Eastern Economic Corridor: An Update

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**Eastern Seaboard (ESB) ...Beginning of Thailand’s industrialisation**

- The first industrial clusters for exports:
  - Textile, Electronics, Automotive industry and parts
- The first energy and petrochemical complex:
  - Map Ta Phut Industrial Estate: Refinery industry, oil refinery, Gas separation plant, petrochemical and plastic industry
- The first successful integrated infrastructure for industrial:
  - Laemchabang Port, Motorway, Duel rail tracks

**... The highly successful ESB area development**

- A famous destination for FDI
- Increase export value 12%, Increase industrial sector growth 12%, Generate GDP growth 7% per annum for the first 20 years after the ESB establishment
Existing infrastructure and industrial estates...are ready to be developed for EEC

2 Deep sea ports
Laem Chabang and Map Ta Phut ports

1 Motorway
8 Highways

1 Double-track railway
Ladkrabang (BKK) – Laem Chabang

1 U-Tapao airport
3 million passengers per year

Industrial estates
more than 160 sq.km.

Leading petrochemical complex in AEC

Leading automotive manufacturing base

Tourism
Pattaya – more than 10 million visitors
3 Provinces in Eastern area need to be developed
Chachoengsao Chonburi Rayong are not yet connected to Bangkok and ready for further development

Advantages of Eastern Economic Corridor of Thailand

- Worldwide recognised area for foreign investment
- Already existing of industrial clusters
- Appropriate utilities availability which can save initial investment cost
- Excellent combination of Agricultural-Industrial-Services-Tourism structure
- Local people are familiar with industrial activities both for investor and professional employee
- Co-working between community and industry in environmental issue for obtaining good standard for the city
- Linkages with international through dual rail tracks: TH-China and TH-Japan
EEC: Taking Thailand 4.0 in Action via Area-based Development

Thailand 4.0
**SMART TECHNOLOGY** with **SMART PEOPLE**
Match to the real demand and leave no one behind

Thailand’s Industrial Policies
Moving toward New Technology with Inclusive Growth

- 10 Targeted Industries
- Step-up
- Spring-up
- International SMEs
- Start-up

EEC
The First Area-Based Development

- T4.0 in Action
- Industrial Policies in Action

EEC
Eastern Economic Corridor:
- Bangkok
- Chachengsao
- Chonburi
- Rayong
Combined Public and Private Investments at least

1.5 Trillion baht ($43B USD) in the first 5 years

- U-Tapao International airport
  - 200,000 million baht ($5.7 BUSD)
- Map Ta Phut port
  - 10,150 million baht ($0.3 BUSD)
- Laem Chabang port
  - 88,000 million baht ($2.5 BUSD)
- High-speed train
  - 158,000 million baht ($4.5 BUSD)
- Dual-track railway
  - 64,300 million baht ($1.8 BUSD)
- Motorway
  - 35,300 million baht ($1 BUSD)
- Industry
  - 500,000 million baht ($14 BUSD)
- New Cities / Hospitals
  - 400,000 million baht ($11.5 BUSD)
- Tourism
  - 200,000 million baht ($5.7 BUSD)

Note: Estimated investment amount shown

EEC
5+1 highly tangible priority projects to start in 2017

**Eastern Aerotropolis (U-Tapao)**
- Eastern Airport City Policy supporting 15-30-60 millions in the future
- Initiation of MRO Thai Airways – Airbus and Alliance
- Initiation of the Construction of the Second Runway and Infrastructure
- Design Contest and Bidding of Investors for providing 15 millions and relative business within 5 years

**Eastern High Speed Train**
- Bidding of PPP High Speed Train for Eastern Line Connecting 3 Airports, making EEC as permanent Bangkok extension

**Eastern Sea Gateway to Asia**
- Bidding of PPP Laem-Chabung Sea Port Phase 3 - Gateway to Asia
- PPP Map-Taput Sea Port
- Construction of Ferry and Cruise at Sat-Tahip Commercial Sea Port

**Leading Target Industries**
- Investment of Leading Companies in Electric Vehicle – Robot – Medical Hub – Aircraft Parts – Bio-Economy

**Eastern Future Cities**
- Plan-Area-Criteria for the Development of 3 New Cities (Plan for the Development of Financial Center)

**Human Resource Development: Technology and Innovation**
+ EECi + EECd
Eastern Economic Corridor of Innovation (EECi)

EECi is aimed at creating an innovation district within the EEC and fostering joint R&D amongst public, private sectors, universities as well as local communities.
Digital Park Thailand is the destination for global players and world-class digital nomads to Invest-Work-Learn-Play.
Government has endorsed important law.. 2 Groups 5 Acts..for support private investment

1. The BOI Investment Promotion Act B.E. 2520 amended by Investment Promotion Act (No.4) B.E. 2560
2. The Competitiveness Enhancement Act for Targeted Industries B.E. 2560

4. New Industrial Estate Act
5. Special Economic Zones Act

3. The Eastern Economic Corridor Act

- Investment plan needs to be operated: Public investment – PPP - Private investment
- EEC Exclusive Investment Incentive packages
  - In line with BOI/Competitiveness Enhancement Fund
  - Urbanisation development incentives (Hospital, International school and City development)
  - A land lease for 50+49 years
  - 5 Years work permit
- Financial incentives  Holding foreign currency account
  - Allow foreign banks for establish their branch in EEC
- Supervised by...EEC Policy Committee (Chairperson, Prime Minister General Prayut Chan-o-cha)
Physical Infrastructure: Making investment feasible

- Private sector led investment
- Long-term land lease (50+49 years)
- Fast-track
  - Special PPP Process (3 months approval)
  - EIA Process

Social Infrastructure: Modern living standard

- Promoting city development
- International school
- International hospital / medical hub
- Clean and Green
- World class power/water/waste treatment

Incentives: EEC exclusives

- New BOI Law; Competitiveness Fund
- Tax-incentives 17% PIT for experts
- Custom Free Zone / Free trade zone
- Non-tax incentives VISA + work permit
- Financial incentives Holding foreign current account
- One stop services

Community based Development: Inclusive process

- Special Fund for EEC communities
  - Health
  - Environment
  - Education
New PPP Procedure for EEC Projects

1. Project Proposal Preparation
   - Pre-Feasibility Study
   - Full Feasibility Study
   - PPP Business Case
   - Market Consultation
   - EIA

2. Approval of Project Proposal
   - Project Approval
   - Budget Approval
   - Bidding Packages
   - TOR/RFP

3. Private Partner Selection
   - RFP Announcement
   - Submission & Selection
   - Negotiation
   - Final Contract

PPP Normal Track:
- 8-10 Months
- 6-8 Months
- 7-18 Months
- 40M

PPP Fast Track:
- 3-5 Months
- 4 Months
- 1.5-10.5 Months
- 20M

EEC Track:
- 2-3 Months
- 1.5 Months
- 4.5-5.5 Months
- 8-10M