

# Infrastructure Projects in Thailand

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# Government Plan of Mega-Projects Investment during 2005-2009

- Initiated in May 2005, with total investment budget of US\$ 42.3 bn
- November 2005, revised up investment budget to US\$ 44.8 bn in 7 sectors
  1. Mass transit system --- rail mass transit train 7 routes, US\$ 10.5 bn
  2. Transportations, US\$ 8.6 bn
    - Rail --- rail system
    - Road --- highway and expressway
    - Sea --- deep sea port
    - Air --- Suvanabhumi airport 2<sup>nd</sup> phase
  3. Housing and residence for low income people, US\$ 8.2 bn
  4. Water resource management, US\$ 5.0 bn
  5. Education, US\$ 2.4 bn
  6. Public health US\$ 2.4 bn
  7. Others --- power/energy and telecommunication, US\$ 7.7 bn

# History of major infrastructure projects

- Rail mass transit train, 7 lines including purple, blue, orange dark red, light red, light green and dark green
  - **February 2004**, the Commission for the Management of Land and Traffic (CMLT)'s meeting approved the Mass Rapid Transit Master Plan, purposed by Office of Transport and Traffic Policy and Planning (OTP) to provides a framework for the development and implementation of the Mass Rapid Transit Network amount 291 km. in Bangkok and vicinities within 6 years.
    - Blue, purple and orange lines were assigned to MRTA, the current operator of the existing network.
  - **September 28, 2004** --- the Cabinet approved the detailed design and the construction of the Purple line : Bang Yai - Bang Sue section, which totally costs US\$ 1.16 billion.
  - **2005** --- One of the mega-projects in Thaksin government

----- Project stalled -----

# History (cont)

- **Rail mass transit train (cont)**
  - **October 2007** --- the Cabinet approved the PPP scheme for rail mass transit system
  - **March 2008** --- the Cabinet approved the rail mass transit system in BMA and assigned MRTA to be responsible for the 3 new lines, the Purple, the Blue and the Green Lines
  - **May 2008** --- the Cabinet approved the investment budget for the Blue line. The construction will commence after the project has got the EIA certificate.
  - **June 2008** --- the Cabinet resolved to increase the investment budget for the Purple line to US\$ 1.8 bn.

# History (cont)

## o The implementation plan

	Purple line	Blue line	Green line
Project funding	31 Mar 08	Dec 08 – Sep 09	Jan 09 – Aug 09
Consultant selection	Jan 08 – Aug 09	Jan 10 – Aug 10	Oct 09 – Mar 10
Contractor selection	Apr 08 – Oct 09	Apr 10 – Jan 11	Oct 09 – Jun 10
Concessionaire selection	Jan 10 – Aug 10	Jan 10 – Aug 10	Mar 10 – Jan 11
Construction	November 2009	February 2011	July 2010
Service	2014	2016	2014

## o Latest status --- Behind schedule

# History (cont)

- **Airport expansion**

- **Initiated in 2005**

**----- No progress till 2008-----**

- **Aug 2008** --- AOT's Board approved the plan to expand the Suvanabhumi airport (2nd phase), US\$2.33 bn

- **Mar 2009** --- Revised plan

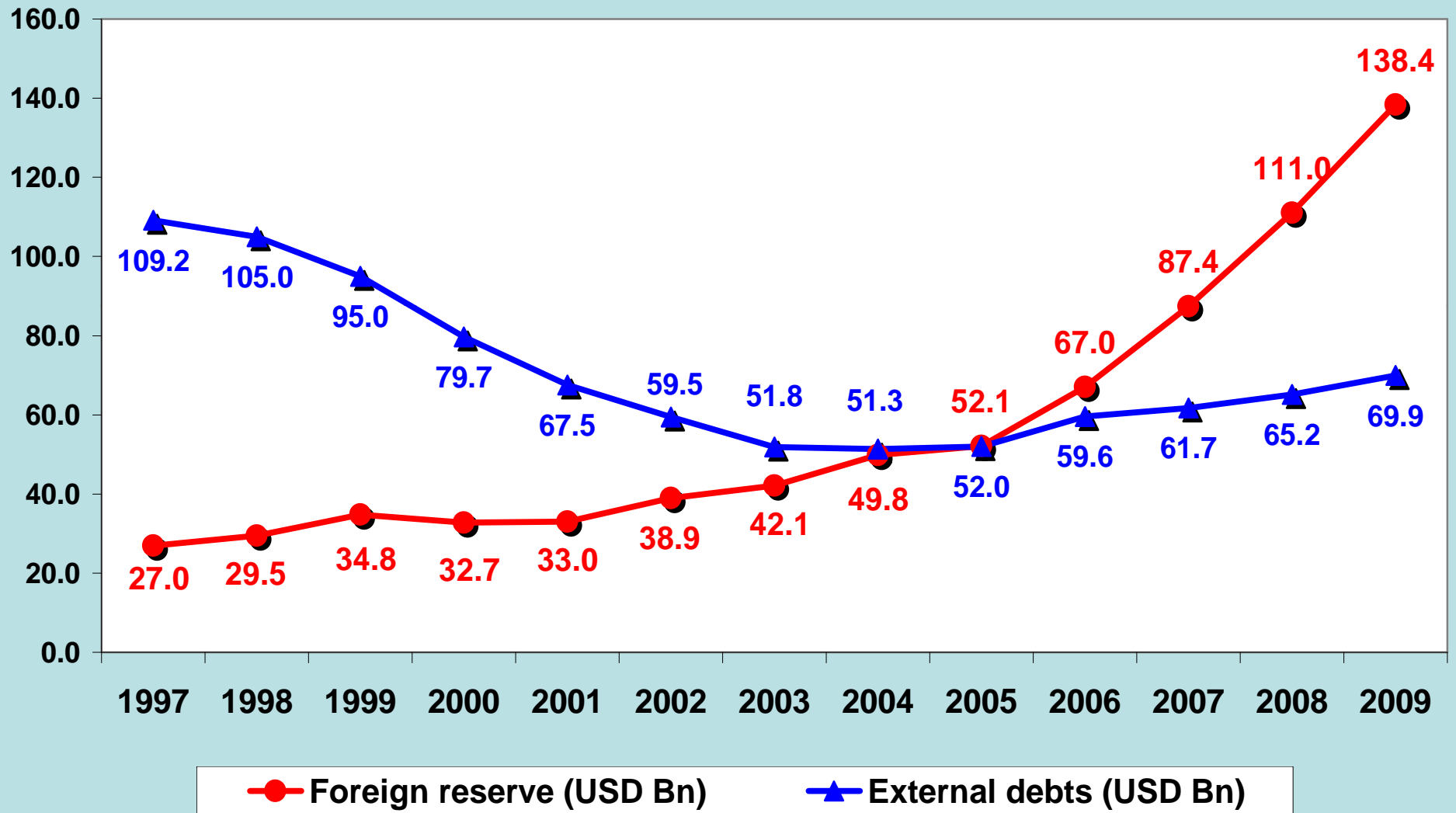
- **Dec 2009** --- Board approved the revised plan, US\$ 2.29 bn

- **Latest status** --- Waiting for cabinet approval

# Analysis

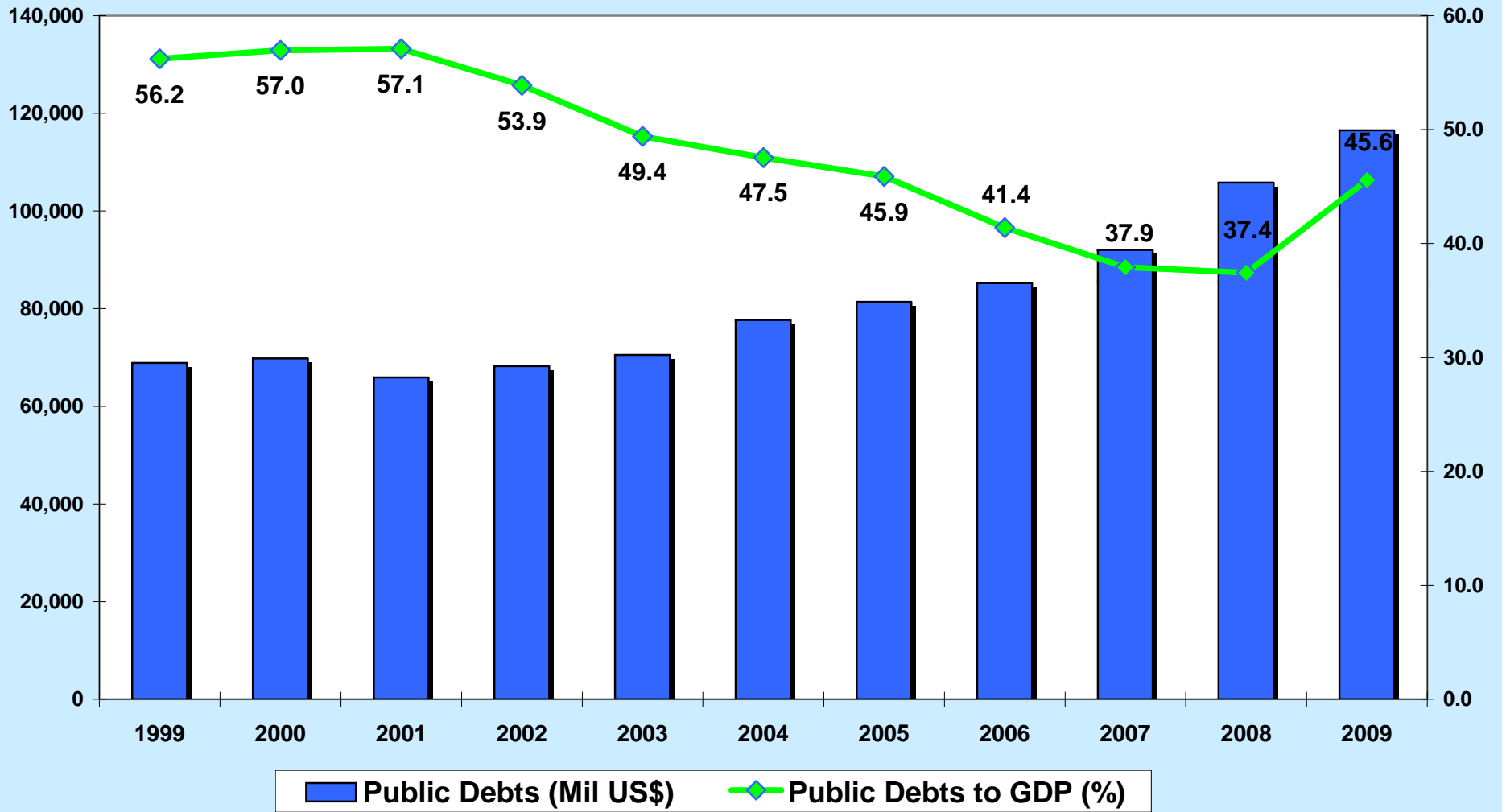
- Major factors affecting the completion of infrastructure projects
  - Planning and design, **easy**;
  - Availability of fund, **not a problem**;
  - Financing, **can be complicated**
  - Implementations, **most difficult.**

## Foreign reserve and External Debts





## Public Debts



Source: MOF

# Excess liquid assets in banking system

Unit: Millions of US\$

	2004	2005	2006	2007	2008	2009
<b>Liquid assets composition :</b>						
<b>Eligible securities</b>	<b>24,658.4</b>	<b>21,080.6</b>	<b>25,363.3</b>	<b>32,930.0</b>	<b>48,285.6</b>	<b>58,248.5</b>
<b>Deposits</b>	<b>1,595.0</b>	<b>1,679.1</b>	<b>1,823.6</b>	<b>2,036.3</b>	<b>2,163.0</b>	<b>2,077.5</b>
<b>Cash in hand</b>	<b>2,772.0</b>	<b>2,641.3</b>	<b>3,079.5</b>	<b>3,499.9</b>	<b>3,937.9</b>	<b>3,663.5</b>
<b>Required liquid assets</b>	<b>8,623.2</b>	<b>9,313.0</b>	<b>10,671.9</b>	<b>11,811.8</b>	<b>12,789.5</b>	<b>12,259.5</b>
<b>Excess liquid assets</b>	<b>20,402.2</b>	<b>16,088.0</b>	<b>19,594.4</b>	<b>26,654.3</b>	<b>41,597.1</b>	<b>51,730.1</b>

Source: BOT

# PPPs' Process

