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Agenda Item: 6

Thailand Current Situation in the Mining Sector

Purpose: Information Submitted by: Thailand



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THAILAND CURRENT SITUATION IN MINING SECTOR

Potash

Thailand is predominantly an agricultural country and the consumption of fertilizers, especially potash, in the country is high. There are 2 sizeable potash basins in southeast of Thailand. Approximately, the resource of Carnallite (KCl.MgCl₂6H₂O) is about 400,000 million tons and Sylvite (KCl) is about 7,000 million tons. Yet, Thailand still imports potash about 750,000 ton per year.

In 2015, Ministry of Industry of Thailand granted mining licenses to 2 companies; one is in Chaiyaphum Province, with the production of 1.1 million ton per year. The other one is in Nakorn Ratchasima Province, with the production of 100,000 ton per year. Moreover, Ministry of Industry of Thailand is considering on granting another mining license in Udon Thani Province. It is expected that, with these 3 companies which will serve mainly for domestic use, the total of potash production would be about 3.3 million ton per year.

New Law

The laws governing the mining industry in Thailand are the Minerals Act B.E. 2510 (A.D.1967) and Mineral Royalty Rate Act B.E.2509 (A.D.1966) as well as related Ministerial Regulations. The Minerals Act B.E. 2510 (A.D.1967) was amended periodically.

Currently, Ministry of Industry of Thailand proposed the draft legislation, called "Draft of the Minerals Act B.E. ..." to the National Legislative Assembly for consideration. It is deliberately drafted with the purposes to adopt new mining technologies, to combine with Mineral Royalty Rate Act B.E.2509 (A.D.1966), to enforce stricter environmental preservation and protection, to decentralize the administrative power, and to take into account the rights of stakeholders especially villagers living within the vicinity of mines. Therefore, the bill is expected to help improve the management of natural resources and boost the economy while also protect environment and villagers and subsequently, lead Thailand to sustainable development.
