

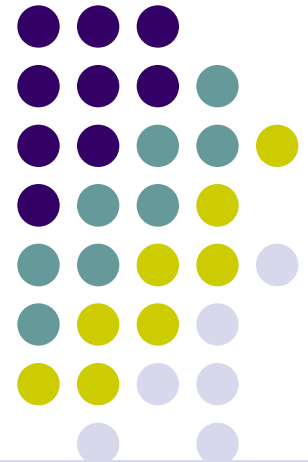
Globalization-related changes in transport activity in Thailand

Global Forum on

“Transport and Environment in a Globalizing World”

Guadalajara, Mexico

10-12 November 2008



Deunden Nikomborirak

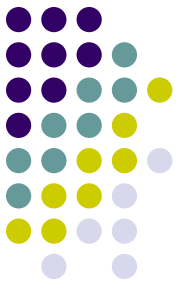
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Outline of Presentation

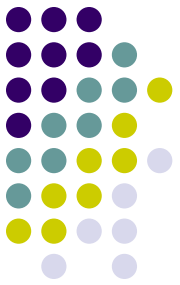


1. Thailand Globalization Indicators
 - Investment (capital)
 - 1.1 Trade (consumption)
 - 1.2 Intra-industry trade (production)
 - 1.3 Investment (capital)
 - 1.4 Employment (labour)
2. Globalization and Transport Activities
 - 2.1 Transport and GDP
 - 2.2 Transport of Goods
 - 2.3 Transport of Passengers
 - 2.4 Sum up: Transport Activities 1998-2006
3. Conclusions
 - Findings and Policy Recommendations

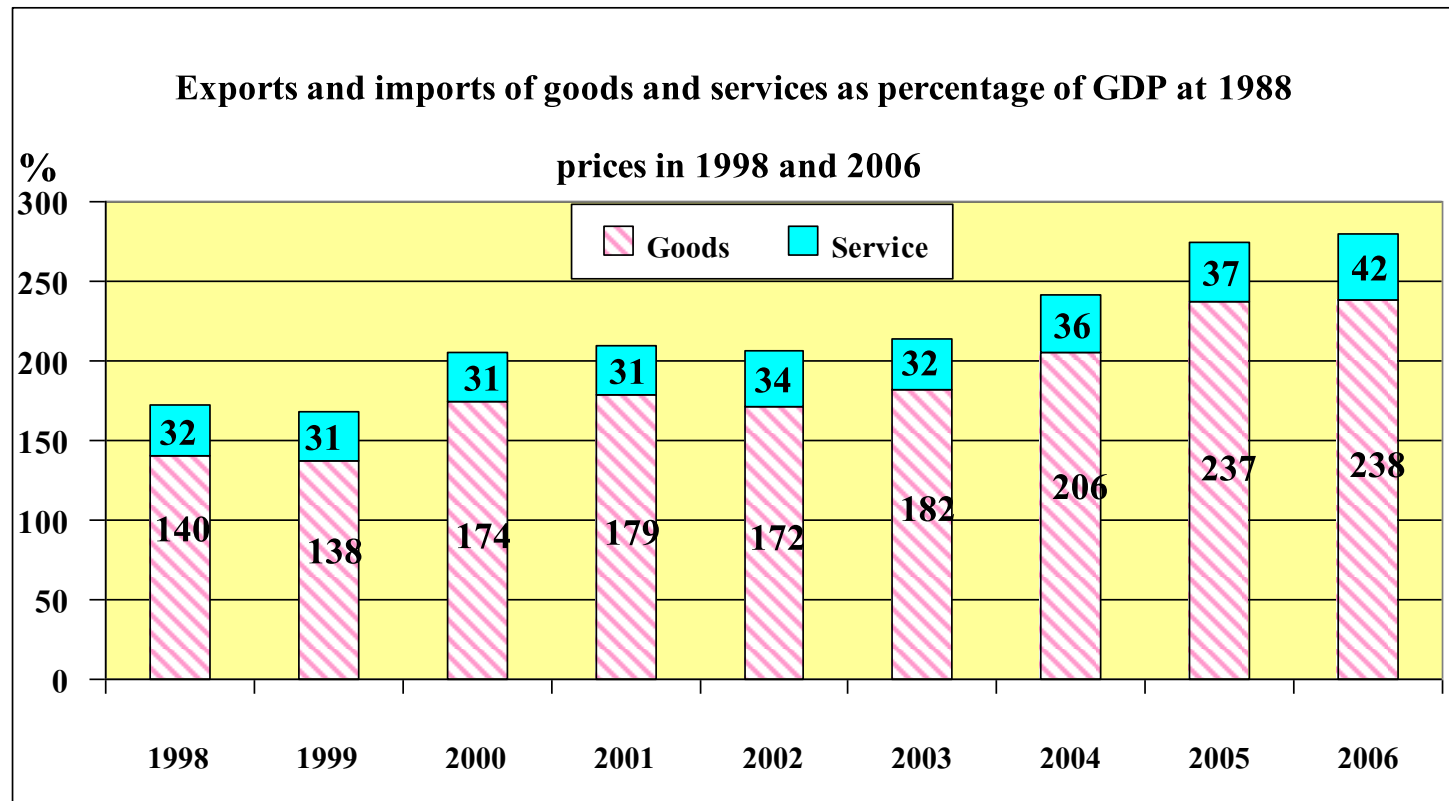


1. Thailand's Globalization Indicators

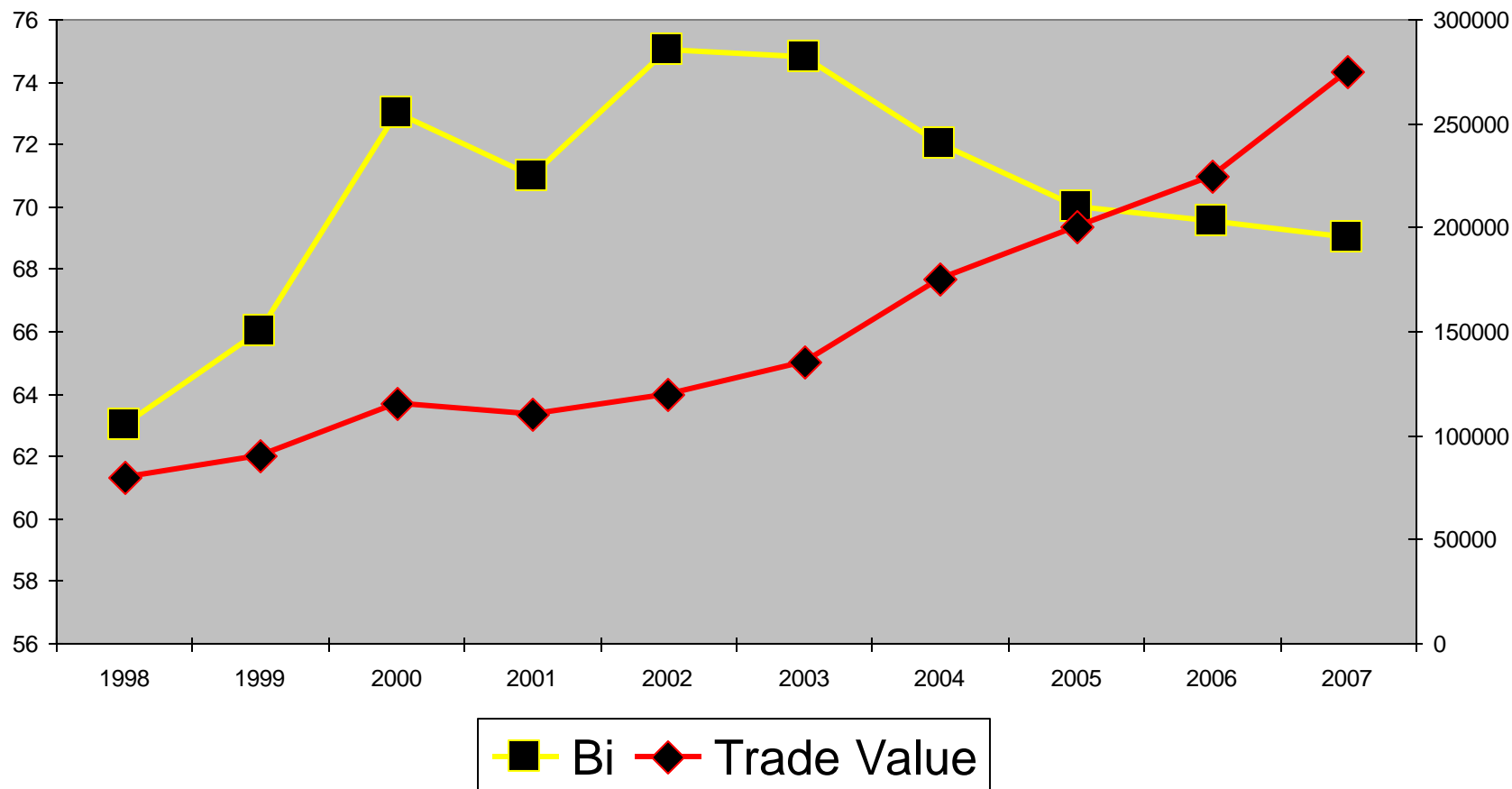
1.1 Trade



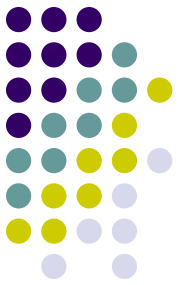
- Thailand is increasingly integrated to the global economy. Trade to GDP ratio increased from 172 to 280 during 1998-2006.



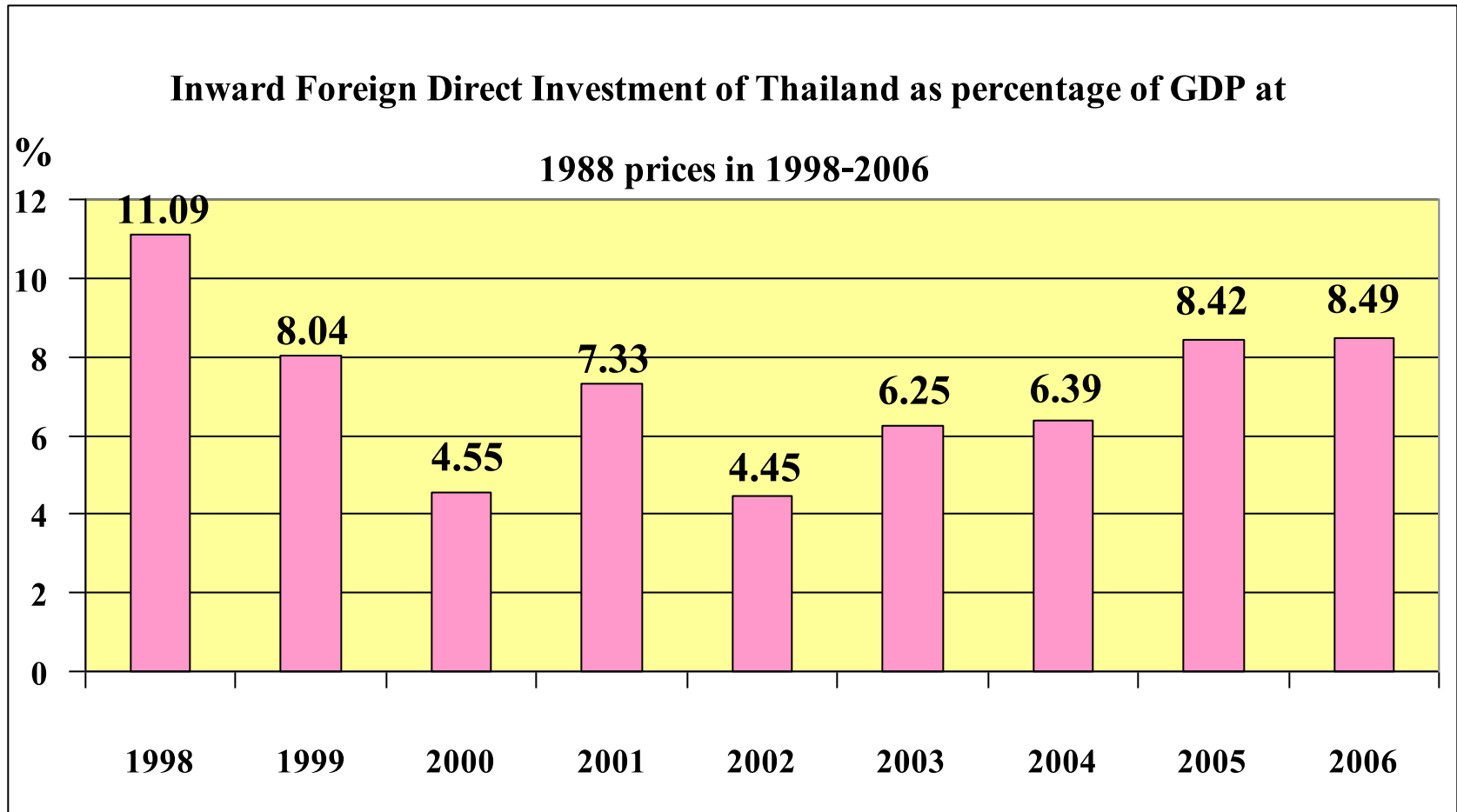
1.2 Intra-industry Trade (top 30 exports)



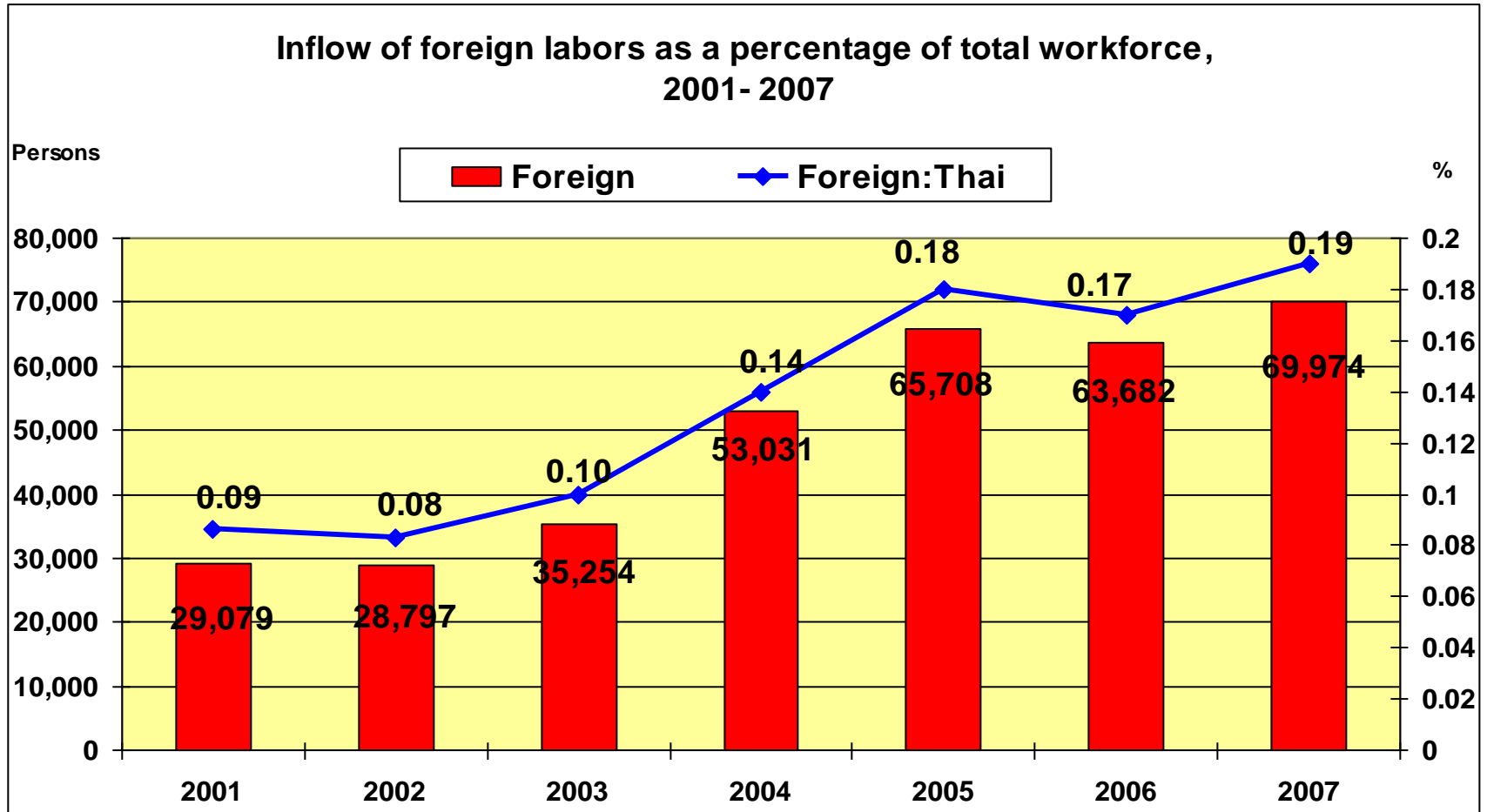
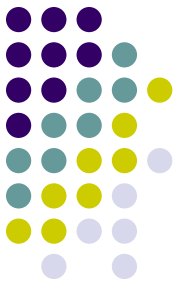
1.3 Investment



FDI contributed to 8.49 per cent of GDP in 2006



1.4 Labour



Sum up



- During 1998 – 2006 Thailand has been increasingly integrated into the global trade, investment and labour market. However, intra-industry trade trend is inconclusive.
- Foreign trade contributed to 270 per cent to GDP in 2006 compared with 172 per cent in 1998;
- FDI to 8.49 per cent of GDP in 2006, less than the post-crisis figure of 11.06 per cent in 1998.
- Foreign labour share increased from 0.09 per cent of work force in 2001 to 0.19 per cent in 2007.



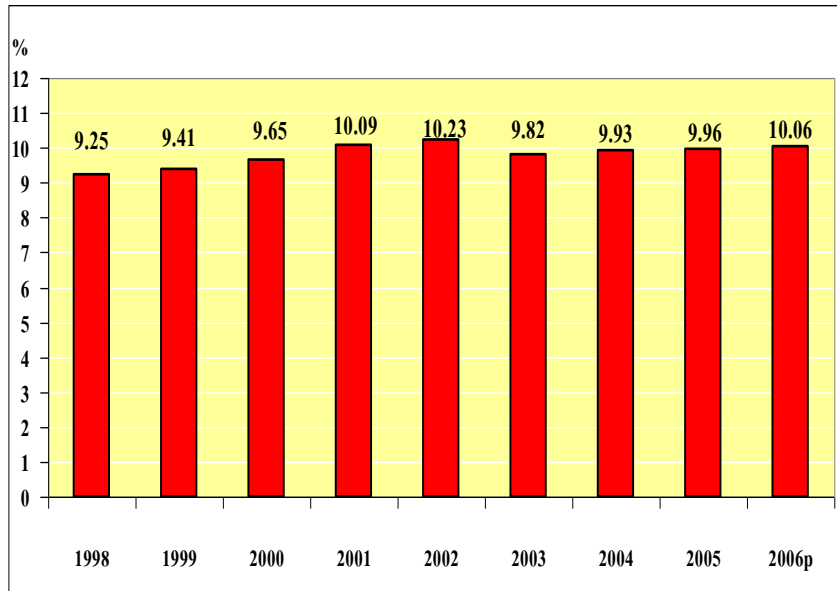
2. Globalization and Transport Activities

2.1 Transport GDP 1998 -2006

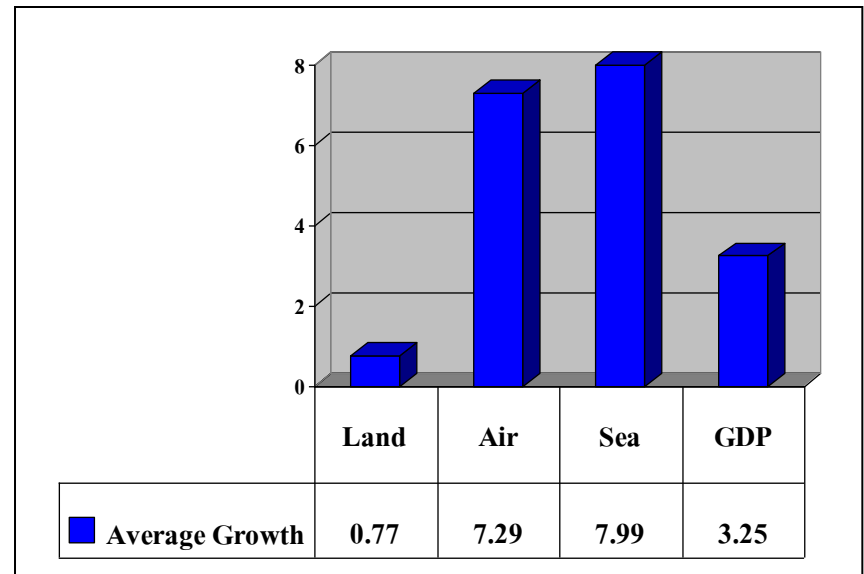


- Transport contributes to slightly increasing share of GDP from 9.55% in 1998 to 10.06 % in 2006.
- Air and Sea Transport expanded much more rapidly than GDP

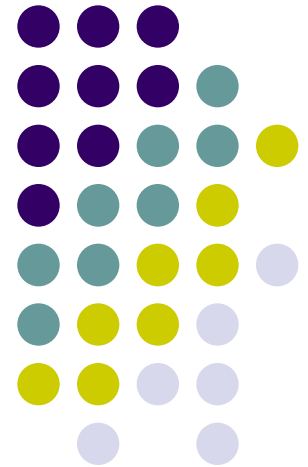
Transport GDP share



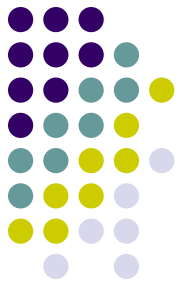
Transport Average Growth 1998-2006



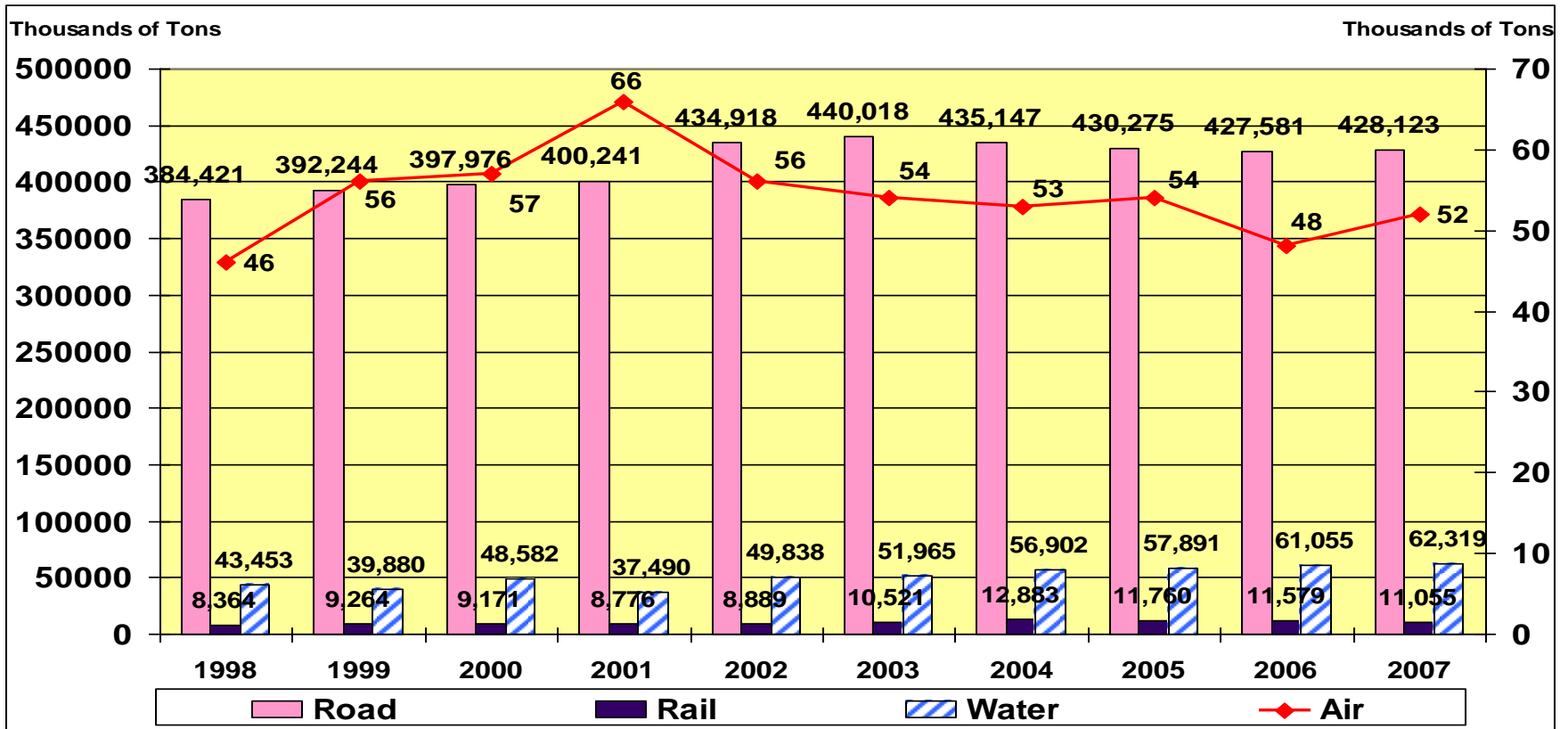
2.2 Goods Transport



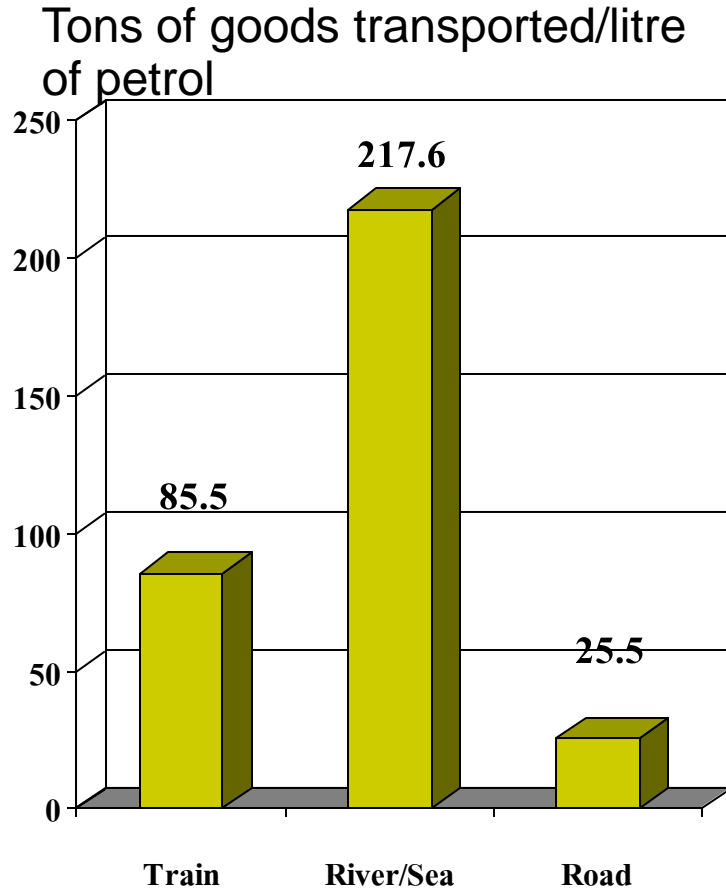
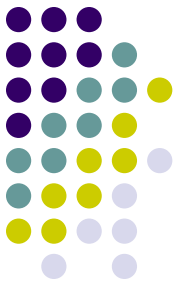
Volume of Domestic Goods Transport



- road, rail and air mostly declined/stabilized during 2003-2007
- transportation by river and sea (coastal shipping) increased continuously during this period

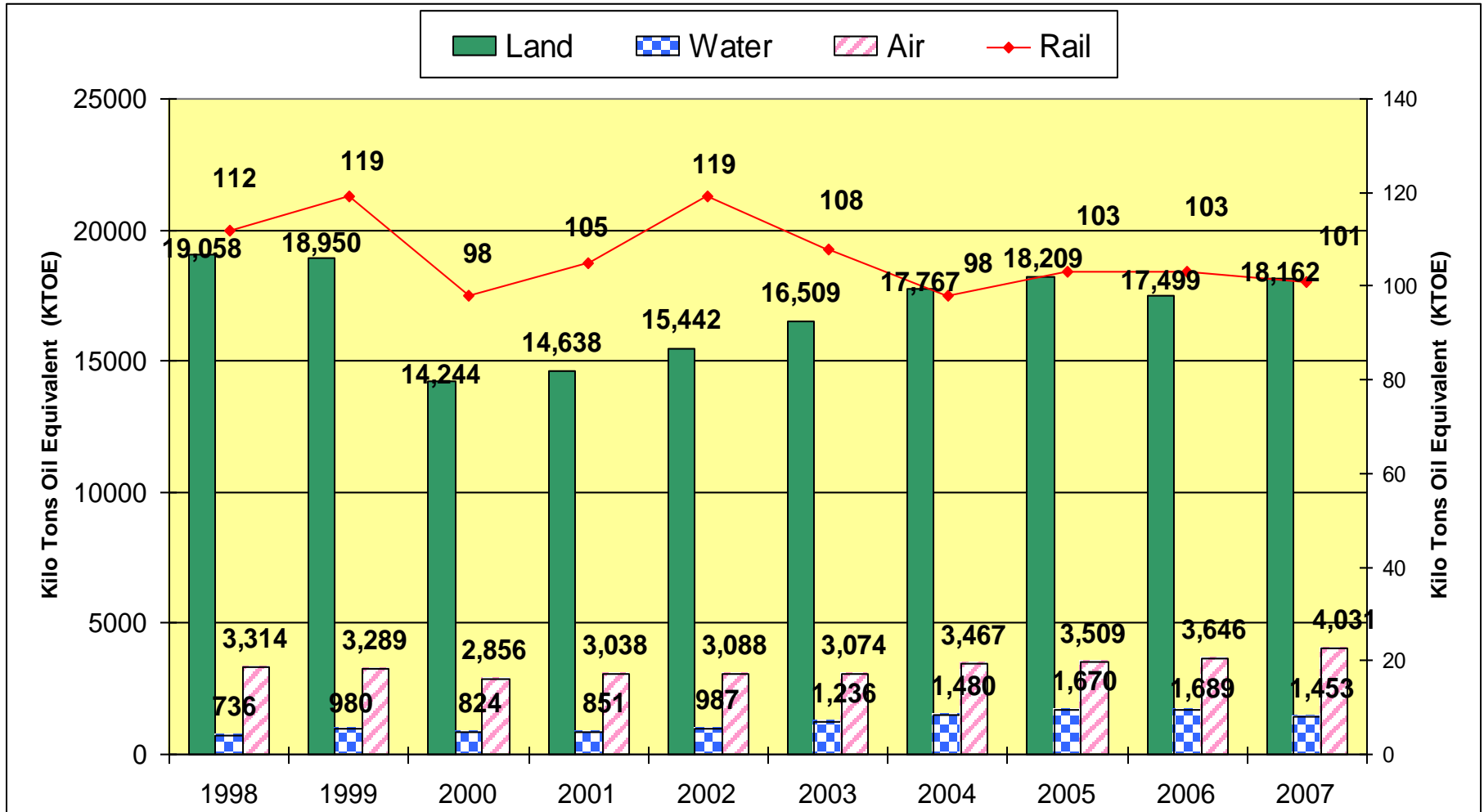


Transport modes

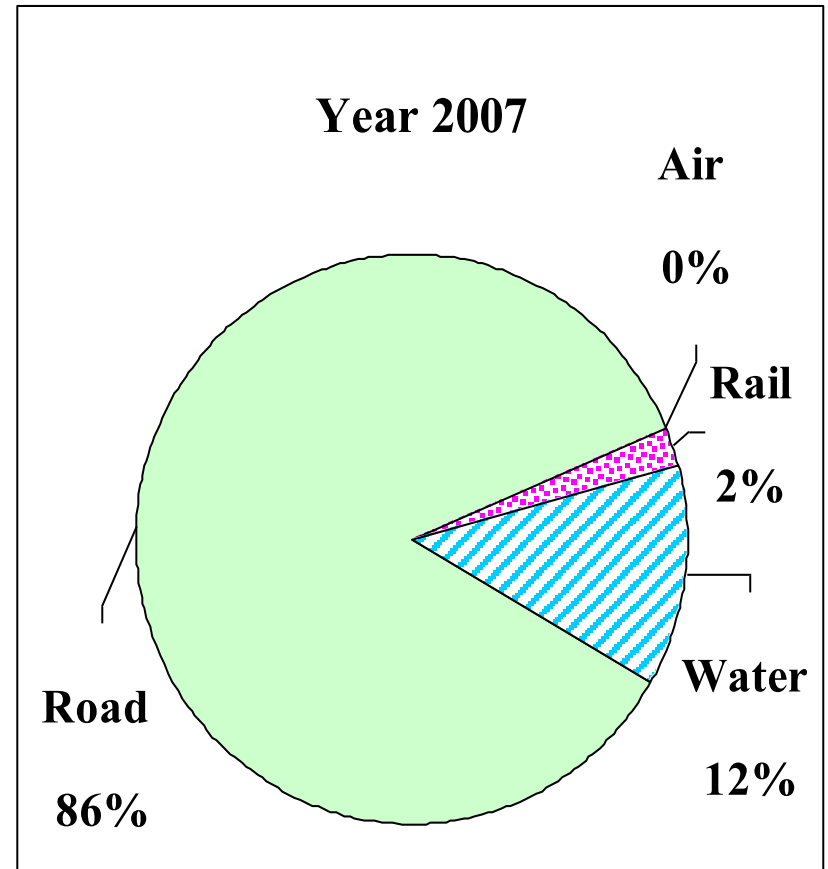
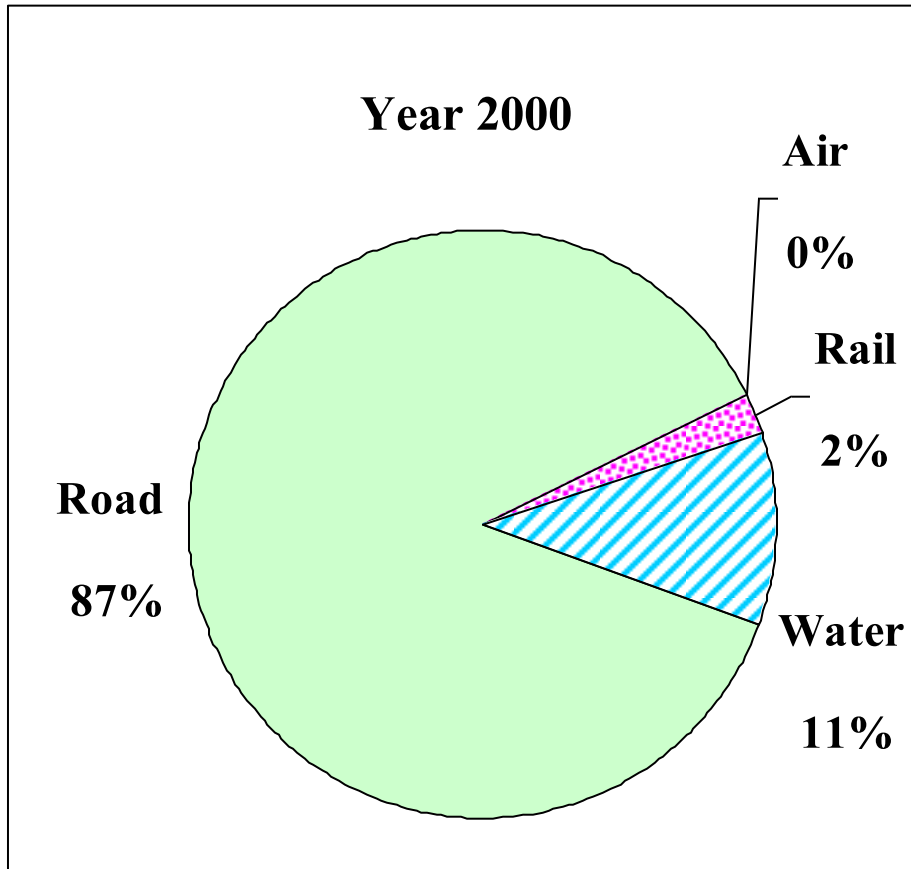


	Road	Train	River/Sea	Air
Thailand	87.14	1.66	11.19	0.01
Japan	1.30	94.20	1.00	3.50
USA	46.20	42.20	11.40	0.21
UK	61.90	7.36	26.4	-

Fuel usage by mode of transport



No change in composition of domestic transport mode during 2000-2007



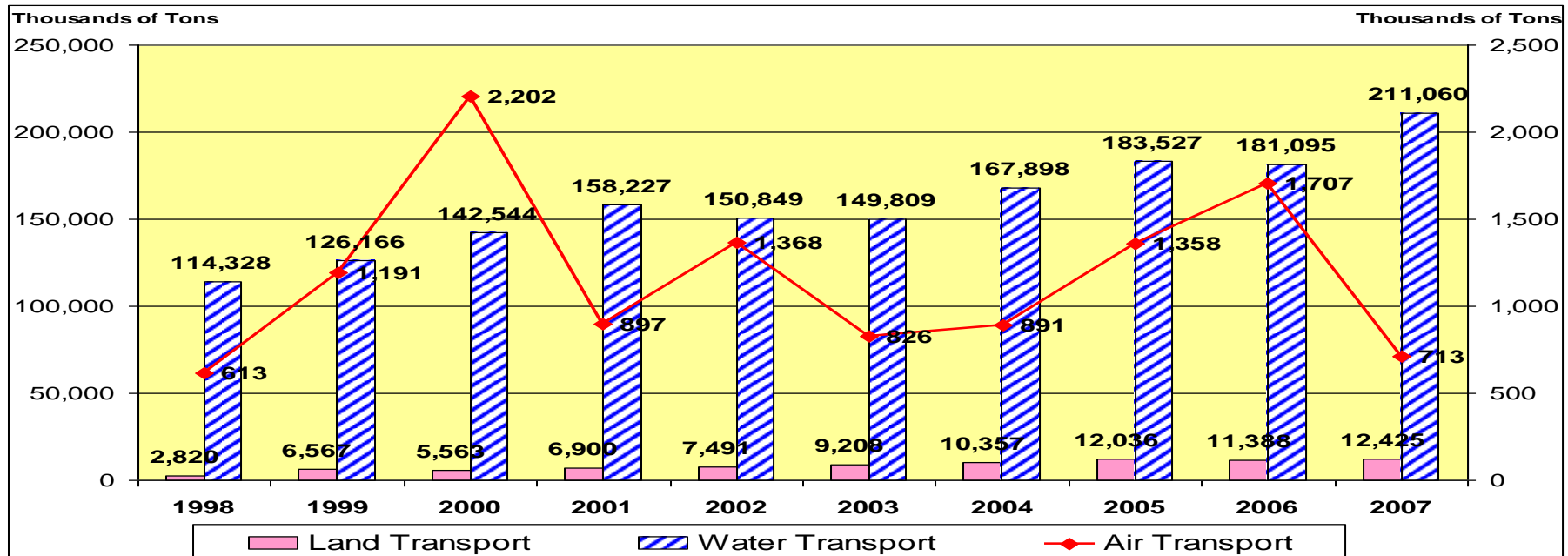
Volume of Goods Transported internationally



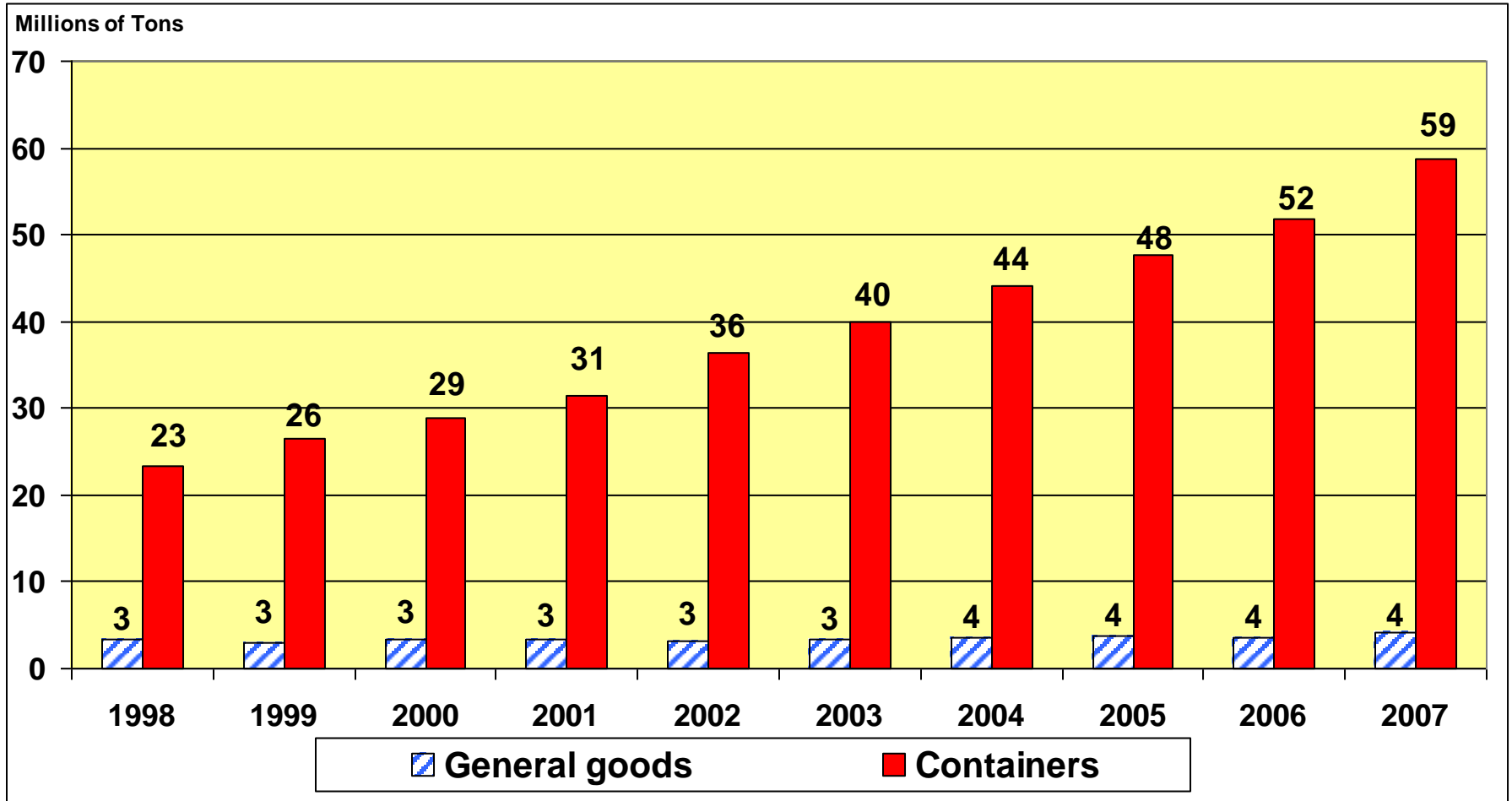
- Volume of air transport declined reflecting changing composition of trade products towards lighter, higher-value products

- Water transport almost doubled in volume

- Land transport increased more than fourfolds from a very small base



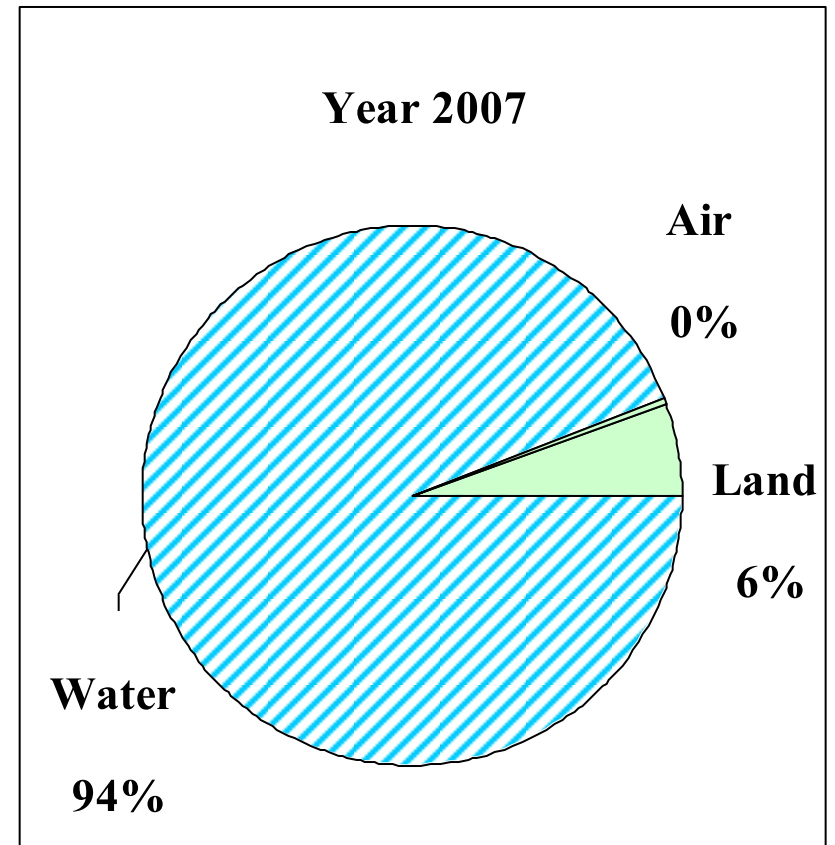
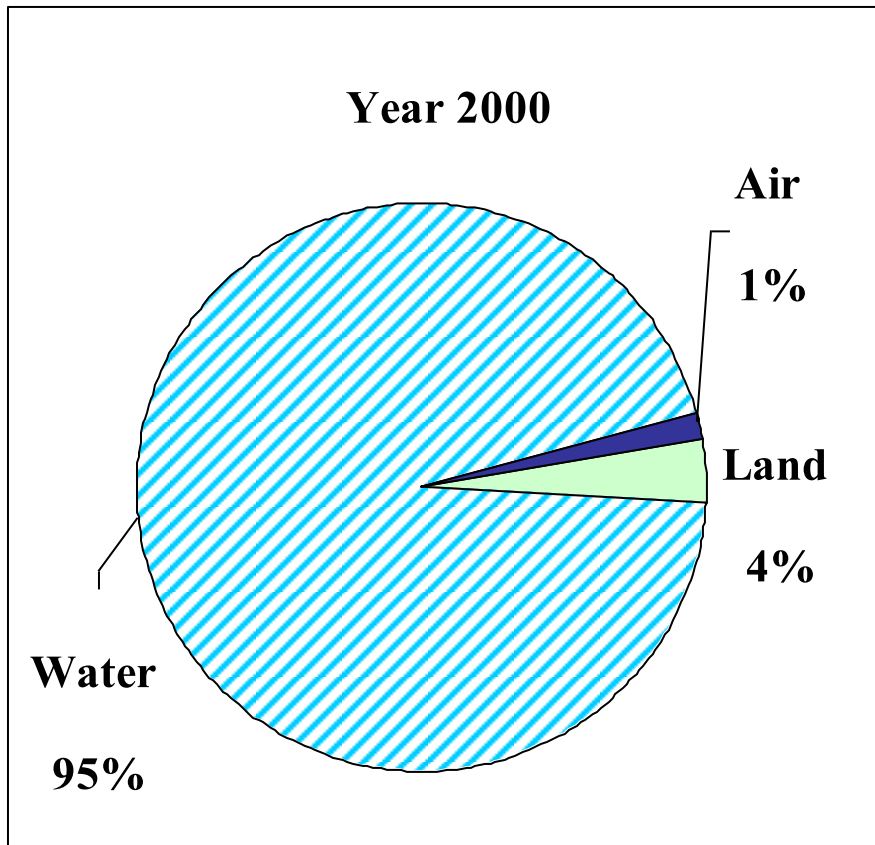
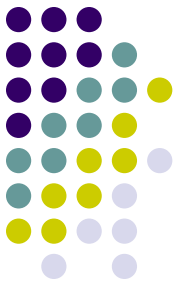
Volume of Goods transported through Thai major ports*



Ministry of Transport, Thailand

* Bangkok Port and Lam-Chabang Port

Volume of Goods Transported Internationally by Mode of Transport

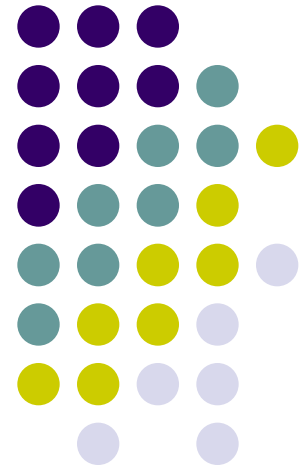


Conclusion

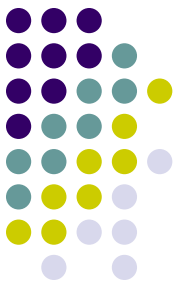


- **Domestic transport** : marginal rise in the share of water transport and continued underutilization of rail transport due to lack of competition in the sector.
- **International transport**: rise in the share of road transport due to increased regional trade facilitated by rapidly developed road network. Sea transport is boosted by containerization. Rail transport, however, remain negligible.

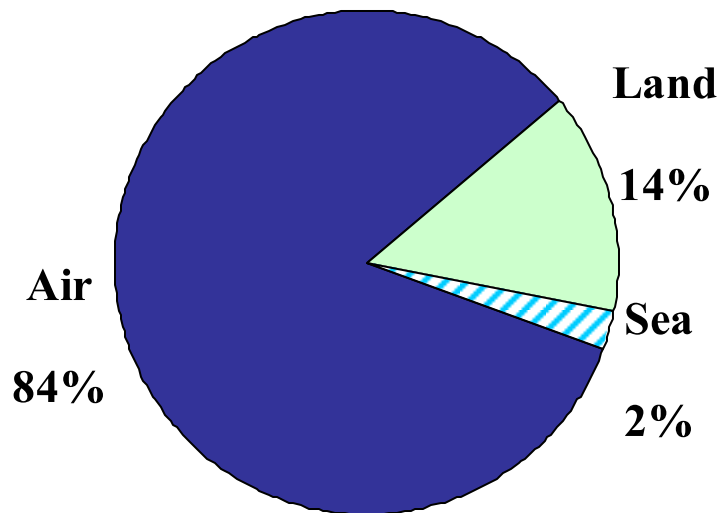
2.3 Passenger Transport



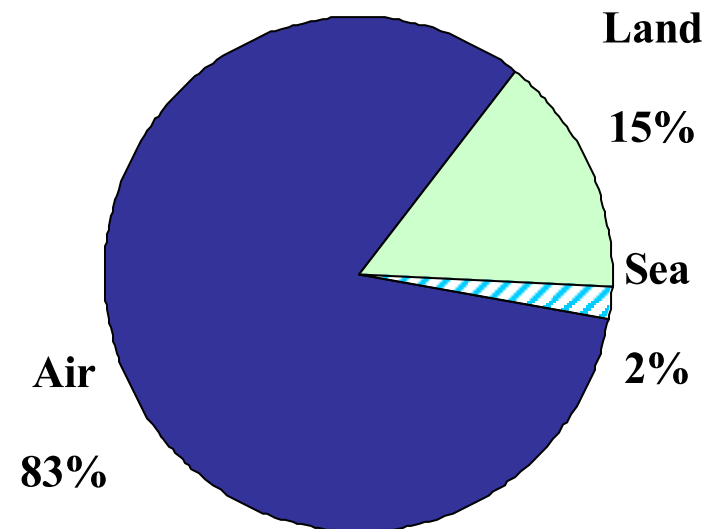
International tourists arrivals to Thailand by mode of transport



Year 2000



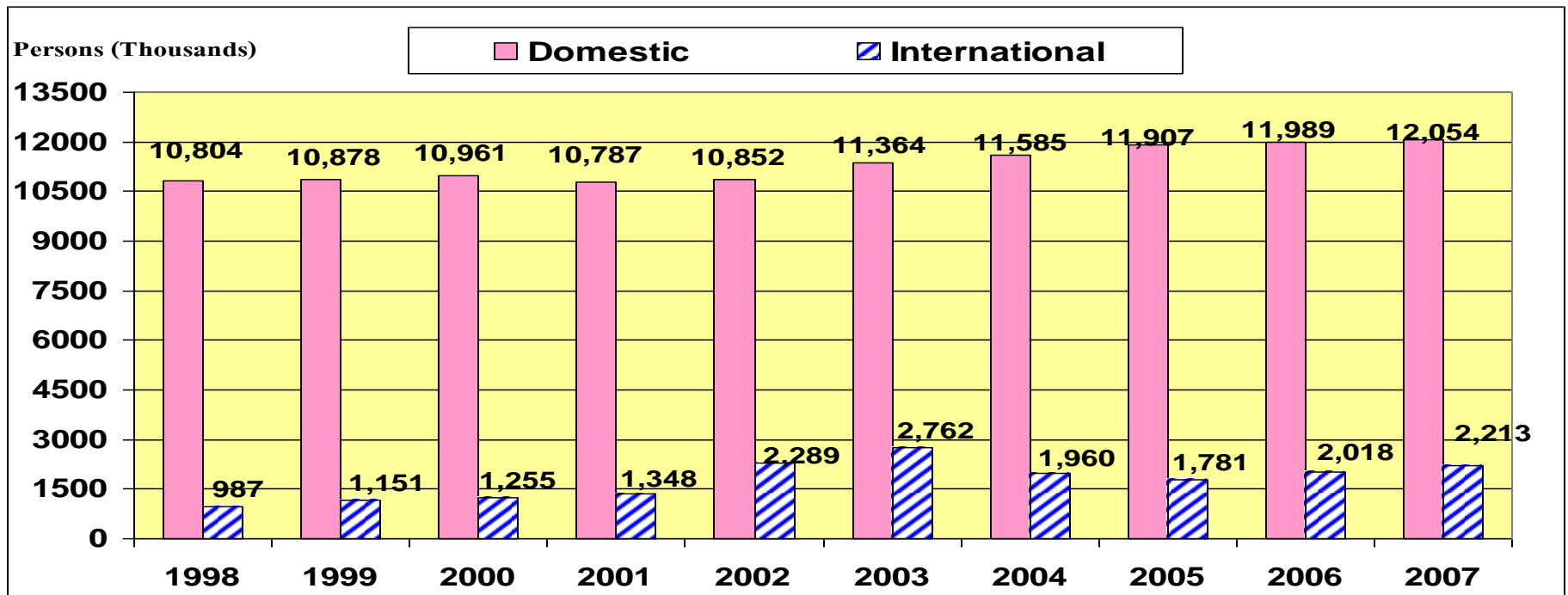
Year 2007



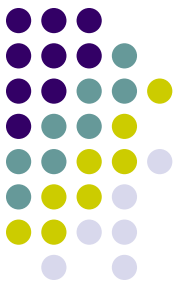
Number of Passengers Transported by Land



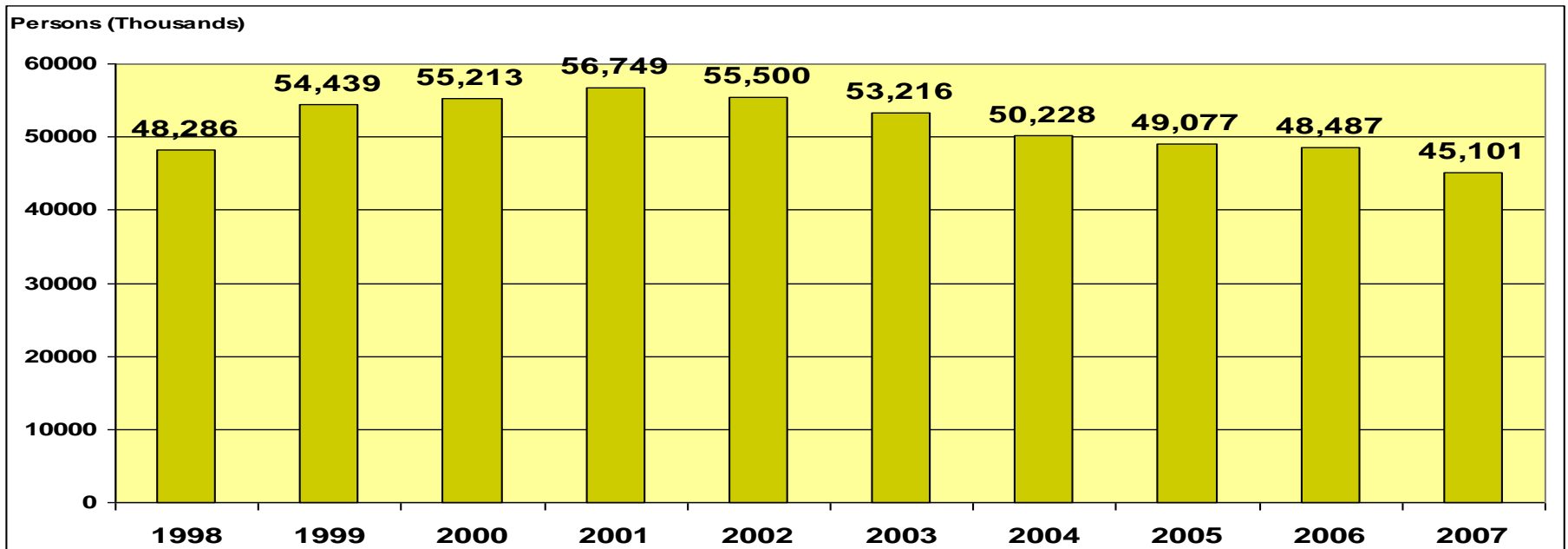
- Rising cross-border land transportation due to increased trade and travel within the region, resulting from better infrastructure and increased trade and investment.



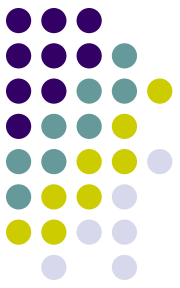
Number of Passengers Transported Domestically by Rail



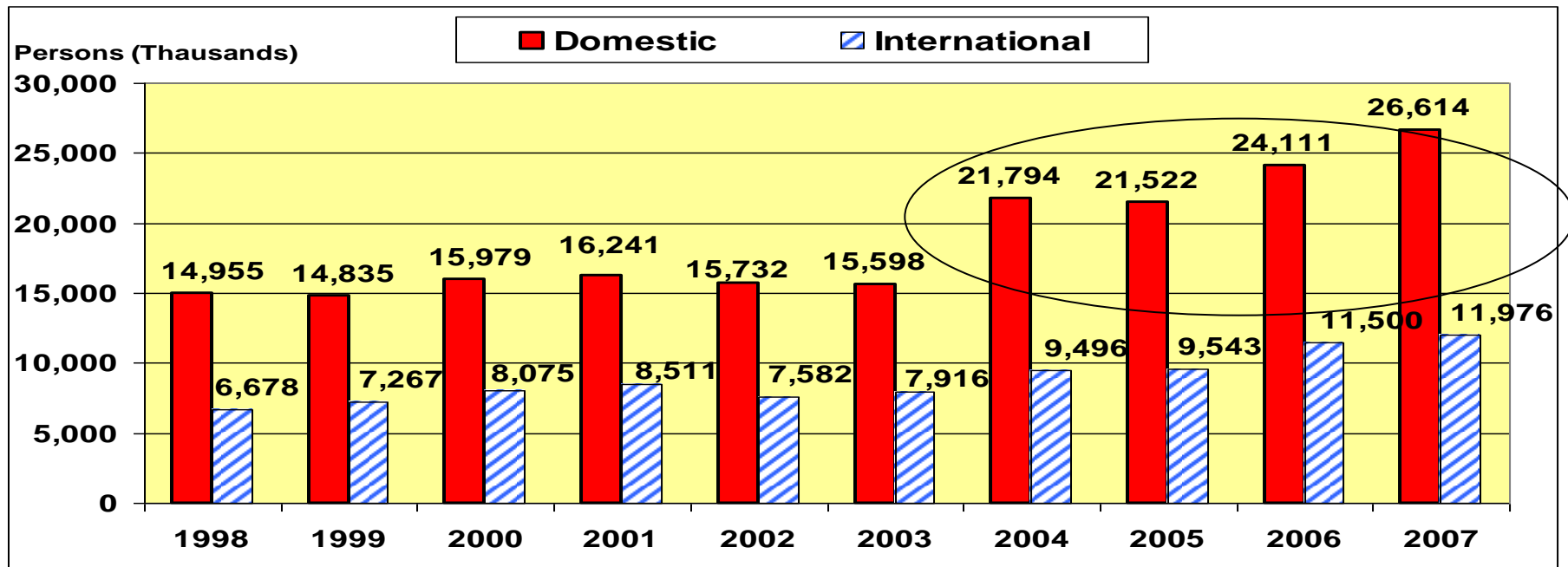
- Despite increasing in the number of passengers transported by land, transportation of passenger by rail declined continuously and so becoming negligible.



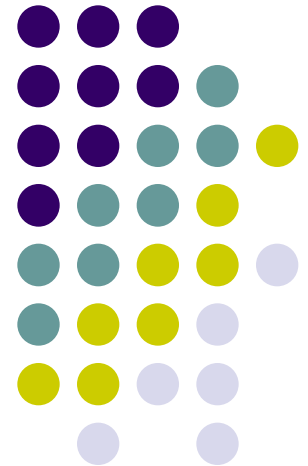
Number of Passengers Transported by Air



- the vibrant domestic aviation industry beginning in 2003 is due to market liberalization that gave rise to low cost airlines.



2.4 Sum up: Transport Activities

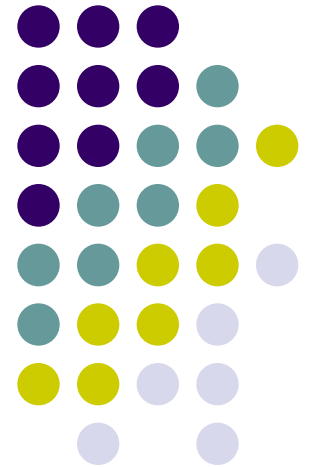


Cummulative Annual Growth Rate (CAGR) 2000-2007

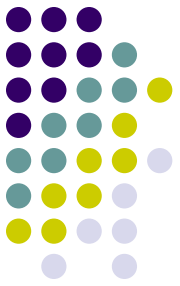


	CAGR (%)			
	Land	Rail	Water	Air
Volume of Goods Transported Domestically	1.04	2.7	3.62	-1.3
Volume of Goods Transported Internationally	12.16	-	5.76	-14.8
Value of Goods Transported Internationally	17.02	-	10.45	7.2
Number of Passengers transported Domestically	1.36	-2.8	-	7.56
Number of Passengers transported Internationally	8.44	-	-	5.79
Fuel Usage by mode of transport	3.53	0.43	8.44	5.04
	General Goods		Containers	
Volume of Goods transported through Thai major ports	3.4		10.56	
	CAGR (%)			
Number of International tourists arrivals to Thailand	6.06			

3. Conclusions



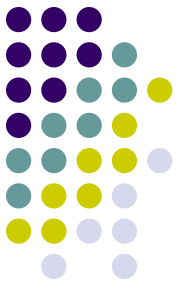
Findings/Recommendations



Globalization and Transport Activities

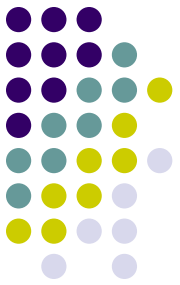
1. Globalization has contributed to rapid growth in the volume of international transportation of goods and passengers with the exception of air freight transportation.
2. Liberalization policy and development of transport infrastructure are other major contributors to transport activities growth.
3. Institutional/regulatory constraints can distort efficient composition of transport modes.

Policy Recommendations



How to minimize environmental impact of increased transport activities

- Regional infrastructure development plans should give priority to the development of an efficient rail transport system.
- Domestic transport policy should give greater attention to the development of rail and river and coastal shipping services.
- Road transport services (haulage) should be made as efficient as possible in order to ensure fuel efficiency.



THANK YOU