

THAILAND'S INTERNATIONAL DEVELOPMENT COOPERATION

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As of 2011, Thailand reached Upper Middle Income Status with Gross National Income (GNI) almost doubling and considerable reductions in poverty levels over the previous decade. Thailand has a track-record of enthusiastically encouraging the socio-economic development of its neighboring "CLMV" countries (Cambodia, Laos, Myanmar, Vietnam). In order to administer this support, in 2004, a Royal Decree was promulgated to establish the Thailand International Development Cooperation Agency (TICA) under the Ministry of Foreign Affairs. In 2005 the Neighboring Countries Economic Development Cooperation Agency (NEDA) was also established as an independent public body, responsible for financing investment projects in neighboring countries. This paper undertakes a review of Thai experience on development cooperation paying particular attention to the evolving institutional framework for such cooperation.

CONSTRUCTING THAILAND'S DEVELOPMENT COOPERATION

Background

Thailand has a relatively successful track record of development. As of 2011, the country reached Upper Middle Income Status with Gross National Income (GNI) almost doubling and considerable reductions in poverty levels over the previous decade. In particular, Thailand has a track-record of enthusiastically encouraging the socio-economic development of the neighboring "CLMV" countries (Cambodia, Lao PDR, Myanmar, Viet Nam) and technical cooperation has also been extended to both the wider region and beyond.

In order to administer this support, in 2004, a Royal Decree was promulgated to establish the Thailand International Development Cooperation Agency (TICA) under the Ministry of Foreign Affairs to

promote international development cooperation between Thailand and its partners. TICA was established on 19th October 2004 by a Royal Decree to serve the Royal Thai Government as a focal agency under the Ministry of Foreign Affairs of Thailand in directing international development cooperation. It is principally responsible for the implementation of Thailand's development cooperation programs in the neighboring countries as well as other regions of the world. There are various forms of cooperation, such as development projects, volunteer and expert programs, fellowships, scholarships and training programs.

NEDA, or the Neighboring Countries Economic Development Cooperation Agency, is Thailand's international development aid agency, established officially on May 27, 2005, as a public organization, under supervision by the Minister of Finance. In 2005, the Thai government modernized and strengthened the efficiency of NEDF through organizational restructuring, which would lead to greater flexibility in its operations. This eventually led to the establishment of the NEDA.

Historical Context

Since the first National Economic and Social Development Plan (1961-1966), human resource progress and technology transfer are the main factors for Thailand in building its capacity to becoming an emerging country that it is today. In the early years, the then Department of Technical and Economic Cooperation (DTEC) was first established by Royal Decree in 1950 as a national focal point for managing Thailand's ODA under the Office of Prime Minister, responsible for technical cooperation received from external cooperation partners. The DTEC's plans also aimed to match Thailand's needs and wants with traditional donors' development aid and assistance policies. As the focal point for technical cooperation, DTEC was the intermediary responsible for screening project proposals from the ministries so as to ensure that they meet the objectives and goals of the National Plans as well as the aid policies of donors.

Thailand started to provide technical cooperation to other developing countries since 1963, with a view to promote economic and social development through international partnership. International technical cooperation received from foreign partner countries is accomplished by the TICA which was established as the successor of DTEC.

Objective

Given these trends, this report will offer a timely opportunity for the Thai government to reassess what Thailand's role in international development might be, as a middle-income country in a fast growing and changing region and how it can most effectively play that role. This research paper will focus on the following questions:

- How is Thailand's approach to international development defined?
- How can Thailand improve the internal institutional mechanisms for coordination, management of information and monitoring and evaluation of development cooperation?

DEFINING THAILAND'S APPROACH TO INTERNATIONAL DEVELOPMENT

The strategic framework on International Development Cooperation of TICA (in keeping with its institutional alignment to the Ministry of Foreign Affairs) is mainly focused on technical cooperation and aligned to goals of strengthening and building international relations. The framework emphasizes an approach to development that looks in broad terms at how the government can use international cooperation strategies to promote mutual benefits for Thailand and other parties.

The 'International Development Cooperation' (IDC) was perceived by many as distinct from 'International Cooperation' (IC) with IDC understood as benefitting poorer countries, while IC is understood to be about using international relations to promote benefits for Thailand. In contrast to the approach taken by China, for example, economic cooperation, is seen as enhancing Thailand's economic prospects, but is not apparent as 'development' cooperation. Development is understood predominantly as a charitable transaction.

POLICY ANALYSIS

Government Policies

Thailand has adopted the Paris Declaration as the principle guideline for the effectiveness of its ODA planning and administration. The Royal Thai Government has two overarching statements of policy, from which all government strategies are drawn: the 11th National Economic and

Social Development Plan prepared by the National Economic and Social Development Board (NESDB) and the Policy Statement of the Council of Ministers that is developed by the Office of the Prime Minister.

The 11th National Economic and Social Development Plan

Thailand's own approach to development influences the development of other countries: most markedly that of its immediate neighbor countries, but also countries in the wider ASEAN region and beyond. Thailand's planned approach to national development is most recently articulated in the 11th National Social and Economic Development Plan (NESDP), which runs from 2012-2016. A significant shift in the country's development planning has taken place since the Eighth Plan (1997-2001), a shift from a growth-oriented approach to the innovative model of holistic "people-centric development."

The Eleventh Plan is a provisional medium-term strategic plan to track the vision for the year 2027 that was set by all parties in Thai society. The development plan is concentrated mainly towards creating a just society, developing a lifelong learning society, restructuring the economy towards quality growth and sustainability and creating regional connectivity for social and economic stability.

The Policy Statement of the Council of Ministers

The way in which Thailand cooperates with other countries, regional communities and international organizations affects Thailand's development and international development. It wants to create unity and promote cooperation among ASEAN countries in order to realize the goal of creating an ASEAN Community by 2015 in the economic, socio-cultural and security areas. It also focuses on supporting 'Public Diplomacy' to safeguard the interests of Thai nationals. This policy seeks to encourage people-to-people and community based contacts with foreign countries, as well as promotes a positive image and technical assistance with developing countries so that the people, governments and the international community will have positive attitude towards the Thai people and Thailand.

International Cooperation Strategies

There are numerous public bodies who are articulating a policy on how international cooperation strategies can contribute towards the achievement of the policy objectives set out in high-level overarching government policy documents. For instance, the Bank of Thailand has

a clear strategy in place to work towards the achievement of improved financial integration, articulated as a priority in the Policy Statement of the Council of Ministers.

The BOT is also working with the Ministry of Finance to support Thailand's neighbors to access Thailand's capital markets. For example, Lao PDR issued bonds worth THB1.5bn to institutional investors in Thai capital markets for the first time in May 2013.

The Ministry of Education is another good example of a line ministry with a clear direction on international cooperation. The Office of Higher Education Commission (OHEC) has a strong emphasis on building an 'educational hub' in ASEAN and is pursuing an active role in international cooperation with other ASEAN countries to exchange and share knowledge about higher education quality and standards. The Office of Higher Education Commission (OHEC) aims to provide 'internationalization' and 'regionalization' to Thailand's higher education. The work of the Ministry of Education to promote Thailand as an educational hub also has clear potential benefits in terms of the development of human capital in the region.

STRATEGIC FRAMEWORK FOR 'INTERNATIONAL DEVELOPMENT COOPERATION'

Technical Cooperation

TICA has developed a draft strategic framework for 'international development cooperation'. Many of the strategies outlined are in keeping with latest international thinking on effective development cooperation. It supports demand-led development based on the principles of partnership. Reference is also made to the Paris Declaration principles. Multilaterally, it serves as a knowledge hub and is regarded as problem solver because it has an ability to tackle regional and global problems related to technical assistance. It provides training and assistance and degree courses to all of our partners' requirements on human resources development. Technical cooperation from international donors predominantly takes the form of small-scale projects: technical assistance, the purchase of materials and equipment, funding of small grants schemes and similar programs. This is often executed through inter-ministerial cooperation policies in specific areas such as transport or agriculture. It can include dispatching volunteers and specialists, carrying out training projects in specific areas or providing technological expertise.

Recently Thailand collaborated with the European Commission, UNDP and the World Bank in organizing the workshop on “Aid Effectiveness from Paris to Bangkok” to exchange information and ideas among development agencies based in Thailand. The outcome of the workshop was twelve policy messages concerning aid effectiveness. The most important message that came out of the workshop is that the message on partnership which emphasizes the need for all partners both in the donor community and developing world to work more closely together in ensuring aid effectiveness.

Grants and Loans

Thailand’s development finance contributions were primarily focused on supporting the development of transport infrastructure in Thailand’s neighboring countries through the provision of concessional loans administered by NEDA. Support is targeted to those projects that strengthen connectivity with Thailand and its neighbors. The EXIM Bank has also been involved in the intermittent financing of strategic infrastructure projects in the region.

At present, Thailand, through TICA, continues to receive and exchange fellowships with traditional donors and other development partners. In 2007, Thai government officials were awarded 336 fellowships allocated by Japan, China, India, Malaysia, France, South Korea, Sweden, Egypt, the Netherlands, Israel, Singapore, Spain, Pakistan, the Colombo Plans and UNDP.

Thailand is keen to share its development expertise and reach out to other countries to advance poverty reduction. Strong features of this policy are donations to other tsunami-affected countries in the region and ongoing assistance to neighboring countries. This goal principally involves developed, donor countries setting targets for increased Official Development Assistance (ODA), facilitating access to goods and services from developing countries, and ensuring access for developing countries to technology and essential drugs.

MODALITIES FOR THAILAND’S TECHNICAL COOPERATION

Annual International Training Courses Program (AITC)

This program is led by the TICA, recognizing the importance of human resources and development at the same time. This is achieved

by extending its expertise and experiences to other countries through South-South Cooperation activities. It is one of the flagship programs initiated by TICA which aims at sharing Thailand's best practices and experiences to the rest of the world.

The highlighted theme under this course is Sufficiency Economic Philosophy (SEP), which is the key factor behind Thailand's achievement of sustainable development in many areas. The other themes include Food Security, Climate Change, Public Health and other Sustainable Development Goals (SDGs) related areas.

The AITC is organized annually, with fellowships awarded by the Royal Thai Government to participants from over 50 countries, including Thailand's neighbouring countries, and other countries in Asian, Pacific, and African regions etc.,

During 2017-2019, TICA will offer more than 90 short-term training courses with the expected number of participants of numbering a thousand from developing countries. One of the criteria for this was that the candidate should be an officer or an agent and must be nominated by the central government agencies in a country from the AITC eligible country list.

Third Country Training Program (TCTP)

It acts as a centre of excellence and brilliance in various fields in the region, including international standard infrastructures and facilities. A number of international organizations, such as WHO, UNESCAP and UNDP, optimize Thailand's expertise and capacity by providing full financial support for training courses in Thailand for a third country under this scheme. These programmes are designed in order to support and complement existing efficient programme provided by Thailand to other participatory countries. Some courses provided by TCTP are Advanced Freshwater Aquaculture, Agricultural Extension and Development for Africa etc.

Thai Volunteer Program

This program was created in 2004, also known as "Friends from Thailand" sends young Thai volunteers to support of Thailand's technical cooperation programs in other developing countries. This initiative aims at fostering friendships and peer-to-peer relationships at the grassroots level between Thailand and its partner countries.

Volunteers are expected to have expertise in areas such as agriculture, information and communications technology, public health, tourism, education and community development, and work in TICA's projects for a period ranging from six months to two years. This program is run by TICA in partnership with Thammasat University, a government-affiliated organization.

Table: Demand for TICA volunteers, 2004-2012

Number of Volunteers	Partner Country	Area of Cooperation	Project Status
3	Vietnam	Teaching Thai Language	Concluded
1	Lao PDR	Agriculture Extension	Concluded
1	Indonesia	Teaching Thai Language	Concluded
9	Bhutan	Health care, hotel management, skills development and agriculture	Concluded
1	Lao PDR	Agriculture Development	Ongoing
1	Cambodia	Teaching Thai Language	Ongoing
2	Vietnam	Teaching Thai Language	Ongoing

Source: TICA

ANALYSIS OF INSTITUTIONAL ARRANGEMENTS FOR WORKING WITH EXTERNAL PARTNERS

Bilateral Cooperation

A key potential strength of Thailand's bilateral support to its partner countries is that it is predominantly 'demand-led' and can be supported as part of long-term strategic partnerships. The bilateral program has been developed to strengthen the relationships between Thailand and neighboring countries including Cambodia, Laos PDR, Vietnam and Myanmar as well as some other developing countries in Asia and Africa.

Effective bilateral technical cooperation also depends upon long-term strategic engagement and planning. While technical cooperation should be responsive to the demands of partner countries, a large part of the assistance offered seems to be one-off activities agreed on a temporary basis.

Often activities are designed as an indicator of friendship and companionship rather based on a robust analysis of how Thailand

could address a key capacity need of a partner country over a sustained period. Bilateral strategies should ideally be forward-looking, with medium-term strategic plans agreed on how identified capacity constraints can be addressed through technical cooperation.

TICA provides direct assistance to its development partners through the Bilateral Program. Projects are designed after close consultation between Thailand and its partners so to ensure the activities will be of the highest benefits for all parties.

Trilateral Cooperation

Being a new emerging donor, Thailand's relationship with its traditional donors has shifted from one of a recipient-donor to one of a development partnership. Thus, TICA's strategic plan has been expanded to include triangular North-South-South cooperation (or Trilateral Cooperation) for joint establishment of assistance to developing countries with established OECD-DAC donors jointly.

For instance, Thailand and Germany have signed the Memorandum of Understanding (MoU) on Joint Development Cooperation with Third Countries through partnership programs which cover vocational education, rural development and health. Also, Thailand and France signed *Plan d' Action* on 25 May 2004 to extend trilateral cooperation. On 21 June 2010, the two countries signed the second *Plan d' Action* (2010-2016) in which the trilateral cooperation has been extended to cover the Mekong sub-region and Africa. Basically, the two countries agree on 3 areas of cooperation which are education/vocational training, agriculture and fishery, and public health especially focusing on HIV/AIDS, Malaria, Tuberculosis, and other contagious diseases.

Thailand has established triangular arrangements with development partners such as Australia, Canada, France, Hungary, Japan, Luxembourg, Singapore, Germany, UNDP, UNESCAP, UNFPA, and UNICEF.

Regional and International Cooperation Framework

Thailand is an active participant in both regional and international cooperation frameworks. At the sub-regional level, it has participated very well with Indonesia-Malaysia Growth Triangle and more. At the regional level, it has an efficient level of cooperation with ASEAN and at the international level it is actively participating in organizations such as the United Nation Framework Convention on Climate Change, UNDP etc.

The strategic opportunities presented by international cooperation frameworks are recognized in Thailand's foreign policy and the NESDP. In the education sector, the Thai government is working closely with UNESCO and the UN to promote Education for All. It is also actively participating in the formulation of post-2015 goals in the education sector to replace the MDGs. In the health sector, there have also been examples of the Thai government advocating and advising on the path towards provision of universal health coverage.

The forthcoming establishment of the ASEAN economic community in 2015 also allows great scope for Thailand to pursue its policy objectives on enhancing regional economic connectivity. As part of the overall cooperation framework, agreements will be put in place for example on trade policy, on financial integration and the movement of labor.

Thailand is actively seeking to promote itself as a regional knowledge hub. The Fiscal Policy Office is for example facilitating work in conjunction with the Asian Development Bank and UN-ESCAP to support Thailand's Fiscal Policy Research Institute, to build country capabilities in serving as a regional centre for offering macroeconomic training.

Thailand and the ASEAN Economic Community

ASEAN has been and will continue to be a cornerstone of Thailand's foreign policy. Thailand attaches great importance to enhancing cooperation within ASEAN frameworks to build trust and confidence among ASEAN member States, as well as to promote peace, stability and prosperity in the region.

Thailand is a strong proponent of a people centered ASEAN community as envisioned by the ASEAN charter. Thailand will continue to play an active role in deepening regional economic cooperation through the development of the RCEP, which will represent the size of half of the global market and help further boost the collective vibrant economic potential in East Asia.

Regional integration is at the heart of our ASEAN community efforts. Thailand sees the emerging ASEAN community as another important milestone in an evolving process towards closer regional integration. Thailand stands ready to take a leading role in conducting the development cooperation with other countries both in bilateral and trilateral forms. Thailand's support has been designed in accordance with specific needs of each ASEAN country which ultimately will

contribute to the strengthening of the ASEAN community in the three pillars: political-security, economic, and socio-cultural, as well as the implementation of the Master Plan on ASEAN connectivity.

INSTITUTIONAL ANALYSIS

Monitoring and Evaluation

In recent years, Thailand has seen a much greater focus on results of development cooperation among traditional donors. Given the fiscal constraints faced in many developed countries, aid budgets are increasingly under threat and governments are being challenged to demonstrate the impacts of aid provided and that value for money is being achieved with the resources used.

TICA's strategic framework has also emphasized the importance of putting in place monitoring and evaluation systems. At present, macro-level evaluation of the overall strength of Thailand's development cooperation is difficult given that there is not a unified framework against which the success of Thailand's cooperation can be judged.

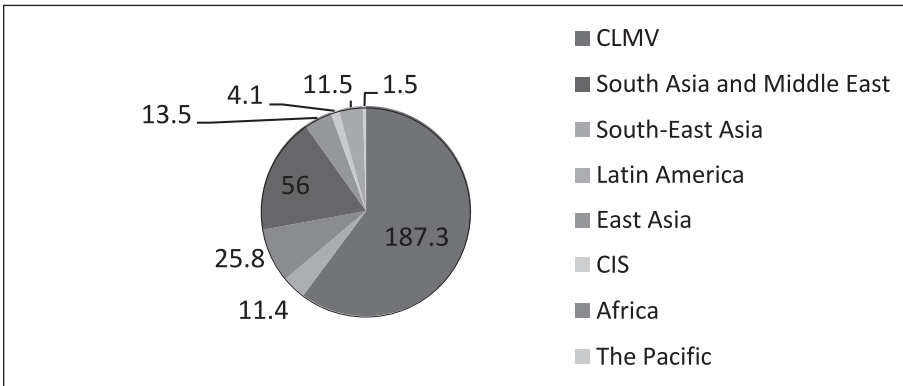
Processes for the evaluation of large technical cooperation initiatives could be strengthened. At present, however, there is seemingly no systematic feedback instrument to use information and learning to inform future policy and programs for development. For instance, there are certain recurring large projects like the government scholarship program that calls for effective monitoring and evaluation.

FINANCING ANALYSIS

Traditionally, any country's contributions to development have predominantly been assessed by looking at the amount of aid provided, as a percentage of gross national income. However, this is not the only relevant financing information when analysing development.

TICA has been collating information on official development assistance for a number of years. At present, within this overall strategic framework of the budget, there is a program on 'mobilizing foreign policy and international relations' but not a dedicated budget line for 'international development cooperation' as such. Thailand also contributes to international development through public funds used domestically to promote regional connectivity and integration.

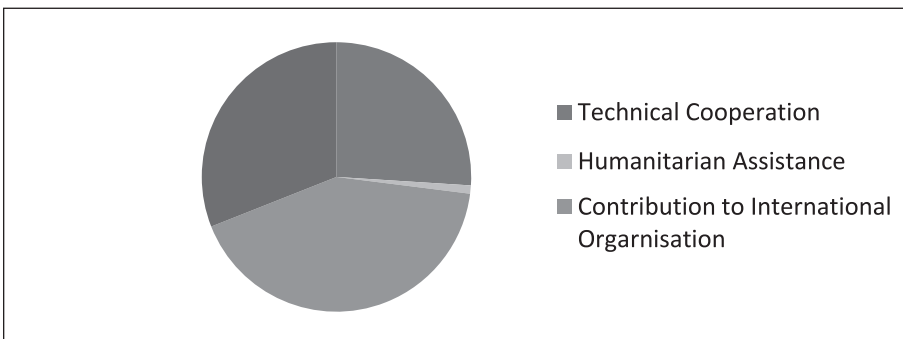
Fig 1: Total Value of Thai International Cooperation Program by regions FY 2012



Source: TICA

As of 2011, 31% of total ODA was used to provide financial assistance for infrastructure. The financial assistance provided has been concentrated on transport infrastructure and predominantly administered by NEDA. It has also been focused on a relatively small number of projects and provided only to neighbouring countries.

Diagram: Proportion of ODA by Type, FY 2011



Source: TICA

However, it has been suggested that the numbers compiled by TICA sometimes under-estimate total amount of ODA as a result of ministries omitting technical cooperation activities that would be eligible for recording as ODA. It constitutes a relatively small part of the overall figures for ODA and so would not greatly impact the overall figures.

Other than this, Thailand also contributes to international development through public funds used domestically to promote regional connectivity

and integration. Thailand's ambition to set itself up as a 'knowledge hub' would require significant domestic investment in developing and administering appropriate academic programmes. Although the focus of this investment is largely internal and not eligible to be recorded as 'ODA' as such, some of the resources spent under this programme will support Thailand in its goals on development cooperation.

MOTIVATIONS BEHIND DEVELOPMENT COOPERATION

Thailand's vision is to develop a new modality of Thailand International Development Cooperation. They have not only identified long term goals but are also determined to work efficiently towards them. They seek to develop people-to people development projects in order to build strength and capacity. For instance, Thailand is sending young Thai volunteers working towards development cooperation to other developing countries to enhance the volunteer's as well as the receiving country's experience and capacities.

CHALLENGES AND OPPORTUNITIES

Thailand faces a new set of problems differing from those during its development stage. There is not, at present an overarching policy on international development which articulates Thailand's goals in terms of the gains to socio-economic development of other countries. Thailand's development cooperation is likely to be more effective if there are clear goals that can guide ongoing engagement, both at a whole-of-government level and the sector level.

Also, greater awareness is required of Thailand's own capacity to provide effective technical support and policy guidance. At the moment, Thailand's strengths are identified by TICA at the sector level (e.g. the proposed focus in health, education, agriculture and rural development). Dialogue is required between line ministries and TICA to identify where Thailand has the capacity to make positive contributions to development through technical cooperation.

Clear guidance should be developed on activities that should be recorded in the database on development cooperation. The information received from ministries should be organized in such a way that it shows cross-government support for technical cooperation in sector-based and country-based reports.

RECOMMENDATIONS AND CONCLUSIONS

In accord with the norms and culture which Thailand follows in development cooperation, it needs a few recommendations. They could be difficult to address however, being ambitious in nature.

It is recommended that the Thai government develop a master-plan that articulates a common template for government on what its objectives and goals are in the field of international development. This master plan should address areas such as development sector-based strategic plans in key priority sectors, alignment of international and domestic partners etc.

Thailand should conduct some evaluations of its flagship technical cooperation programs including, for example, the scholarship program. Much of the knowledge that the government has on development cooperation is not formally captured. It should put major focus on formal structures to extract information related to developmental trends in various fields. It needs to focus on specific needs and wants of the countries. Demand-driven assistance should not be the factor which should be given limelight.

A number of metrics should be identified against which Thailand's development cooperation can be monitored at a macro and micro level simultaneously (at present, only the total amount of ODA is monitored).

If TICA is to ensure that proposed technical cooperation is aligned with the strategic priorities of ministries, then consideration should be given to identifying certain sector focal points who can liaise with relevant agencies. TICA should also ensure clear guidance on those activities that should be recorded in the database on development cooperation.

LIST OF ACRONYMS

GNI	Gross National Income
CLMV	Cambodia, Lao PDR, Myanmar, Vietnam
TICA	Thai International Cooperation Agency
ODA	Official Development Assistance
NEDA	Neighbouring Countries Economic Development Cooperation Agency
DTEC	Development of Technical and Economic Cooperation
NESDB	National Economic and Social Development Board
IDC	International Development Cooperation
IC	International Cooperation

NESDP	National Social and Economic Development Plan
BOT	Bank of Thailand
OHEC	Office of Higher Education Commission
EXIM	Export–Import Bank of India
SSC	South-South Cooperation
AITC	Annual International Training Courses Programme
TCTP	Third Country Training Programme
UNDP	United Nations Development Programme
UNFCCC	United Nations Framework Convention on Climate Change
UNESCAP	United Nations Economic and Social Commission for Asia and the Pacific
UNFPA	United Nations Populations Fund
UNICEF	United Nations Children's Fund
AEC	Asean Economic Community

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