

Amata looks west to build new estate for Thai industries

CHATRUDEE THEPARAT

Amata Corporation Plc expects to spend four years to develop its industrial estate in Dawei, Burma, as a new investment destination for Thai industries.

Somhatai Panichewa, the company's chief business officer, said Amata and Italian-Thai Development Plc, over the past two years had jointly conducted a feasibility study to create a 100,000-rai industrial estate, out of a total of 170,000 rai at the Dawei site, with an investment of around US\$9-10 billion.

The study will be completed within six to nine months, depending on the political situation in Burma.

"The company is quite concerned

over political tension on the border though the Burmese government maintains it is safe and under control," she said, referring to skirmishes with Karen rebels last week.

However, she is optimistic that political conditions in Burma will improve after the election, while more investment is expected when the industrial estate is completed in four years.

The company is now awaiting details on criteria for the Dawei economic zone



Somhatai: Burma the best solution

from the Rangoon government. Competitive incentives will become a significant factor to attract foreign investors to locate plants there, she said.

Ms Somhatai said Burma was the best solution for the development of heavy and upstream industries. Those projects cannot invest in Thailand anymore due to environmental concerns.

However, Thailand needs upstream industry for steel and petrochemicals because they are raw materials for the next step of industrial development.

Thailand aims to attract more investments in high-technology and light industries that need raw materials from the petrochemical industry.

Ms Somhatai said the Dawei project

would meet international environmental standards and have infrastructure in place to protect against natural disasters such as a tsunami.

The company expects the first wave of Thai investments from PTT, SCG Group and other heavy industry from Japan and China.

She said the project needed support from governments in the region to persuade their investors to consider Burma as a way to eventually strengthen the region's competitiveness.

A 160-kilometre road from Dawei to the border in Kanchanaburi is expected to open in two years. The total distance is 370 km from Dawei to Amata's main base in Rayong.