

C. INDUSTRIAL DEVELOPMENT

Government focal point (s): Ministry of Natural Resources and Environment

Responding ministry/office(s): Ministry of Industry

Introduction

The Ministry of Industry shall be responsible for the promotion and development of industries and small and medium enterprises, investment promotion, development of entrepreneurs, to be more competitive in the world market with sustainable development for the better quality of life of Thai people, and other official duties specified by law as the obligations of the Ministry of Industry or of government agencies attached to the Ministry. The strategies of the Ministry of Industry consist of 6 strategies as follows:

1. Guiding and supervising industries and SMEs.
2. Promoting investment, especially in targeted industries and SMEs.
3. Developing supportive factors aimed at increasing competitive capabilities of industries and SMEs.
4. Developing and strengthening entrepreneurs as well as creating new entrepreneurs.
5. Developing and strengthening community enterprises.
6. Promoting economic and industrial networking with other countries in the region.

Industrial Estate Authority of Thailand (IEAT) is a state enterprise attached to the Ministry of Industry. It is chartered to implement the government's industrial development policy. The objective of its establishment is to ensure not only industrial development but also the orderly planned industrialization of the industries concerned and the country as a whole. It has been more than three decades since 1972 that the Industrial Estate Authority of Thailand has functioned as a guiding light in Thailand's systematic and orderly industrialization.

Industrial Estate are, by design, a self-contained community; new, fully structured and serviced towns adjacent to new fully infrastructures industrial parks, supported by all the amenities required to grow their businesses in an orderly way, to be mutual benefit of themselves and the nation and its people.

Since a numbers of problems including the control and monitoring of industrial pollution in various locations were emerging, an effective planning and management to tackle such problems were strongly needed, thus calling for the establishment of a national implementing authority, which is now Industrial Estate Authority of Thailand.

The Industrial Estate Authority of Thailand is organized to provides a one-stop service for Thailand and Foreign industrial organizations from start to completion, including all types of assistance regarding permits, advice on investment and set-up process, incentives as well as privileges, promoted zones, loan sourcing and even the design of the factory itself. Efficient and expeditious, IEAT helps to meet the needs of all entrepreneurs anywhere in Thailand.

Additionally, IEAT has been working to facilitate foreign investment in Thailand and technology transfer into the country. The policy of government towards decentralization including that in the area of industrial development has been given considerable momentum by IEAT's services offered to investors, both foreigners and Thai. Now IEAT has 32 estates under its jurisdiction nationwide.

Definition

An Industrial Estate in Thailand resembles an industrial town or industrial city providing complete infrastructures needed for industrial operations such as electricity, water supply, flood protection, waste water treatment, solid waste management system etc. An industrial estate is accessible to seaport, airport and other transportation centers. It provides communication facilities and security system. It also contains commercial bank, post office; some have custom office, school, hospital shopping center and other facilities needed for workers and suppliers. In fact, it is a self-contained community.

Environmental Management

To establish a new Industrial Estate, IEAT shall select a suitable area by taking into consideration environmental aspects as well as conducting a study of EIA (Environmental Impact Assessment) report which is required to submit to the Office of Natural Resources and Environmental Policy and Planning. According to the EIA report, the significant impacts shall be identified and mitigation and monitoring program be provided during construction and operation project period. Moreover, IEAT is aware of the following environmental principles and concepts:

1. Prevent Pollution Measures

Prior to the start of programs, IEAT will first conduct studies on the construction of industrial estate to look into its possible adverse effects on the environment, and then preventive and soluble measures for reducing those impacts will be established including the building of a central waste water treatment system and waste management system. Furthermore, the design, construction, inspection, approval of the blueprints as well as the controlling of industrial operations shall be under rigorous supervision of IEAT so as to ensure their conformity to the standards set by the Ministry of Industry.

2. Laws and Regulations Measures

Standards and regulations have been imposed on wastewater discharged from each factory before it enters treatment systems. If discharged wastewater is over the allowable limit, the accountable factory will be forced to pre-test its wastewater with its own treatment system to consider whether the system abides by the Factory and the Building Act.

3. Polluters Pay Principle (PPP)

Based on PPP, treatment charge is imposed when wastewater from factories is discharged into central wastewater treatment plant of Industrial Estate.

4. ISO 14001

IEAT consistently encourages industrial estates and factories to implement the environmental management system. As of 2004, 18 Industrial Estates and 319 factories have been certified for ISO 14001.

5. Complaint Investigation

In cases where there are complaints against industries in the estate about polluting the environment, the IEAT shall start immediate investigation on the case and resolve the problem as quickly as possible.

In addition to this, the IEAT realizes that sustainable development encompasses the provision of a better quality of life and lifelong security for people, as well as the conservation of natural resources and environment. Achieving sustainable development means that conflicts surrounding industrial development should be minimized, economic growth should be balanced and environment quality and social security for people should be enhanced. Therefore, IEAT has a never-faded aspiration to be a sustainable Industrial Estate. The following future strategies are aimed at achieving the goals of sustainable Industrial Estate development:

1. Integration of the estate design into the natural environment/landscape by giving a high priority on quality and limitations of the local ecosystem, facilitating the rehabilitation of the natural ecosystem and minimizing environmental impacts.
2. Promoting efficient energy utilization and energy recycling system among buildings located in an industrial estate, in addition to exploring alternative sources of energy.
3. Introducing systems to cope with the discharge and management of waste materials by emphasizing: (1) the prevention of pollution especially toxic pollutants, (2) material recycling and transformation, (3) availability of proper disposal facility for hazardous materials as well as encouraging risk minimization management and (4) the network of sustainable industrial estate development through a Resource Exchange and Transformation Network System, which is composed of businesses in the estate and producers as well as consumers of recycled products.
4. Promoting water conservation by introducing a system to facilitate water recycling and pollution abatement, and encouraging efficient water consumption

In terms of the government's environmental policies, Thailand initially used command and control policies to mitigate environmental impacts from industries with a focus on industrial wastes. The government set emission standards to control particular pollutant emission to the environment, referred to as "an-end-of-pipe" control policy with violators being liable for fines. Over time, the implementation of this policy has caused concerns to the government since the costs of policy enforcement are immense. Furthermore, the policy belatedly targets liability for pollution that was already generated and thus damaged the environment. As numbers of industries are soaring, apparently with increasing damages to the environment, the second stage of policy development has stressed vigorously on minimizing waste by promoting cleaner production technologies.

Even though the Ministry of Industry has implemented the National Strategy on Cleaner Production since 2000, the results thus far have not reached anticipated targets. The reason why cleaner technologies are not yet prevailing is that industries investing in such production technologies have not gained satisfactory financial rewards. Thus, the National Commission on Sustainable Development is presently responding to the environmental damages ascribable to industries' pollution by turning to Green Government Procurement Policy with

implementation plans being studied and concrete actions expected to be carried out soon. The National Commission on Sustainable Development endorsed the direction to promote cleaner production and consumption in September 2004. The Green government procurement was also approved from the cabinet as the government's spearhead strategy on environmental protection and as an effort to render industry an instrument for sustainable development. At present, the comprehensive study on detailed action plans are being conducted and expected to be completed by August 2005. NESDB plans to propose the detailed plan for implementation of the policy to the council immediately after the study is completed.