkok Metropolitan Authority (BMA)'s regulation on building control, a new building within 45 metres of a river bank must not be higher than 16 metres. The BMA rule and land woes were the main factors driving the double-digit growth annually in the prices of condominium units along the river. Condominiums in this location are mostly luxury and ultra-luxury projects, Suphin said. Meanwhile, the November 9 opening of Iconsiam alongside the Gold Line, will turn the vicinity into a tourist attraction. The mega-mall occupies a total space of 500,000 square metres, hosting a wide range of premium retail outlets and entertainment venues. A number of global brands are poised to open their flagship stores in the complex. The management of Iconsiam expects to receive more than 150,000 visitors a day. The BMA is in the process of building an observation tower in Bangkok. Named Unity Tower, the Bt4.62-billion structure rising to 459 metres, will be the sixth tallest observation tower in the world. A study by CBRE (Thailand) shows that Charoen Nakhon and Charoen Krung are the most popular riverside locations, thanks to their proximity to the central business district in Bangkok while the strip from Taksin Bridge to the end of Charoen Nakhon Road was rated higher than others in the sample groups. Located on the east side are a number of world-renowned luxury hotels such as Shangri-La Hotel Bangkok and the Mandarin Oriental Bangkok with River City Bangkok a short distance away. On the west side, Iconsiam is close to completion and is well received in the market. "This location will become a new landmark and a tourist magnet, leading to strong demand for residential and commercial properties. However, the cost of development will rise given the higher land prices amid a shortage of available plots, said CBRE (Thailand)'s managing director Aliwassa Pathnadabutr.

Source: THE NATION

http://www.nationmultimedia.com/detail/Real_Estate/30357359

Plans halted for national holding firm

Acquiescing to public outcry over draft law

29 October 2018

The government has backed off a plan to set up a national holding company after a public outcry against a draft act on state-owned enterprise governance. To push the draft act through lawmakers' deliberation process, the State Enterprise Policy Office (Sepo) has agreed to call off the plan to incorporate the national holding company, aiming to tamp down criticism even as the office tried to explain that the national holding company would not privatise state enterprises, said director-general Prapas Kong-Ied. The draft law will play a pivotal role in supervising state enterprises, he said, and is expected to win approval from the National Legislative Assembly (NLA) before the general election takes place. While the cabinet approved the draft legislation in August 2016, the bill has been blocked by the NLA. Under the original bill, a national holding company would be established to oversee 12 corporatised state enterprises. Assets belonging to the 12 corporatised state enterprises would be transferred to the national holding firm within 180 days of the bill coming into force. The 11 corporatised state enterprises are PTT Plc, TOT, CAT Telecom, MCOT Plc, Thai Airways International Plc, Airports of Thailand Plc, Transport Co, Dhanarak Asset Development Co, Thailand Post Co, the Syndicate of Thai Hotels & Tourists Enterprises Ltd and Bangkok Dock Co. These 11 state enterprises have combined assets worth 6 trillion baht. The bill was drafted with the aim of improving governance, enabling public participation and imposing guidelines for choosing members for the board of directors at each state enterprise, based on qualifications rather than politics.

Mr Prapas said the draft PPP Promotion Act is another law Sepo aims to push. The new act, which will replace the Private Investment in State Undertakings Act, will shorten the PPP process to less than six months from two years in practice. Under the draft bill, only infrastructure projects and public services will fall under PPP, while state land rental will not be covered. The draft bill is expected to be forwarded to the NLA in November. In another development, Mr Prapas said Sepo will this week discuss outline plans for the Thailand Future Fund's second sales batch with the Highways Department and related agencies. The discussion will focus on amending a law governing the Highways Department that enables the use of toll revenues as underlying assets for the TFFIF's second batch, he said. The amendment will not face as many obstacles as the first batch did, Mr Prapas said, because the Highways Department is a state agency and does not have a labour union. Sales of the TFFIF's second batch have not been set, as it depends on the Highways Department's spending plan, he said. Mr Prapas said proceeds worth 44.7 billion raised from the IPO of the TFFIF's first tranche could be used from the middle of next year. The money is kept in the treasury reserves. The TFFIF will initially invest in a 30-year right to earn 45% of future revenue from the Chalong Rat Expressway and the Burapha Withi Expressway, both owned by the Expressway Authority of Thailand

Source: Bangkok Post

<https://www.bangkokpost.com/business/news/1566290/plans-halted-for-national-holding-firm>

Chiang Khong focus of border SEZ

30 October 2018

Chiang Khong district in Chiang Rai province is highly likely to be chosen to develop a cross-border special economic zone (SEZ) in the Golden Triangle under the Lancang-Mekong Cooperation scheme to expand economic links for Thailand, Myanmar, Laos and China. Commerce Minister Sontirat Sontijirawong said the ministry prefers Chiang Khong for the first cross-border SEZ because the four countries can be linked on the R3A highway. Thailand will hold more discussions with the governments of the three countries to improve logistics, transport efficiency and e-commerce, as well as ties with China's Belt and Road initiative in the future, he said. Kalin Sarasin, chairman of the Thai Chamber of Commerce, said the chamber agreed on a plan to set up the SEZ at Chiang Khong because of its location. He said the location is perfect to set up a bonded warehouse to support e-commerce between the four countries, following a roundtable meeting between the private sector and related government agencies chaired by Auramon Supthaweethum, director-general of the Trade Negotiations Department. Once established, the SEZ will connect with the existing Mohan-Boten Economic Cooperation Zone, said Mr Kalin. In the future, a single-window stop inspection unit needs to be created at the Chiang Khong checkpoint to facilitate trade and increase tourism opportunities. "Thailand should create friendship cities, similar to sister cities, to increase trade and investment opportunities to link supply chains in each country," he said.

"If the cross-border SEZ can be established in Chiang Rai as planned, there will be a great business opportunity not only for Thailand but also Laos, which is connected with the Chinese border under the Lancang Cooperation project." However, Mr Kalin said the cross-border SEZ needs supportive tax incentives for investors and traders. In September, Mrs Auramon said the government was studying the feasibility of establishing a cross-border economic zone in the Golden Triangle under the Lancang-Mekong Cooperation scheme to expand economic links for Thailand, Myanmar, Laos and China. The Golden Triangle area seems most appropriate because it borders Thailand, Laos and Myanmar, she said, citing Chiang Saen and Chiang Khong districts as the top choices. The Lancang-Mekong Cooperation framework was established in 2015 to promote multifaceted cooperation at the sub-regional level among the six countries along the Mekong River, namely Cambodia, China, Laos, Myanmar, Thailand and Vietnam. The framework's vision is to contribute to the economic and social development of the sub-region, narrowing the development gap, supporting Asean community building and promoting the implementation of the UN 2030 Agenda for Sustainable Development. On April 18, the Commerce Ministry signed a memorandum of understanding (MoU) with the Mekong Institute (MI) for cooperation on four projects under the Lancang-Mekong Cooperation Special Fund, which is supported by the Chinese government. Under the MoU, MI serves as the implementing agency of these multi-year projects that aim to advance trade and economic growth in the sub-region. The projects are carried out using a blend of capacity development activities, including modular training, action research, business forums and business matching, policy consultations, and online business platform development. China also agreed to pay US\$1.7 million (56.4 million baht) over three years to help enhance intra-regional economic linkages in the Lancang-Mekong Cooperation

Source: Bangkok Post

<https://www.bangkokpost.com/business/news/1566826/chiang-khong-focus-of-border-sez>

Nod for Bt631-bn EEC, water projects

31 October 2018

THE CABINET yesterday approved a budget of Bt631 billion to develop five infrastructure projects on the Eastern Economic Corridor (EEC), and seven water management projects. Bt600 billion will be invested in developing five infrastructure projects in the EEC while Bt31.47 billion has been allocated for developing the country's water management system, Government Spokesman Phuttipong Punnakan said after the Cabinet meeting yesterday. Industry Minister Uttama Savanayana revealed that the Cabinet at its meeting in Chiang Rai yesterday had approved the Office of the Eastern Economic Corridor (EEC) Policy Committee to move ahead with selecting potential investors to invest in five EEC mega-infrastructure projects worth a total of Bt600 billion. They include the planned high-speed train project linking Suvarnabhumi, Don Mueang, and U-tapao airports, for which the bid documents are already available. The other four, which are due to sell document bids, are the U-tapao aviation maintenance and repair centre, the aerotropolis project, the phase 3 of Lam Chabang deep sea port, and phase 3 of the Map Ta Phut industrial zone project. Approvals were granted to sell bid documents for the four projects next month. All the projects are estimated to bring economic benefits to the country to the tune of at least Bt800 billion, he said. Phuttipong added that the Cabinet had also approved a budget of Bt31.47 billion to develop the country's water management projects, under the plan agreed by the National Water Resource Committee. The investments will be made until 2024, beginning in 2019. He added that the Cabinet had also accepted the upper North 2 provincial cluster's proposed strategic direction for its economic and social development, highlighting tourism and services. The upper North 2 provincial cluster consists of Chiang Rai, Phayao, Phrae and Nan provinces. Phuttipong said after the cluster meeting yesterday that Prime Minister Prayut Chan-o-cha had accepted the the strategic development direction on seven issues, including area, tourism, trade and investment, infrastructure, agriculture, improvement of quality of life, and natural resources and environment. Prayut said the government paid attention to two parts: functions and development, while tourism is the strength of the North, according to Phuttipong Tourism and service development have been defined as the strategy for the North, which stands as the trade gateway with the Lanna cultural heritage and safe agricultural products. Several areas in the cluster received a green light for development, from Chiang Rai's famous Tham Luang cave as a tourist destination to Phayao Lake. Prayut assigned the Industry Ministry and related agencies to drive the cluster's food and processed agricultural products for higher value-addition, while accelerating development of safe and organic agriculture.

Promoting clusters. Both land and rail transport will be developed to connect with Thailand's neighbouring countries and within the cluster provinces with transit-oriented development. The cluster will also be promoted as healthy ageing smart cities with research and development of herbs for commercial purposes. Flood gates and pumping stations will be constructed in the cluster provinces which are home to Thailand's and the North's major water sources, to boost water management efficiency. "The prime minister assigned the deputy prime minister and ministers responsible for the provincial cluster to monitor the operating results from this meeting, while asking provincial governors and local private enterprises to raise awareness of government projects among the people," Phuttipong said. Wirote Jirattigalachote, chairman of a committee for economic development in the North at the Thai Chamber of Commerce, said the provincial cluster had sought support for key projects such as development of tourism at Wiang Nong Lom in Chiang Rai. "We propose that the next mobile Cabinet meeting be held in Chiang Mai, which is in the upper North 2 provincial cluster," he said

Source: THE NATION

<http://www.nationmultimedia.com/detail/Economy/30357535>

4 EEC projects worth B470bn get nod

Upper North to get development boost

31 October 2018

CHIANG RAI: The cabinet has endorsed four infrastructure investment projects worth a combined 470 billion baht under the government's flagship Eastern Economic Corridor (EEC) scheme. The projects were approved by the EEC Policy Committee on Oct 4 and endorsed at a mobile cabinet meeting on Tuesday in the northern province. The approval came as some of the nation's economic engines including exports, tourism and industrial production, have shown signs of a slowdown. Thailand's exports in September fell 5.2% on-year, fetching US\$20.7 billion (687 billion baht). It was the first dip in 19 months. The number of foreign tourists is expected to drop by 1.5 million this year from an earlier estimate of 39.5 million after Chinese arrivals dropped for a third straight month in September, according to the Fiscal Policy Office. Last month's manufacturing production index (MPI) fell 2.6% on-year for the first time in 16 months. The four EEC projects are: U-Tapao aviation city (290 billion baht), due to operate in 2023; a maintenance, repair and overhaul (MRO) 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 projects are all public-private investments. Terms of reference (ToRs) are scheduled to be launched soon and partners will be confirmed by February, the government said at the cabinet meeting. The aviation city project will be completed in five years, in line with plans to build a high-speed railway linking three airports, including Suvarnabhumi. The investment includes a third terminal, a commercial gateway, the second phase of an MRO, a cargo village or free trade zone, and a human resource training centre. The 6,500-rai aviation city will be able to accommodate 60 million passengers annually, putting it on par with Suvarnabhumi. It is expected to yield economic returns worth 189 billion baht. The third phase of Laem Chabang seaport is likely to generate 180 billion baht while the third phase of Map Ta Phut port is eyeing 85.3 billion baht, according to the government's statement. The infrastructure and rail projects are worth 650 billion baht, said government spokesperson Natthaporn Jatusripitak. He said the four projects are expected to contribute 820 billion baht in benefits to the Thai economy, excluding the impact of 40,000 new jobs and a financial rate of return to the government projected at a combined 559.71 billion baht. Government spokesman Buddhipongse Punnakanta made the announcement of approvals for new EEC projects at Chiang Rai, where the cabinet is holding another non-political mobile meeting. In a related development Tues, Prime Minister Prayut Chan-o-cha chaired a meeting on social and economic development in the upper North covering Chiang Rai, Phayao, Phrae and Nan. The meeting was attended by the four provincial governors and representatives of the private and civic sectors. The meeting discussed measures to boost tourism, trade and investment, infrastructure investment, agriculture, quality of life, and natural resources and the environment in the four northern provinces. Gen Prayut said the North has the potential for considerable tourism development. He said the government has come up with a strategy to upgrade travel-related services and promote cultural and health-related tourism. The plan aims to better connect Thailand with neighbouring countries in Asean, the Greater Mekong Subregion, and members of the Bay of Bengal Initiative for the Multi-Sectoral Technical and Economic Cooperation (Bimstec). Bimstec comprises Bangladesh, Bhutan, India, Myanmar, Nepal, Sri Lanka and Thailand. The cabinet also approved a proposal by the private sector to promote Tham Luang cave in Mae Sai district of Chiang Rai as a top-tier tourist attraction following the rescue of 13 members of a local football team, the Wild Boars, from June 23 to July 10. Other approved proposals include further development of Kwan Phayao, the largest freshwater lake in the northern region, and an upgrading of Phayao sports stadium. Gen Prayut said the government will promote organic farming using insecticides made from natural plants rather than chemicals, and increase areas for organic farming. The regime also plans to develop the four northern provinces into smart cities for elderly people. Emergency medical services will be provided for those who have accidents, among other planned services, Gen Prayut said. Addressing the preservation of natural resources and the environment in the upper North, Gen Prayut stressed the need for sustainable and efficient management of water resources. He described the region as being rich in such resources

Source: Bangkok Post

<https://www.bangkokpost.com/business/news/1567282/4-eec-projects-worth-b470bn-get-nod>

Thailand Future Fund climbs as much as 3% in SET debut

31 October 2018

The Thailand Future Fund, an infrastructure fund put together by the government, jumped in its trading debut on the Stock Exchange of Thailand on Wednesday. The fund (TFFIF) reached 10.30 baht per unit in early trading, a climb of 3% from the offering price of 10 baht, exceeding the advance in the benchmark SET index. The stock dropped to 10.20 baht as of 3.46pm. The fund raised 44.7 billion baht in the biggest initial public offering of 2018, despite the rout in emerging-market equities. The portion allocated to retail investors oversubscribed by 60%, according to the State Enterprise Policy Office. The fund will receive toll revenue from the Chalong Rat Expressway and Burapha Withi Expressway, both owned by the Expressway Authority of Thailand, and use the money it has raised to finance other infrastructure projects. The long-delayed listing is a key element of the government's push to accelerate infrastructure projects and bolster investment in Southeast Asia's second-largest economy. Officials are mulling whether to set up another infrastructure fund, this time for telecom assets, next year. "This fund will be the platform for the government to raise money for future large infrastructure projects without destabilising public debt," Transport Arkhom Termpittayapaisith said in a briefing.

Source: Bangkok Post

https://www.bangkokpost.com/business/finance/1567830/thailand-future-fund-climbs-as-much-as-3-in-set-debut#cxrecs_s



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