

< Panelist (Panel Discussion and Q&A) >



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Creating multiple track railroad is a very important investment. In the logistics field in Thailand, the utilization rate of railways is low at about 20%, and the utilization rate of waterways is about 80%. It is important to investigate the circumstances behind these current conditions and utilize them in future plans.

The Federation of Thai Industries is conducting research surveys on three themes: (1) creating seamless transportation using railways, roadways, and waterways, regulations and (2) laws related to transportation, and (3) how governmental agencies have jurisdiction over logistics. For the first theme (1), there is the question of how to solve the issue of how the interconnections between railways, roadways, and waterways are divided. For the second theme (2), there is the question whether laws and ordinances focused on regulations can be improved to be more support oriented. For the third theme (3), many government agencies are involved, and there is the question of what to do about the issue that there is no governmental organization with consistent jurisdiction over logistics.

Regarding the provision of value-added services by logistics pointed out by Dean Ruth Banomyong, innovation is required for product management, cost reductions, prompt shipping, and various other issues, not just increases in infrastructure. Furthermore, there are other issues such as handling, safety, and punctuality. For Thailand to achieve global standards in the logistics field, it must improve domestic standardization and supply chain performance and have the connectivity to become a gateway to nearby countries and Europe. Thailand currently lacks personnel and technology, so we are considering creating a "Logistics Academy" through the cooperation of well-known universities in the United States, Japan, and China.

< Q&A Session >

Q (Audience): How will the supply chain be affected by the conflict between Russia and Ukraine?

A (Udorn KONGKAKATE): We see the effect of the conflict spreading to the supply chain.

It is necessary to respond flexibly to the current conditions, which are changing greatly. We need to change conventional thinking in a big way. But it would be only available for limited the regional supply chain.

Another effect is the rising cost of energy. The Thailand government is also working out countermeasures. However, if the high energy prices continue to climb, even the Thailand government cannot provide support, and the prices will directly reflect the high energy costs.

Private businesses must promote sharing of assets such as fleets and search for alternative energy sources. Even the transportation field must electrify and consider introducing electric vehicles. We have reached the point that we must not pursue the maximization of profit as in the past but must emphasize flexibility to respond to changes.