

Economic Corridor & Trade Facilitation: Thailand Context



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AGENDA



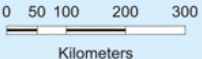
Current Situation



Challenges in Economic Corridors



SWOT analysis of Thai 3 PLs



Somsak Wisetruangrot @2011

- National Capital
 - City/Town
 - Road
 - River
 - Provincial Boundary
 - International Boundary
- Boundaries are not necessarily authoritative.

Transport Corridor : Road linkage between countries

Multimodal Transport Corridor: More activity and combine with 2 modes of transport in Transport Corridor

CORRIDORS

Economics Corridor : Besides Physical transport, facilitation of rule and regulation for goods flow, the economic activities are required such as set up Industrial estate, hiring labour

Logistics Corridor : requires more facilitation on rules and regulation to make smooth flow of goods and services

TRANSPORT CORRIDORS



R3A route :

- Road is completed, but some area is damage due to Landslip



R3B route :

- Road is completed, but some area is not safe to get through



R9 route :

- Road is completed and is most active area



R1 route :

- Road is completed and is also active area

MULTIMODAL TRANSPORT CORRIDORS



R3A route :

- Multimodal Transport has been done through this route



R3B route :

- No Multimodal Transport has been done at present



R9 route :

- Multimodal Transport has been done



R1 route :

- Multimodal Transport has been done

LOGISTICS TRANSPORT CORRIDORS



R3A route :

- There are Logistics Service through this route



R3B route :

- No Logistics Service has been done at present



R9 route :

- There are Logistics Service through this route



R1 route :

- There are logistics Service through this route

ECONOMIC CORRIDORS



R3A route :

- Economic Corridors is developing



R3B route :

- No Economic Corridors has been done



R9 route :

- Economic Corridor has been established



R1 route :

- Economic Corridor has been established

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Current Situation



Challenges in Economic Corridors



SWOT analysis of Thai 3 PLs

Challenges in Economic Corridors

Hardware Impact

Physical Infrastructure

- Rest Area
- Gasoline Station
- Maintenance Shop

- Safety Guard & Traffic Signs
- Budget for Repairing
- Expansion width of the Road

Challenges in Economic Corridors

Hardware Impact

Physical
Infrastructure

- Weight Limitation
- ICD or truck terminals
- Handling Equipments

Challenges in Economic Corridors

Hardware impact

Equipments

- Safety & Security Devices
- Journey Communication

Trucks

- Close Van Truck
- Inter-Corridor Container & Chassis

Challenges in Economic Corridors

Software Impact

Policy

- Customs Formality
- Excise Formality
- Immigration

- Phytosanitary & Quarantine
- Number of Trucks Allow for Cross border

Challenges in Economic Corridors

Software Impact

Human Resource
Development

- Professional Driving
- Safety Training
- Ability to solve facing situation

- Social Responsibility
- Language for Communication

Challenges in Economic Corridors

Middleware Impact

Products & Players

- Source of Products
- Type of Products
- Merchant Aspects

- Transport Operator
- 3PLs Aspects

Challenges in Economic Corridors

Business Aspect of Private Sector

Merchants
in Country

3PLs Own
Investment in
neighbors
countries



3 PLs
Business
Partners in
neighbors
countries

Pricing Policy

Challenges in Economic Corridors

Other-ware Impact

Technology

- RFID against Customs acceptance (track & trace)

Mutual or Competitive Advantage

- Against Stakeholders in Corridors

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Current Situation



Challenges in Economic Corridors



SWOT analysis of Thai 3 PLs

Strength:

1. More Availability of Capital & Truck (excepts China & Japanese)
2. Skillful of Driver & Driving Quality
3. Technology of Tracking & Tracing
4. Able to establish company in neighbor countries with or without joint venture

Weakness:

1. Left hand vs. Right hand Drive
2. Language Barrier
3. Skillful on the route & sign board
4. Unable to complete with Japanese Logistics firms for Japanese Customers
5. Unable to get thru corridor

SWOT Analysis

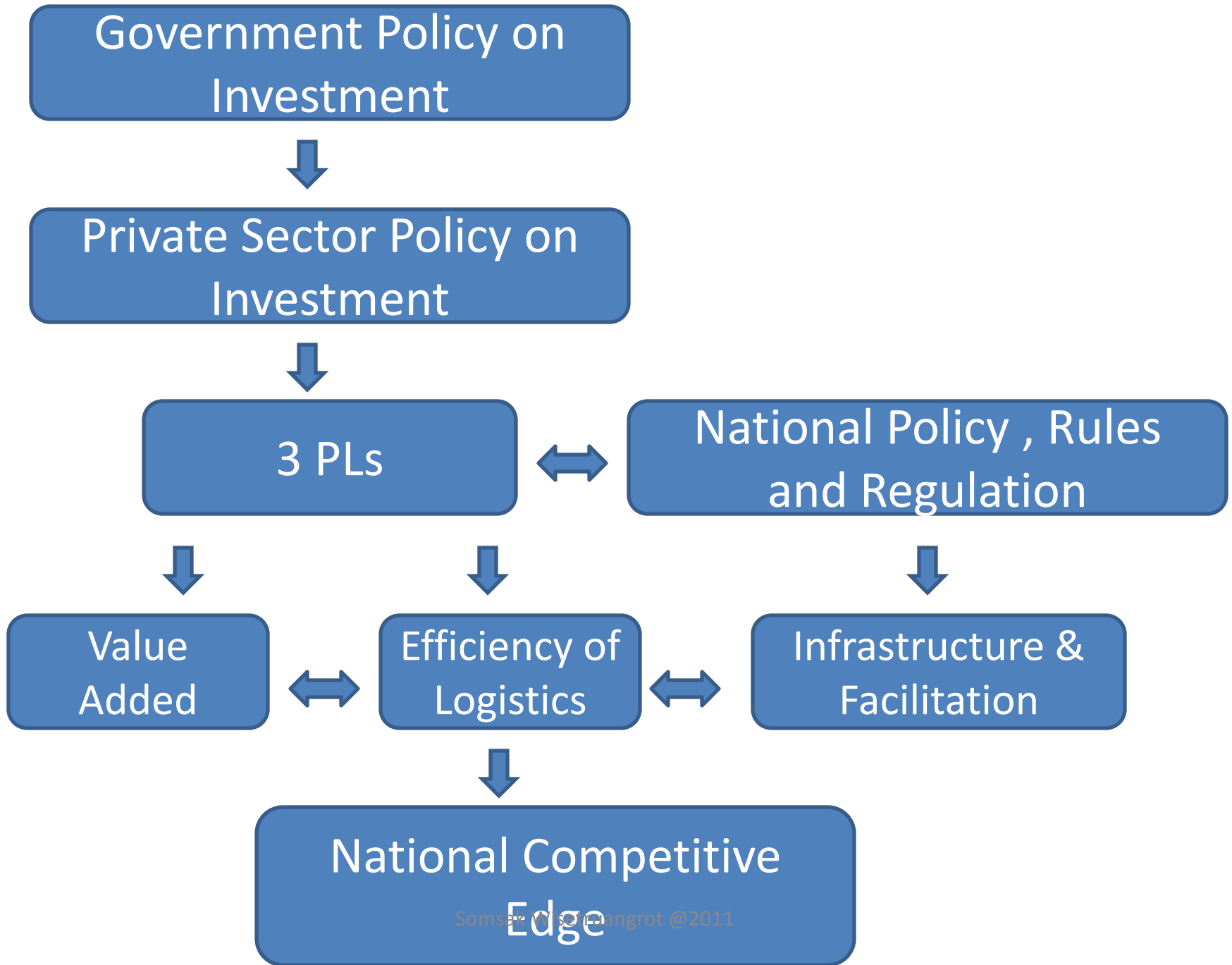
Opportunity:

1. Gate way of Indochina
2. Able to use Subcontractor from neighbor countries
3. Future of Investment in the Corridor from China and Japanese
4. Able to become Subcontractor on

reverse side

Threat :

1. Costing of other Transport mode is cheaper than using these corridor
2. Safety and Security during transport
3. Customs procedure delays transit time
4. Economic Downturn Situation



Thank you for your attention

Q & A