



กรมควบคุมมลพิษ
POLLUTION CONTROL DEPARTMENT

ข่าวสิ่งแวดล้อม ประจำ **วันจันทร์ที่ 14 พฤษภาคม พ.ศ. 2561**

หนังสือพิมพ์ **Bangkok Post** ปีที่ - ฉบับที่ - หน้า 1 (center)

Col.Inch : 124.29 Ad Value : 186,435 PRValua (x3) : 559,305

SPECIAL REPORT

A litany of wasteful state spending

Judges' housing takes bill for failed projects over 30 years to B100bn, writes **Onnucha Hutasing**

Several state projects which have failed to materialise over the past three decades, initiated by a series of governments, have cost almost a hundred billion baht of taxpayers' money. Meanwhile, the fate of some projects now under way still hangs in the balance.

Prime Minister Prayut Chan-o-cha last week ordered that a new residential area for justice officials be found after the government decided to scrap the billion-baht housing and office project for judges and officials at the foot of Doi Suthep in Chiang Mai.

While the decision defused growing discontent from residents about the former national park land, the public still recoiled at the thought of the government planning to spend more taxpayer's money on a new housing project for the judges. The project was nearly complete when the regime pulled the plug.

This is not the first time taxpayers have had to experience wasteful spending of taxpayer money by the state sector. The terminated Hopewell elevated railway project and the Klong Dan wastewater treatment plant project are the classic cases of wasteful state budget spending.

Known as Bangkok's Stonehenge, Hopewell's abandoned massive concrete pillars stand as a testament to the lack of continuity in the infrastructure policies of various governments. The pillars are now gradually being dismantled after more than 20 years of existence to pave the way for the Red Line electric railway project (Bang Sue-Rangsit). The contract to build the 80-billion-baht Hopewell project was signed on Nov 9, 1990, when the late Montri Pongpanit was transport minister under the Chatichai Choonhavan government.

Seven years later, the cabinet of former prime minister Gen Chavalit Yongchaiyudh announced it would scrap the contract after the company halted construction in 1997 amid the financial crash. The

contract was terminated on Jan 27 the following year by the Chuan Leekpai government, for which Suthep Thaugsuban was transport minister. Fifty-six billion baht was already invested.

An arbitration committee in 2008 ordered the State Railway of Thailand (SRT) and Transport Ministry pay 11 billion baht, plus 7.5% interest per year, to Hong Kong-based Hopewell (Thailand) as compensation for what it said was the unfair termination of the concession. The company had been awarded a 30-year concession to build and operate the 60km elevated railway, as well as a tollway and frontage roads.

The SRT and Transport Ministry appealed against the arbitration panel's ruling to the Central Administrative Court, which ruled in 2014 that the arbitration panel lacked the authority to award the compensation package to the contractors. The court said the deadline to lodge petitions with the arbitration committee was within five years of the contract's cancellation, and Hopewell (Thailand) lodged the petition too late. The court said the arbitration committee had no authority to accept the case.

As for the Klong Dan project, it has been dubbed the "mother of all corruption cases", dating back to 1995 when the cabinet first approved two water treatment plants in Samut Prakan. The Pollution Control Department (PCD) later revised the project by building only one major wastewater treatment facility. The changed design raised the cost from 13.6 billion to 22.9 billion baht, mainly because the PCD needed to buy 1,900 rai of coastal land in tambon Klong Dan of Samut Prakan's Bang Bo district to build treatment ponds. A court later found the land was purchased illegally.

On March 6, the Central Administrative Court overruled an arbitration order requiring the PCD to pay 6 billion baht in compensation to the project's



กรมควบคุมมลพิษ
POLLUTION CONTROL DEPARTMENT

ข่าวสิ่งแวดล้อม ประจำ **วันจันทร์ที่ 14 พฤษภาคม พ.ศ. 2561**

หนังสือพิมพ์ **Bangkok Post** ปีที่ - ฉบับที่ - หน้า **1 (center)**

Col.Inch : 124.29 Ad Value : 186,435 PRValua (x3) : 559,305

builder for early termination of the contract. The project was riddled with irregularities, with 18 parties including fugitive politician Vatana Asavahame accused of fraud in land acquisition.

Former auditor-general Pisit Leelavachiropas said proposals for state projects must first be screened by agencies which propose the projects, and then by the Budget Bureau before being approved by the cabinet. They must also be endorsed by the parliament before budget legislation is enacted to implement them, he said. "State budget spending is screened several times and there are people who are responsible for all projects. No one has the right to abandon any projects. That is the principle of state spending," Mr Pisit said.

Still, there is a list of cases of wasteful budget spending, including Bangkok City Hall's purchase of fire engines, boats and other fire-fighting equipment worth more than 6 billion baht, which were never used and left in a warehouse for 10 years during a legal dispute surrounding the controversial purchase. The NCPO issued an order in 2016 to put them to use again, with about 200-300 million required to pay for repairs.

Other procurement projects include the army's GT200 and Alfa 6 bomb detectors worth 1.13 billion baht. Inspections of the devices found that each one consisted of two pieces of plastic and did not contain any electronic components.

The army's controversial 350-million baht aerial patrol project which included a costly blimp which was never used, is another sore point. Others are the bungled police station project which involved Mr Suthep; the procurement contract for 489 natural gas vehicle (NGV) buses; and a project to build an aquarium for youth which failed to meet deadline in 2010, with cost overruns of more than 1.4 billion baht.

The cost of the projects mentioned above come to almost 100 billion baht. "This is enough to build a road paved with gold bars stretching hundreds of kilometres," Mr Pisit said, adding the government has paid for lunch for schoolchildren from kindergarten to Prathom 6 levels at only 20 baht per head per meal since 2013.



กรมควบคุมมลพิษ
POLLUTION CONTROL DEPARTMENT

ข่าวสิ่งแวดล้อม ประจำ **วันจันทร์ที่ 14 พฤษภาคม พ.ศ. 2561**

หนังสือพิมพ์ **Bangkok Post** ปีที่ - ฉบับที่ - หน้า **1 (center)**

Col.Inch : 124.29 Ad Value : 186,435 PRValua (x3) : 559,305

