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เศรษฐกิจอุตสาหกรรม | OF INDUSTRIAL ECONOMICS

Mining Industry In Thailand: The New Challenges in The Green Society

*Somchai Harnhirun, Ph.D.
Office of Industrial Economics
Thailand*

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1. Mining in Thai Economy

The National Economic and Social Development Plan	Mining GDP growth	Share to Total GDP
The National Plan 1 st (1960- 1966)	9.7	8
The National Plan 2 nd (1967- 1971)	8.3	1.4
The National Plan 3 rd (1972- 1976)	-0.5	1.0
The National Plan 4 th (1977- 1981)	10.1	2.6
The National Plan 5 th (1982- 1986)	6.1	1.8
The National Plan 6 th (1987- 1991)	8.4	1.7
The National Plan 7 th (1992- 1996)	8.3	1.6
The National Plan 8 th (1997- 2001)	4.3	2.1
The National Plan 9 th (2002- 2006)	7.3	2.2
The National Plan 10 th (2007- 2011)	3.2 (2007)	2.3 (2007)

- Accounted for 2.2% of GDP
- Growth rate at 4.3% in spite of financial crisis
- Values 276,148 million baht (in 2007 price)
- Employed more than 12,000 Workers by total 667 mines

Closer Look inside the National Plan

1st Plan

- Survey and Development
- Expand production



6th Plan

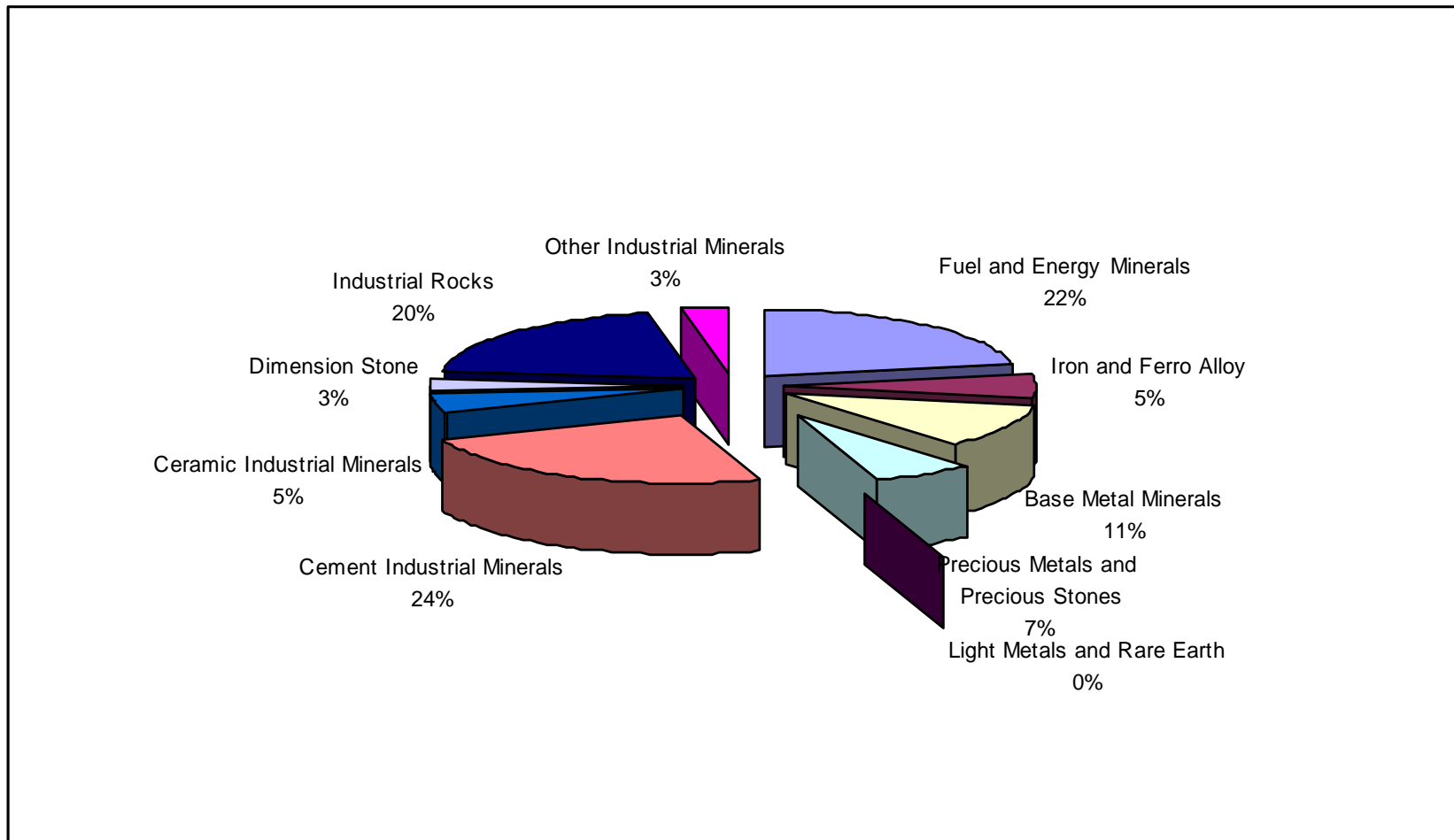
- Development with co-existing resources
- Environmental Concerns
- Survey for resource security



10th Plan

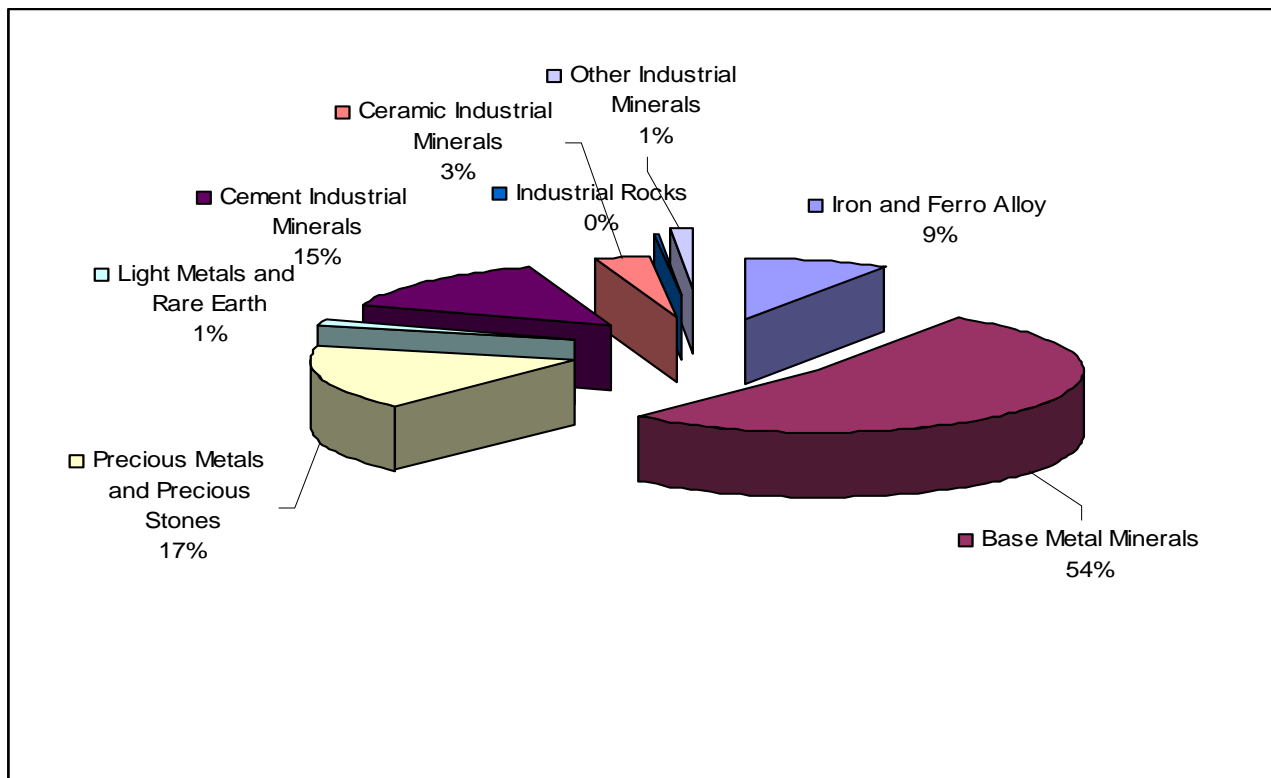
- Community's participation

- Currently, Thailand produced various kinds of minerals and could be classified as 10 groups
- Total value was 40.1 billion baht



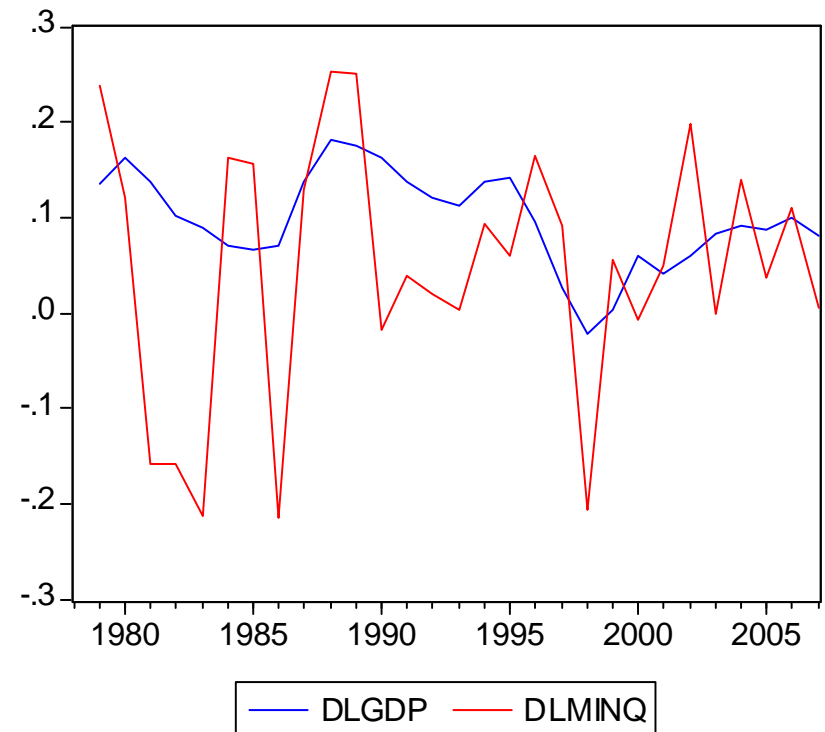
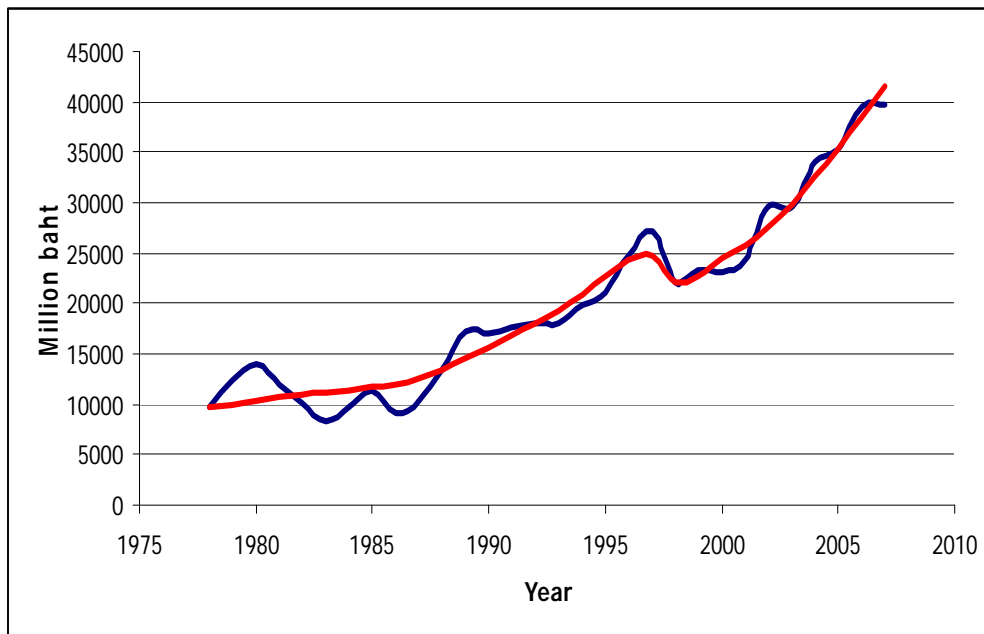
Year	Production	Consumption	Exports	Imports
2002	29,656.5	26,565.7	13,435.9	18,071.9
2003	29,691.1	27,184.0	10,898.0	20,323.5
2004	34,060.1	32,382.2	13,941.1	28,546.2
2005	35,355.6	33,324.8	16,547.5	34,122.1
2006	39,480.0	39,143.9	16,867.5	34,574.5
2007	40,142.1	40,086.1	21,202.6	50,900.7

- There was 26% growth of export in 2007
- Basic Metal group dominates an export.



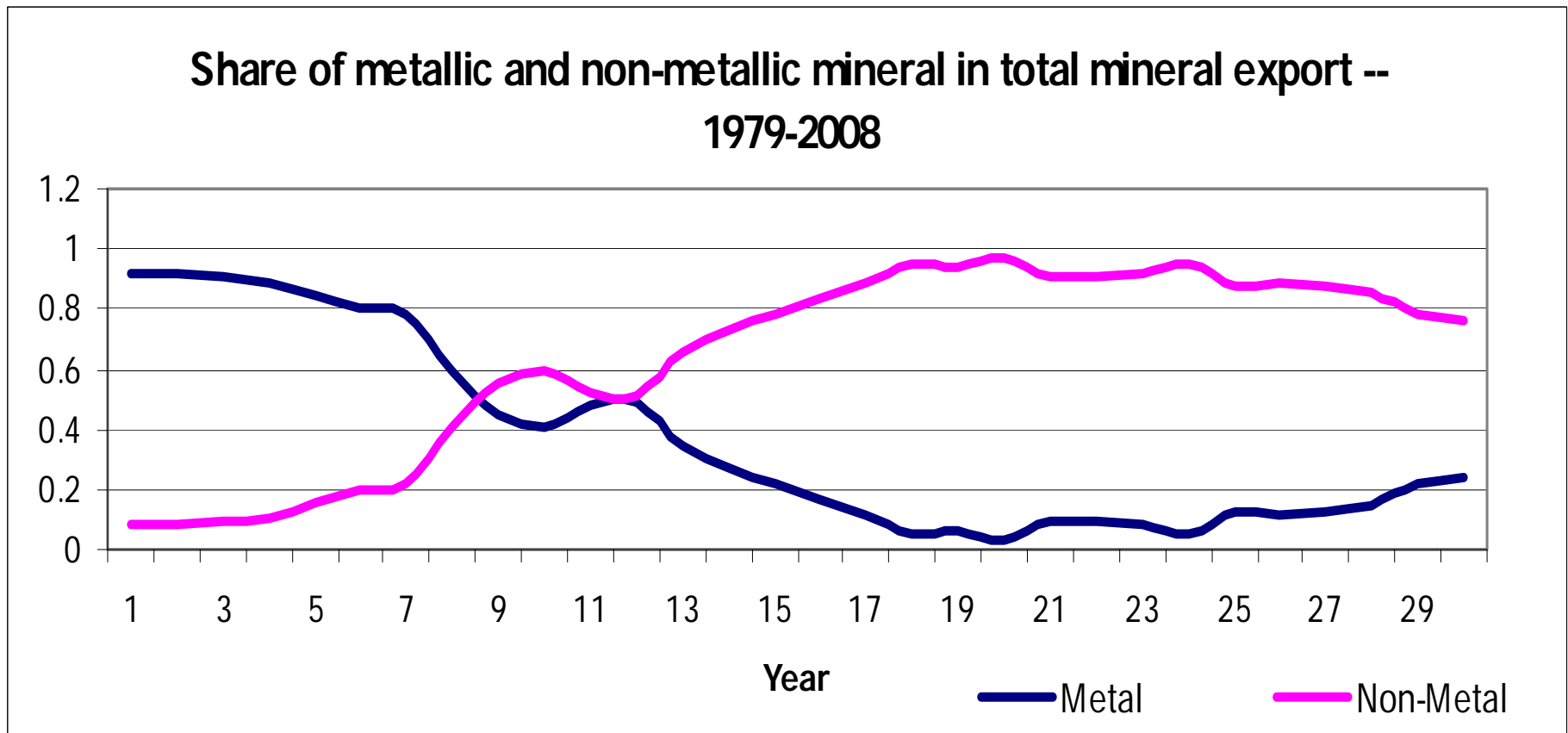
Fact of Life

- Most minerals are derived demand
- They tend to follow the lead of GDP growth not another way around

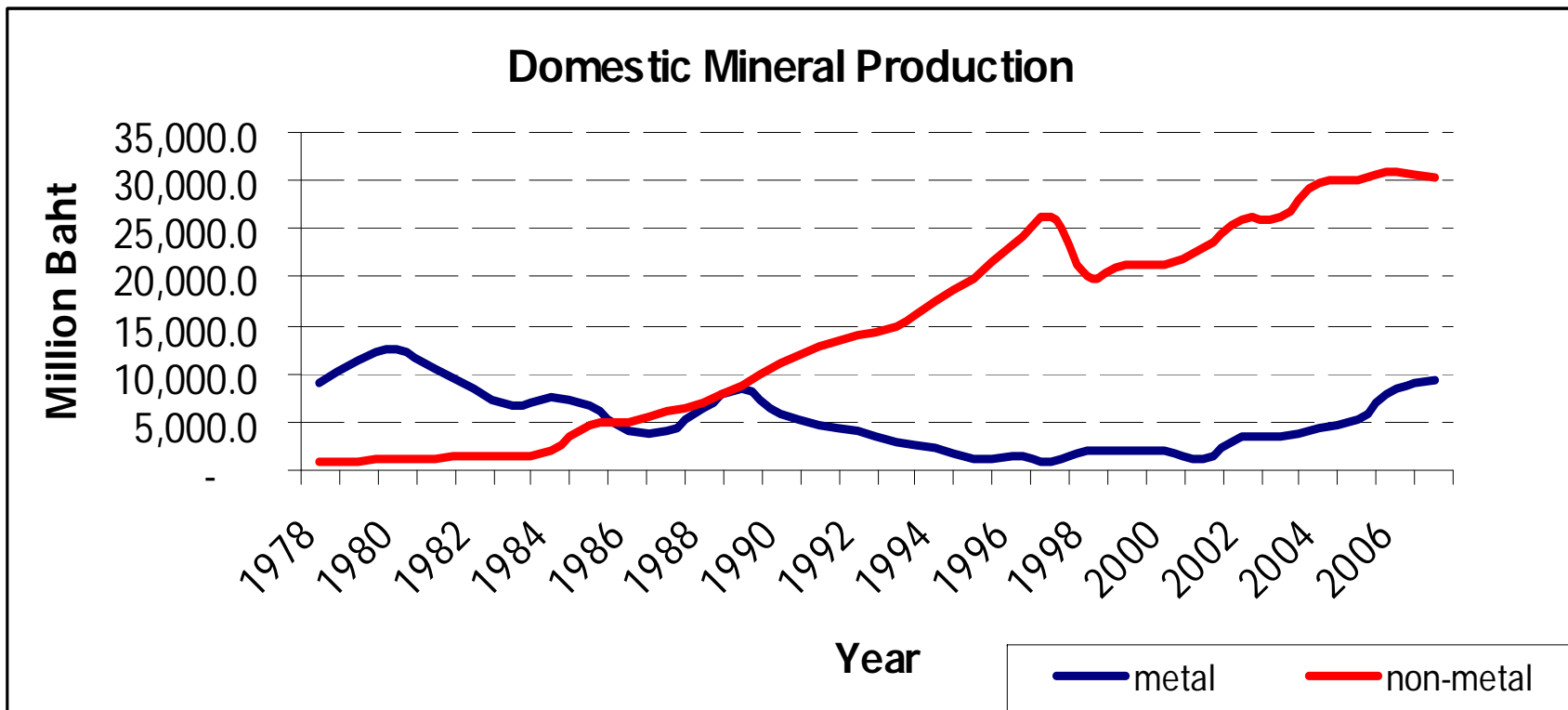


2. Structural Change in Mining Industry in Thailand

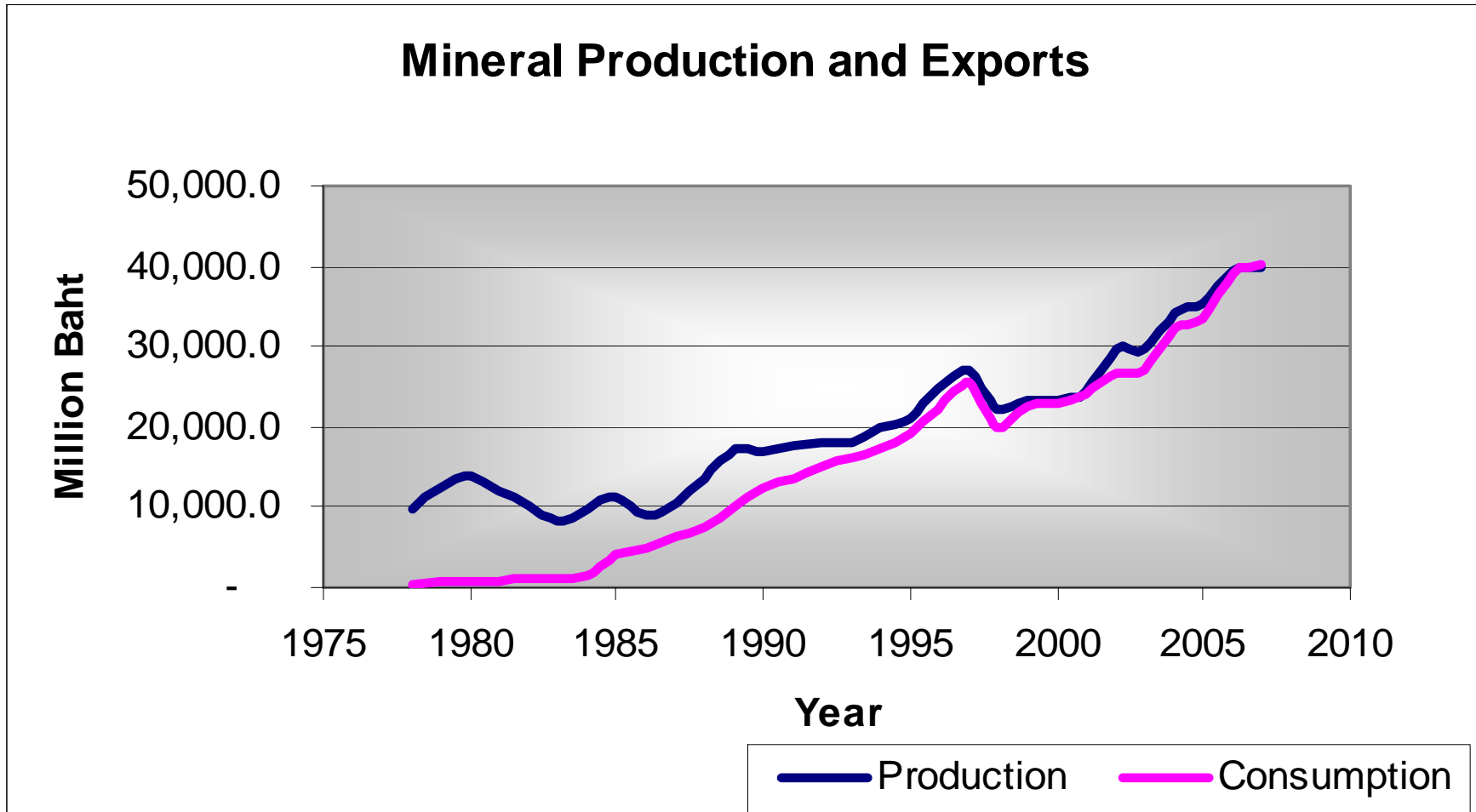
1. Non-metallic minerals have dominated Thai mining industry over the past two decades, since the collapse of Tin
2. Major Mineral of Exports is Gypsum



- Lignite and Limestone dominate the share of domestic production, whereas the production of tin metal has increased over the last decade from export raw materials



- Mining production seems to serve domestic demand, after the reign of tin



3. New Challenges in the Green Society

Reasons for Mining to Exist Today

Shareholder

Wealth Being

Society

Well Being

Present

Returns

M

Consumers

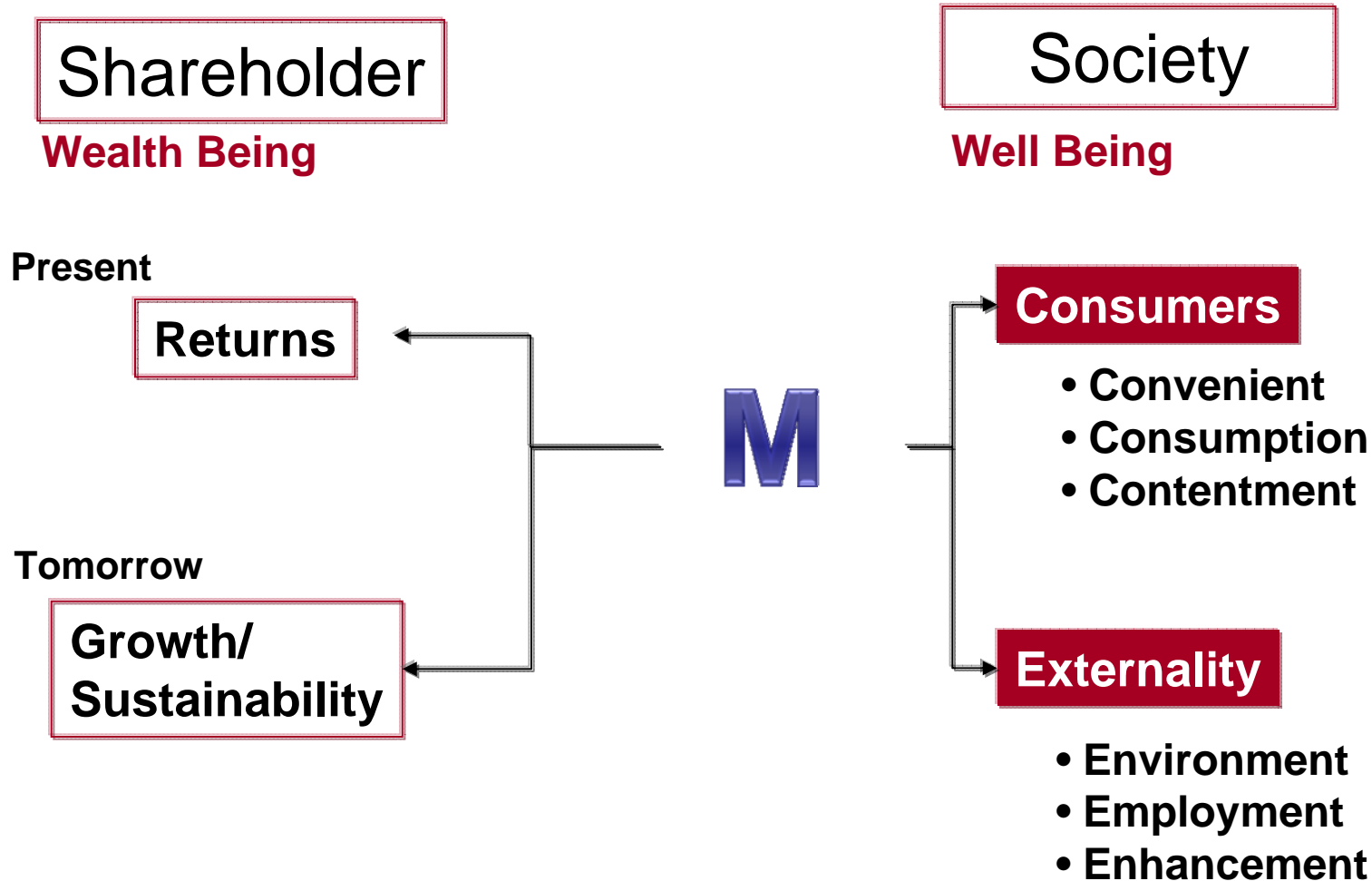
- Convenient
- Consumption
- Contentment

Tomorrow

Growth/
Sustainability

Externality

- Environment
- Employment
- Enhancement

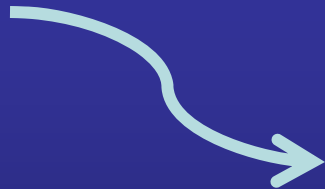


The world is not what we are used to

Tougher

Business Environment

- Capital Acquisition
- Oligopoly-typed of business
- Global Integration in finance



Metal Price structure is more complicated than ever

- Future price
- Related to other commodities
- Speculation in secondary market
- Price of substitutes

Business in Mining will be tougher than ever

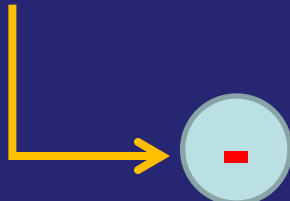


New Business Environment which is more dynamic

Tougher in dealing with communities

Environment

- Clean and natural
- Health Conscious



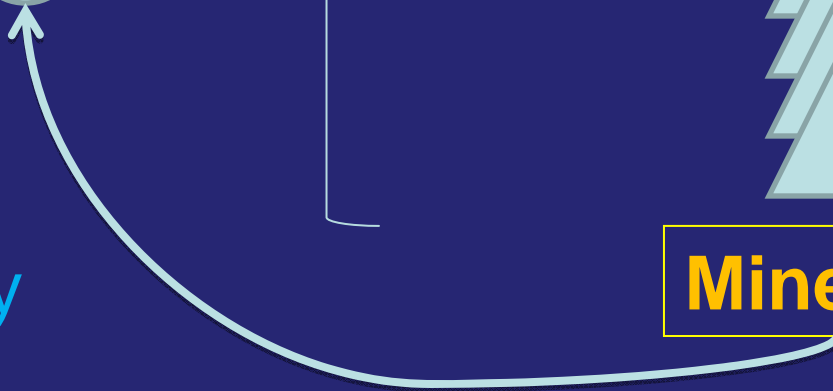
Well-being

- Convenient life
- Excellent products
- Fabulous infrastructure



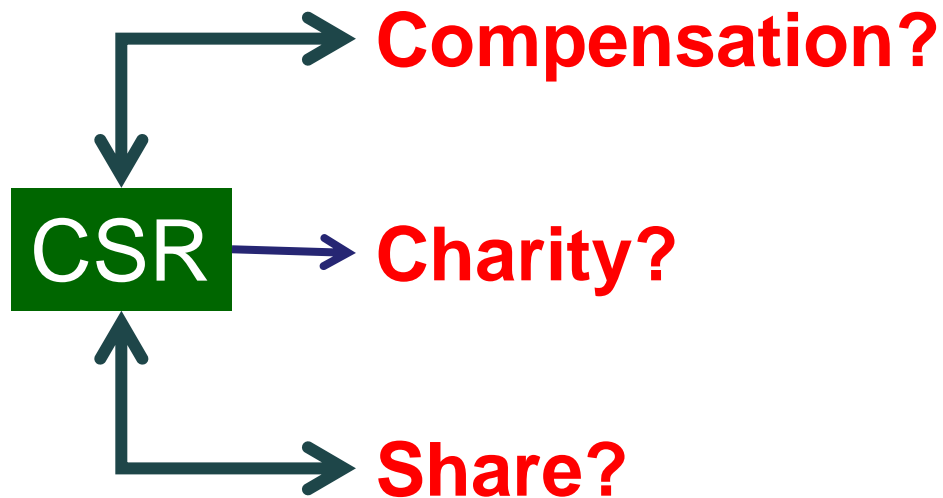
Minerals

Who will pay
the cost?



People's Mind

- Hard to deal with (no standards)
- Value of environment is different



CSR must not be implemented as social marketing.

Tougher Regulation

Local Authority

Department of Primary Industry and Mines

Department of Forestry

Office of National Environment

Department of Land

Department of Mineral Resources

Communities



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Thank You

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