



“Sustainable Development Policies and Plans at the National Level: How the policies and plans will enhance service industry”

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Outline

- 1 Global Future and Challenges for Thailand**
- 2 Thailand's National Strategy and Development Plan**
- 3 From the National Strategy to the 12th Plan**
- 4 Enhancing Service Sector**



In next 5 years, global economy is expected to be in a moderate path, with the risk of volatility in global economic and financial system while integration will be enhanced

Global Economy

Competition will be more fierce, with challenges from trade barriers and more trade groups



Medium outlook of global economy

global economic recovery remains slow



Brexit causes
uncertainty in
global economic
recovery



Fundamentals
of key
economies
remain weak

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Risk from
economic
instability
remains high

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Direction of
monetary
policy in key
countries

Trade Barriers



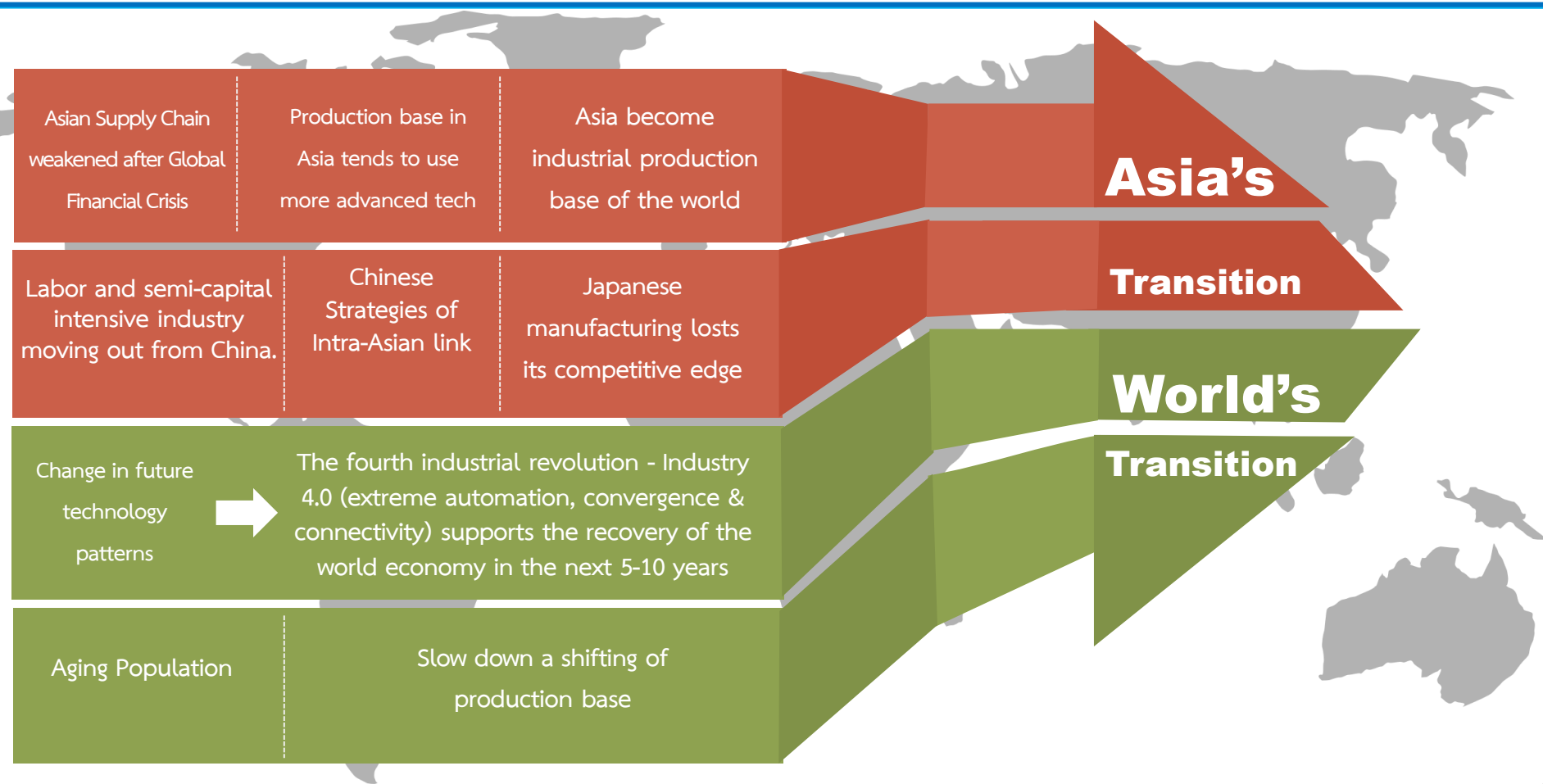
New forms of
trade barriers
(NTBs)

FTA Group



Increase in Free
Trade
Agreement
among groups
of countries,
led by US,
Germany, &
China

The transition of the world and Asia in the medium and long term



For the Thai economy, challenging issues need to be addressed during the 12th NESDP

Ineffective fiscal management

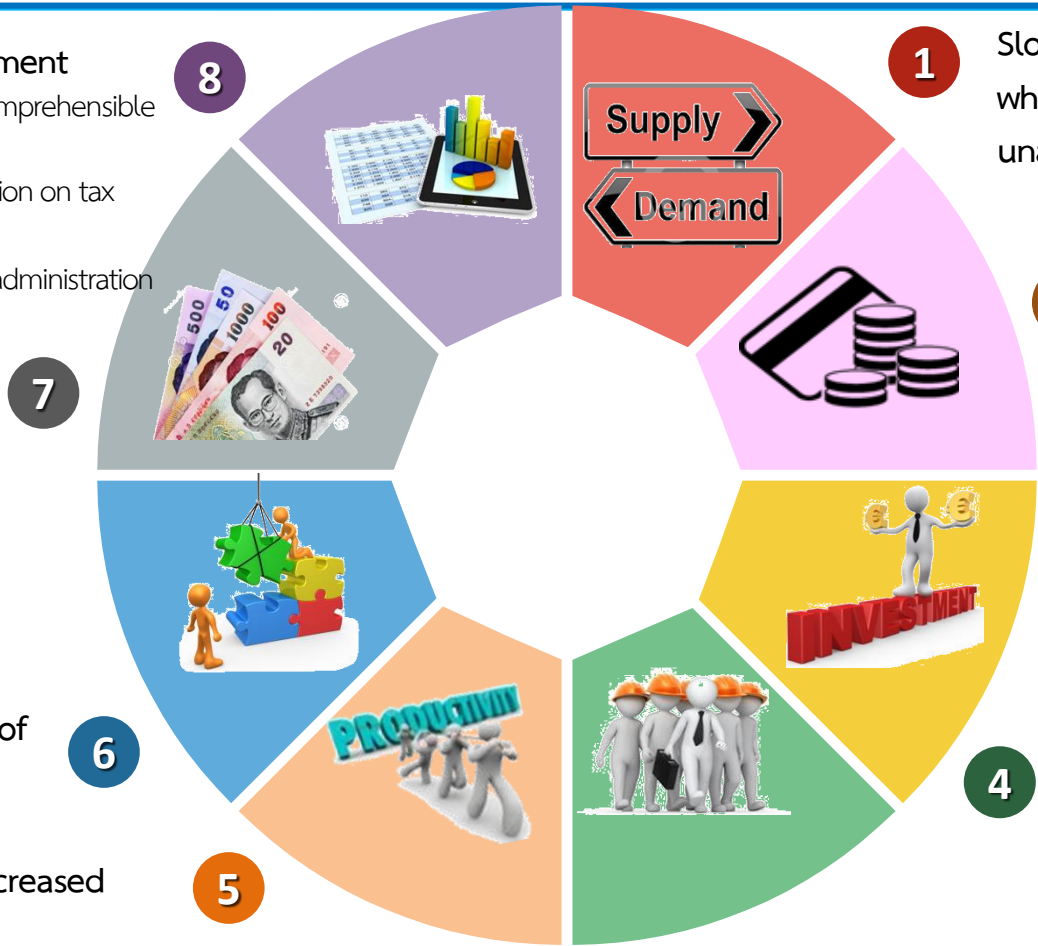
- Unwell-integrated and incomprehensible area-based budgeting
- Narrow tax base and limitation on tax collecting
- Inefficient local-level fiscal administration

Financial sector is not well-functioning

- Access of SMEs
- Allocation of savings
- External competition

Too slow restructuring of production

Low and slowly-increased productivity



Opportunities and risks in the next five years



Production and service remains strong to continue on growth path



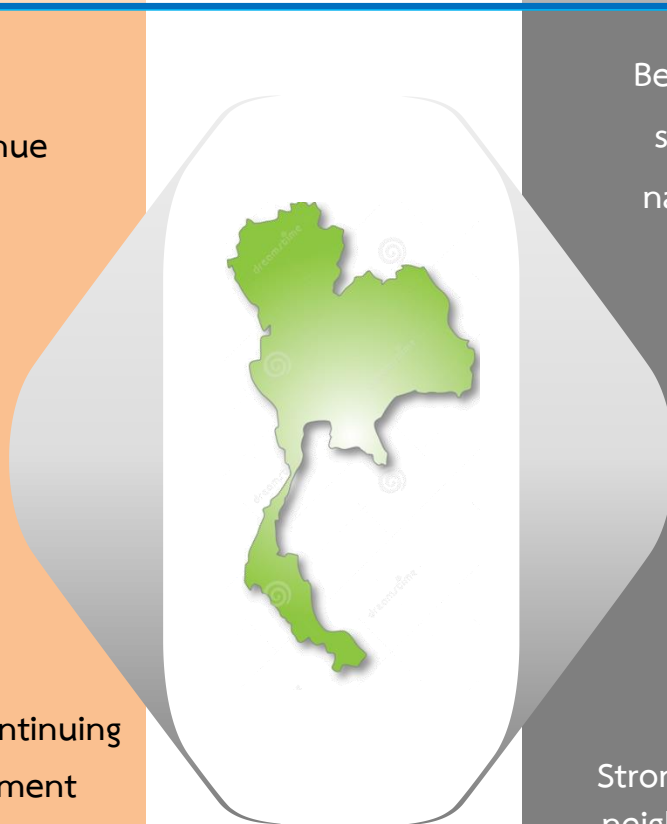
Partnerships and opportunities in ASEAN and RCEP

- Market expansion
- Factor of production
- Center of manufacturing, service and logistics



Opportunity for continuing economic development

- Fast growing middle class
- Multilateral and bilateral co-operation



Becoming a complete ageing society by the end of 12th national development plan



Much slower, but more volatile global economy



Increasingly global competition



Stronger competition from neighboring countries and trading partners



Outline

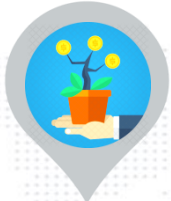
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Thailand in 2036....



People have creative thinking and analytical skills. Eager to learn, good conscience, disciplined, and healthy



Developed
High-income
Country



Green and livable cities (zero waste)



Bio-based economy
high-value service
sector
Trading nation



Fairer society
Lives of citizens
improve



Knowledge Economy

(Productivity & Innovation driven)



Efficient modern
Transparent public sector





Competitiveness

High-income
country

15,000
US\$/year

GDP growth

5–6%

Competitiveness
index

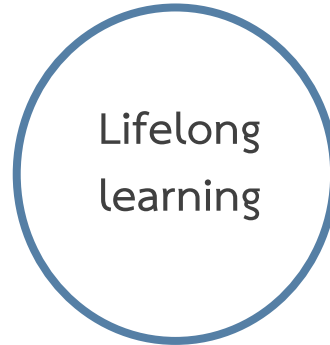
≤ 10

* From 6,000 USD/Year (approx.
200,000 Baht) to 15,000 USD/Year
(approx. 500,000 Baht) / At the
exchange rate of 1 USD = 34 Baht

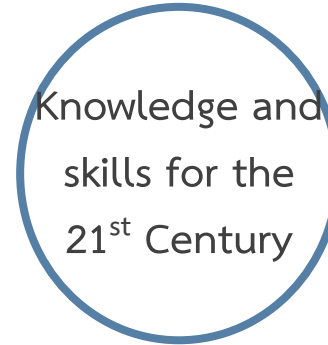


Human Capital Development

All age groups



Quality
education



The elderly



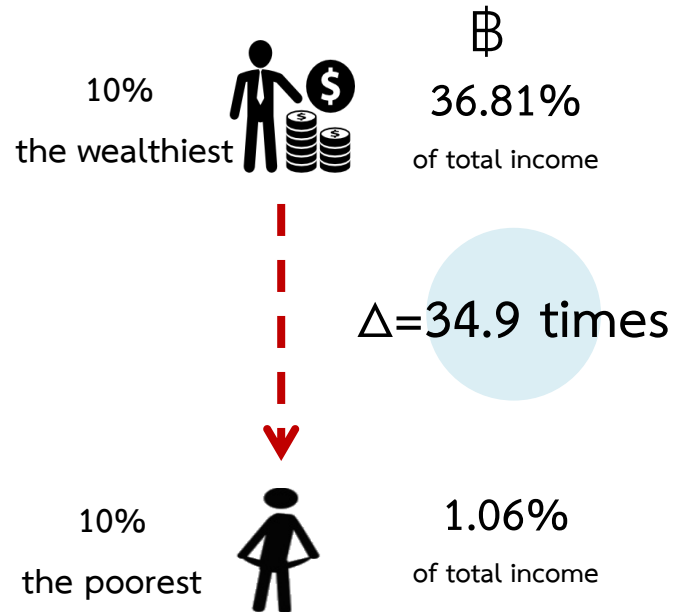
6 Strategies

Opportunity and Social Equality

Reduced social inequality

0.36

Gini Coefficient



6

Strategies

Eco-friendly Growth

Forest area

40%

of total
land area

Greenhouse gas emission

Reduced by

20–25%

* From 31.2 percent (approx. 100 million rais) to 40 percent (approx. 128 million rais)



Stability

Politics

Stable

International
threats

Reduced/
prevented

ASEAN
and the world

Trust



Balance and Public Sector Management

Public service

Digital Service

Corruption
index in ASEAN

2

Laws, rules
and regulations

Fair, modern,
precise

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From the National Strategy to the 12th Plan

Thailand in 2036

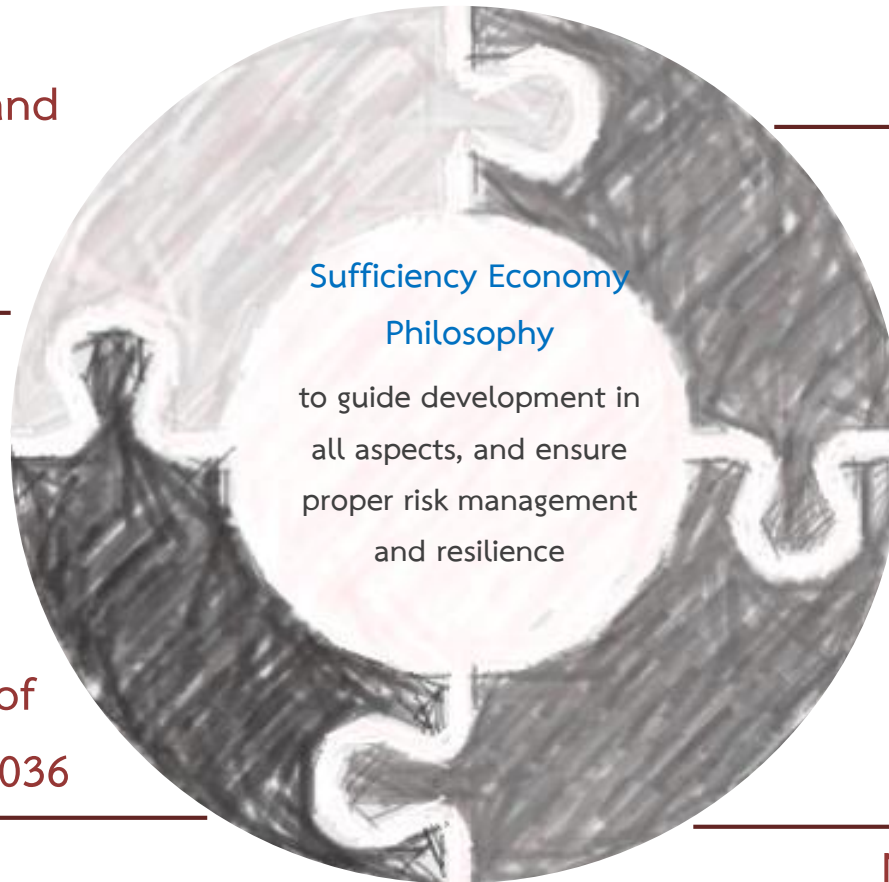


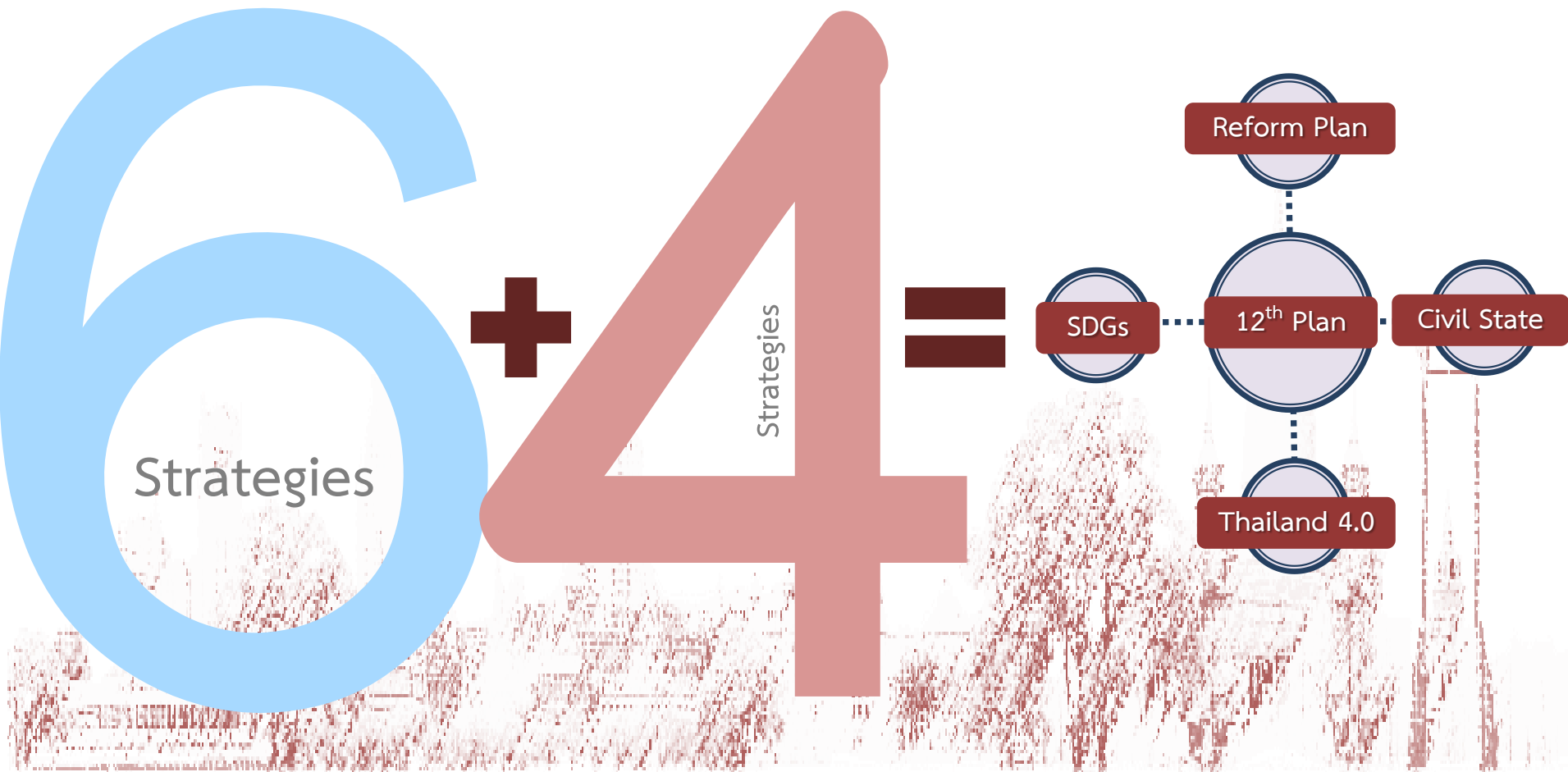
Implementation and
tangible results
in 5 years

People-centered
development

Future goals of
Thailand in 2036

Vision under
the 20-Year
National Strategy





6-6-4 20-Year National Strategy to the 12th Plan

20-Year National Strategy



Balance and
Public Sector Management



Stability



Eco-friendly Growth



Competitiveness



Opportunity
and Social Equality



Human Capacity
Development

6



Good Governance
and Efficiency



Stability



Eco-friendly Growth
for Sustainable Development



Economic Strength and
Competitiveness



Social Fairness and
Reduced Inequality



Human Capital
Development

6

Int'l Affairs,
Neighboring Countries
and the Region



Regional, Urban and
Special Area
Development



Science, Technology,
Research and Innovation



Infrastructure
and Logistics



4



12th Plan

The Making Process of the 12th Plan



August 2014

Designed the framework of the 12th Plan

Organized a brainstorming meeting for NESDB executives to set a development framework for the 12th Plan



2015 | Set the strategic framework and direction of the 12th Plan

○ Jan 2015 Appointed the Board Committees for the 12th Plan

○ July 2015 Conducted regional consultations

○ 13 Sept 2015 Organized NESDB Annual Conference on “The Direction of the 12th Plan”

✓ 22 Dec 2015 The Cabinet approved the strategic framework and direction of the 12th Plan

2016 | Drafted the 12th Plan and put it in effect

○ Appointed Sub-Committees for each strategy

○ Apr – May 2016 Conducted regional consultations

○ July 2016 Organized NESDB Annual Conference on “The Draft 12th Plan”

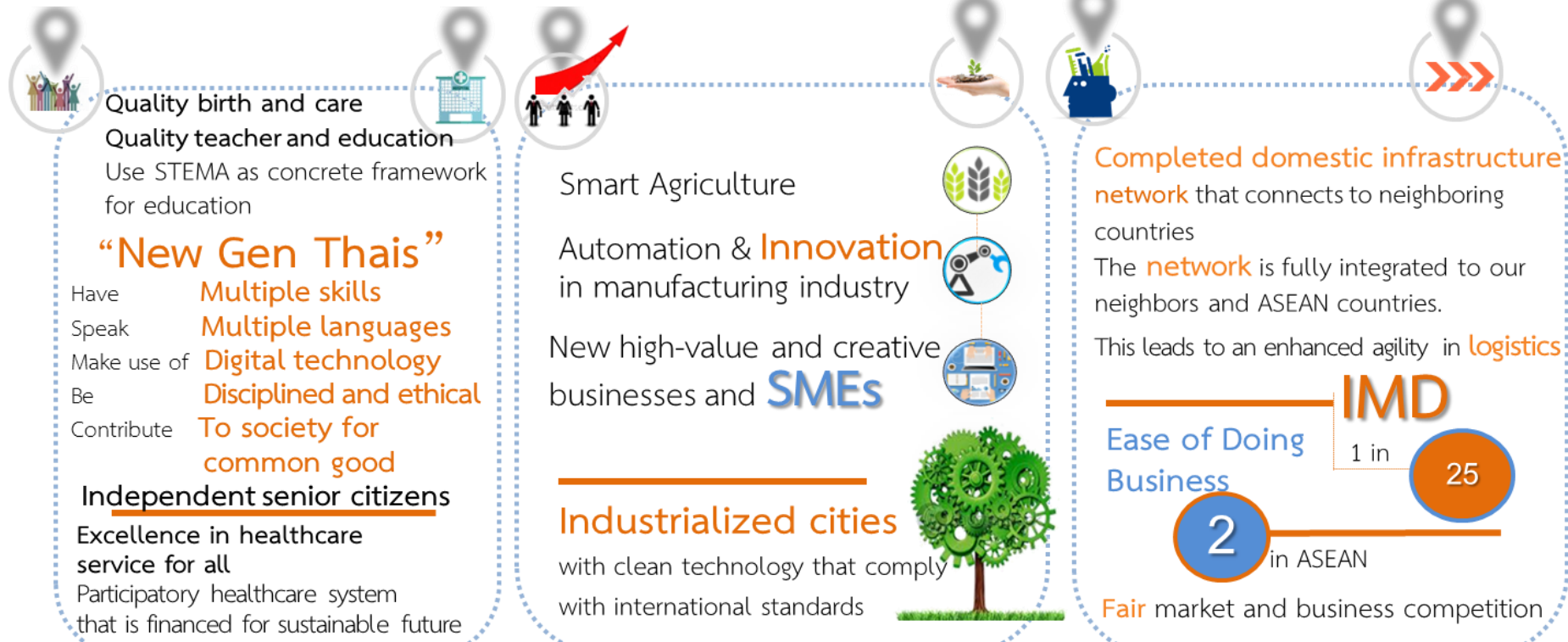
○ Aug 2016 Proposed the draft to the Cabinet

○ Sept 2016 Amended the draft as suggested by the Cabinet. The royal assent has been granted and the Plan took effect from 1 Oct 2016.



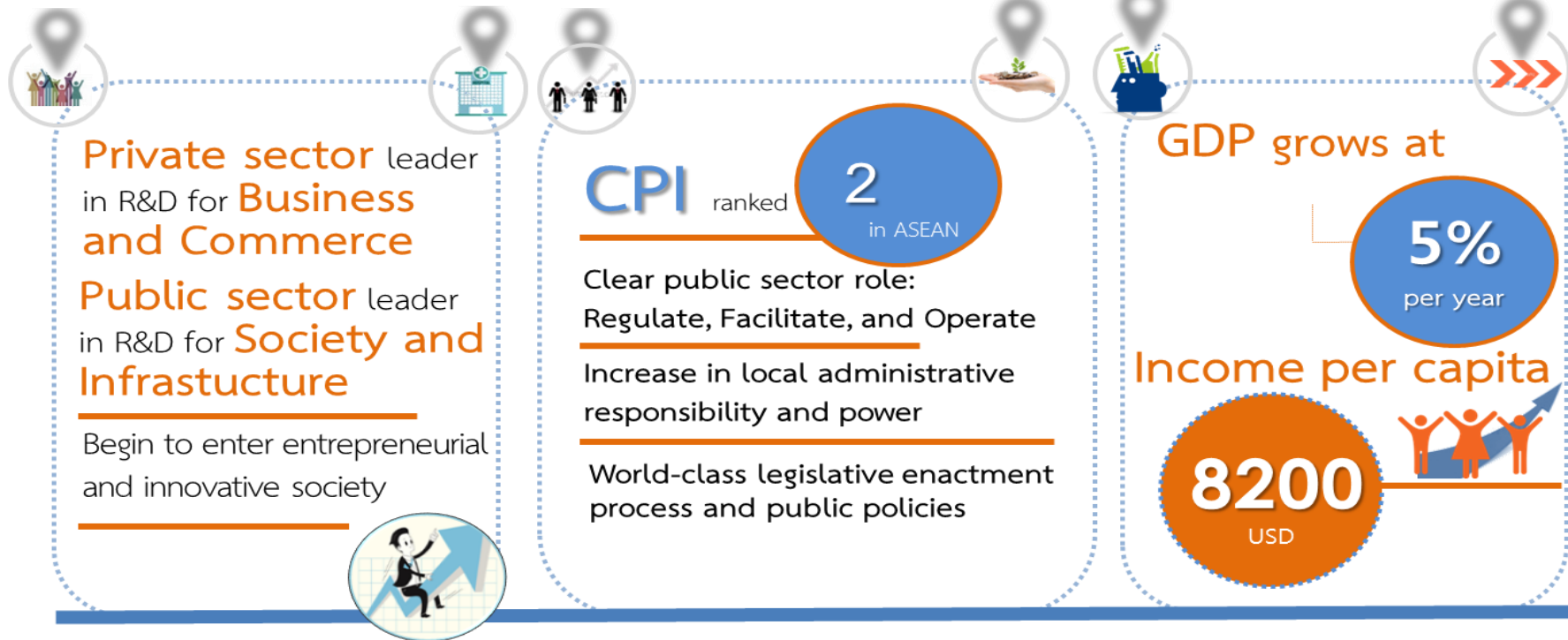
Milestones

IN 5 YEARS,



Milestones

IN 5 YEARS,



External Factors and Trend

- Emerging markets with a greater role
- Global financial market with no borders
- More liberalization in post-2015 ASEAN
- Fast R&D in science and technology



- Transition into aging society globally
- Spread of the global culture mingling with local cultures

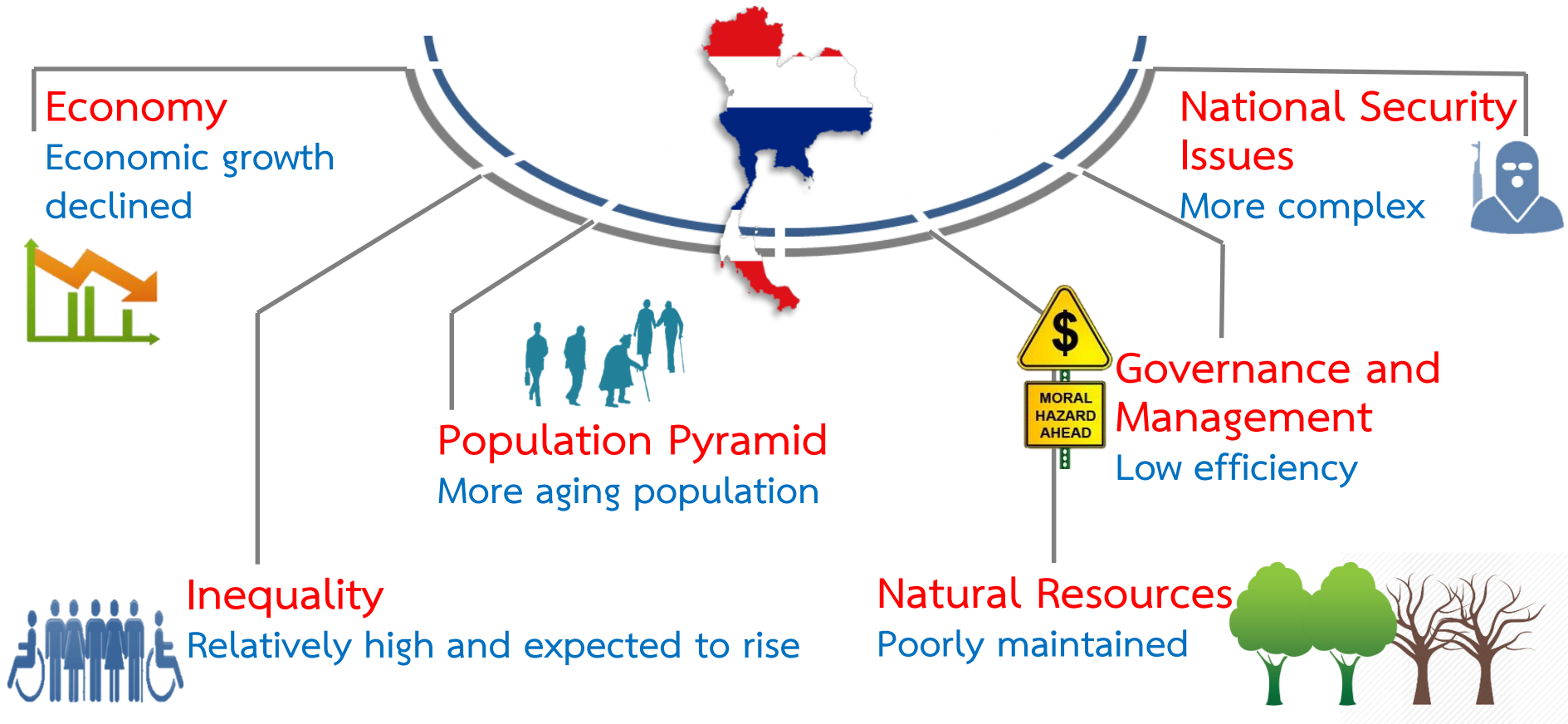


- Sustainable Development Goals (SDGs) 2030
- International agreement on climate change
- Climate change and more severe natural disasters



- Expansion of great powers with a greater role around the world
- Territorial dispute between states
- Multinational crime to rise and become out of control

Internal Factors and Trend



Emphasis and Major Development Issues of the 12th Plan

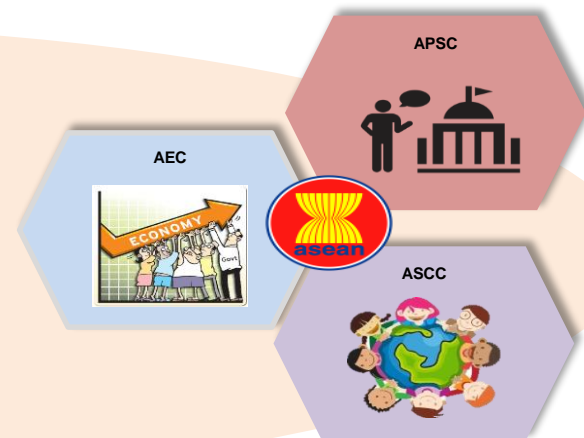


- Advance science, technology and innovation
- Prepare human resources supply and capability
- Ensure fairness and reduce inequality
- Improve the economy
- Ensure natural resources and environmental security
- Bring back security to support economic and social development

- Manage public sector governance
 - Advance infrastructure and logistics
 - Develop cities, regions and economic zones
 - Strengthen international cooperation
 - Accelerate macroeconomics
-

Goals and Objectives





Thailand 12th National Economic and Social Development Plan is in line with the UN SDGs 2030 and ASEAN Community Vision 2025



10 Strategies of the 12th Plan



10 STRATEGIES IN THE 12TH NATIONAL PLAN (2017-2021)

Strategy 1

Human Capital Development

Strategy 2

Promoting Social Fairness &
Inequality reduction

Strategy 3

Strengthening Sustainable
Economic and Competitiveness
Development

Strategy 4

Green Growth for Sustainable
Development

Strategy 5

National Security for Country
Development



Strategy 6

Enhancing Public Administration,
Corruption prevention & good
governance

Strategy 7

Advancing Infrastructure and Logistics

Strategy 8

Science, Technology, Research and
Innovation Development

Strategy 9

Regional, Urban and Economic area
Development

Strategy 10 :

International cooperation for
development

“Strong and inclusive economy
to become a high-income
country with stability, fairness
and sustainability”

Strategy 3 Economic Strength and Competitiveness

High-priority approaches

- Uplift agri-food production
- Create a strong foundation for high-technology industries
- Increase competitiveness of the services sector
- Review laws and regulations to encourage fair trade and investment
- Support financial institutions and financial systems to reduce costs

Stable and sustainable economic growth

Economic growth

5% annually



GDP per capita

8,200 USD
in 2021



Overall productivity

2.5% annually



Inflation rate

2.5 ± 1.5



Strengthen economic sectors

Agriculture, industry and services sectors

to grow by

3%/4.5%/6%



Farmers to receive an income of

59,460 bath
per household



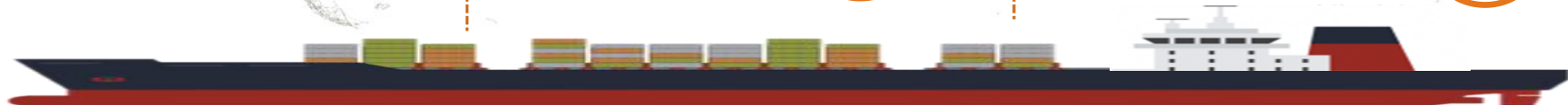
Develop eco-industrial

towns in **15** areas



Tourism to generate

no less than **3** trillion baht



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Development Guidelines

Service Sector

Strategy for Strengthening the Economy, and Underpinning Sustainable Competitiveness



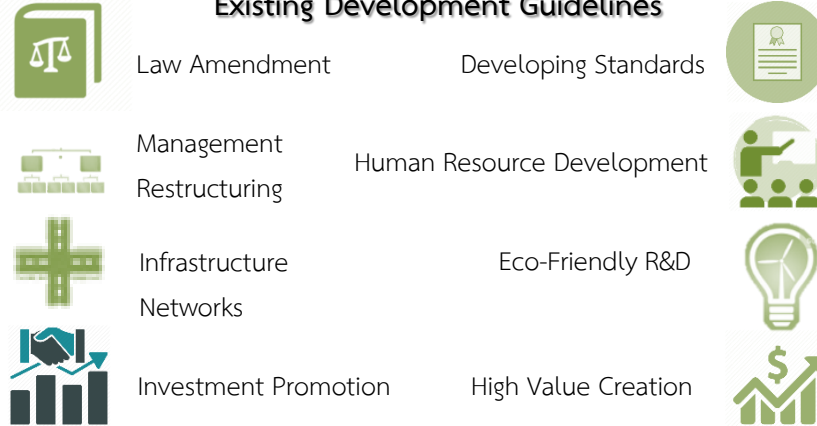
Developing Potential and Existing Services



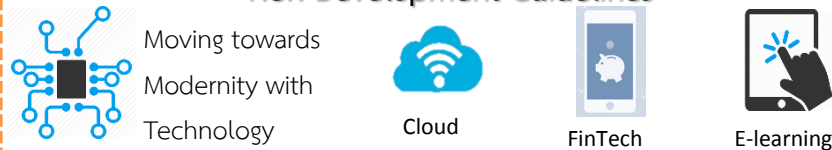
Uplifting the New Services



Existing Development Guidelines



New Development Guidelines



Service Sector's Innovation



Goals

To increase the growth of service sectors at least 6% per year.

To reach 3 trillion baht in tourism revenues.

To raise the rank of Thailand's TICI to top 30.

Thailand's Development should be Transformed to a **Value-Based Economy**, based on **the Philosophy of Sufficiency Economy** in order to guide the country towards **Stability, Prosperity, and Sustainability**.

Now

More for Less

- Cost Reduction / Market Expansion
- Led by Industries
- Focus on Manufacturing



Value Added $\times 2$

=



Comparative Advantage
Biodiversity & Cultural Diversity

Future

Less for More

- Innovation
- Led by Technology & Creativity
- Focus on Service Sector & High Valued Products



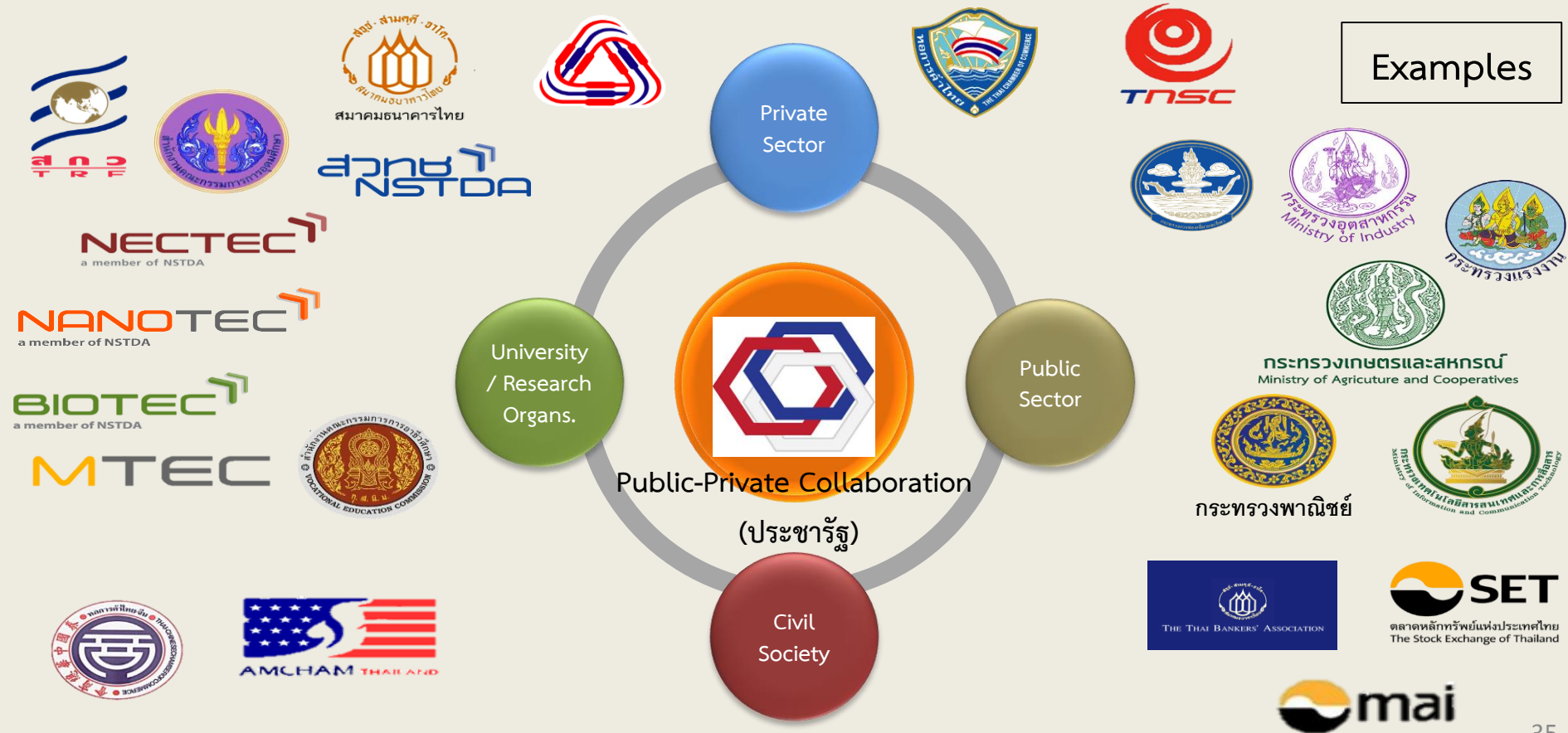
Value Added $\times 4$

=



Competitive Advantage
Focus on Innovation & Creativity

Through the Mechanism of the Public-Private Collaboration



Thank You