Thailand Moving Ahead with Cluster Development

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Minister of Industry
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Concepts and Directions of Cluster Development
Cluster Development Policy

Develop potential and manufacturing based areas for targeted industries to support high technology activities and future industries that have linkages and supports between cluster compositions to enhance industrial competitive advantages.
OBJECTIVES OF CLUSTER DEVELOPMENT

1. To strengthen industrial value chain leading to creation of future industry base

2. To build investment competencies to attract value added investment, from both existing and new projects, to invest in Thailand

3. To decentralize developments to regional and local areas, and create business opportunities for SMEs
IMPORTANT CLUSTER QUALIFICATIONS

1. Centralization of industry in the strategic location for the development of a specific industry

2. Linkage in compositions, which strengthens the value chain and increase industrial competitive advantage
   (Manufacturers in the upstream-midstream-downstream industry, supporting industry, academic institutions, research institutions, Center of Excellence, government agencies, private organizations and other related compositions)

3. Interconnected with local economy i.e. local employment or use of local raw materials, linked with local SMEs
Super Cluster
Cluster for activities using advance technology and future industry activities

- Automotive and parts
- Electrical appliances, Electronics and Telecommunication equipment
- Petrochemical, eco-friendly chemical products
- Digital
- Food Innopolis
- Medical Hub

9 Provinces
- Nakorn Ratchasrima
- Ayuddhaya
- Patumthaini
- Prachinburi
- Chacheongsao
- Chonburi
- Rayong
- Chiang Mai
- Phuket
OTHER TARGETED CLUSTERS

Other industrial clusters with competencies e.g.

**Agro-Processing Products**

- Northern Region (processed vegetables and fruits, herbal products)
- Northeastern Region (livestock, tapioca, sugar cane, maize)
- Lower-Central Region (sugar cane, pineapple, rubber)
- Eastern Region (processed fruits, rubber)
- Southern Region (palm, processed seafood, rubber)

**Textile and Garment**

- **West Corridor** connected to manufacturing base in Myanmar
- **East Corridor** connected to manufacturing base in Cambodia
- **Bangkok** Design, Sourcing, Trading Hub
PROMOTED TARGET ACTIVITIES IN EACH CLUSTER

Important Upstream Industry for Each Cluster i.e. Electronic Design, Digital-based Services, Plant and Animal Breeding, Manufacturing of Technical or Functional Fiber

Supporting Industries i.e. Important Parts with Complicated Manufacturing Process or Few/None Producers

Products using Advanced Technology i.e. Natural Extracts, Medical Food, Telecommunication Equipment

Basic Infrastructure to Improve Industrial Clusters

Knowledge-Based Industries
i.e. R&D, Biotechnology, Engineering Design, Vocational Training Centers, Scientific Laboratories, Calibration Services

Logistic Industries
i.e. Commercial Airports, Rail Transport, Loading/unloading Facilities for Cargo Ship, Inland Container Depots (ICD), International Distribution Centers (IDC)
1. Agreed with the Cluster Development Policy and assigned related government agencies to support the Cluster Development.

2. The Ministry of Industry will be the main government agency for driving the Cluster Development Policy and be the center of coordination between clusters.

3. The Policy-driven Committee on Special Economic Development Zones has assigned the Ministry of Industry and related agencies to perform and support the cluster development urgently. Also, BOI have to determine privileges for special activities considered by Prime Minister orders in the next phrase.
10 Targeted Industries:
Mechanism to Drive Economy for the Future
(New Engine of Growth)
5 + 5 TARGETED INDUSTRIES

First S-Curve: Enhance current industries to continue the growth

Next-Generation Automotive
Smart Electronics
Affluent, Medical & Wellness Tourism
Agriculture & Biotechnology
Food for the Future

New S-Curve: Develop future Industries to achieve the leap growth of Thai economy

Robotics
Aviation & Logistics
Biofuels & Biochemicals
Digital
Medical Hub
DEVELOP FUTURE INDUSTRIES FROM CURRENT INDUSTRIES

5 Future Industries
- Robotics
- Medical Hub
- Aviation & Logistics
- Biofuels & Biochemicals
- Digital

Develop to
- Next-Generation Automotive
- Smart Electronics
- Affluent, Medical & Wellness Tourism
- Agriculture & Biotechnology
- Food for the Future

5 Current Industries
- Develop to
## DEVELOPMENT OF 5 FUTURE INDUSTRIES

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<th>Robotics</th>
<th>Robots in Automotive, Plastic &amp; Electronic Industries – Medical Robots – Underwater Robots (Remotely Operated Underwater Vehicles: ROV)</th>
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<td>Aviation &amp; Logistics</td>
<td>Services for Transport – Modern Logistics Service Centers – Aerospace Maintenance, Repair &amp; Overhaul: MRO – Manufacture of Aerospace Parts (OEM) – High Value Business with Time-Sensitive Products – Aviation Training Centers</td>
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<td>Medical Hub</td>
<td>Telemedicine to Follow, Consult, Diagnose &amp; Treat – Manufacture of Remote Health Monitoring Devices – Biologics &amp; Biosimilars</td>
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<td>Biofuels &amp; Biochemicals</td>
<td>Second Generation Biofuels – Biochemical Industry by Developing Midstream Industry – Bioplastics – Lead to BioEconomy</td>
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