

Somkid shelves rail project with China

Key sticking point: Dispute over rubber.



China has shown off its vision of high-speed train services, such as this exhibition at Makkasan station. (Photo by Thanarak Khunton)

The signing of a memorandum of cooperation (MoC) between Thailand and China on a new railway development project planned for tomorrow has been shelved after China failed to honour an associated agreement on rubber that was in the same package.

Transport Minister Arkhom Termpittayapaisith revealed Tuesday that Deputy Prime Minister Somkid Jatusripitak had put the brakes on the MoC signing until both sides come to a new agreement.

The project comprises two connecting railways, one from Bangkok to Nong Khai through Kaeng Khoi (in saraburi province) and Nakhon Ratchasima and the Kaeng Khoi to Map Ta Phut (in Rayong province).

The two routes will together cover 867km and cost 350 billion baht, according to a draft framework for the Thai - Chinese rail deal revealed by the Thai government last month.

Construction will be divided into four sections – Bangkok-Kaeng Khoi; Kaeng Khoi-Map ta Phut; Kaeng Khoi-Nakhon Ratchasima-Nong Khai, according to the cabinet-approved framework.

The rail service is part of a 1.8 trillion baht transportation megaproject approved by the cabinet Tuesday (see graphic below). It is the biggest such megaproject in the nation's history.

Biggest megaproject ever: Cabinet approves 1.8 trillion baht plan.

China previously asked to change a company that had been contracted to buy rubber from the Thai government and attached a new condition in which it would purchase only new rubber, said Mr Arkhom.

These changes arose despite the fact that China had initially agreed that it would buy from Thailand's Mulaphan Kanchon rubber price intervention programme which includes both new and old rubber, he said.

Thailand had no choice but postpone the MoC signing because the rail contract was initially designed to be in the same package with the rubber and rice trade deals, he said.

These three contracts will be put on hold until Thailand and China can find common ground on the rubber deal, he said.

As for another railway development deal that Thailand has recently reached with Japan, Mr Arkhom said the next process involves improving the condition of existing rail tracks, conduction trial runs for the train service, jointly investing in providing train services, and building double-track rail lines.

Thailand and Japan signed an MoC on a railway development project on Nov 26 in Japan.

The project deals mainly with the construction of a 547-kilometre rail route from Ban Phu Nam Ron on the border of the western province of Kanchanaburi to Sa Kaeo's Aranyaprathet district in the east and is expected to start early next year.

A new railway will also be built linking Kanchanaburi and the planned deep-sea port in Dawei in Myanmar.

GETTING OFF THE GROUND

20 projects under the accelerated transport infrastructure development plan

INTER-CITY 1-METRE GAUGE DOUBLE-TRACK RAIL NETWORK

- **B26bn** Jira intersection (Nakhon Ratchasima)-Khon Kaen*
- **B29.9bn** Map Kabao (Saraburi)-Jira intersection
- **B20bn** Nakhon Pathom-Hua Hin
- **B17.3bn** Prachuap Khiri Khan-Chumphon
- **B24.8bn** Lop Buri-Pak Nam Pho (Nakhon Sawan)

INTER-CITY 1.435-METRE GAUGE DOUBLE-TRACK RAIL NETWORK

- **B369bn** Nong Khai-Khon Kaen-Nakhon Ratchasima-Kaeng Kho (Saraburi)-Chachoengsao-Si Racha-Map Ta Phut
- **B449bn** Bangkok-Phitsanulok-Chiang Mai
- **B94.7bn** Bangkok-Hua Hin
- **B153bn** Bangkok-Rayong

BANGKOK MASS TRANSIT ROUTES



Air transport network development

- **B51.6bn** The second phase of Suvarnabhumi airport's expansion*

Motorways

- **B20.2bn** Pattaya-Map Ta Phut*
- **B84.6bn** Bang Pa-in-Saraburi-Nakhon Ratchasima*
- **B55.6bn** Bang Yai-Kanchanaburi

Water transport network development

- **B1.86bn** Port development project (Port A) at Laem Chabang deep sea port*
- **B2.03bn** Container terminal development project at Laem Chabang deep-sea port: first phase*

Note: *Projects for which bidding will start this year and construction next year. The remaining projects will see bidding and construction from 2016-17.

POSTGraphics

