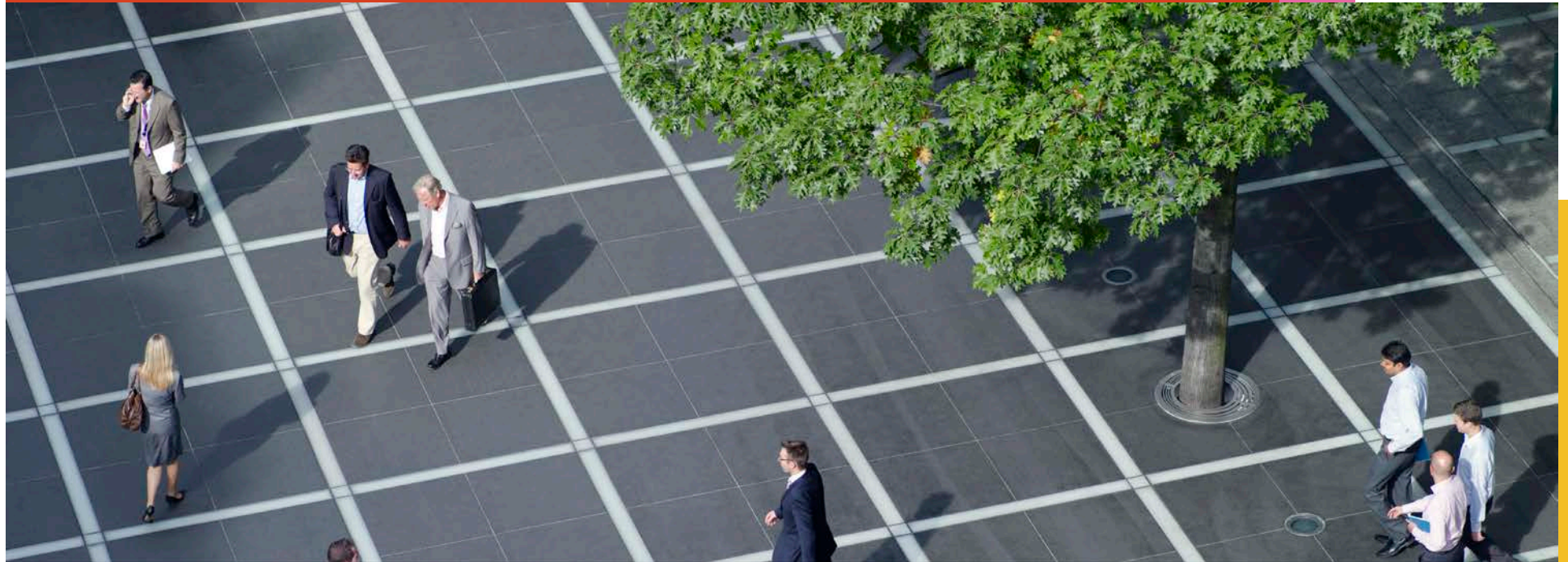


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Thailand Infrastructure News

Issue 5

30 November 2018



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



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Industrial Estate Authority of Thailand boosts investment efficiency in Eastern Economic Corridor



PM courts German heavyweights for EEC



Blue Line extension to be ready ahead of schedule

Bt20-bn plan to link EEC with southern corridor

16 November 2018

APPROVAL will be sought from the Cabinet for investment of over Bt20 billion for a southern corridor that will connect with the Eastern Economic Corridor (EEC) in order to forge a massive trade hub linking the Pacific and Indian oceans. Meanwhile, the first draft of a city plan for the EEC will be ready for public hearings in early December, perhaps leading to some land being expropriated for the transportation project. PM's Office Minister Kobsak Pootrakool yesterday said he would submit an investment package for the so-called Southern Economic Corridor (SEC), an economic zone covering the four provinces of Chumphon, Ranong, Surat Thani and Nakhon Si Thammarat, with the zone also connected to the EEC. He made the comments while giving the keynote speech at a seminar entitled "Next Step Thailand: EEC" hosted by Krungthep Turakij, a sister newspaper of The Nation. The SEC will comprise a Bt10-billion seaport in Ranong province, a Bt10-billion double-track rail linking Chumphon and Ranong provinces, and road investments, he said. "The new projects are necessary because it would make the EEC the real hub for an investment and trade route linking the Pacific and Indian oceans, and the investment cost is not much," Kobsak assured. The EEC and SEC will be linked by double-track railway and other double-track railway routes would link the EEC to Thailand's borders in all directions, he said. The National Economic and Social Development Board, under Kobsak's supervision, has completed a detailed budgeting of investments in these infrastructure projects, which would be submitted for Cabinet approval within this month but no later than early December, he said. If the Cabinet gives its approval, a feasibility study would be kicked off. The government's initial plan is to replant mangrove forests in order to replenish fishery resources in the coastal areas. Also, a research and development centre and an industrial park for rubber and palm oil would be established in order to support local farmers. Investors in the SEC will get tax and other privileges from the Board of Investment, he said. Asked about opposition from local communities, Kobsak said the government had responded by choosing a green project – mangrove reforestation – as its first priority. Also, instead of the proposed new seaport, the existing one would be upgraded, he said. Meanwhile, Monton Sudprasert, director-general of the Public Works and Town and Country Planning Department, said the first draft of the city plan for the three EEC provinces – Chachoengsao, Chon Buri and Rayong – would be completed next month and opened for public hearings. He said the new city plan would substantially alter the current one. The area exclusively for industrial zone will be expanded from the current 83,000 rai (13,280 hectares) to about 300,000 rai (48,000 hectares), or close to 4 per cent of the 8.3-million rai of the total EEC land area. The industrial zone expansion would be enough to accommodate new factories. "But manufacturers should stay close to current industrial parks. They should not buy cheaper land in remote areas, because they may not be included in the industrial zone's new city plan," he warned. The current green zone would be divided into two zones – green and yellow. The green zone is earmarked for natural forest and high value agricultural purposes such as fruit farming, while the yellow zone would be developed as a smart city with residential areas. The purple zone would be the industrial area. "We may need some land expropriation to make way for transportation projects, but there would be no community relocation," he assured. He, however, conceded that he did not expect everyone to agree with the new city plan. Hundred of farmers in Chachoengsao province had earlier protested about not being allowed to renew land rent contracts with the Treasury Department, fearing that land would be used for commercial purposes to serve the EEC development. The five key infrastructure investment projects in the EEC are: high-speed railway, expansion of U-tapao airport, expansion of Laem Chabang seaport and Map Ta Phut seaport, and aircraft maintenance, repair and overhaul, with their combined investment estimated at Bt650 billion. Transport Minister Arkhom Termpitt-ayapaisith said these key investment projects would be completed in the next five to six years and a digital park project will be completed in 2022. The government has given priority to transport connectivity with CLMV countries – Cambodia, Laos, Myanmar and Vietnam – he added.

Source: THE NATION

<http://www.nationmultimedia.com/detail/Economy/30358665>

Foreign cash declared key to EEC goalsx

16 November 2018

FOREIGN investors and visitors are seen as the key drivers for the economic advancement of the Eastern Economic Corridor (EEC) while also supporting the region's local communities. "The EEC, along with the Thailand 4.0 policy, is the key to our business strategy, as it is in line with the digital transformation of our company," Pierre Jaffre, president of Airbus Asia Pacific said at seminar, Next Step Thailand EEC, that conducts by Krungthep Turakij daily newspaper yesterday. The EEC is a special economic zone covering the provinces of Chon Buri, Chachoengsao and Rayong. Airbus Asia Pacific is among the many foreign companies that have begun investing in the EEC. Other earlier backers include Hatachi and Huawei. Airbus has a maintenance, repair and overhaul hub (MRO) in the EEC region. In addition, the multinational company aims to advance its space-technology activities in the zone and has recently signed a contract to assemble a satellite in the economic corridor. This year some 7,000 aircraft fly across the Asia Pacific region. This figure is expected to increase to 20,000 in the next 20 years, according to Jaffre. "Hence, there is a need to increase the maintenance capacity in the Asian-Pacific region," he said. "The Thai government's Thailand 4.0 policy and the development of the EEC present us with a promising opportunity to meet this need, and we now have an MRO service centre in operation in the region. "Airbus has also signed a contract to assemble a satellite in the EEC area, aiming to respond to the increasing usage of smartphones. "We believe our proposal to assemble a satellite in Thailand is timely with the Thai government's Thailand 4.0 policy." He said Airbus is also in discussions with regulators on a plan to provide emergency medical services by helicopter in the EEC region. "I believe we all agree that the death toll from road accidents in Thailand is extremely high. With the development of the EEC, there is no doubt that there will also be more traffic in the region," Jeffre said. He cites the problem of emergency medical workers often being held up by heavy traffic when they try to reach accident scenes. "The helicopter emergency medical service which Airbus proposes will allow medical services to reach victims of road accidents at a faster pace," he said. Other companies have also been active in seizing opportunities in the EEC. Hitachi (Thailand) Co Ltd, set up the Lumada, an Internet of Things (IoT) hub for the Asean region in Chon Buri earlier this year. Lumada functions as a hub that offers IoT services for companies in Thailand and elsewhere in the Asean region. "In Asean, we have been working to improve the productivity of various manufacturers. Recently, we partnered with a company which manufactures car sensors located in Chachoengsao province, and have managed to significantly improve their productivity," said Somsak Garnjanakarn, general manager of Hitachi (Thailand). Hitachi has invested more than Bt50 billion to establish the IoT hub, reaffirming its commitment to make Thailand its central unit for services to the Asean region. It expects to generate revenue of Bt60 billion in Thailand in the 2018 fiscal year. In a speech addressing the tourism strategy for the EEC, Tourism and Sports Minister, Weerasak Kowsurat said that marketing efforts to attract visitors would be geared to improving the livelihoods of local communities, instead of a more narrow focus on merely attracting large numbers of tourists. More emphasis will be placed on improving the value chain in the tourist industry and less on the quantity of tourists visiting the region itself, Weerasak said. "This could include providing an 'all you can eat' farm tour where tourists can visit local farmers in the EEC area and eat fresh fruit directly from the crops," he said. Weerasak said the admission fees that would be charged, along with revenue from additional services provided at participating farms, would significantly boost incomes for farmers in addition to their mainstay business of providing produce for the markets. The minister did not offer any clear policy that will address the issue of the decline in the number of Chinese visitors. In August, 867,000 Chinese visited the Kingdom, down 11.77 per cent month on month. In September, only 648,000 Chinese visited, marking an even steeper fall of 14.89 per cent month on month. Weerasak played down the concerns, insisting that 2018 will see a higher total volume of tourists than the 35 million booked for 2017. He pointed to the fact that although the ranks of Chinese visitors have been declining since a fatal boat accident in Phuket in July, the figures are still higher than for the corresponding period last year.

Source: THE NATION

<http://www.nationmultimedia.com/detail/Economy/30358647>

Existing estates to bolster EEC

16 November 2018

As much as 300,000 rai is being prepared for development into industrial areas for the government's flagship Eastern Economic Corridor (EEC). Monton: EEC town plan being finalised The areas will be expanded from those owned by 21 existing industrial estates that span 82,000 rai. They also exclude 20,000 rai to be allocated for the development of the Eastern Economic Corridor of Digital (EECD) and Eastern Economic Corridor of Innovation (EECI). Monton Sudprasert, director-general of the Department of Public Works and Town and Country Planning, said a draft of the EEC town plan that governs the new industrial areas is likely to be finalised in December before being submitted later for a public hearing. "The EEC town plan will come into force by the middle of next year to conform with anticipated higher demand for the industrial development, especially for 12 targeted industries," he said The new EEC town plan will cover transport and infrastructure, information technology for the EECD and EECI, education, new smart cities, housing areas, green areas for farming, and garbage and water management. "The expansion of industrial areas will not affect agricultural areas," Mr Monton said, noting that the surrounding areas of existing industrial estates are not all farmland. He said the new EEC town plan will also cover land use for commercial purpose around U-tapao airport and the planned stations of the high-speed railway linking three major airports. The government should benefit from developing the areas, he said. Pierre Jaffre, president of Airbus Asia-Pacific, which is partnering with Thai Airways International Plc in developing a maintenance, repair and overhaul (MRO) centre at U-tapao airport, said Thailand is in a good position to become an aviation hub in Asia-Pacific, which has 90 million passengers, accounting for 5.5% of global passengers. Asia-Pacific has 7,000 aircraft, with the number projected to reach 16,000 over the next 20 years. Mr Jaffre said Airbus also plans to manufacture a satellite at the EEC that will be a cooperative effort of the company and the Geo-Informatics and Space Technology Development Agency. He said Airbus is also interested in the defence industry, which has been recently included in the government-promoted targeted industries, as well as supplying helicopters for medical services. Kanit Sangsubhan, secretary-general of the EEC, said the development will be a model for special development zones. The next corridor is expected to be the Southern Economic Corridor. Prime Minister's Office Minister Kobsak Potrakool said the National Economic and Social Development Board is scheduled to propose that the cabinet approve the SEC master plan this month or early next month. The SEC's main development projects include the construction of the Chumphon-Ranong double-track rail, worth 10 billion baht, and an upgrade of Ranong port, worth 10 billion baht. Development is expected to be implemented by the middle of next year. The Southern Economic Corridor will span four provinces: Nakhon Sri Thammarat, Chumphon, Ranong and Surat Thani.

Source: Bangkok Post

<https://www.bangkokpost.com/business/news/1576502/existing-estates-to-bolster-eeec>

Sepo: 2nd TFFIF lot in May at the earliest

Process to offer new tranche takes time

16 November 2018

The second batch of Thailand Future Fund (TFFIF) is expected to go public in May next year at the earliest, says the head of the State Enterprise Policy Office. The processes to put a new phase of the infrastructure fund up for sale, especially the amendments to the Transport Ministry rules and submission of the initial public offering (IPO) filing to the Securities and Exchange Commission (SEC), take some time, said director-general Prapas Kong-Ied.

Although Deputy Prime Minister Somkid Jatusripitak and Finance Minister Apisak Tantivorawong want to push the IPO of TFFIF's second lot ahead of the general election next year, it takes time to amend the laws, he said.

Toll revenue from two brownfield projects -- motorway No.7, stretching from Bangkok to Chon Buri province, and motorway No.9, from Bang Pa-in to Bang Na -- will be used to back TFFIF's second batch.

A special purpose vehicle will be established to enable toll revenue from the two motorways to be used as underlying assets for TFFIF's second batch, said Mr Prapas. The fundraising size for the second batch is similar to the first tranche, he said.

The TFFIF's first lot mobilised 44.7 billion from public and it is backed by the 30-year right to earn 45% of future revenue from the Chalong Rat Expressway and Burapha Withi Expressway, both owned by the Expressway Authority of Thailand. The fund was Thailand's largest IPO since 2015. The fund's first-year return stands at 4.75%.

TFFIF received an overwhelming response from the public during the IPO subscription period of Oct 12-19, with retail investors' combined subscription value of 28.8 billion baht exceeding the originally proposed sales portion, while institutional investors were oversubscribed.

Proceeds from the IPO can be used from the middle of next year and the money is kept in the treasury's reserves. 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 Prapas said the merged entity from CAT Telecom and TOT is being considered as an underlying asset for the third batch.

Source: Bangkok Post

<https://www.bangkokpost.com/business/news/1576622/sepo-2nd-tffif-lot-in-may-at-the-earliest>

B10bn industrial estate tabled

Thai-Chinese joint venture envisioned to sprawl across two Rayong districts

17 November 2018

Thai-Chinese joint venture CG Corporation is teaming up with three Chinese agencies to study the feasibility of investing in the 12 targeted industries in Rayong province at a 3,068-rai industrial estate with a development cost of 10 billion baht.

The targeted industries under the S-curve policy are new-generation automobiles; smart electronics; affluent, medical and wellness tourism; agriculture and biotechnology; food; robotics for industry; logistics and aviation; biofuels and biochemicals; digital; medical services; defence; and education.

CG Corporation has paid-up capital of 2 billion baht from a joint venture between CP Land Plc, the property arm of Charoen Pokphand Group, and China's Guangxi Construction Engineering Group.

CP Land owns a 50% stake, the Chinese group holds 48% and a local subsidiary, Guangxi Construction Engineering Yian Thailand, accounts for the remaining 2%.

The new industrial estate being developed, CPGC, is in Ban Khai and Nikhom Phatthana districts in Rayong.

CG Corporation signed three agreements yesterday. The first was with the Chinese Academy of Sciences (CAS) to develop and transfer knowledge of innovation and high technology under the CAS high-technology industrial zone in Thailand.

The second was with CAS Ion Medical Technology Co to handle research and development activities in medical and healthcare, as well as bring Chinese to invest in the sector to upgrade the country to the hub of Asia.

The third was with China Energy Engineering Group Yunnan Electric Power Design Institute Co to develop know-how, techniques and technology in energy and power solutions for industrial estates.

The goal is to build gas turbines or combined-cycle power plants in the future.

Sunthorn Arunanondchai, CP Land's chief executive, said the company expects all three agreements to improve the country's industrial sector in many aspects, including manufacturing efficiency and high-skilled human resources to serve the 12 targeted industries.

"Thailand and China have had a strong diplomatic relationship for two decades, while this cooperation is part of achieving the government's goals for the Industry 4.0 initiative," said Mr Sunthorn, who is also chairman of CG Corporation.

CPGC Industrial Estate aims to attract Chinese investors from the mainland, Hong Kong and Taiwan.

Mr Sunthorn said 20-30 Chinese investors have agreed to buy land in the industrial estate to serve sectors such as electric vehicles, medical, robotics and automation, as they have spotted a big opportunity in the government's flagship Eastern Economic Corridor scheme.

In August, CG Corporation announced development of land in three phases, all to be completed by 2021.

The construction for the 900-rai first phase will start some time in the first quarter of 2019 for the preparation of related infrastructure -- roads and utilities -- scheduled for completion next year.

The 700-rai second phase will start in 2020, and the 500-rai third phase will conclude in 2021.

Source: Bangkok Post

<https://www.bangkokpost.com/business/news/1577230/b10bn-industrial-estate-tabled>

Water resources in EEC area being studied

19 November 2018

State agency aims to ensure that increased demands from ambitious project are met WATER USAGE for all activities in the Eastern Economic Corridor (EEC) provinces will be studied, as the Office of National Water Resources (ONWR) is drafting a water management plan. The plan aims to deal with increasing water demand in the EEC. ONWR secretary-general Somkiat Prachamwong said that as the government is currently promoting industrial investment in the three EEC provinces – Chon Buri, Rayong, and Chachoengsao – water demand in the region is expected to rise drastically. He was speaking in Rayong on Friday at an orientation event of the Eastern Region’s water resources development and management project. He said his office has to carefully plan water resource management beforehand to prevent shortages and conflicts over limited resources in the future. “As we are trying to prepare the water management plan to cope with rising water demand after the EEC is fully developed, we have to first understand the nature of water usage for all activities in the region,” Somkiat said. “In order to do so, we have to prepare a water account, which will list all the available water sources, the water users in the region, and their demand, so as to let us get a big picture of water demand and supply in the region and allow us to properly develop a strategic water management system for the EEC.” Therefore, he said all water users in EEC provinces have to register their water demand, so that the ONWR and related agencies can accurately allocate water for each area and also estimate properly the water demand growth in the region. “Those who register in the water account are guaranteed sufficient water supply for consumption. We are also studying water usage quota for each economic activity such as industry, agriculture, and domestic water consumption to make sure that there will be enough water for everyone,” he said. According to the preliminary study of water demand and supply in the Eastern Region and the three EEC provinces by ONWR, it was found that total water supply in the whole Eastern Region was around 2.936 billion cubic metres, while water supply in the three EEC provinces was 1.682 billion cubic metres. However, it was found that demand for water consumption requirement for all economic activities in the entire Eastern Region was 3.833 billion cubic metres, while in the three EEC provinces the demand was 1.984 billion cubic metres. From the figures, it can be seen that that there is a mismatch of demand and supply, Somkiat said, warning that unless there were efficient irrigation systems in place, the entire region could suffer serious water shortage, especially in the next 20 years. The ONWR study also estimated that water demand in the three EEC provinces would rise to around 2.242 billion cubic metres by 2027. “From the study, we expect that with the growth of the industrial sector in the EEC, demand from industry will increase to up to 680 million cubic metres. However, water supply is limited in the core EEC areas, so we have to look beyond these areas and divert excess water resources from other water basins to meet the EEC’s growing water demand,” Somkiat said. He informed that in order to generate more water supply for the industrial development and urban expansion in EEC, ONWR has planned many new irrigation projects in EEC provinces and nearby provinces for instance reservoir enlargement, water diversion pipeline network expansion, and construction of four new reservoirs in Chantaburi. As more water is diverted into EEC areas from other water basins, he assured water users, especially farmers, in the local area will be the first to get water for irrigation and only if there is excess after local consumption will the supply be diverted to EEC areas. Thinnakorn Suthin, director of the Pasae Water Diversion Project and Maintenance, also highlighted that there were clear procedures for water diversion across the different water basins, as for instance the water could not be diverted from Pasae Reservoir to Nong Plalai Reservoirs and then to Bang Phra Reservoir, unless the water in the destination reservoirs are lower than the source reservoirs. Apart from new irrigation projects and water diversion, Somkiat said the ONWR is coordinating with Groundwater Resources Department to tap more groundwater to meet the EEC’s demands. He said the three EEC provinces still have potential to pump an additional 1.187 billion cubic metres of groundwater per year from the current groundwater use of 1.31 billion cubic metres per year. Meanwhile, he also pointed out that the industrial sector in the EEC is also encouraged to reuse water and desalinated seawater to lower the demand for water.

Source: THE NATION

<http://www.nationmultimedia.com/detail/national/30358810>

BoI offers incentives to meet Bt300-bn EEC target

20 November 2018

THE BOARD of Investment (BoI) maintains its Bt300 billion total investment target in the Eastern Economic Corridor (EEC) by the year-end and is releasing new investment packages to woo investors. In the first nine months of this year, Bt230.55 billion has been invested in the EEC, showing an increase of up to 117 per cent compared to the same period last year, Duangjai Asawachintachit, BoI secretary-general, said yesterday at Government House. She was there to meet with Prime Minister Prayut Chan-o-cha. “We are confident that this figure will reach Bt300 billion by the end of this year, especially with the investment promotion packages we plan to implement after today’s meeting,” she asserted. The first investment package aims to improve the country’s grassroots economy by offering tax exemptions to investors who provide training, technological aid or financial aid to local businesses in the agriculture or tourism industries. Under this package, investors must spend at least Bt1 million in either of the two industries. If the investor chooses to invest in more than one area, they must commit at least Bt200,000 to each area, so meaningful economic development can take place, Duangjai said. “The investor can choose to provide training or new machinery to the local community. Investors will not be required to provide aid to businesses that are in the same industry as they are,” she added. If the investor meets these requirements, he or she will get tax exemption for three years in their current business. They will also get a tax exemption of up to 120 per cent of the total cost of the support provided to local communities, such as the cost of training or new machinery, she said. The grassroots economy investment package will run from January 2, 2019 until the end of 2020. Under the second package, investors will get tax exemption if they invest in the development of smart cities under the Thailand 4.0 initiative, such as spending on infrastructure, providing a “smart environment” or developing smart technology, she said. “Companies investing in smart cities can get tax exemption for up to eight years if they fulfil all requirements. Furthermore, if these investors set their businesses up in the EEC region, they will also get an additional five years of a 50-per-cent reduction in corporate income tax,” Duangjai added.

Another BoI initiative to boost investment in the Kingdom is encouraging more companies to list in the Stock Exchange of Thailand (SET). Once listed, these companies will get tax exemption for 100 per cent of their total investment, not including the cost of land and working capital. This initiative kicked off yesterday and will be in effect until December 30, 2020. Despite the volatile stock market, fragile global economic situation resulting from the ongoing US-China trade war, slow growth in the third quarter and uncertainty surrounding the upcoming election, Duangjai offered assurance that both local and foreign investors still had confidence in Thailand. Though she did not disclose the target investment for 2019, she maintained that total investment in the EEC will reach Bt300 billion by the end of this year.

Source: THE NATION

<http://www.nationmultimedia.com/detail/Economy/30358900>

Bangkok Air looks to MRO

New opportunity from aviation growth

20 November 2018

Bangkok Airways Plc has announced a greater focus on aircraft maintenance and duty-free business to boost corporate performance as the aviation industry becomes more competitive. The airline believes the duty-free business will continue to grow as international tourist arrivals keep increasing in Thailand. Maintenance, repair, and overhaul (MRO) services are a new and growing opportunity here, as a result of the healthy growth of the aviation industry, especially low-cost airlines in the region. Puttipong Prasarttong-Osoth, president of the airline, said the company plans to join duty-free concession bidding once the bid details are announced. Earlier this year Bangkok Airways formed a new business unit called More Than Free Co to operate duty-free businesses. This subsidiary operates small duty-free shops at Samui, Surat Thani and Luang Prabang airports. "This is considered medium-scale in the duty-free sector, but we believe tourism growth will drive this sector," Mr Puttipong said. The airline is in talks with duty-free operators in France and Germany to join the upcoming bid called by Airports of Thailand. Bangkok Airways recently bid to operate duty-free concessions at U-tapao airport, but was beat out by King Power International Co for the 10-year concession. For the MRO business, the airline will soon seek investment privileges from the Board of Investment for a plan in line with government's initiative to build an aviation city near U-tapao airport, part of the Eastern Economic Corridor. Bangkok Airways' first MRO service centre is operated from Don Mueang airport. It is also investing in a second MRO centre at Sukhothai airport, which is expected to open in 18 months. Each year, Bangkok Airways spends 160-200 million baht for aircraft maintenance and repair. Having more MRO services will help reduce overall operating costs. "These two new projects will help reduce risks amid more intense airline competition. Clearly, the airline business yield has been dropping gradually," Mr Puttipong said.

He said an increase in fuel costs makes operations more difficult, while diversification helps reduce risks.

The airline also wants to expand its regional and domestic network in the coming year.

A new route from Bangkok to Nha Trang in Vietnam is scheduled to begin in January, with four flights per week.

Bangkok Airways is considering increasing frequencies for Bangkok-Da Nang next year, while a Chiang Mai-Krabi route is expected to commence in April 2019 with seven flights per week.

The airline plans to seek 24 aircraft over the next six years. The new planes will be replacing 24 aircraft that have lease contracts that are close to ending. The company will own 60% of new aircraft, while 40% will be leased.

In the third quarter, the airline had total revenue of 7.06 billion baht, up by 2.8% from the same period last year.

The majority of the revenue was contributed from airport-related businesses. The average passenger load factor was 66.1%. Passenger revenue per kilometre was 4.65 baht, strengthened from the third quarter of 2017 by 7.2%.

For 2019, the airline predicted that passenger numbers will increase 1% and yields will also go up by 1% from this year.

The average load factor is expected to increase three percentage points from an estimated 60% this year

Source: Bangkok Post

<https://www.bangkokpost.com/business/news/1578790/bangkok-air-looks-to-mro>

Bid for port project

21 November 2018

CP Group, and PTT Plc were among the 32 firms buying the letter of intent to bid for the Bt30-bn development of Lam Chabang Port phase three project, Montree Lergchumni, managing director of Laem Chabang Port, and acting director general of Port Authority of Thailand said yesterday.

All of them have to purchase the letter of intent and the detail to develop the port on January 14, 2019 and will be announce winner on February, 2019, he said.

Source: THE NATION

<http://www.nationmultimedia.com/detail/Corporate/30358968>

SRT weighs 4 rail projects in East

21 November 2018

The State Railway of Thailand (SRT) is studying four train projects in the East to cope with the major expansion of cities, while expecting bids for the first Bt8-billion project, which will run from Sriracha to Map Ta Phut, next year. Acting SRT governor Worawut Mala said that these train projects will support travel and transportation among major cities in the East. The four projects include a double-track rail from Sriracha, Map Ta Phut, Rayong, Chanthaburi to Trat; a double-track rail from Khlong 19 to Aranyaprathet; a double-track rail connecting three ports – Laem Chabang, Sattahip and Map Ta Phut – and a double-track rail connecting with Dawei deep sea port. “The SRT’s target is to develop train projects nationwide, particularly in major cities. There’s only a single-track rail between Sriracha and Map Ta Phut in the East. These will be the first double-track rail lines. We’ve received a budget to study for design and we expect to reach finalisation and open for bids by next year,” Worawut said. The next project for extension, connecting Map Ta Phut with Rayong, is also under study. The double-track rail for the Sriracha-Map Ta Phut to Rayong-Chanthaburi-Trat section, covering 230 kilometres, is expected to commence service in 2025. The 170-kilometre double-track Khlong 19-Aranyaprathet rail project will likely be proposed for study and design in 2020 and service is expected to commence in 2027. Design study on the planned 200-kilometre double-track rail project, which will link three ports – Laem Chabang, Sattahip and Map Ta Phut – is expected to start soon, with the route open for service in 2024. A double-track rail project connecting to Dawei deep sea port in Myanmar will be proposed for study in 2020 with service commencing in 2027. Worawut said the double-track rail development projects would connect major cities for travel and transportation and link with the Eastern Economic Corridor (EEC), enabling the transport of goods to major economic cities and ports for overseas shipments. According to a source, SRT currently has a double-track rail project in the Chachoengsao-Klong 19-Kaeng Koi 200km section under construction, which is 87 per cent complete. A high-speed train project connecting three airports – Don Mueang, Suvarnabhumi and U-tapao – is expected to see a private-sector player emerging as winner under a public-private partnership scheme to be proposed to the Cabinet in mid-January 2019. The high-speed train extension on the 200km Rayong-Chanthaburi-Trat route is estimated to start service in 2025. The 70-kilometre Sriracha-Map Ta Phut rail project is expected to require a budget of about Bt8 billion to upgrade the single track to double track, while the Rayong-Chanthaburi-Trat section will be a new route. The Klong 19-Aranyaprathet section will upgrade from single track to double track.

Source: THE NATION

<http://www.nationmultimedia.com/detail/Economy/30358969>

Panel meets to discuss rail contracts

21 November 2018

The committee overseeing the Thai-Chinese high-speed railway between Bangkok and Nakhon Ratchasima, will meet from Wednesday until Friday to discuss key issues surrounding the project.

Chaiwat Thongkhamkhun, permanent secretary for transport, said the main issues to be discussed include a contract dealing with the project's electrical system, the rail track system, the procurement of new trains to be operated on the route and the training of staff who will be responsible for operating the service.

This particular contract requires 53 billion baht in funding, he said.

Another important issue that needs to be sorted out by those at the meeting is the Chinese side's specification of a total sum of costs, which is likely deemed a violation of Thailand's procurement law, he said.

Under the law, every project is required to provide their budget details to ensure transparency in the project's spending, he said.

The first section of the Bangkok-Nakhon Ratchasima high-speed train project's first phase, a 3.5-kilometre railway from Klang Dong and Pang Asok, is being built while the bidding for construction contracts of other sections is being prepared, he said.

The construction plan for the project has also been changed from lining the entire railway with stone to lining only certain parts of it, said Mr Chaiwat.

In future, third parties such as private cargo transport operators may be allowed to use the Bangkok-Nakhon Ratchasima high-speed railway, he said.

The railway is expected to serve at most 100 trains a day by then, he added.

Another option will be that the State Railway of Thailand (SRT) may form new affiliations to operate cargo transport services on the Bangkok-Nakhon Ratchasima high-speed railway, he said.

A bill on rail transport is being drafted and a decision will be made as to whether private cargo transport companies will be granted permission to use the SRT's railways, he added..

Source: Bangkok Post

https://www.bangkokpost.com/news/general/1579366/Panel-meets-to-discuss-rail-contracts#cxrecs_s

18 keen on port plan

23 November 2018

Eighteen Thai and foreign firms have shown interest in buying the term of reference for the development of Map Ta Phut port (Phase 3), Industrial Estate Authority of Thailand (IEAT)'s governor Somchint Pilouk said yesterday.

The eighteen companies are PTT Global Chemical Plc, Gulf Energy Development Plc, Unique Engineering and Construction Plc, CHEC (Thai) Co Ltd, Italian-Thai Development Plc, China Harbour Engineering Co Ltd, Tokyo Gas Co Ltd, PTT Tank Terminal Co Ltd, Sinohydro Corporation Ltd, Thai Tank Terminal Co Ltd, Mitsui & Co Ltd, China Communication Construction Co Ltd, China Railway Construction Corporation Ltd, EGAT Plc, Boskalis International BV, Ratchaburi Electricity Generating Holding Plc, Vopak LNG Holding BV, and Sahakarn Wisavakorn Co Ltd.

She added that IEAT will brief them on the conditions on November 27, before taking them on a site visit on November 28.

Under the TOR, the companies must submit their proposals on February 6, 2019 and the final winner will be announced before the end of the month. Construction of the project will take place between 2020 to 2024, she said.

Source: THE NATION

<http://www.nationmultimedia.com/detail/Corporate/30359117>

SRT details investments

23 November 2018

The State Railway of Thailand (SRT) has reported a total investment of Bt213.1 billion from year 2015 till now, SRT's acting governor Warawut Mala said yesterday.

The investments included Bt24.72 billion for a double rail system from Lopburi to Pak Nam Pho in Nakhonsawan province, followed by Bt85.34 billion on a rail route from Denchai to Chian Rai and Chiang Kong, Bt26 billion for the double rail system from Jira to Khon Kaen province, Bt29.44 billion on the double-rail tracks from Mab Ka Bao to Jira, Bt17.29 billion for a double rail system from Prachuap Khiri Khan to Chumphon, Bt20.04 billion for the double rail route from Nakhon Pathom to Hua Hin, and Bt10.23 billion for a double rail system from Hua Hin to Prachupa Khiri Khan province.

Source: THE NATION

<http://www.nationmultimedia.com/detail/Economy/30359116>

Sepo tempers disbursement outlook as target slips away

22 November 2018

State enterprises' investment budget disbursement rate will hit 89% if 100 billion baht is drawn down in the final two months this year, says Chanvit Nakburee, deputy director of the State Enterprise Policy Office (Sepu). Last year's disbursement of 81% will be surpassed but the target of 95% will not be met, Mr Chanvit said. The State Railway of Thailand (SRT) double-track rail routes are the government's main investment projects, he said. Some 45 state enterprises doled out 339 billion baht worth of investment budget, 85% of the disbursement target for the first 10 months of the year, said Prapas Kong-Ied, director-general of Sepu.

The investment budget was set at 445 billion baht for this year. Eleven state enterprises whose accounting period is based on the calendar year doled out 236 billion baht from January to October, accounting for 94% of the disbursement plan.

A further 34 state enterprises whose accounting period is based on the fiscal year disbursed 103 billion baht for the 10 months to October, representing 71% of the disbursement plan.

The Mass Rapid Transit Authority of Thailand (MRTA) and the Port Authority of Thailand drew down 100% of their disbursement plan, the Metropolitan Waterworks Authority and the Electricity Generating Authority of Thailand drew down 98%, the Provincial Electricity Authority (PEA) 97%, the Metropolitan Electricity Authority (MEA) 96%, PTT Plc 95% and Thailand Tobacco Monopoly 93%.

Bangkok Mass Transit Authority took out a mere 5% of its disbursement plan.

State enterprises' investment budget has been set at 392 billion baht for 2019, led by the SRT, PTT, PEA and MEA.

Deputy Prime Minister Somkid Jatusripitak urged state enterprises to disburse their investment budget during the remainder of this year to boost the country's economic growth.

Thailand is expected to reap a windfall in terms of foreign direct investment from the US-Sino trade tension, Mr Somkid said.

Any state enterprises that have additional investment plans can propose them to the National Economic and Social Development Board, he said, while the Finance Ministry and the Transport Ministry will ramp up major investment projects. The government has employed public and state enterprise investment as an instrument to drive the country's economy over the past few years, and the hope remains that spending will help the country deliver at least 4% growth this year.

Source: Bangkok Post

<https://www.bangkokpost.com/business/news/1580002/sepo-tempers-disbursement-outlook-as-target-slips-away>

Terminal 2 put on hold pending feedback

22 November 2018

Airports of Thailand (AoT) has put the brakes on a second terminal scheduled to be built at Suvarnabhumi airport, pending steps to glean opinions from relevant parties including the International Civil Aviation Organisation (ICAO).

Several organisations including the Council of Engineers (CoE) and the Architects Council of Thailand have railed against the plan, saying the proposed new facility is poorly located and veers away from the original Suvarnabhumi master plan drafted in 1990.

An AoT source said the board agreed to put the construction of the terminal on hold in line with the management's proposal.

This was because some critics pointed out that the structure does not comply with the master plan, which has been studied by the ICAO.

AoT will seek opinions from the ICAO about the terminal, which is to the north of the airport's Concourse A, the source said.

The company was also challenged by a failed bidder of the project, SA Group, which said it was unfairly treated by the AoT in the bidding process. SA Group was said to have brought the issue to the Central Administrative Court.

SA was reported to have initially won the bidding with the highest score but was disqualified for failing to submit a price quotation. DBALP Consortium finally won the race.

AoT needs to put on hold the construction of the second terminal until the consultations with the relevant parties are concluded, the source said.

AoT management is required to gather all factual elements as well as opinions from other parties, including the ICAO and the OAG, and come up with a solution that has to be forwarded to the board for consideration, the source noted.

Source: Bangkok Post

https://www.bangkokpost.com/learning/easy/1580226/Terminal-2-put-on-hold-pending-feedback#cxrecs_s

Developers should plan management ahead

21 November 2018

Many property developments in Thailand, especially in Bangkok where high-rise buildings are concentrated, have suffered higher operating costs than other buildings of similar quality and age. While property management is one of the major factors influencing efficiency of the building operation and subsequently operating costs, how the building is designed to allow for efficient property management counts for a lot. For this reason, developers should incorporate property management plan early at the design and/or construction stage, according to property services firm JLL. "With ever increasing land prices and rising construction and post-completion operating costs, developers must ensure that their future development offers not only high quality of construction and space design but also efficiency of the building operation," says Dexter Norville, a co-head of property and asset management at JLL. "Property management planning has now become an essential part of any high-value property development project in Thailand. Depending on the actual stage of the project, the planning can involve feasibility assessments and operating budget modelling all the way through to the overall operating strategies. "The main objective is to maximise operational efficiency and occupier satisfaction, and minimise costs and risks," Mr Norville adds.

Efficiency

Many buildings feature astonishing architectural exterior and interior designs. However, some of these designs do not allow for highest efficiency in terms of building operation or space utilisation and in some cases can make the property management/maintenance costlier and/or expose the building at higher risks. Such hurdles can be avoided if property management is taken into consideration at every stage of project development. Some buildings were designed to feature unnecessarily extra-large common areas, leading to excessive operating costs. Positioning facilities in lower levels can allow for more rentable area in the higher levels that typically fetches higher rents. If a building is designed to achieve a WELL or LEED certification, it is indispensable to assign a property manager with sustainability management capability to ensure that the building is operated to meet the WELL or LEED requirements upon completion.

User friendliness

A user-friendly building typically refers to a building that is designed and constructed and operates to have a favourable impact on wellbeing and satisfaction of its users. "Occupiers' wellbeing is a big-picture topic. At the recent International conference on urbanisation and tall buildings held in Dubai, occupiers' wellbeing was one of the main discussion points from many different attendees and presentations. Architects, interior designers, proptech companies and real estate service providers all indicated the necessity for better understanding in this area as it is ultimately the tenants and occupiers who provide the revenue streams for buildings," says Mr Norville. "When it comes to building users' well-being and satisfaction, property management is one of the elements that play a key role. Strategic management and streamlined procedures can be planned ahead to help developers achieve this objective," he adds.

A changing trend

There was a time when property management was quite low on the list of priorities of developers. But in the past few years, the mindset has now changed, with property managers getting involved as a part of the development team for a number of prime property development projects such as One Bangkok, The ParQ, Samyan Mitrtown and Silom Square. "Obviously an in-depth knowledge of property management operations, tenant behaviour, operating strategies and actual operating costs for different classes of assets is a clear benefit to any development as it contributes to quicker and more accurate designs around overall space planning and utilisation, utility benchmarking, security and risk management design considerations, car parking layouts, amenities and delivery areas -- all key essential components of any building," Mr Norville concludes.

Source: Bangkok Post

<https://www.bangkokpost.com/business/news/1579754/developers-should-plan-management-ahead>

18 firms pick up bid docs for Map Ta Phut

23 November 2018

The Industrial Estate Authority of Thailand (IEAT) says 18 local and foreign companies bought envelopes for the auction of Map Ta Phut port's third phase, a project worth 55.4 billion baht.

On Wednesday, the IEAT closed the sale of envelopes containing terms of reference. Ten of the bidders are Thai companies: Gulf Energy Development Plc, PTT Global Chemical, PTT Tank Terminal Co, Thai Tank Terminal Ltd, Electricity Generating Plc, Sinohydro Corporation Co, Sahakarn Wisavakorn Co, Italian-Thai Development Corporation Plc, Ratchaburi Electricity Generating Holding Plc and Unique Engineering and Construction Plc.

Of the foreign companies, four are from China, two are from Japan, one is from Sweden and the other is Dutch. The eight are China Harbour Engineering Co, China Railway Construction Corporation Ltd, CHEC Thai Co, China Communication Construction Co, Tokyo Gas Co, Mitsui & Co, Boskalis International and Vopak LNG Holding.

IEAT governor Somchint Pilouk said the 18 firms are mainly petrochemical makers, power producers and construction providers.

After buying an envelope, each bidder must join a meeting detailing the auction conditions, then visit the site in Rayong province on Nov 28.

Bidders must submit their proposal papers to the IEAT by December. The winning bidder will be announced in February.

"The IEAT expects to sign a contract with the winning company after the announcement, and the seaport's third phase is expected to begin operations in 2025," Ms Somchint said.

The third phase occupies 1,000 rai and is one of five megaprojects under the government's Eastern Economic Corridor (EEC) scheme spanning the provinces of Chachoengsao, Chon Buri and Rayong.

Map Ta Phut port has 32 wharves with 12 operators. The port has had a compound annual growth rate for transferred goods of 5.3% over the past decade.

In a related development, the Commerce Ministry said new business registrations in EEC provinces totalled 6,095 firms from January to October, up 8.2%, with combined registered capital of 16.4 billion baht, up 7.8%.

The ministry expects registrations to rise by 10% for the whole of 2018.

Property-related companies were 1,054 of the total, representing 17.3%, with combined registered capital of 3.72 billion baht. Companies with a 49.99% stake or less held by overseas shareholders accounted for 37.7% of registrations in EEC provinces in the first 10 months. Japanese companies made up 52.1%.

Source: Bangkok Post

<https://www.bangkokpost.com/business/news/1580630/18-firms-pick-up-bid-docs-for-map-ta-phut>

Bang Sue mega-station to operate by January 2021

23 November 2018

Bang Sue Central Station, which is set to replace Hua Lamphong as the capital's main rail transport hub, will be operational by January 2021, says Worawut Mala, acting governor of the State Railway of Thailand (SRT). He said construction of the station was expected to be completed by November of next year and the installation of the signal system should be wrapped up by mid-2020, followed by test runs in June. Even after the new station enters service, he said, Hua Lamphong terminal would not be abandoned as it can still function as a railway station for the Red Line electric train project's extension linking Phaya Thai, Makkasan, Hua Mak and Hua Lamphong. The Red Line project is divided into three contracts. The first, which is 77% complete, covers the construction of Bang Sue Central Station, Chatuchak terminal, a maintenance facility, and roads by the side of rail tracks and rail crossings.

The second contract, which is 99% complete, includes the laying of rail tracks between Bang Sue and Rangsit as well as bridges across the railways and a water drainage system. The third contract, which is 38% complete, deals with the installation of electrical and mechanical systems along the railway between Bang Sue and Rangsit.

Workmen labour on the shaped roof of the entrance to the Bang Sue mega-station. It will be a main hub of the city's Red Line railway, also due to open in January, 2021. (Photo by Patipat Janthong) Mr Worawut said the "Transit Oriented Development" concept would be applied to Bang Sue Central Station.

The subterranean floor of the station will be set aside as parking space that can accommodate 1,700 vehicles, he said. The ground floor will be used for ticket sales and reservations, contain a lounge for passengers as well as have commercial areas.

The first floor will consist of four platforms for Red Line trains as well as another eight platforms for long-distance train services. The second floor will accommodate 10 platforms for regional services while another two platforms could also be used to serve high-speed trains and airport rail link services in the future.

Mr Worawut said the station would also have a walkway linking the Bang Sue Red Line station with the Blue Line train service. Construction of Bang Sue Central Station is now 60% complete, Mr Worawut noted.

The SRT is also seeking Transport Ministry approval for three Red Line extension projects, he said.

They consist of an 8.84-kilometre section between Rangsit and Thammasat University at a cost of 6.5 billion baht, a 14.8-km section between Taling Chan and Salaya at a cost of one billion baht as well as an 8.7-km section between Taling Chan and Siriraj Hospital at a cost of around 7.5 billion baht. The ministry is expected to forward the projects to the cabinet for consideration in January.

Source: Bangkok Post

https://www.bangkokpost.com/news/general/1580498/Bang-Sue-mega-station-to-be-operational-by-January-2021#cxrecs_s

Riding on the grand station plan

26 November 2018

New central business district seen in govt's decision to develop a transport hub for all rail systems in Bang Sue. The surrounding areas of Bang Sue-Bang Pho interchange have become the latest destination of property companies amid high confidence in the government's plan to develop Bang Sue as a grand station for rail transport systems in Bangkok. According to a survey by The Nation, 11 developers are launching 17 projects worth a total of Bt47.18 billion between 2015 and the final quarter of this year. Of the 13,819 units, many have been sold and transferred to buyers while others will be handed over between 2019 and 2020. Some developers have reported sales of over 70 per cent of their respective project's value. Pruksa Real Estate Plc's chief executive officer/premium market Prasert Taedullayasatit said the company had launched condominium projects in the areas of Bang Sue-Bang Pho interchange in view of the government's policy for Bang Sue "We expect strong demand from home-buyers for residential units in Bang Sue, Bang Pho and Tao Poon due to their proximity to the mass transit routes and workplaces," he said, adding that all units in the company's condominiums have been sold. Chewathai Plc also launched condominiums in the areas, foreseeing an inflow of commercial activities and new residents to the locations, said managing director Boon Choon Kiet. "We have got over our initial concerns on the projects' locations. Bang Sue and Bang Pho were the right choices," Boon said. Transport Minister Arkhom Termpittayapaisith said the State Railway of Thailand (SRT) had earlier submitted a plan to develop a multi-complex on a 2,325-rai plot in Bang Sue, comprising commercial and residential buildings, a sports arena and an international exhibition centre. "We expected the grand-station plan in Bang Sue to cost more than Bt150 billion. It will create a new central business district (CBD) in Bangkok," he said, adding that infrastructure development for the transport hub at Bang Sue calls for an additional investment of Bt47 billion. According to the master plan, the first phase entails development of the grand station as well as commercial and office buildings linked to the transport hub from 2017 to 2024. The second phase involves development of a complex for Meetings, Incentive Travel, Conventions, Exhibitions (MICE) events, a sports arena as well as retail, office and residential properties around the station from 2024 to 2029. In the third phase, more housing projects will start from 2029 to 2031. The master plan was drafted by the Transport Ministry and its Japanese adviser. The Grand Station plan will create a new CBD in Bangkok, in addition to Sukhumvit and Silom. It will be a key hub for Bangkok's mass transit systems, connecting all existing rail networks such as BTS Skytrain, the MRT, the Airport Rail Link as well as 10 planned rail systems and three high speed routes: Bangkok Nong Kai, Bangkok Chiang Mai, and the high-speed rail service linking Suvarnabhumi, Don Muang, and U-tapao international airports. The project is divided into seven zones, covering a total of 2,325 rai in and around Bang Sue district. Zone A is planned for the development of a 32-rai smart business complex, which will open for private bidding this year. Zone B will be the Asean Commercial Business Hub with retail and office space. Zone C will house the MICE Super Arena, a exhibition hall and a sport complex. Zone D covers the 83-rai Chatuchak Park and Chatuchak Weekend Market. Zone E is earmarked for public and state agency offices. Zone F will be the site of a shopping mall while Zone G will be a residential area covering 360 rai. The Transport Minister is negotiating with PTT Plc on the supply of green energy for the mega-project. A telecommunication system will also be developed under the smart city concept, Arkhom said. The government will invest in infrastructure while private-sector bids will be called for the development of commercial areas under the public-private partnerships (PPP) scheme, starting with the Smart Business Complex in Zone A, " Arkhom said. We will set the terms of reference (TOR) for bids to be called before the year-end, he added. According to a survey by property agency Knight Frank (Thailand), a total of 32,000 condominium units worth Bt100 billion were put on sales in the first quarter with up to 95 per cent sold. Knight Frank (Thailand) managing director Phanom Kanjanathiemthao said condominium prices in Bang Sue increased by 18.42 per cent from an average of Bt95,000 per square metre in 2017 to Bt112,500 in the first quarter of this year. At the same time, land prices in the areas jumped 80 per cent from an average of Bt250,000 per square wah five years ago to Bt450,000 as of the end of 2017. "We believe that if the Bang Sue Grand Station project proceeds in line with the master plan, it will drive the demand for residential properties in the location," Phanom said. "However, the government also needs to develop a road system to link with the rail routes for Bang Sue to become a new CBD in Bangkok," he added.

Source: THE NATION

http://www.nationmultimedia.com/detail/Real_Estate/30359257

Worry over worsening conflicts after EEC land use changes

26 November 2018

LAND CONFLICTS are likely to worsen in the Eastern Economic Corridor (EEC), academics warn, because the revised city plans for the three provinces involved will enlarge the industrial zone and swallow vast swaths of farmland, displacing farmers. The warning follows an announcement by the Public Works and Town and Country Planning Department that more than 300,000 rai in Chon Buri, Rayong and Chachoengsao will be reallocated for industrial use under the new city plans to be released in coming weeks. Academics and citizens point out that, unless the city plans better suit residents' needs and geographical features, the abrupt changes in land use would trigger environmental and social problems. Monton Sudprasert, Public Works and Town and Country Planning Department director-general, said 214,000 rai in agricultural use in the three provinces would be re-coloured on zoning maps a light purple in preparation for the EEC's future industrial expansion. If combined with the 24 Industrial Promotional Zones already designated, more than 300,000 rai – about 3 per cent of total 8.3 million rai in the three provinces – would be earmarked for industry. “The light purple zone in the new city plans is intended to accommodate future investments, so most of it is clustered around the existing industrial zones to make it easier for industry to expand,” Monton said. “These areas already have all of the necessary infrastructure, including wastewater-treatment facilities, and that should ensure that new industry's impact on the environment is minimised.” Monton said the city plans would also enlarge areas shown in yellow and designated for residential and commercial use ready to serve the EEC's planned “smart cities”. “The new light purple and yellow zones will only be designated where the land is infertile and worthless for farming, while arable farmland will be preserved as a ‘green’ agricultural zone, so the public need not worry about the shrinking green zones in the new city plans,” he said. However, Somnuck Jongmeewasin, a Silpakorn University lecturer and member of EEC Watch, called the land use changes worrisome. “If the new city plans are enforced, it will trigger a time bomb in terms of the land-grab problem, because the plans will kick off industrial development in the previously protected green agricultural zones,” Somnuck said. Developers grabbing farmland. He pointed out that much agricultural land had already fallen into the hands of developers even though the original owners were still allowed to farm. No industrial development had yet begun because the farmland remained protected under the existing city plans. “The colour changes in the new city plans will unlock this restriction and the farmers on these lands will be displaced and become landless,” he said. Earlier reports indicated that land agents moved swiftly when the government announced the EEC development project to secure significant amounts of agricultural property for resale to industrial interests. Many farmers had lost their land even before, after falling victim to local loan sharks. They have thus far been allowed to continue living there and farming, but only as tenants. Rangsit University rector Arthit Ourairat also urged the government to reconsider the EEC development plan and changes in land use once it has consulted residents and academics. All stakeholders should be able to derive some benefit, he said. In an open letter to the authorities, Arthit pointed out that the change in land use in many areas, especially in the Bang Pakong River floodplain in Chachoengsao, which he said is more suitable for farming, would conflict with geographic features and economic potential. He said most of the Industrial Promotion Zones cover existing industrial estates, which are full of polluting industries contrary to the stated EEC aim of promoting 10 types of “clean, modern” industries. Arthit urged the authorities to make sure that the development took into account residents' needs and wishes. To ensure that farmers do not end up landless, he suggested the government finance communal land deeds that could not be resold so that the community itself could manage its remaining land.

Source: THE NATION

<http://www.nationmultimedia.com/detail/national/30359266>

BTS sees income double this year, expects strong five-year increases

28 November 2018

BTS Group Holdings Plc (BTS) expects its income to surge 200 per cent for the fiscal year 2018/2019 starting April 2018 thanks to strong business expansion, amid projections that the number of passengers would rise 4-5 per cent from the previous year. Surayut Thavikulwat, chief financial officer of BTS, said that the company's income is expected to soar about 200 per cent in the fiscal year starting from April 2018 to March 2019 from the previous year's at Bt17.45 billion. The mass-transit service provider forecast income from its mass transit and maintenance businesses to rise 30 per cent from the previous year as it started to realise income of about Bt20-Bt25 billion from its BSR Joint Venture's construction of the Pink Line (Khae Rai-Min Buri) and the Yellow Line (Lat Phrao-Samrong). About Bt7-Bt9 billion worth of income is expected from procurement of electric trains for the Southern Green Line extension (Bearing-Samut Prakan) and installation of the electric and mechanical systems for the Northern and Southern Green Line extensions (Mo Chit-Khu Khot) with an estimated interest receivable of about Bt600-Bt700 million from procurement of the electric trains for the Green Line extensions and construction of the Pink Line and Yellow Line. The number of passengers on the mass rapid transit lines is expected to increase 4-5 per cent from the previous year, despite a 1 per cent rise in the second quarter of this year in light of a drop in the number of Chinese tourists and problems with the electric trains. The number of passengers average 757,000 per trip per working day with a market share of 70 per cent. "On this December 6, the company expects to commence service of the 12.6-kilometre Southern Green Line extension (Bearing-Samut Prakan) which will [grow] the line to 48.9 kilometres in total with 43 stations. The current distance is 38.1 kilometres with 35 stations," Surayut said. The Northern Green Line extension (Mo Chit-Khu Khot)'s one station at Lat Phrao intersection is estimated to commence its service in the middle of next year on expectation for the whole line extension to start providing service after nine months. Surayut said that its media company VGI Global Media Plc (VGI) continues to expand its advertising media business based on the certainty of Thailand's election, revising up its targeted income to Bt5 billion from the earlier estimate at Bt4.4 to Bt4.6 billion. BTS's property business is anticipated to generate income of about Bt350 million and its property arm U City Plc is expected to realise income of about Bt6 to Bt6.7 billion this year with earnings before interest, tax, depreciation and amortisation margin at no less than 25 per cent. BTS plans an investment budget of about Bt11 billion to purchase 46 electric trains from overseas. So far, two to three electric trains have been imported and the remainder will be imported gradually before the Northern Green Line's planned service commencement in 2020. Surayut also expressed confidence that BTS will win an auction for the Bt224.54-billion high-speed train project connecting three airports, but depending on each bidder's offer. The result will be announced in this December. Regarding "the five-year plan (the year 2017/2018-2022/2023), the company sets its target for income to grow 30 per cent per year and net profit to rise 25 per cent per year following expansion of mass transit lines and other businesses," Surayut said.

Source: THE NATION

<http://www.nationmultimedia.com/detail/Corporate/30359393>

Bangchak plans bio-refinery for EEC

28 November 2018

Bangchak Corporation Plc (BCP) plans to invest Bt4 to Bt5 billion to set up a bio-refinery on expectation that details would be finalised in early next year. Chaiwat Kovavisarach, the BCP chief executive, said the company is studying to invest in a bio hub in the Eastern Economic Corridor (EEC) with an initial plan to study a bio refinery. BCP has a 500-rai (80-hectare) plot of land in Chachoengsao, a province in the EEC area. BCP's plan for the bio-based business will be included in their five-year investment plan (2019-2023) worth a combined Bt77 billion, he said. Chaiwat said that BCP's subsidiary BBGI Plc is in the filing process to the Securities and Exchange Commission, while expecting to be on the stock market in the latter half of next year.

Source: THE NATION

<http://www.nationmultimedia.com/detail/Corporate/30359391>

IEAT requests LNG demand for Map Ta Phut decision

28 November 2018

The Industrial Estate Authority of Thailand (IEAT) is calling for the Energy Ministry to provide a demand projection for liquefied natural gas (LNG) shipped to the Map Ta Phut port to increase the confidence of business operators considering joining the bid for the seaport's third phase. The Map Ta Phut industrial estate and seaport, located in Rayong province, is the production hub for petroleum and petrochemicals for many large companies. PTT Plc, the national oil and gas conglomerate, runs the LNG receiving terminal in Map Ta Phut at a capacity of 10 million tonnes a year. Somchint Pilouk, the IEAT governor, said the authority submitted a letter via the Industry Ministry to the Energy Ministry to provide the LNG demand figure. "We want precise figures for LNG demand and supply in the future to build up bidder confidence," she said. "Industry Minister Uttama Savanayana supports the IEAT on this matter, and the letter was sent to Energy Minister Siri Jirapongphan last Tuesday." Ms Somchint said the bidders joining phase three of the seaport are concerned about future demand and supply, as they are mulling investment in a new LNG receiving terminal at Map Ta Phut. LNG has to be imported, and energy policymakers must allow shipments by granting LNG distribution licences. The gas will be part of the new edition of the national power development plan. The IEAT is the operator of Map Ta Phut industrial estate and seaport and the host for the auction of the seaport's third phase, worth 55.4 billion baht. Map Ta Phut is also the strategic hub of the government's Eastern Economic Corridor scheme. Last Wednesday, the IEAT said 18 local and foreign companies bought envelopes containing terms of reference for the auction. Ten of the bidders are Thai companies and eight are foreign. The 18 firms are mostly petrochemical makers, power producers and construction providers. All bidders attended a meeting detailing the auction conditions yesterday. They visit the site in Rayong province today. Bidders must submit their proposal papers to the IEAT by December. The winning bidder will be announced in February. "The IEAT expects to sign a contract with the winning company after the announcement, and the seaport's third phase is expected to begin construction in 2019 and start operations in 2025," Ms Somchint said. "This project includes a superstructure worth 35 billion baht, which the winning bidder will invest in solely."

Source: Bangkok Post

<https://www.bangkokpost.com/business/news/1583550/ieat-requests-lng-demand-for-map-ta-phut-decision>

EECD ToR going to cabinet next month

28 November 2018

The terms of reference (ToR) for the Eastern Economic Corridor of Digital (EECD), one of the flagship developments under the government's much-touted EEC scheme, are set to be proposed to the cabinet early next month. Deputy Prime Minister Somkid Jatusripitak said many private companies are keen to invest in the EEC, so the government needs to hurry up and issue the ToR before the election. Mr Somkid said the ToR should be completed this month, with bidding expected in January. The EECD will be developed under a public-private partnership (PPP) model. The EEC Committee meeting chaired by Prime Minister Prayut Chan-o-cha approved the PPP plan for the EECD this August. The EECD will cover one square kilometre. The EEC Office has yet to conclude the scale of the investment. The private sector will bid to develop and handle the EECD and will be allowed to screen investment projects and take charge of the investment. "There has been progress in the four main infrastructure projects at EEC while the Board of Investment [BoI] has just approved investment categories for smart cities, a vital component of the corridor," said Mr Somkid. Smart cities should be completed in five years to serve EEC investors in tandem with the high-speed rail network linking three airports, U-tapao aviation city, the expansion of the Map Ta Phut and Laem Chabang ports, he said. Mr Somkid said private investment in EEC is expected to surge next year, with many companies having shown interest in smart cities. On Nov 19 the BoI approved promotional privileges for smart cities to promote investment that covers land development, smart city systems, and smart industrial estates or zones. Investors are allowed to enjoy corporate income tax exemption for 5-8 years. If investment projects are located in the EEC they will be entitled to a 50% reduction in corporate income tax for an additional five years after the tax holiday. Smart cities are required to win prior approval of the smart cities development committee. The BoI reported investment applications in EEC in the first nine months this year amounted to 288 projects, up by 13% from 255 last year, with a combined value of 231 billion baht, an increase of 117% from 106 billion in the same period last year.

Source: Bangkok Post

<https://www.bangkokpost.com/business/news/1583598/eecd-tor-going-to-cabinet-next-month>

A long-awaited opening

The Samrong-Samut Prakan rail extension will soon begin operation. With the elevated trains, several attractions will be easy to reach

29 November 2018

The Green Line rail extension (Samrong-Samut Prakan) will be operational on Dec 6. That's next Thursday. The new section of the elevated railway, which connects with the east end of the Sukhumvit Line of the BTS marks the return of trains to Samut Prakan, also known as Pak Nam, which 125 years ago during the reign of King Rama V boasted Siam's first railway. The Pak Nam rail route connected the coastal city at the mouth of the Chao Phraya River with Hua Lamphong in Bangkok. It stopped operation in 1960, giving way to road transportation that became more popular. Over the past decades, however, Sukhumvit and other roads in Samut Prakan city and other parts of the province have been notorious for heavy traffic. So despite its proximity to Bangkok, Samut Prakan's attractions are usually never top choices for holidaymakers. But the return of the trains -- 58 years since its absence from Pak Nam and this time in the form of a much faster modern elevated train system -- may be a game changer. The new Green Line extension will have nine stations. The first five are located between the existing Bearing station and Samut Prakan downtown. They are namely, Samrong, Pu Chao Saming Phrai, Erawan Museum, Rongrian Nai Rua (Royal Thai Navy Academy) and Samut Prakan. The other four follow the new rails, which continue eastward along Sukhumvit Road beyond Samut Prakan city. Like the others, each station is named after its location. They are Si Nakharin, Phraek Kasa, Sai Luat and Kheha Samut Prakan stations. In the future, the line may be extended. For now, this is already a dream come true for many people. The good news does not end here. This new railway section will welcome the public to use it free of charge, every day from 6am until midnight, until its official opening in April next year.

Source: Bangkok Post

<https://www.bangkokpost.com/news/special-reports/1584350/a-long-awaited-opening>

Industrial Estate Authority of Thailand boosts investment efficiency in Eastern Economic Corridor

29 November 2018

Thai government is pushing forward the policy of “Thailand Industry 4.0” with an aim to promote overall economy and boost the efficiency of domestic industrial sectors. One of the roles of Industrial Estate Authority of Thailand (IEAT) in this endeavor is to develop the Eastern Economic Corridor (EEC) and ensure its competitiveness in the regional level. EEC is a high potential area for industrial estates thanks to its convenient location near comprehensive transportation and logistics routes. IEAT has been promoting the 5 main industries (the First S-Curve) within EEC including Next Generation Automotive; Smart Electronics; Affluent, Medical and Wellness Tourism; Agriculture and Biotechnology, and Food for the Future Industry. EEC will also be a starting ground for New S-Curve industries which include Robotics; Aviation and Logistics; Biofuels and Biochemicals; Digital Industry and Medical Hub Industry. Furthermore, IEAT is planning to expand the petrochemical industry in Map Ta Phut area using eco-friendly technology, as well as setting up various infrastructures and tax-free zones at seaports and airports to facilitate both investors and local communities within the EEC. To make the fullest use of these distinct advantages of EEC, IEAT has established the “Smart Park Industrial Estate” to cater especially to the digital industries and the lifestyle of modern society. Apart from having modern design and effective urban planning, Smart Park IE is also fully equipped with state-of-the-art security system, high-speed internet facilities and the largest data center for investors under the concept of Industrial Estate 4.0. Another exciting project of IEAT is the development of Map Ta Phut Industrial Seaport in the 3rd phase, which is one of the five mega projects in Eastern Economic Corridor that aims to support the expansion of petrochemical industry. Spanning over the area of 1,100 rai, this project is expected to improve both economic and social dimensions of the surrounding communities and the overall image of Thailand. Industrial Estate Authority of Thailand is committed to developing the EEC even further to maximize its true potential and to strengthen the confidence of domestic and overseas entrepreneurs to invest in Thailand, both at present and in the future.

Source: THE NATION

<http://www.nationmultimedia.com/Recommended/business/425>

PM courts German heavyweights for EEC

Manufacturers targeted for scheme

29 November 2018

Prime Minister Prayut Chan-o-cha met on Wednesday with executives of German companies Daimler AG, Draxlmaier Group, BMW AG and Verband der Bahnindustries in Deutschland in an effort to lure them to invest in Thailand. The premier also visited Fraunhofer Institutes for Production System and Design Technology (Fraunhofer IPK), which the government hopes will establish a subsidiary office in its flagship Eastern Economic Corridor. The Thai government also aims to persuade German firms to bid for developing the high-speed rail projects and manufacturing electric trains in Thailand. The Board of Investment (BoI) on July 25 granted investment privileges to BMW Group Thailand for the production of plug-in hybrid electric vehicles (PHEVs) worth 700 million baht in Rayong province, where the plant is wholly owned and operated by BMW Group Manufacturing Thailand. The BoI-approved project is an expansion of BMW's existing assembly line at Amata City Industrial Estate for PHEVs. The company said yesterday it wants to develop local high-voltage battery production to yield battery modules and batteries from 2019. BMW's new production facility is located in WHA Chonburi Industrial Estate 2. On March 27, the BoI also approved the requests of Mercedes-Benz to assemble PHEVs worth 607 million baht and lithium-ion batteries worth 600 million. After winning privileges for two related projects, Mercedes-Benz Thailand said recently it is studying the possibility of applying for BoI incentives for battery EVs. A BoI source who requested anonymity said Mercedes-Benz is also interested in building charging stations in Thailand to accommodate the expansion of PHEVs and the company's electric cars in the future. The source said the German firm is keen on producing electric trucks in Thailand and it has already purchased land at Amata Nakorn Industrial Estate in Chon Buri for the project. According to a Bank of Thailand report, there are 600 foreign companies investing in Thailand. In 2017, Germany ranked as the seventh-largest investor in Thailand with a total investment of US\$338 million (11.1 billion baht), mainly in manufacturing, chemicals, fixing automotives and motorcycles, and property business. Germany is Thailand's largest European trade partner. Two-way trade between Thailand and Germany amounted to \$10.99 billion in 2017. Imports accounted for \$6.07 and exports from Thailand were worth \$4.92 billion, resulting in a trade deficit for Thailand of \$1.14 billion. In the first nine months this year, two-way trade totalled \$9.13 billion, up 10.8% from the same period last year. Exports accounted for \$3.92 billion and imports amounted to \$5.20 billion. Thai investment in Germany during 2007-17 was \$5.38 billion. Thai investors included Central Group, Thai Union Group, Charoen Pokphand Group, Kasikornbank and Siam Cement Group. Major exports from Thailand include jewellery and ornaments, computers and components, electrical circuits, automotive and auto parts, and rubber products. Major imports were machinery and components, automotive and auto parts, chemicals, electrical machinery and components, and pharmaceuticals. Nathporn Chatusripitak, an adviser to the prime minister, said the government is looking for cooperation in science, technology, innovation, water management, disaster crisis management, infrastructure and bioeconomy.

Source: Bangkok Post

<https://www.bangkokpost.com/business/news/1584186/pm-courts-german-heavyweights-for-eec>

Blue Line extension to be ready ahead of schedule

30 November 2018

THE Transport Ministry is pushing for the opening of the Blue Line extension on the Hua Lamphong-Bang Khae route, ending at Lak Song Station before schedule in September next year to boost passenger numbers. Operator of the Blue Line subway, Bangkok Expressway and Metro Plc (BEM), expressed confidence that the number of passengers would rise 10 per cent and income would increase more than 10 per cent next year thanks to the Blue Line extension. Deputy Transport Minister Pailin Chuchottaworn said that the Blue Line extension from Hua Lamphong to Bang Khae has seen much progress and the loop of its 10 stations, ending at Lak Song station, is expected to commence service ahead of schedule in September 2019. The extension of the Tao Poon-Thaphra route is expected to start service within 2020. After the two Blue Line extensions of Hua Lamphong-Bang Khae and Bang Sue-Thaphra open services, the MRT Blue Line will have the complete loop and passengers will be able to travel to both the east and the west of Bangkok, which will help relieve congestion at Siam Station and Sukhumvit, Pailin said. Pakapong Sirikantaramas, governor of Mass Rapid Transit Authority of Thailand (MRTA), said that the authority has been discussing with the private sector to open the Blue Line extension of Hua Lamphong-Bang Khae ahead of schedule. But the new schedule is yet to be finalised as the project is waiting for the electricity system and train testing. The service schedule for the Blue Line extension on the Bang Sue-Thaphra segment remains the same – April 2020, he said. After the whole loop of the Blue Line subway opens in 2020, the number of passengers on the Purple Line's Bang Yai-Tao Poon section is expected to reach 100,000 per day, thanks to more convenience for travel between Nonthaburi and Thon Buri. The current figure is 60,000 passengers per day. The Pink Line Khae Rai-Min Buri section and the Yellow Line Lat Phrao-Samrong section are still on schedule. Sombat Kitjalaksana, managing director of BEM, said: "Next year will be a good year for the company, as we will upgrade our service with more routes, more stations, efficiency and system improvement. We're confident that when the Hua Lamphong-Lak Song section opens for service, there will be 100,000 more passengers per day and this will help increase the number of passengers by no less than 70,000 per day on the Blue and Purple Lines." Next year is expected to see a 10 per cent rise in the number of passengers, while income is estimated to grow more than 10 per cent thanks to the planned service commencement of the Blue Line extension. This year is expected to see the number of passengers rise 5 per cent to about 330,000 passengers per day, while BEM's income is forecast to increase 8 per cent, he said. Every week, from Monday to Friday, about 360,000 passengers use the MRT Blue Line service each day. About 68,000 passengers use the Purple Line on Bang Yai-Tao Poon and about 70-80 per cent are passengers who transit to the Blue Line.

Source: THE NATION

<http://www.nationmultimedia.com/detail/Corporate/30359540>



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