

Australian Mining Exhibition and Conference 2011 - "OZMINE 2011", Bangkok

Mining Policy Development in Thailand



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Friday 29th April 2011

Content



- Overview of Thai Mining Industry
- Problems of Thai Mining Industry
- Direction for Development

Overview of Thai Mining Industry



■ Production

- Key production (by value): lignite, limestone, gypsum, gold, zinc, and rock salt
- Production value: 50 thousand million Bahts
- Number of active operators in Thai mining industry: 1,375 including:
 - 546 mines
 - 229 processing plants
 - 318 aggregate plants
 - 35 metallurgical plants
 - 247 salt production

Overview of Thai Mining Industry



- Employment: more than 14,000 workers (mining operations only)
- Import
 - Key import (by value): coal, tin, zinc, sulfur, asbestos, and talc
 - Import value: 58 thousand million Bahts
- Export
 - Key export (by value): tin metal, gypsum, gold, and iron ore
 - Export value: 20 thousand million Bahts

Problems of Thai Mining Industry



- Social acceptance, due to
 - Environmental and health impacts
 - Land use conflict
- Legislation, rules, and regulations
 - The permission of mining licenses involves with several governmental agencies, hence complicated process
 - Many more measures are imposed for permission and monitoring, but many are impractical or difficult to implement.

Problems of Thai Mining Industry



- Ore degradation
- Supplies and quality of minerals or mineral products
 - Domestic ore production is inadequate, especially energy minerals, metals, and gemstone
 - Some minerals produced domestically are imported due to different product quality, especially ceramic minerals.
- Currently, Thailand imports metals, energy minerals, and gemstone from abroad.

Direction for Development



- Maintain domestic production stream
- Procure raw materials from abroad
- Serve mineral demands and secure raw materials for domestic industries.

Policies for maintaining domestic production stream



- Promote exploration and exploitation
 - Increase the maximum area permitted under an exploration license from 1,250 to 2,500 Rai
 - Re-open the potential areas for large scale mining projects that have not been developed as potential areas for general projects.

Policies for maintaining domestic production stream



- Facilitate permission process
 - Set time limit for the consideration of mining license application
 - Improve related regulations and laws, especially Mineral Act and other regulations that are impractical to current situation

Policies for maintaining domestic production stream



- Coordinate with related organizations
 - ONEP: to simplify the requirements for the approval of mining license, mainly replacing EIA by IEE in small scale mining license applications.
 - ONEP: to adjust environmental measures that are impractical.
 - DMR: to collaborate on mineral resource policy and management such as mining zone, etc.

Policies for maintaining domestic production stream



- Promote development in mining operations
 - Monitor and control to ensure the operations are in line with legal conditions, mainly engineering and environmental measures.
 - Project: Best Performance Standard and Green Mining
 - Provide knowledge and supports, mainly to solve existing problems such as environmental management.

Policies for maintaining domestic production stream



- Enhance public involvement and social acceptance by
 - Hear opinion of local communities during the mining license application.
 - Create monitoring network of the local communities
 - Distribute and share benefits from mining activities to the local communities
 - Apply the concept of Corporate Social Responsibility to the industry

Policies on mineral procurement from abroad



- Promote mining investment abroad.
 - Collect information related to mineral investment in prospective countries, including Lao PDR, Myanmar, Cambodia, China, Indonesia, Vietnam, Madagascar, Tanzania, India and Sri Lanka.
 - Cooperate with the governmental bodies of the prospective countries.

Policies on mineral procurement from abroad



- Create partnership with other countries to combine strengths for developing mining industry.
 - Emphasize international cooperation in minerals, especially within the ASEAN region.
 - Enhance regional competitiveness instead of the domestic one through regional cooperation on.
 - Direct development of mining industry
 - Technical cooperation
 - Investment cooperation by synergizing each country's strength to develop mega joint venture mining or downstream projects, for example,
 - Potash - fertilizer production for the ASEAN region
 - Gold - gold refinery
 - Gemstones - jewelry

Policies on mineral procurement from abroad



- Create partnership with other countries to combine strengths for developing mining industry (Cont.)
 - Infrastructural development that links to mineral resource development such as the R3 (North-South Economic Corridor) and the R9 (East-West Economic Corridor), which connect the continental ASEAN countries – including Thai, Lao PDR, Malaysia Singapore and Myanmar – with China to facilitate commodity transportation. This will also create the opportunities for mineral resource development and resource exchanges. These opportunities will not only secure raw material supplies but also increase the role of downstream industries at regional level.

Policies on mineral procurement from abroad



- Cooperate with other countries, both bilaterally and multilaterally.
 - Cooperation on minerals under ASEAN Economic Community (AEC) Blueprint, which emphasizes the following activities.
 - Facilitate and promote mineral investment
 - Build capacity for the development of mining industry
 - Develop mineral databases
 - Promote sustainable development and environmentally-friendly activities.
 - Enhance participation of the private sector.
 - Cooperation under APEC, FTA, and the Greater Mekong region.

Conclusions



- Thailand's mining policies direct the industry towards future mining, which focus on efficiency improvement and are based on collaborations of related parties. At the same time, cooperate at international level to develop the industry
- Thailand really hopes to develop collaboration with Australia and the countries in the Greater Mekong regions, especially on investment and capacity building
- Ozmine is a good starting point and the same type of event should be organized yearly.

Thank you for your attention

