“Eastern Economic Corridor Development project”

Driving Forward…

15th February 2017
Thailand 4.0

- Smart Phone for telephone
  T 1.0

- Smart Phone for e-mail and daily usages
  T 2.0

- Smart Phone as a computer for internet and seeking new knowledge
  T 3.0

- Smart Phone as a mean to create job and income thought network and new innovation
  T 4.0

Thailand 4.0 use technology to create income -- work smart, earn more.
And leave no one behind
EEC: Putting Thailand 4.0 in Action via Area-based Development

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

Step-up
Spring-up
International SMEs
Start-up

10 Targeted Industries

Bio Tech Health Tech Robotic Tech Culture/creativity

EEC The First Area-Based Development

- T4.0 in Action
- Industrial Policies in Action
Thailand Eastern Seaboard Development Project

... The beginning of the Thailand’s Industrialization

- The first industrial clusters for exports: Textiles, Electronics, Automobiles
- The first energy and petrochemical complex
  Maptaput: Refinery, Gas separation plant, Plastic and chemical
- The first integrated infrastructure for industrial needs
  Leam Chabang Seaport, Motorway, Double track railway

... Highly successful area development

- A famous destination for FDI
- Exports raised 12%, Industry grew 12%, Economy grew 7% per annum during the first 20 years.
EEC is the best strategic location of the region...

- EEC is the Gateway to Asia, reaching more than half of the world’s population.
- EEC will represent the largest investment projects in ASEAN, in terms of budget and area.
- Combined GDP of East Asia, ASEAN, India region represents 1/3 of the world’s GDP.
- Why wait?...?
Regional Connectivity...

Center of East-West Economic Corridor and North-South Economic Corridor

Connect Indian Ocean with Pacific Ocean, CLMV, South China

Why wait...?
Why wait…?

Existing Industries and Infrastructures

- Double-Track Railway
- Motorway
- Deep Seaport
- Airport
- Industrial Estate
- Industrial Park
4 core areas will be developed… to be World-class economic zone

How to?

Ready to be upgraded…

- Infrastructure
- Business, Industrial clusters and Innovation hub
- Tourism
- New cities and communities

To be World-class economic zone

- Aviation Hub
- Logistics Hub
- Trading Hub
- Adv. Manufacturing Hub
- Tourism Hub
- Innovation Hub
- Global Business Hub
- Metropolis of the Future
How to?

4 Core areas ... 15 Crucial Investment projects

1. U-Tapao airport and aircraft maintenance
2. Sattahip commercial seaport
3. Laem Chabang port phase#3
4. Map Ta Phut port phase#3
5. High-speed rail – east route
6. Double-track railway
7. Highways and motorway
8. Next-generation automotive (EV/AV)
9. Aviation industry, Robotics, Smart electronics
10. Advanced petrochemical and Bioeconomy
11. Medical hub
12. Tourism
14. New Cities, Inclusive growth
15. Public Utilities

How to?

+ Digital Infrastructure
- Digital Park
- Data Center

Innovation Hub

Chonburi
Chachoengsao
Rayong

Map of the region showing key locations and investment projects.
Combined Public and Private Investments at least 1.5 Trillion baht ($43 Billion USD) in the first 5 years

- New Cities / Hospitals
  - 400,000 million baht ($11.5 Billion USD)

- Tourism
  - 200,000 million baht ($5.7 Billion USD)

- Industry
  - 500,000 million baht ($14 Billion USD)

- Motorway
  - 35,300 million baht ($1 Billion USD)

- Dual-track railway
  - 64,300 million baht ($1.8 Billion USD)

- High-speed train
  - 158,000 million baht ($4.5 Billion USD)

- Laem Chabang port
  - 88,000 million baht ($2.5 Billion USD)

- Map Ta Phut port
  - 10,150 million baht ($0.3 Billion USD)

- U-Tapao international airport
  - 200,000 million baht ($5.7 Billion USD)

Note: Estimated investment amount shown
EEC in action and timeline

1. SEZ Policy Commission Meeting
   - Mar 7, 2016

   - Oct 4, 2016

3. Cabinet approved Budget of 7 billion baht for 2017-2018
   - Jan 4, 2017

4. First informal EEC Committee meeting
   - Jan 17, 2017

5. 5 High Priorities projects commencing
   - Feb 1, 2017

6. NCPO Section 44 established Special EEC Committee to actively drive EEC progress
   - Q2, 2017

   EEC Act expected to come into force

How to?

5 High Priorities projects commencing

EEC Act expected to come into force
5 High priority projects to start in 2017:

- 3 million tourists
- MRO (Maintenance Repair & Overhaul center) First phase by Thai Airways and strategic alliances
- Start constructing 2nd runway
- Grant concession for new city airport

- Provide PPP for bidding 3rd phase

- Provide PPP for bidding to connect 3 airports

- Acquire lead investors for target industries

- Develop city planning and identify location
#1 U-Tapao Airport city, first phase towards Aerotropolis

- **New High-Speed Rail connection**
- **New Commercial area 675 rai (1.08 million sq.m.)**
- **New Passenger Terminal 1,400 rai (2.24 million sq.m)**
- **Existing Terminal**
- **New Free Trade zone 950 rai (1.52 million sq.m.)**
- **Maintenance Repair Overhaul (MRO) 570 rai (0.912 million sq.m.)**
- **Training Center 200 rai (0.32 million sq.m.)**
- **Existing Runway**
- **New Runway**

*To Cruise and Ferry Port in 10 Minutes
To Pattaya in 30 Minutes*
#2 Laem Chabang phase 3, towards World’s Top 10 ports

- Expansion to support growth
  - Double containers accommodation, from 7 to 18 million TEU/year
  - Triple car export accommodation, from 1 to 3 million units/year
- Logistics hub and Gateway for Indo-China
- Move into world’s Top 10 ports
#3 High-Speed and Double-track railways

Connect 3 International Airports within 1 hour with High-Speed Railway

Connect 2 International Ports with Industrial Clusters

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**High-Speed Rail: Bangkok - Rayong**

- Connect 3 main airports: Donmuang, Suvarnabhumi, and U-Tapao in 1 hour
- Suvarnabhumi to U-Tapao in 45 minutes
- Accommodate 110 million passengers/year

**Double-track railway: Connect major ports with Industrial clusters**

- Upgrade to double-track from Laem Chabang to Map Ta Phut seaport
- New routes:
  - Laem Chabang – Pluak Daeng – Rayong in the pipeline
  - Map Ta Phut – Rayong – Chantraburi – Trat under study
#4 Target Industries in EEC. New technology and Innovation to create greater value

**Bioeconomy**
- Functional Food
- Bioplastic
- Cosmetic

**Auto, Auto parts, Electronics, and Robotics**
- Smart Automobiles
- Electronic parts
- Robotics for industrial and lifestyle use

**Aviation, Maintenance and Related Businesses**
- Aircraft parts and spare parts
- Maintenance, Repair and Overhaul (MRO)
- Air Cargo

**Medical Hub**
- Wellness Center
- Medical Center
- Medicines and Devices
Enhanced urbanization, communities, quality of life and environment to international standards

Leading universities and international schools

Leading hospitals and medical centers

Quality tourism spots

Regional commercial centers

EEC Communities development funds
Special Privileges and Incentives for EEC

- Most favourable in Thailand, internationally competitive
- Focus on
  - Target industries with high technology
  - Infrastructures and logistics development
  - R&D and Technology support services
  - Tourism

BOI Special Privileges

EEC to become investment promotion zone

> BOI standard package plus 50% CIT reduction for another 5 years
> Potential 15 years CIT waiver plus grants for strategic projects in EEC
  (Thailand Competitive Fund)

On top of BOI privileges

Potential maximum 17% PIT for management, investor, expert of companies in target industries with HQ and facilities situated in EEC

(Ministry of Finance)
Key enablers in the pending EEC Act (2017)

**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

- Tax-incentives CIT / PIT / Free trade zone
- Non-tax incentives VISA + work permit
- Financial incentives Holding foreign currency account
- One stop services

**Community based Development:**
Inclusive process

- Special Fund for EEC communities
  - Health
  - Environment
  - Education
Mission EEC

Donmuang Airport

Suvanabhumi Airport

Bangkok

Eastern Rail Route
High Speed Train
Double track Rails

Logistics Hub

Modern automotive

New Chachoengsao City

Chachoengsao

New Pattaya City

Tourism

Satthahip Port

LCB Port

New Rayong City

Rayong

Bioeconomy

Food Processing

Agricultural Technology

Tourism

Aviation

Logistics

Bioeconomy

Medical hub

Digital

FIRST S-CURVE

Modern automotive

Smart electronics

Food Processing

Agricultural Technology

Tourism

NEW S-CURVE

Robotics

Aviation

Logistics

Medical hub

Digital
EEC Collective driving force..Public-Private Partnership

**EEC Policy Committee**
Chairperson, Prime Minister General Prayut Chan-o-cha

**EEC Management Committee**
Chairperson, Minister of Industry, Uttama Savanayana

**Eastern Economic Corridor Office (EECO)**
EEC Secretary- General, Kanit Sangsubhan

**Key Committee Members**
Office of the Prime Minister
Ministry of Defence
Ministry of Transport
Ministry of Finance
Ministry of Industry
Ministry of Interior
Ministry of Education
Ministry of Science and Technology
Ministry of Digital Economy and Society
Ministry of Tourism and Sports
Royal Thai Armed Force
Royal Thai Army
Royal Thai Navy
Royal Thai Air Force
Royal Thai Police Department
Office of the Attorney General
Office of the Council of State
NESDB
Bureau of the Budget
BOI

**Representatives from Private Sectors**
Invest Now