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COUNTRY AND INTERCOUNTRY PROGRAMMES AND PROJECTS

Consideration and approval of country programmes

THIRD COUNTRY PROGRAMME FOR
THAILAND

Note by the Administrator

Programme period

1982-1986

Illustrative IPF for 1982-1986

US\$43. million

I. Nature of the programming exercise

1. The UNDP country programme and the Government's Fifth National Economic and Social Development Plan were prepared at the same time. Both cover the period of 1982-1986 and are policy frameworks for the allocation of national and UNDP resources, respectively. As co-ordinator of external technical assistance to Thailand, the Department of Technical and Economic Co-operation (DTEC) assumed responsibility for formulating the UNDP programme. Throughout the process, however, DTEC worked closely with the National Economic and Social Development Board (NESDB) which is charged with preparing and monitoring the implementation of the Fifth Plan.

1/ The notes by the Administrator concerning the previous country programmes for Thailand were issued under the document symbols DP/GC/THA/R.1/RECOMMENDATION-DP/GC/THA/R.2/RECOMMENDATION.

2. The UNDP Regional Representative was involved at all stages of the programming process. All United Nations system organizations were invited to submit proposals for consideration. Regular consultations between the organizations and UNDP and, in some cases, tripartite discussions, ensured a review of all proposals received.

3. UNDP resources taken into consideration for programming in Thailand amount to US\$34.4 million (80 per cent of the third cycle IPF of US\$43 million), as compared with a second cycle IPF of US\$29.5 million. With inflation and continued resource constraints, resources for UNDP's programme in Thailand are stagnating, if not declining, in real dollar terms. This position is exacerbated by a build-up in the programme during the second cycle, resulting in high delivery in 1980 and 1981. Consequently, given the present annual allocations, the UNDP programme is suffering a 15 per cent decline in resources, as it did between 1981 and 1982. While not seriously compromising the ongoing programme, the shortfall in expected funds will affect the number and nature of new UNDP-assisted undertakings that can be formulated in 1982/83.

4. The adoption of a "continuous programming" approach to the use of UNDP funds, and the introduction of innovative execution modalities combined with more rigorous project formulation, are designed to lead to more cost-effective use of UNDP resources. Also, by improving co-ordination, the Government intends to maximise the use of the various other resources available to it from the United Nations family, as well as from other multilateral and bilateral donors.

II. Relation of the country programme to national development objectives

5. The principal objective of UNDP assistance in Thailand has always been to meet the priority technical assistance needs of the Government to promote self-reliant economic and social development. Assistance provided by UNDP and the United Nations system is not considered merely supportive to Government development efforts, but catalytic in nature, with a multiplier effect exceeding what the financial magnitudes would suggest.

6. Past experience has indicated that a programme that parallels the Government's own Plan and, at the same time, provides a policy framework rather than a project listing, better reflects its real changing needs. In this sense, the UNDP country programme intends to spell out some significant features that will govern the use of UNDP funds over the programme period as well as substantively highlighting those elements of the Government's own plans that are to be supported by UNDP funding. The major objectives of the Government's Fifth Plan are summarized in the country programme document. Drawing from the Government's policy framework, UNDP resources will be concentrated on four principal theme. UNDP individual projects are expected to address one or more problems related to a particular theme and, as such, can be seen to concentrate upon a focal point. This approach is expected to lend technical as well as administrative coherence to what would otherwise seem to be unrelated efforts.

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III. Content of the country programme

7. The Government has chosen the following four themes as pointers to the use of UNDP funds:

Theme I - Management of the development process

8. The Government's Plan foresees enhancing the ability of Government to better define policy priorities, implement priority programmes and delivery quality services to the population. For UNDP, this implies providing assistance to a number of Government agencies; institutional strengthening focusing on management and administration being the goal, both at the centre of operations and at the provincial level, given the Fifth Plan's emphasis on decentralization. Although the implications of the policies set out in the Fifth Plan are not detailed in project terms, the Government expects UNDP assistance to be available for the launching of a new social security programme, to resolve issues relating to labour administration and increased utilization of national talent. Continuation of assistance to the Regional Cities Development Programme, aimed at enhancing the administrative capacities of the municipal authorities and support similar to that provided by the Interim Fund for Science and Technology for Development to strengthen the recently created Ministry of Science, Technology and Energy, are envisaged, as well as continuing assistance in the fields of personnel management, economic and social planning and performance auditing. It is anticipated that about 15 per cent of available UNDP resources will be utilized to fund projects focusing on this theme.

Theme II - Rural development and poverty alleviation

9. As almost 90 per cent of Thailand's population resides in rural areas, and a significant proportion does not benefit from the fruits of economic and social advances, the Government considers this the priority theme for UNDP assistance. Having identified the most needy areas as "target areas for rural development", the Government intends to direct the greatest part of UNDP resources (55 per cent) to solving problems peculiar to those areas, especially in the North and Northeast. Similarly, where appropriate, existing projects will be redirected. Some continuing UNDP projects are already on target, such as Rainfed Agricultural Research, Agricultural Land Reform and assistance in Reforestation. Others, in non-agricultural fields, also meet the new criteria, such as Development of Educational Broadcasting and activities to promote Vocational Education in rural areas. New fields of activity concentrating on the rural poor will include assistance to improving soil conditions and cultivation practices in the most impoverished areas and supporting low-cost and village-operated-and-maintained water supply and sanitation techniques.

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Theme III - Economic diversification

10. This theme is primarily directed at diversifying and strengthening the industrial base of the economy, and also envisages the development of the raw material supply base, both agricultural and mineral. Thailand's active private sector plays a crucial role here yet there is scope for external assistance. Association with the decentralization of industry is a good example of UNDP involvement through its assistance to the Industrial Estates Authority of Thailand, or in the undertaking of investment-oriented studies, such as in the engineering sector or practical exploration for offshore tin resources. Continued activities or follow-up are priorities under the third country programme. Past successes in rubber production, in which the linking of World Bank and UNDP funds took place, indicates wider future possibilities for other tree-planting programmes or in combined operations where UNDP technical assistance complements capital assistance. Other fields with potential for UNDP assistance include support to the production of seeds, fertilizer utilization, and development of small-scale industries. It is expected that about 20 per cent of available UNDP resources will be required for activities under this theme.

Theme IV - Energy

11. Although Thailand is fortunate in having recently found offshore gas resources, the Government nevertheless aims to further redress the imbalance between national needs and imported supplies. Assistance to develop hydro-power resources and conserve energy in industrial use will continue. However, new activities, which may require about 10 per cent of UNDP resources, will only be identified in detail when policy decisions are taken based on an Energy Master Plan prepared by the National Energy Administration (NEA) with the assistance of the Asian Development Bank (AsDB) and UNDP.

12. The allocation of UNDP resources to the various priorities in the third country programme has received the closest attention of the Government. The country programme is deliberately non-sectoral but thematic in approach. Hence, the Government's decision to provide a notional distribution of resources by theme as mentioned above. In part, the distribution of resources is based on the present allocation of funds to projects which are within the themes. At the same time, the Government has projected the expected programme emphasis that will dictate the flow of UNDP resources in line with the continuous programming methodology. Accordingly, resources are fully committed for the first one to two years of the country programme.