



SOUTHERN SEABOARD DEVELOPMENT PROGRAM

**THAILAND'S NEW STRATEGIC THINKING
TOWARDS THE YEAR 2000 AND BEYOND**

MAY 1990

**OFFICE OF THE SOUTHERN SEABOARD DEVELOPMENT COMMITTEE
OFFICE OF THE NATIONAL ECONOMIC AND SOCIAL DEVELOPMENT BOARD**



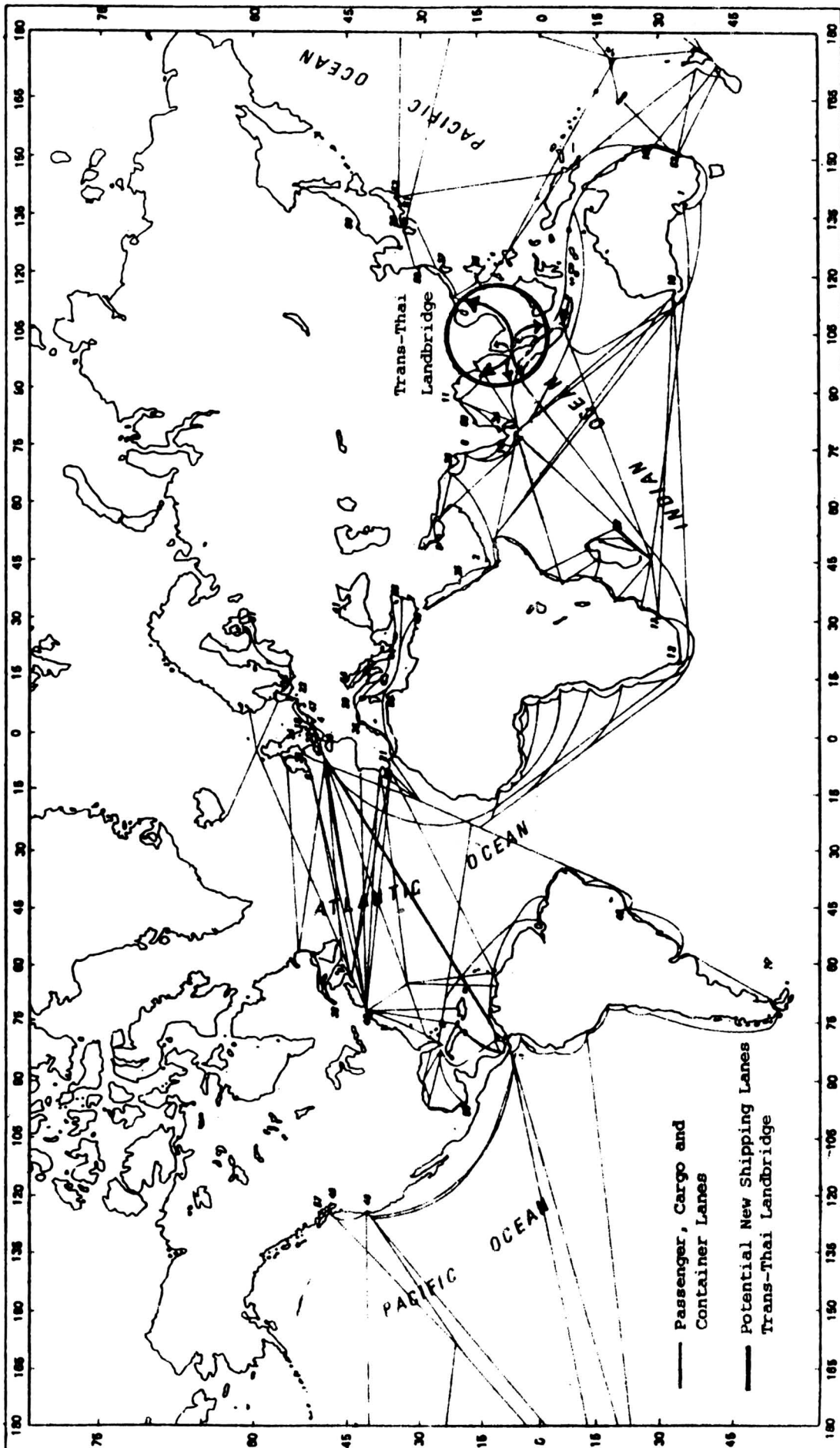
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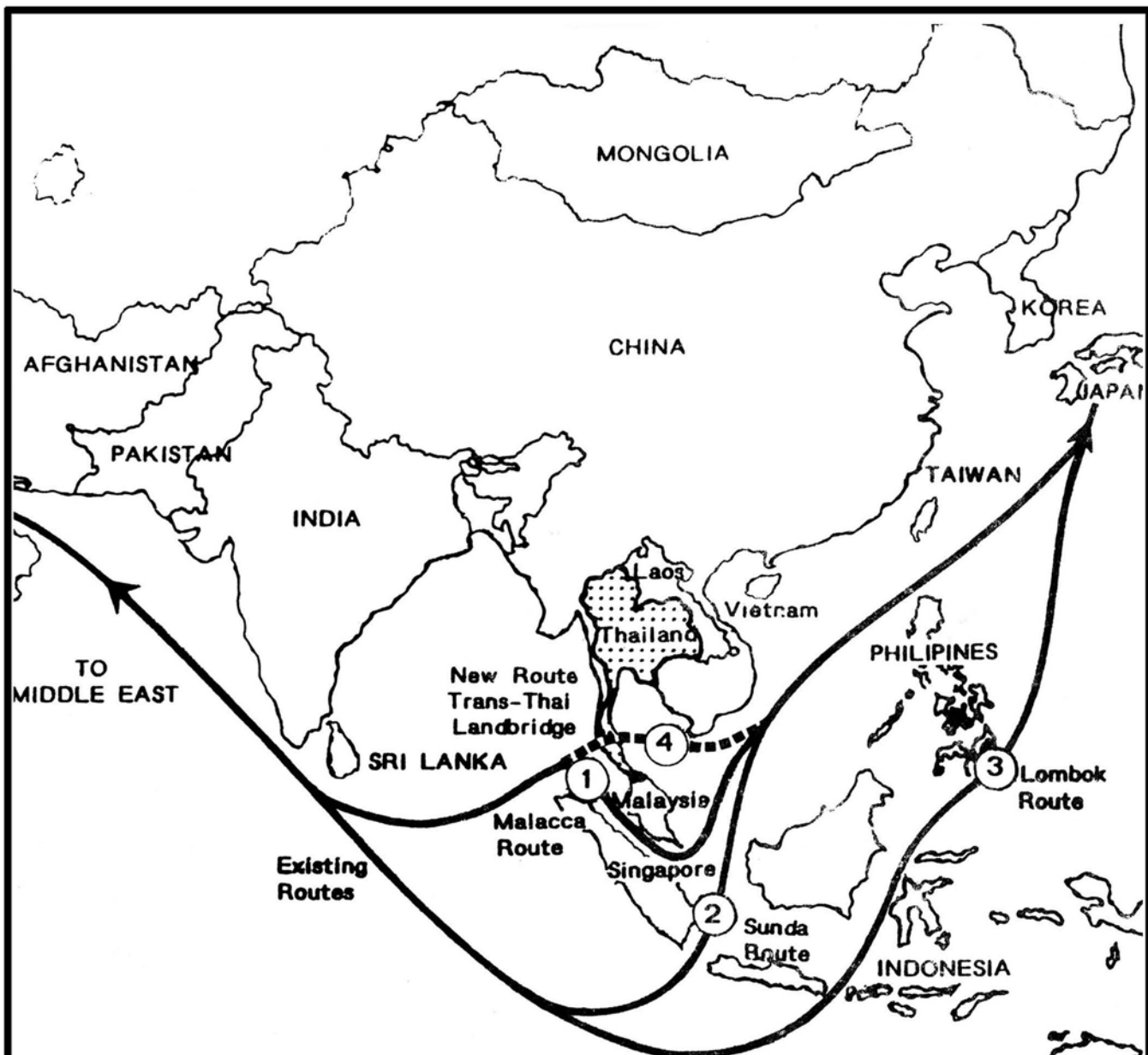
MAY 1990

**OFFICE OF THE SOUTHERN SEABOARD DEVELOPMENT COMMITTEE
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SHIPPING LANES: TRANS-THAI LANDBRIDGE TO OTHER MAJOR PORTS



INTERNATIONAL SEA ROUTES



INTERNATIONAL SEA ROUTES

	ROUTES	DISTANCE MIDDLE EAST-FAR EAST	SHORTEN BY
①	MALACCA	11,205 KM	835 KM
②	SUNDA	12,000 KM	1,630 KM
③	LOMBOK	13,150 KM	2,780 KM
④	TRANS-THAI LANDBRIDGE	10,370 KM	-

SOUTHERN SEABOARD DEVELOPMENT PROGRAM

THAILAND'S NEW STRATEGIC THINKING TOWARDS THE YEAR 2000 AND BEYOND

1. THE CONCEPTS

1.1 BACKGROUND

(1) Physical Location-South of Thailand

The South of Thailand is strategically located on the Malaysian Peninsula with access to both the Andaman Sea on the West Coast and the Gulf of Thailand on the East Coast.

(2) Sea Transportation Routes

The three main sea transportation routes between Europe/Middle-East and the Far-East are

- 1) via the Strait of Malacca, Singapore with a distance of about 11,205 kms.
- 2) via the Sunda route, through Indonesia with a distance of about 12,000 kms.
- 3) via the Lombok Strait, Indonesia with a distance of about 13,150 kms.

(3) Landbridge

With increasing international trade volumes and traffic congestion on the three existing shipping routes between Europe/Middle East and the Far East, i.e., the Malacca, Sunda, and Lombok Routes, an opportunity exists for Thailand to divert part of the traffic dealing in crude oil transport and containerized cargoes between Europe/Middle East, and the Far East through the South of Thailand, thereby shortening the existing shipping routes by about 800-2,800 kms.

In this context, the Royal Thai Government has established as policy to launch the Southern Seaboard Development Program by the so-called "Trans-Thai Landbridge" across the South of Thailand via an intermodal transport system of sea to road/rail/pipeline to sea linking the Andaman Sea and the Gulf of Thailand.

1.2 DEVELOPMENT CONCEPTS

(1) Objectives

- (1.1) To provide a more efficient and shorter international shipping route via an intermodal transport system of sea-road/rail/pipeline-sea across the South of Thailand that is competitive to the existing all-water routes especially for the transportation of crude oil and containerized cargoes.

- (1.2) To create competitive industrial locations, trade and business together with new towns so as to provide and create job opportunities at the terminals of the landbridge as part of the decentralization process away from Bangkok as well as to further help distribute the wealth associated with economic growth.
- (1.3) To ensure sustainable growth that is not in conflict with other development objectives such as tourism, fisheries and compatible with the environment and ecological system.

(2) Landbridge

A landbridge connecting the Andaman Sea at Krabi and the Gulf of Thailand at Khanom will act as the catalyst for the establishment of new economic zones at the end terminals of the landbridge. The basic components of the program consist of:

- Krabi Terminal : Offshore Loading-Unloading Crude Terminal/Deep Sea Port/Industrial Estate/New Town
- Khanom Terminal: Offshore Loading-Unloading Crude Terminal/Deep Sea Port/Industrial Estate/New Town
- Landbridge Connecting Krabi-Khanom : High Speed Road/Rail Liquid (Crude/Natural Gas/Petro-chemical/Water) Pipeline

(3) Crude/Oil/Petroleum Potential

The catalytic element to spearhead the development program is the potential to divert a portion of crude transfers between the Middle-East and the Far-East via the landbridge.

The volume of crude throughput across the South of Thailand will lead to many other potential projects which include

- Regional oil refinery
- Oil/Finished product distribution center
- Oil storage depot

With large oil tankers from the Middle-East to the Krabi Terminal, a backhaul shuttle of fresh water supply to the Middle-East can be made. Loading and unloading of crude and water can take place at the same time by the use of an oil-water separation membrane.

An offshore gas pipeline from the Gulf of Thailand to the Khanom Terminal and a gas separation plant will create opportunities to develop gas-related and petrochemical industries.

(4) Containerization Transfer/Trans-Packaging Potential

With the present technology of cargo handling and trans-shipments by containerization together with modern intermodal transport (ship-road/rail-ship) and handling systems, the landbridge in the South of Thailand creates an opportunity to provide a new shipping route that is competitive with existing international container shipping routes. The Krabi and Khanom Terminals can also function as trans-packaging centers of container flows between the Far-East and Europe/Middle-East.

(5) Break Bulk Cargoes Trans-Shipment Potential

With most of the regional ports being break bulk handling ports rather than for containerization, the potential exists also for the Krabi and Khanom Terminals to function as the regional trans-shipment centers of break bulk cargoes to other developed and developing countries.

(6) Industrialization Potential

With international shipping lines calling and new economic zones established at the Krabi and Khanom Terminals, the South of Thailand will have an opportunity to import raw materials and parts for processing and manufacturing. Indigeneous agricultural products such as rubber, palm oil, fruit and fisheries can lead to agro-industries and further processing.

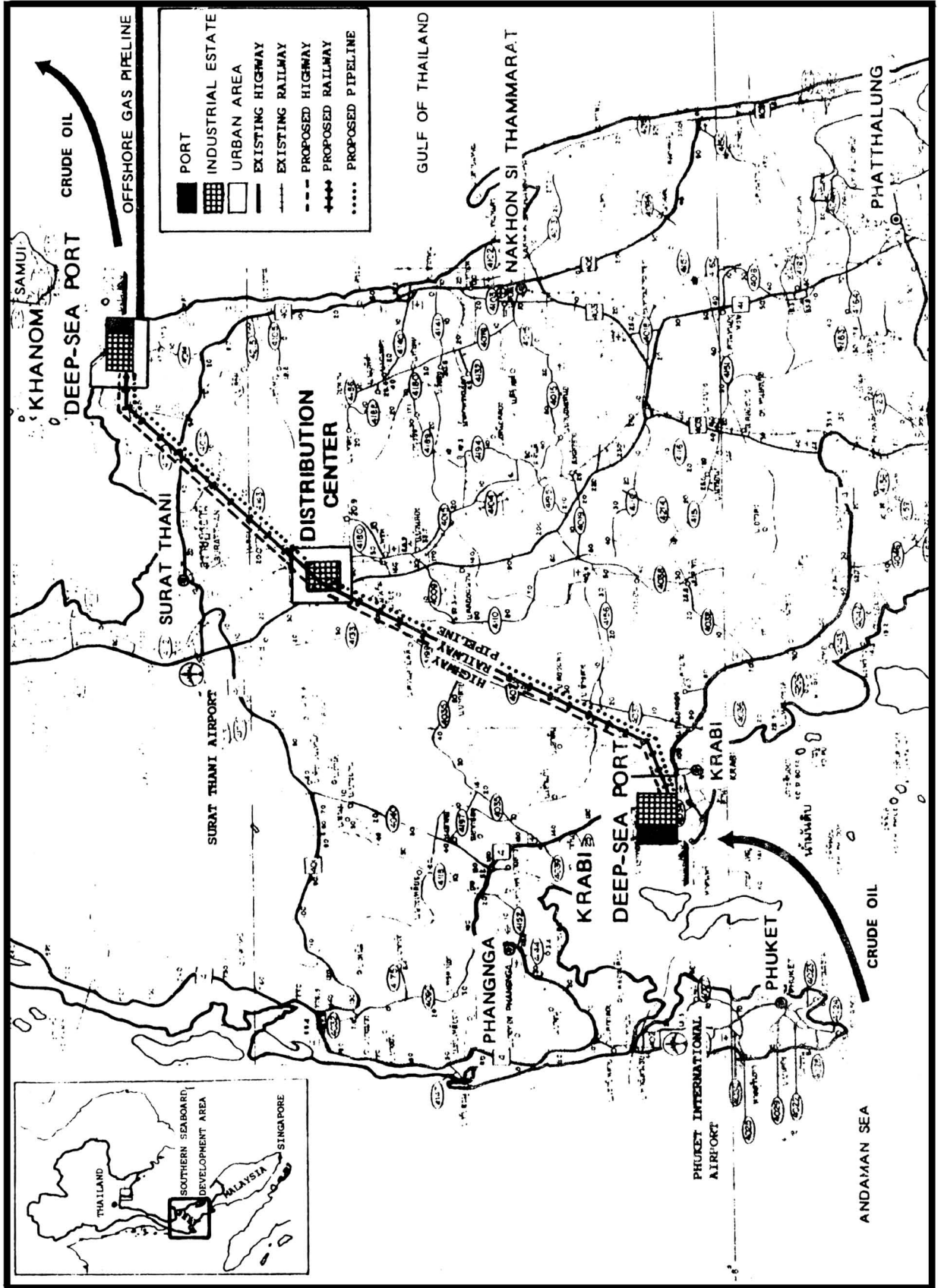
(7) International Trade Potential

Trade and business as related to the transshipment/trans-packaging of containers, crude transfers and industrialization could lead to further development of Krabi and Khanom in the South of Thailand to become a new international commercial, financial and business center with appropriate supports and legal instruments established.

(8) Urban development

With industrialization, trade and business growth, and the development of infrastructure/facilities required, it is anticipated that new urban centers will be established in the terminals of the landbridge. This will contribute to the decentralization process away from Bangkok, provide job opportunities and further help to distribute the wealth associated with economic growth. Land use planning, new town growth and orderly development with due consideration for the environment will be part of the long term planning for sustainable growth.

TRANS - THAI LANDBRIDGE EAST - WEST LINK



2. INFRASTRUCTURE AND FACILITIES

2.1 LANDBRIDGE : ANDAMAN SEA-GULF OF THAILAND

The landbridge between the Andaman Sea Terminal and the Gulf of Thailand Terminal across the South of Thailand with a distance of about 180 kms, will consist of a variety of projects which include;

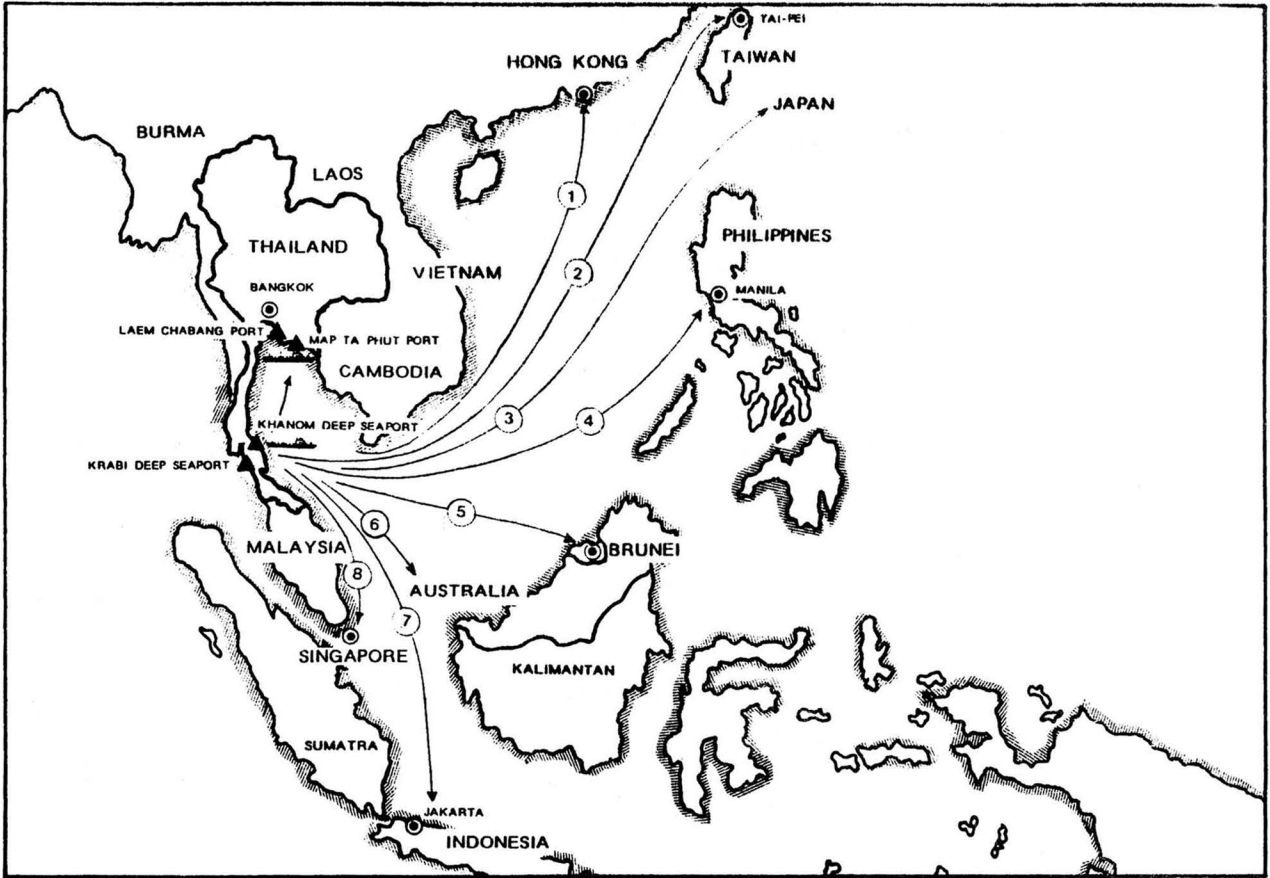
- (1) Road :**
High speed road with travelling time between the two end terminals of not more than 2 hours.
- (2) Rail :**
High standard/double-track railway with modern handling facilities for the trans-shipment of containers.
- (3) Pipeline :**
Liquid pipeline system for the transmission of crude oil/natural gas/petrochemicals/fresh water.
- (4) Distribution Center :**
Storage and distribution Center for oil and petroleum products at transport junction.

2.2 KRABI TERMINAL (ANDAMAN SEA TERMINAL)

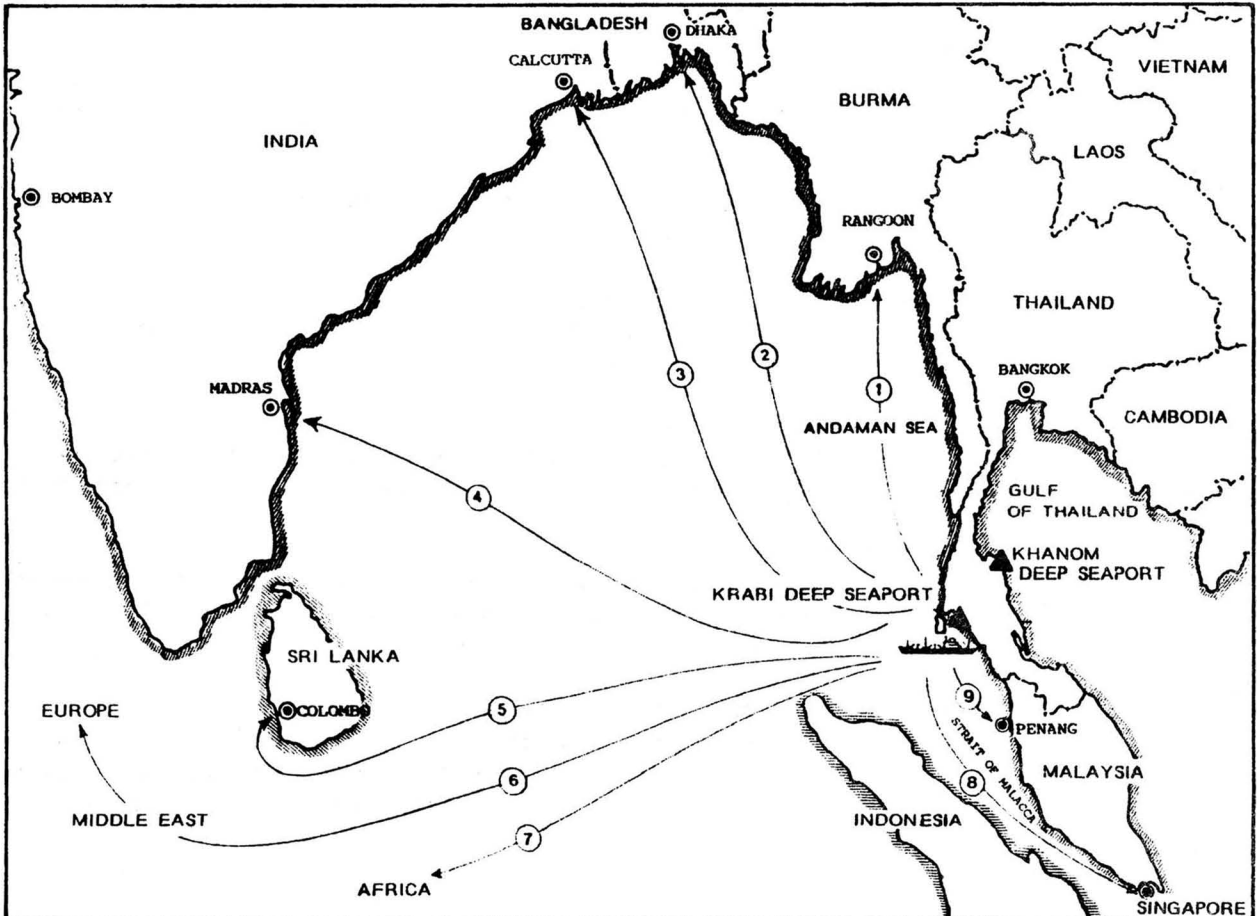
The Krabi terminal on the west coast consists of the following basic elements ;

- (1) Offshore Crude Terminal :**
Offshore sea berth to accomodate 250,000 DWT vessels together with onshore storage tanks and pump stations.
- (2) Krabi Deep Sea Port :**
Deep Sea Port with-14.0 m Water-depth to accommodate international container ships
- (3) Krabi Industrial Zone :**
Industrial estate for oil refinery/oil-related industries/tank farm, agro-industries etc.
- (4) Krabi New Urban Center :**
New town, trade and business center with proper land use zoning, utilities services and social infrastructure.
- (5) Transportation Network :**
Linkage with surrounding areas by an efficient transport system which includes a road/rail network to link with Phuket International Airport.
- (6) Telecommunication Network :**
Communication facilities between shore and ship, and between the two ports to cover national communication systems, several international radio systems, and maritime radios communications.

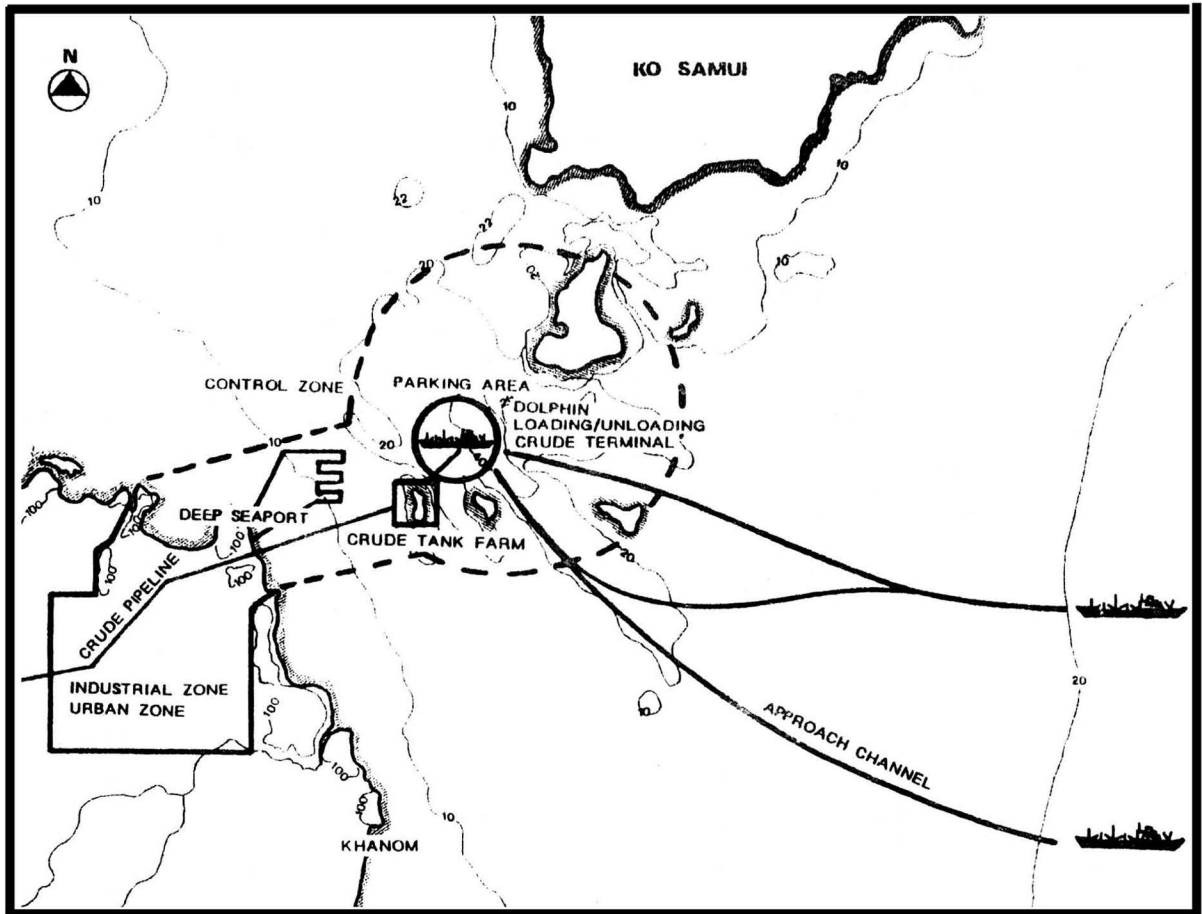
KHANOM TERMINAL (GULF OF THAILAND GATEWAY)



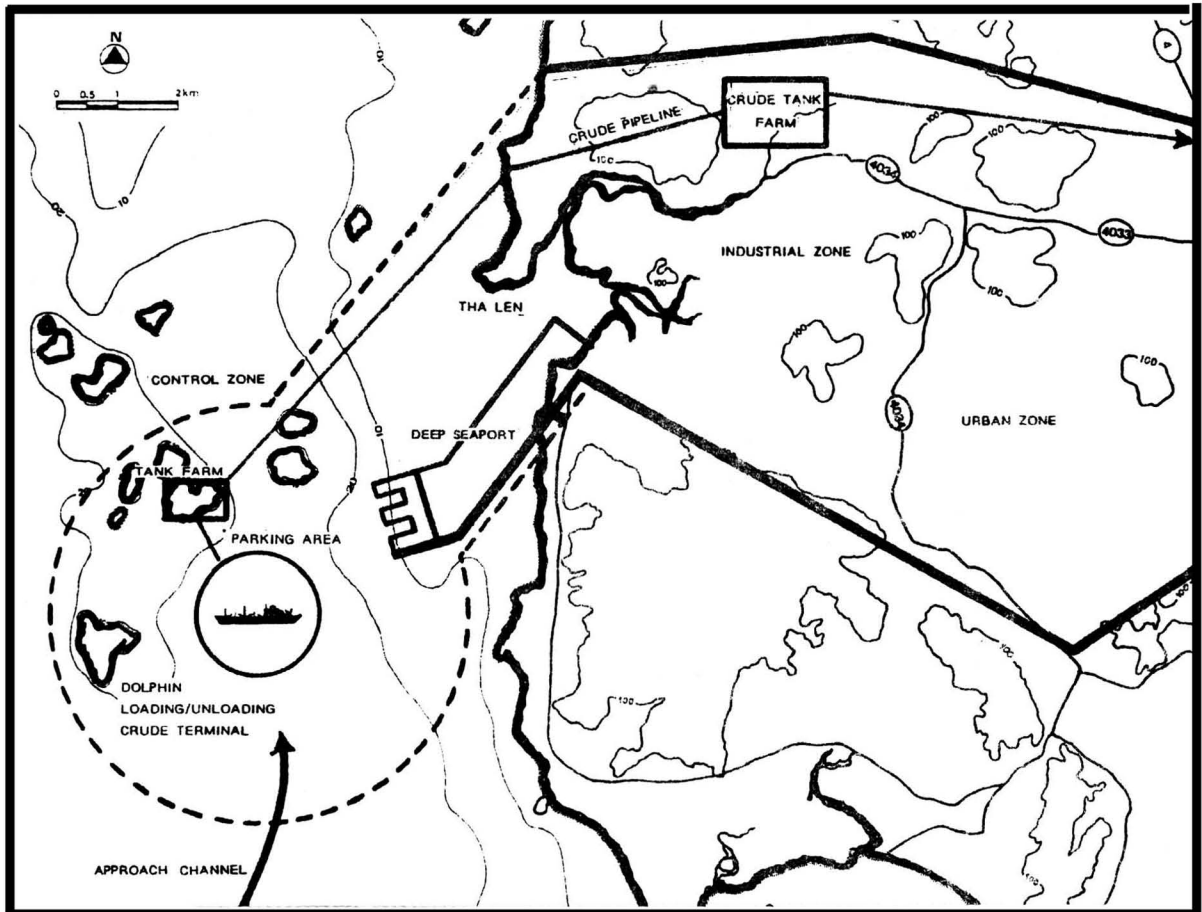
KRABI TERMINAL (ANDAMAN SEA GATEWAY)



KHANOM TERMINAL DEVELOPMENT CONCEPT



KRABI TERMINAL DEVELOPMENT CONCEPT



2.3 KHANOM TERMINAL (GULF OF THAILAND TERMINAL)

The Khanom Terminal on the east coast consists of the following basic elements ;

- (1) **Offshore Crude Terminal :**
Offshore sea berth with onshore storage tanks and pumps
- (2) **Offshore Gas Pipeline :**
A 170 kms. pipeline to bring natural gas from the Erawan field to Khanom
- (3) **Khanom Deep Sea Port :**
Deep sea port for international container ships together with modern trans-shipment and trans-packaging facilities
- (4) **Khanom Industrial Zone :**
Industrial estate for gas separation plant/pet chemical, gas-related industries, oil-related industries/ farm, agro-industries etc.
- (5) **Khanom New Urban Center :**
New town, trade and business center with proper land use zoning, utilities services and social infrastructure
- (6) **Transportation Network :**
Linkage with surrounding areas by efficient transport system which includes a road/rail network to link with Surat Thani Airport
- (7) **Telecommunication Network :**
Communication facilities between shore and ship, and between the two ports to cover national communication systems, several international radio systems and maritime radio communications.

3. ENVIRONMENTAL CONTROL/MITIGATION MEASURES

In order to ensure sustainable and environmentally sound development which is compatible with the ecological system and not in conflict with other development objectives such as tourism and fisheries, management plan for the following environmental aspects must be addressed :

(1) COASTAL RESOURCES MANAGEMENT :

Beaches/coral/flora/fauna/marine conservation and protection

(2) WATERSHED, FORESTS & WILDLIFE MANAGEMENT :

Water balance/erosion control/deforestation/Mangrove Forests

(3) WATER QUALITY MANAGEMENT :

Water supply/drainage/sewerage/solid waste/agricultural waste/port and harbour operation

(4) AIR QUALITY AND NOISE MANAGEMENT :

Standards and control measures

(5) RISK MANAGEMENT :

Oil spill control/safety measures/evacuation scheme

4. PARTICIPANTS OF THE PROGRAM

The entire Southern Seaboard Development Scheme will involve many participants beyond the Royal Thai Government (RTG) in order to realize the program. Key participants include the following :

(1) RTG :

Provide clear and continuous policy directives together with initial investment in infrastructure

(2) BILATERAL COOPERATION :

Provide technical/financial supports in infrastructure development and joint-invest in industrial development

(3) MULTINATIONAL CORPORATION :

Participate in project financing and management which includes trade and business development

(4) PRIVATE INVESTORS :

Invest in industries and other opportunities which include investment/management of infrastructure

5. DECISION MAKING AND CONTROL

The Southern Seaboard Development Committee (SSDC), chaired by His Excellency the Prime Minister, was set up to ensure quick and efficient decision making as well as to coordinate policy planning/analysis/management and to give approval for further implementation.

Members of the Southern Seaboard Development Committee are as follows :

- | | | |
|-----|--------------------------------------------------------------------------------------------------|-------------------------------------------------------|
| 1. | Gen. Chatichai Choonhavan
Prime Minister | Chairman |
| 2. | Mr. Pong Sarasin
Deputy Prime Minister | Vice Chairman |
| 3. | Mr. Korn Dabbaransi
Minister of the Prime Minister's
Office | Member |
| 4. | Mr. Pramual Sabhavas
Minister of Finance | Member |
| 5. | Police General Pramarn Adireksarn
Minister of Industry | Member |
| 6. | Mr. Montree Pongpanit
Minister of Transport and Communication | Member |
| 7. | Mr. Prachuab Chaiyasan
Minister of Science, Technology
and Energy | Member |
| 8. | Gen. Wanchai Jitjumnong
Secretary-General to the Prime Minister | Member |
| 9. | Mr. Apilas Osatananda
Secretary-General to the Cabinet | Member |
| 10. | Dr. Phisit Pakkasem
Secretary-General
National Economic and Social
Development Board | Member and Secretary
to the Committee |
| 11. | Dr. Savit Bhotiwihok
Director of the Office the
Southern Seaboard Development
Committee | Member and Assistant
Secretary to the
Committee |

The Office of the Southern Seaboard (OSSB) is the secretariat of the SSDC and is responsible for the planning and program formulation as well as the day-to-day coordination of the Program.

CONTACT ADDRESS

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