



The 2nd market sounding session of Laem Chabang Phase 3 Project to seek private partnership in enhancing maritime transportation for the success of EEC

On 4 June 2018 at 09.00 hrs Dr. Kobsak Pootrakool, Minister of the Office of the Prime Minister, presided over the opening ceremony of the second market sounding session for the Project on Development of Laem Chabang Port Phase 3 under a Public Private Partnership Scheme, which was held at Surawongse Ballroom 1, Bangkok Marriott Hotel The Surawongse, Bangkok. On this occasion, Pol. Sub. Lt. Montree Lergchumnieel, Managing Director of Laem Chabang port addresses a report on the project and this event which aimed to solicit opinions from target private entities and related agencies on project development details and tender process. The participants included representatives from public and private entities as well as different businesses and investors both in Thailand and from abroad.

To materialize the Eastern Economic Corridor or EEC, the government gives top priority to developing transportation infrastructure in this region. Phase 3 of the Laem Chabang Port development is among major infrastructure projects that are being accelerated since the costs of maritime freight transportation are far lower than those in road and rail sectors. As private participation in the project is planned, the Port Authority of Thailand (PAT) scheduled three market sounding sessions in line with related regulations to determine the most appropriate public private partnership scheme that ensures the project success and optimal national benefits, said Dr. Kobsak.

The first market sounding session was held on 2 May 2018 to present general information of the project including related policies and action plans. The feedback showed that 95% of private entities and investors believe that the project is needed in order to meet the growing demand for goods transportation. Most of them agreed on the master plan and implementation of a semi-automation technology in the initial stage before developing a full automation system. Fifty percent expressed their interest in investment in container terminals while 38% and 12% were interested in multi-purpose terminal and car terminal, respectively.

At the second session, project details and viable public private partnership schemes which included risk-benefit sharing and privileges for the chosen bidders were discussed with target investors. The estimate of project cost ranges between 95,000 and 105,000 million baht. The result will be taken into consideration for selection of pre-qualified investors.

Given the strategic location of Laem Chabang Port which makes it a major regional distribution center for maritime cargo, the development of Phase 3 is expected to enhance the port's capacity to handle the increasing demand for international maritime freight transportation and upgrade it into a competitive destination for investors and tourists as well as superior gateway to Southeast Asia and beyond. Once its commercial operation starts, the project will increase the annual container handling capacity of Laem Chabang Port from 1.1 million TEUs to 18.1 million



TEUs, the annual vehicle handling capacity from two million to three million units, and rail freight capacity from 7% to 30% of all containers handled. As such, Thailand's total logistics cost to GDP ratio will decrease from 14% to 12%, saving 250,000 million baht annually.
