



SUMMARY

THE TENTH NATIONAL ECONOMIC

AND

SOCIAL DEVELOPMENT PLAN

(2007 - 2011)

National Economic and Social Development Board
Office of the Prime Minister
Bangkok, Thailand

FORWARD

Throughout the six decades since his accession to the throne, His Majesty King Bhumibol Adulyadej has shown to his subjects from all walks of life the untiring pursuit of righteousness, and has launched scores of royal initiatives for the happiness of the Thai people. Adhering strictly to dhamma, His Majesty has been the guiding light in national development for the sake of stability and sustainability throughout his reign. The intense determination of His Majesty the King to sacrifice his individual benefits for the Thai people reflects His Majesty's initial statement before his accession to the throne: **"I will reign with righteousness for the benefit of the Siamese people."** From time to time, His Majesty has issued instructions and initiatives concerning human development, focusing on mutual benefit and involvement of people in the decision-making process, in accordance with the different socio-geographical conditions of each region and locality. Among these, the **"Philosophy of a Sufficiency Economy"** provides a guideline for practices in development and administration from the family level to the community and government levels.

The Tenth National Economic and Social Development Plan (2007-2011) has been promulgated in an auspicious year for all Thai people. The Plan was created by the mobilization of ideas through popular participation of people in all sectors, groups and regions across the country in every step of the planning process. There was a consensus to adopt the philosophy of the Sufficiency Economy as the guideline for action, in conjunction with a holistic people-centered development approach, in order to move national development towards a sound equilibrium, fairness and sustainability, and to pave the way towards a **"society of happy coexistence"** to enhance the wellness of all people, consistent with the will and determination of His Majesty the King.

On the auspicious occasion in 2006 of the Celebrations of the 60th Anniversary of His Majesty the King's Accession to the Throne, honoring the longest-reigning monarch in Thai history, Thai people from all walks of life, in every occupation and region, have participated with the Office of the National Economic and Social Development Board (NESDB) in every step of formulating the Tenth Plan. We hereby wish to present the Tenth National Economic and Social Development Plan to His Majesty King Bhumibol Adulyadej, our revered monarch, who is regarded as the symbolic spiritual center of all Thai people, and the unifying force of the nation, with the ultimate goal of achieving stable and sustainable national development in accordance with the philosophy of the Sufficiency Economy, so that Thai people will live in a more peaceful society and know how to treasure unity forever under His Majesty's reign.

*Office of the National Economic and Social Development Board
Office the Prime Minister*

Announcement of the Royal Command

Subject : The Tenth National Economic and Social Development Plan
B.E. 2550 – 2554 (A.D. 2007 – 2011)

(M.R.) Bhumibol Adulyadej R.

His Majesty King Bhumibol Adulyadej has commanded :

The Cabinet, having considered the Tenth National Economic and Social Development Plan B.E. 2550 – 2554 (A.D. 2007 – 2011), which was prepared with the involvement of Thai people from all walks of life, from every province and region of the country, and was submitted to the National Economic and Social Advisory Council for consideration, has decided that this Plan should be implemented as the national guidelines for economic and social development policies. A summary of the main elements of the Plan is annexed to this announcement. Be it proclaimed, therefore, that the Tenth National Economic and Social Development Plan B.E. 2550 – 2554 (A.D. 2007 – 2011) shall come into force as of the 1st October, B.E. 2550 and shall remain in effect until the 30th September, B.E. 2554.

Given on the 19th October, B.E. 2550, being the 61st year of the present reign.

Counter signed by :

General Surayud Chulanont
Prime Minister

The Tenth National Economic and Social Development Plan (2007-2011)

1 Introduction

The Eighth Plan (1997-2001) was an important turning point in the country's development planning. The plan represented new values and thinking in Thai society that gave importance to participation by all elements of society, and that aimed for '**people-centered development**,' deploying economics as a tool to help people achieve greater happiness and a better quality of life. The plan switched from a segmented approach to a holistic and integrated approach, in order to create a balance in the development of the economy, society, and environment. However, in the first year of the plan, Thailand experienced a severe economic crisis with great impact on individuals and society, including problems of increased unemployment and poverty. Restoring economic stability and reducing the impact of the crisis thus became a priority.

The Ninth Plan (2002-2006) adopted the **Sufficiency Economy philosophy** to guide the development and administration of the country, at the same time as continuing the holistic approach to **people-centered development** from the Eighth Plan. The plan prioritized solutions to problems arising from the economic crisis in order to build an economy with strong internal foundations and resilience to external changes, while aiming for balanced development with respect to people, society, economy, and environment in order to achieve sustainable development and the well-being of the Thai people. The performance under the Ninth Plan can be summarized as adequately successful. The national economy grew steadily at an average of 5.7 per cent a year. The stability of the economy improved. Poverty fell, while the quality of life of people improved greatly as a result of expansion of health services, better health insurance in both quality and quantity covering a majority of the population, and a decline in drug problems. But the Thai economy remains vulnerable to external instabilities, while problems persist over poverty, income distribution, quality of education, security of life and property, and transparency in government administration. These remain priorities for solution.

During the period of the Tenth Plan (2007-2011) Thailand will face major changes in many contexts that will present both opportunities and constraints for national development. Both people and systems must be fully prepared to adapt to future changes and reap benefit by keeping up with globalization and building resilience in all sectors, in accordance with the Sufficiency Economy philosophy.

2 Changes in the Development Context: Thailand's Situation and the Directions of Adaptation

2.1 Changes in the development context under globalization

Many important dimensions of change at the global level will affect Thailand greatly as both opportunities and constraints for development. The five major trends of such change are as follows.

(1) Economic groupings and changes in global financial markets are increasing inter-country flows of capital, goods, services and people. The advent of the Asian Century with China and India as the major engines driving the world economy means that **Thailand must take an aggressive approach to trade policy** both in expanding markets and in encouraging domestic producers to improve their competitiveness on the foundations of knowledge, natural resources, and Thai-ness. In addition, imbalances in the world economy that have accumulated over a long period, and the expansion of hedge funds, are creating fluctuations in international financial markets, making it imperative to **upgrade the management of inter-country capital movements and to be fully prepared for fluctuations of currency values and interest rates in the world market.**

(2) Leapfrog advances in technologies including communications technology, biotechnology, materials technology, and nanotechnology, present both opportunities and threats to economy and society. It is imperative that Thailand prepares itself for the changes these technologies will bring in the future by **systematic management of the existing body of knowledge, creation and development of new bodies of knowledge, as well as the application of technologies that are appropriate to Thailand's strengths.** This will involve, for instance, blending technology with culture and local wisdom to create increased value-added in goods and services, management of licenses and patents, and efficient protection of intellectual property rights, along with fair distribution of the benefits with communities.

(3) Social changes. The fact that many developed countries are now becoming ageing societies presents both opportunities and threats for Thailand. On the one hand Thailand has greater opportunities to expand the market for health goods and services, health foods, local wisdom and traditional medical practitioners, tourist destinations, and long-stay residence for the aged. **These are opportunities to create value-added from the intellectual capital of Thai local wisdom.** On the other hand, the movement of skilled and trained labor to countries with higher returns represents a threat. At the same time, the borderless dissemination of information increases difficulties over the protection of children and youth from undesirable influences, as well as problems of terrorism, the spread of new communicable diseases, and the sale of various addictive drugs.

(4) Free movement of peoples. Globalization and advances in transport technology have increased travel for business and tourism worldwide. The development of the knowledge economy and knowledge society has made various countries realize the importance of highly knowledgeable people for the competitive capacity of the country. Bilateral and multilateral pacts aim to facilitate the movement of labor and entrepreneurs to work and invest overseas. For these reasons, Thailand must pay attention to measures that support Thai workers moving overseas, measures that attract foreigners to work in the country, and measures to deal with the consequences that may arise, especially affects on the health security of people and the safety of life and property

(5) Changes in the environment and natural resources. The increase in world population has caused deterioration in the world's environment and natural resources, with effects on climate change, the incidence of natural disasters, and the spread of new communicable diseases. As a result, international agreements and treaties have been concluded governing various aspects of the world's environment and natural resources, such as the Convention on Biological Diversity, and the Convention on International Trade in Endangered Species of Wild Fauna and Flora. In addition, there are more trade barriers related to aspects of the environment and natural resources. Hence **Thailand must upgrade its standards of environmental management in order to protect the resource base and maintain a sustainable balance in the natural environment**, by developing more efficient systems for administering and managing natural resources with participatory processes. Thailand must also adjust processes of producing goods and services to become more environment-friendly, and must **increase efficiency in energy usage and develop alternative energy sources** to meet the domestic demand for energy.

2.2. Situation of the country

In the context of changes that Thailand must face in the future, a review of the country's situation with respect to society, economy, environment and natural resources, and national administration shows that Thailand has the opportunity to adapt and reap benefits from globalization, but must still develop the structure of its society, economy, and politics in many aspects for the well-being of the Thai people. The important points of the country's situation may be summarized as follows.

(1) Society

Thailand counts among countries with medium-level human development, and shows a trend of steady improvement. The human development index of Thailand in 2005 stood at 0.778, ranked 73rd among 177 countries, above China and Vietnam but below Japan, Republic of Korea, and Singapore. As for human development with respect to education, quantity has improved rapidly with the average years of schooling having increasing steadily to 8.5 in 2005, and 60

percent of the population having critical thinking skills. There are increased opportunities for life-long learning. However the capacity to adapt and apply knowledge is still at a low level. The quality of education is still inadequate for the transition to a knowledge-based economy and society. This is a matter of priority for the future. Even though the proportion of the Thai workforce with education above the primary level has increased to 39.8 per cent in 2005, the productive efficiency of Thai labor remains low in comparison with Malaysia, Republic of Korea, Singapore, Taiwan, and Japan. The workforce with medium and high education remains deficient in both quantity and quality. Investment in research and development remains at only 0.26 per cent of GDP, a seventh of the global average. The commercial application of knowledge is still at a low level, which is a weak point for Thailand in building knowledge, innovation, and research for development, and hinders improvement of international competitiveness.

At the same time Thailand faces a crisis of values which is a result of the inflow of foreign culture through mass media and information technology with no filtering and selection of what is good, resulting in a decline of virtuousness and morality, especially among children and youth. As a result of changing lifestyles, the institutions of family, schooling, and religion have less role in raising, educating, imparting knowledge, and instilling ethical standards and values. As a result, values and behavior are increasingly marked by materialism and consumerism. Health insurance extends to 96.3 per cent of the population in 2005. Incidence of disease has fallen to 1,798.1 per thousand in 2004. However, there is a trend of steady increase in the numbers suffering from preventable diseases, including new and resurgent epidemic diseases, as a result of globalization. Social insurance still does not cover informal workers and the disadvantaged at all. Threats to the safety of life and property are on the increase.

Thailand is in transition from a rural to an urban society. As a result of the compartmentalized development of urban and rural areas, there is imbalance in the development of rural communities. However, more community participation in development and better management of knowledge have resulted in communities uniting, collaborating, and learning together to cope with their own problems to some extent. At the same time, localities have become more capable of operating efficiently, and have mechanisms in place to take on duties under the scheme of administrative decentralization. Already 3,657 sub-districts have learnt how to compile community plans. Schemes are in place to support the work of community forums in compiling plans for districts and localities, to develop the capacity of community leaders, to create networks of community businesses, and to encourage participation in the creation of employment. Yet culture, values, and wisdom remain neglected, and are not being passed down to new generations. Public consciousness, generosity and mutual assistance have begun to decline. However, distributed throughout the country there are around 1.7 million development leaders, including community leaders and keepers of local wisdom, who play important roles

as the driving force in community development. As a result, in every region there are strong communities that can serve as examples to study and emulate. Yet, the behavior of people and relationships within communities are undergoing change under the impact of materialism, resulting in greater convenience but less contentment, income insufficient to cover expenses, growing debt, and more individualistic relations within the community

(2) National economy

The Thai economy grew at an average rate of 5.7 per cent over the period 2002–2005. Thailand counts among middle-income countries, ranked 20 out of 192 countries in terms of the economy's size. The country's position in international trade has remained stable, with constant market share and growing competitiveness. The development of the knowledge-based economy has advanced. The strong point of the production structure is its diversity which reduces risks arising from fluctuations in the economic cycle. Stronger linkages among production sectors have increased value-added. However, the structural weakness of the Thai economy is its high import dependence for raw materials, components, energy, capital, and technology. As productivity is low, production relies on the resource base more than on knowledge. Wasteful usage of resources for production and consumption results in environmental problems and consequential social impacts because of the absence of appropriate preventive measures. The infrastructure of transport and logistics lack efficiency and systematic linkages, resulting in high capital cost of 16 per cent of GDP. Also the transportation sector absorbs as much as 38 per cent of commercial energy. In addition, the infrastructure for information technology and telecommunications, and for water supply and distribution, has not extended adequately into the rural areas. The infrastructure for science, technology, and innovations are all at a low level, below that of neighboring countries that are trade competitors.

However, the Thai economy has achieved a good measure of stability as a result of recovery policies after the economic crisis. At the end of 2005, unemployment stood as 2 per cent, and international reserves at US\$ 52.1 billion, considered adequate for resilience against external shocks. However the steep rise in oil prices since 2004 has resulted in increasing deficits in the balance of trade and the balance of payments, pointing up the structural weakness of excessive external dependence. In addition, savings are lower than investment, resulting in dependence on overseas capital, exposing the country to the risks of a balance-of-payments deficit and international capital movements. Hence it is necessary to increase the economy's resilience within the context of a world with free movement of people, technological knowledge, capital, goods, and services.

As for development towards a more fair economy and alleviation of poverty, the incidence of poverty has fallen steadily and the distribution of income has marginally improved. In 2007 there are 7.34 million people, 11.3 per cent of total population, still below a poverty line of 1,242 baht income per month. The Gini coefficient for income distribution improved slightly to 0.499 from 0.525 in 2000 and 0.501 in 2002. However, improvement in the distribution of income demands priority attention as Thailand still trails many countries in terms of equality.

(3) Environment and natural resources

In the past, the environment and natural resources were principally used to meet the demand for economic growth. In 40 years, 67 million rai of forests were destroyed, and now forests cover only 33 per cent of the country, resulting in more frequent and more severe problems of flooding, drought, and natural disasters. Marine and coastal resources have deteriorated. Mangroves have declined from 2 million to 1.5 million rai. The seafood catch has been reduced to one third. The conditions of coral and sea grass have deteriorated. Biodiversity is rapidly being destroyed. Human activity that destroys the habitats of various living organisms is changing the ecology and increasing the incidence of extinction of species.

The main reasons for the decline in the quality of the environment are the increase in population and inappropriate lifestyles resulting in increased pollution. Air and water quality is below standard. The volumes of refuse and hazardous wastes are increasing faster than the capacity to dispose of them. Hazardous substances used in production are being imported in increasing volumes without adequate mechanisms for controlling production processes, storage, or transport. As a result, these substances have seeped into the environment, and contaminated the food chain. In addition to the complexities, deficiencies, and failures of implementation, the use of economic and legal measures has been limited.

(4) Administration

The administration has begun to open up opportunities to other sectors to participate more in government, but the public still has a limited role. The political sector has become stronger and more stable, yet the administration of economy and society remains highly centralized, and the systems of checks-and-balances remain ineffective. The bureaucracy has been reformed and modernized for greater efficiency, but administrative processes remain rather closed and lack systems for popular participation. The appraisal of various aspects of bureaucratic reform has been positive, with an average score of 3.82 in 2004. The people's sector has begun to participate in development, and plays an increasing role both in politics and local development. The election turnout has steadily increased to 72.6 per cent in 2005. The private sector has a growing role in national development with more corporate governance. In the Institute for Management Development

(IMD)'s rankings for good governance, Thailand advanced from 36th in 2001 to 30th in 2006, but still lacks the capacity to drive good governance in the private business sector in general, especially in unlisted firms.

Government administration still lacks good governance because it remains centralized, and denies opportunities for popular participation in decision-making. Although there has been greater progress in decentralization, local government bodies are not yet strong and lack freedom to collect adequate revenue for self-reliance. In addition, judicial and legal systems have not adjusted in step with change and are unable to provide justice for all parties. Mechanisms for monitoring the use of state power remain inefficient. Private-sector checks-and-balances still have a limited role, and lack ability to build a network that collectively could monitor effectively. Though transparency in government administration shows a tendency to improve, and the rating by Transparency International rose to 3.8 out of 10 in 2005, this level remains rather low. The deep-seated patronage system remains an obstacle to the spread of good governance in Thailand. Coupled with a lack of quality and public consciousness, it results in an inability to separate individual benefit from public benefit, leading to more complex problems of injustice and corrupt practice.

2.3 Concept and direction of adaptation

(1) Concept

The above review of the worldwide changes affecting Thailand's development in the future, and of the country's development and current situation, points to the structural problem of a pattern of development that is unbalanced, unsustainable, and vulnerable to rapid external fluctuations. Hence Thailand must reorient its development paradigm to have greater self-reliance and resilience by following the Sufficiency Economy philosophy in conjunction with a holistic approach to people-centered development. Development policy and national administration must follow a middle path which balances and integrates all dimensions of development including the human, social, economic, environmental, and political. **Reasonableness** and **moderation** must be used to create a balance between material and mental dimensions, between self-reliance and competitive capability in the world market, and between rural and urban society. A self-immunity system must be built into economic systems through risk management in order to handle the impact of changes both inside and outside the country.

Development efforts must proceed in stages, drawing on **all-round knowledge**, and moving forward with circumspection, in keeping with the Thai way-of-life. Stronger ethics, **integrity**, morality in the conduct of duty, and perseverance will build a self-immunity system to face changes that arise in family, community, society, and nation. The intentions of the Constitution of the Kingdom of Thailand 2007 must be always upheld.

(2) Direction of adaptation

Under globalization in which changes are rapid and becoming more severe, development must strengthen domestic systems and structures to become more self-reliant and more resilient in accordance with the Sufficiency Economy philosophy. As a priority, those aspects of the country's social capital, economic capital, and natural resource and environmental capital that have inherent advantages and potential must be utilized and enhanced in an integrated and mutually supportive manner as the main pillars of national development. To enhance social capital, human potential must be developed in all dimensions including physical, mental, and intellectual, with warm families and strong communities combining in development networks. To enhance economic capital, so that the Thai economy grows with stability and quality, support must be given to structural changes in the economy and in investment, while at the same time enhancing the potential and resilience of the grassroots economy, so that the benefits of development will be fairly distributed. To enhance the natural resource and environmental capital, development must build on the foundations of biodiversity, and enhance community rights of access and management of resources in order to conserve the rich stock of natural resource and environmental capital as a foundation for the sustainable livelihood and happiness of the Thai people now and in the future.

At the same time, systems, structures, mechanisms, and processes for managing national development must be enhanced on foundations of good governance and democracy, by promoting the participation of all sectors and all levels to ensure development is balanced, fair, and sustainable. Administrative systems must be reformed for greater efficiency and transparency by reducing the role of the central bureaucracy and decentralizing decision-making power, administrative capacity, and control over resources to regional and local administration and communities. The role of the private sector must be enhanced, and private business reformed to become strong, honest, and transparent. Laws and regulations must be amended to achieve balanced management and distribution of the benefits of development to all, while simultaneously enhancing national security. These measures will achieve equilibrium in the country's management in all aspects including economy, society, environment and natural resources, and security for the sake of peace, happiness, and sustainability.

3 Vision and Mission

3.1 Vision for Thailand

Thailand will be a ***Green and Happiness Society*** in which people have integrity and knowledge of world standard; families are warm; communities are strong; society is peaceful; economy is efficient, stable, and equitable; environment is of high quality and natural resources are sustainable; administration follows good governance under the system of democracy with the king as head of state; and the country is a respected member of the world community.

3.2 Mission

So that development under the Tenth Plan pursues a **Green and Happiness Society** under the direction of the **Sufficiency Economy philosophy**, the mission is determined as follows.

(1) Develop people to have quality, integrity, knowledge of world standard, good health, living in warm families and strong communities, capable of self-reliance, pursuing their lives with security and dignity, within a balanced diversity of culture, natural resources, and the environment.

(2) Enhance the economy to be efficient, stable, and equitable by reforming the structure of the economy to be competitive and self-immunized in the face of risks and fluctuations in the environment of the age of globalization, on a foundation of efficient management of the overall economy, a sufficient level of savings, reform of the structure of production and services on a basis of knowledge and innovation, using the strengths of biodiversity and Thai identity, along with overseas linkages, and development of infrastructure and logistics, energy, laws and regulations, and mechanisms to support competitiveness and a fair distribution of benefits

(3) Conserve biodiversity, build a secure natural resource base, and conserve the quality of the environment by creating a sustainable balance between conservation and exploitation with fair distribution and value creation, supporting communities to have knowledge and self-immunity, safeguarding the resource base, protecting rights, enhancing the role of communities in the management of resources, and adjusting the pattern of production and consumption to be environment-friendly, while maintaining the national benefit from international agreements and obligation.

(4) Develop national administration to achieve good governance under democracy with the king as head of state, by building mechanisms and regulations which promote distribution of benefits of development to all parties, ensuring transparency, honesty, justice and public responsibility, decentralizing power, and providing systems for all parties to participate in decision-making, to achieve fairness in economy, society, and the use of resources.

4 Principal Objectives and Targets

To be in line with changes that Thailand must make in future, and to progress towards the desired long-term vision, development in the five years of the Tenth Plan shall pursue the following principal objectives and targets.

4.1 Objectives

(1) to provide opportunities for learning combined with integrity and morality by creating linkages between families, religious institutions, and educational institutions; to enhance health services, balancing among health care, promotion, prevention, treatment and capacity rehabilitation; and to improve the security of life and property.

(2) to increase the potential of communities by linking them in networks to serve as the foundation for developing the economy and quality of life; to conserve, rehabilitate, and utilize the environment and natural resources in a sustainable fashion to achieve sufficiency and reduce poverty.

(3) to reform the production structure for goods and services for value creation on a foundation of knowledge and innovation; to promote linkages among production sectors to increase value-added.

(4) to build safety nets and risk management systems for the sectors of finance, banking, energy, factor markets, the labor market, and investment.

(5) to ensure fair competition in trade and investment for national benefit; to create mechanisms for fair distribution of the benefits of development to all segments of the population.

(6) to preserve natural resources and biodiversity, along with safeguarding the quality of the environment to be a secure foundation of national development and livelihood for both current and future generations; to create mechanisms to safeguard national benefit in a fair and sustainable manner.

(7) to promote good governance in government administration, the private business sector, and the people's sector; to expand the role and capacity of local government bodies; to promote mechanisms and processes of participation in development; and to nurture a culture of democracy for peaceful coexistence.

4.2 Targets

To meet the above objectives, development targets for the Tenth Plan have been set as follows.

(1) Targets for human development. Provide all persons with physical and mental development, knowledge, ability, career skills, and life security, and enable all target groups to develop their own potential and strengthen family, community, and society: increase average years of schooling to 10; raise the proportion of the qualified workforce with medium-level skills to 60 per cent; raise the proportion of R&D workers to 10-in-10,000; reduce the crime rate by 10 per cent; raise life expectancy to 80 years; reduce the trend of increase in the five leading preventable diseases namely heart disorders, high blood pressure, diabetes, stroke, and cancer, in order to increase labor productivity and reduce expenditure on personal health in the long run.

(2) Targets for community development and alleviation of poverty. Ensure that every community has a participatory community plan, and that local government bodies integrate community plans with their budget management, anti-crime and anti-drug measure; increase access to capital and participation in decision-making; reduce those below the poverty line to 4 per cent by 2011.

(3) Targets for the economy. Reform the economic structure for balance and sustainability by increasing the ratio of the domestic economy to international trade to 75 per cent within 2011; increase the proportion of agriculture and agro-industry in GDP to 15 per cent within 2011; maintain inflation at an average of 3.0–3.5 per cent a year; maintain the ratio of public debt to GDP no higher than 50 per cent; maintain average elasticity of energy consumption no higher than 1:1 during the period of the Tenth Plan; increase renewable energy to 8 per cent of total, and reduce the ratio of energy use to GDP, and in particular reduce the usage of petroleum in the transport sector to 30 per cent of total energy usage; ensure the income of the highest 20 per cent does not exceed that of the lowest 20 per cent by more than 10 times within 2011; ensure the production of small and medium enterprises is not lower than 40 per cent of GDP during the period of the Tenth Plan.

(4) Targets for safeguarding natural resources and the environment. Conserve natural resources and biodiversity by maintaining forest at no less than 33 per cent of total land area, with conservation forest no less than 18 per cent of total land area; maintain at least 31 million rai of irrigated area for agriculture; enhance environmental quality appropriate for the quality of life and safety of the ecological system, by ensuring that the proportion of river basins and natural water sources where the water quality is rated as fair or good is not lower than 85 per cent; maintain air quality above standard, in particular with particulate matter (PM₁₀) not exceeding 120 milligram per cubic meter on average across 24 hours; reduce the rate of carbon dioxide emissions per person by 5 per cent from the 2003 level, that is no higher than 3.5 tonne per person per year; limit the production of waste in urban areas no higher than 1 kilogram per person per day; ensure proper disposal of at least 80 per cent of all hazardous waste from communities and industries; and establish a complete national biodiversity database.

(5) Targets for good governance. Improve good governance to achieve a transparency score of 5.0 within 2011; trim the bureaucracy to appropriate size and increase value for money of operation by reducing the workforce of government officials by 10 percent within 2011; improve good governance in the private sector; enhance capacity of localities to collect revenue and become more self-reliant; strengthen the people's sector by improving knowledge of rights and duties and increasing participation in decision-making and responsibility in national administration; compile a larger body of knowledge about democracy and good governance in the Thai context within the period of the Tenth Plan.

5 Strategies

In the context of ever faster and more complex change under globalization it is imperative to set appropriate strategies for national development in order to strengthen domestic structures for competitiveness, build a knowledge base for resilience in the face of change, spread equitable development, promote the equality of groups in society, strengthen local communities, and rehabilitate and conserve natural resources and the quality of the environment as a foundation for secure development, and as the basis of livelihood for communities and society. It is also imperative to promote good governance in national administration at all levels in order to achieve development that is secure and sustainable and to retain a place of honor and dignity in the world community. Hence the major development strategies of the Tenth Plan are as follows.

5.1 Strategies for development of human quality towards a knowledge-based and learning society will have the following emphasis.

(1) To promote human development for integrity, knowledge, and resilience, learning and spirituality of all groups in all ages will be developed throughout life; children will be provided with a strong basis of knowledge including life skills, capacities, and workforce skills appropriate to demand, so they may progress towards the world of work and competition; excellence will be fostered, especially in creativity, innovation, and knowledge; life-long learning will be promoted; both local wisdom and modern learning will be nurtured from the community to the national level for benefit in the development of economy and society.

(2) To promote health, both physical and mental, in a livable environment, emphasis will be given to the development of a comprehensive health system including prevention, physical and mental rehabilitation, food security, safe food consumption, and the reduction or elimination of behavior that entails risk to health.

(3) To promotion peaceful coexistence in society, good relations will be nurtured among people in society on a basis of reasonableness; life security will be protected at the level of family and community; diverse and comprehensive systems of economic and social protection will be developed; opportunities of access to capital will be increased; personal safety will be enhanced on a foundation of social justice; an integrated judicial process and concerted enforcement of law will be installed; consciousness of the rights and duties of citizens, and respect for human dignity will be promoted in order to reduce conflict.

5.2 Strategies to strengthen community and society as basis of national security will have the following emphasis.

(1) To create strong communities, collective action and collective thinking will be promoted in various forms, and activities arranged subject to the readiness of each community, along with systematic management of knowledge and progressive learning systems; learning networks, both inside and outside communities, will promote the capacity of communities and local government bodies to develop to their peak in the pursuit of self reliance and resilience in the face of change.

(2) To build secure community economies, production will be developed in a balanced fashion on the basis of the capacity and strength of each community, with an emphasis on production for sufficient consumption within the community; communities will be supported to work together as cooperatives and enterprise groups; support will be provided to utilize local wisdom and culture to create value in products and services; cooperation with the private sector in investment will be encouraged to create employment and income with fair benefit for communities; joint investment between networks of community organizations and local government bodies will be promoted; systems will be installed to provide training including management, marketing, and professional skills for budding community enterprises.

(3) To enhance the capacity of communities to coexist peacefully with natural resources and the environment for mutual benefit, there will be support for community rights and participation in conservation, rehabilitation, development, and utilization; management will be made more efficient, and mechanisms installed for local protection of natural resources and the environment.

5.3 Strategies to reform the structure of the economy for balance and sustainability will have the following emphasis.

(1) To reform the production structure to increase productivity and enhance the value of products and services on a basis of knowledge and Thai-ness, the structure of the agricultural, industrial, and service sectors will be reformed using the cluster development approach, supply chains, and community networks on foundations of modern knowledge, local wisdom, Thai culture, and biodiversity, to create products that have quality and high value, and brands that command market acceptance; a good investment atmosphere will be cultivated to attract foreign investment, and Thai overseas investment will be promoted; bodies of knowledge will be systematically managed, infrastructure and logistics developed, institutions restructured, laws and regulations amended, and various standards systems adjusted; international trade policy will be designed to support changes in the production structure and increase competitiveness.

(2) To build resilience into the economy, the national economy will be managed efficiently to maintain stability; support will be provided for reform of the production structure by mobilizing capital for efficient sectors of production; the efficiency of state enterprises will be increased on good management principles so that resources are used efficiently and the country gains the maximum benefit; savings will be promoted systematically as a means to mobilize capital and as security for people's lives; efficiency of energy usage will increase, and sources of alternative energy developed to reduce dependence on energy imports and to save on foreign exchange.

(3) To promote fair competition and fair distribution of the benefits of development, competition in business entrepreneurship will be fostered under free and fair conditions, and monopolies prevented; infrastructure development will be extended to the regions in a fair and balanced manner, to give people access to services everywhere, adequate and appropriate to the demands of the area; the efficiency and coverage of basic financial services will be increased in order to develop the capacity of communities and the grassroots economy, by strengthening community financial institutions; fiscal policy will be geared to support the distribution of income by decentralizing tax collection, budgeting, disbursement, and lending to local government bodies under full fiscal discipline.

5.4 Strategies for development of biodiversity and conservation of the environment and natural resources will have the following emphasis.

(1) To conserve the resource base and the ecological balance, balance will be maintained between conservation and utilization by developing databases and knowledge bases, and by promoting community rights and participation in the management of resources, including cooperative management systems to conserve and rehabilitate natural resources; priority will be given to boundary definition and area management with the agreement of local communities for care of the principal natural resources of soil, water, forest, marine and coastal resources, and mineral resources; measures will be instituted for temporary bans on the utilization of major resources that are severely depleted; mechanisms will be created for solving conflicts by peaceful means, and systems developed for the management and prevention of natural disasters.

(2) To create a good environment for the sake of the quality of life and sustainable development, patterns of production and consumer behavior will be modified for sustainability in order to reduce the impact on the natural resource base and environment; public policy and economic mechanisms, both fiscal and monetary, will be used to create markets for environment-friendly goods and services; pollution will be reduced and controls imposed on activities that have impact on the quality of life by instituting strategic environmental assessments, and health and social impact assessments in development projects of the government

or those approved by government for private management; the capacity of local government bodies and communities to manage the environment will be improved; and mechanisms instituted to set the country's stance towards international obligations and agreements on the environment

(3) To develop the value of biodiversity and local wisdom, the Sufficiency Economy philosophy will set the main direction for organizing a body of knowledge and building resilience to protect biodiversity resources from external threats, especially from international obligations; systems will be installed to protect community rights and provide for fair distribution of gains; biodiversity will be used to strengthen local and community economies; natural resources that are unique to the country will be used to create capacity and innovation.

5.5 Strategies to promote good governance aiming at social justice and sustainability will have the following emphasis.

(1) To promote and develop a democratic culture and good governance as part of the way of life, learning processes will be seriously and continuously initiated to instill consciousness and core values of democratic culture and good governance among the youth and people of all levels; model democratic leadership with virtue, morality and good governance will be fostered at all levels of society; democratic processes will be given firm foundations by truly allowing popular participation; mechanisms and processes to scrutinize the use of power and politics will be made freer, stronger, and more efficient.

(2) To strengthen the people's sector's participation in national administration, people will be encouraged to create strong cooperative networks; equal access to the judicial process, and participation in national administration will be promoted for the sake of justice and transparency in the country's development; networks will be created and strengthened in the people's sector to effectively monitor and scrutinize the use of power by government.

(3) To create a public administration that works with efficiency and good governance emphasizing service rather than control and working in cooperation with development partners, emphasis will be given to improving efficiency and cost effectiveness by reforming the roles, structures, and mechanisms of government administration and state enterprises to become more modern, less top-down, attentive to people's needs, and cooperative with development partners; the role of the private sector in government activities and state enterprises will be enhanced to increase the efficiency and quality of public services, and to reduce the burden of public investment; strong supervisory mechanisms will be developed to foster fair and transparent competition for the sake of national benefit and the protection of service users; state officials will be instilled with consciousness of the importance of upholding the principles of good governance, and strictly implementing the law on freedom of information.

(4) To continue the decentralization of administration to the regions, localities, and communities, capacity will be developed and decision-making powers transferred to enable localities to take responsibility for public administration and public services, solve problems in response to the needs of people in the area, and promote economic and social progress in the locality; opportunities will be created for people to participate in the development of their own localities.

(5) To promote strength, honesty and good governance in the private sector, measures will be instituted to encourage more listed companies and private businesses in general to adopt corporate governance; consciousness will be fostered of the importance in business practice of honesty, equity to the consumer, fair competition, social responsibility, and sharing benefits with the public; professional business institutions will be encouraged to play a greater role in building good governance in the private sector.

(6) To reform law, regulations, procedures, and processes relating to economic and social development for balanced distribution of the benefits of development, opportunities will be provided for various groups and interests to participate in proposing and drafting laws to accommodate the interests of various parties with balance and equity, and to promote economic equity; the use of discretion by government officials will be reduced; mechanisms of law enforcement will be strengthened, especially laws related to business practice, for fairness towards small and medium enterprises.

(7) To promote national security in administration aiming at balance and sustainability of the country, the capability of agencies involved in defense, security, and peacekeeping will be developed for efficiency and readiness in defending the country and responding to threats in all forms of emergency; cooperation with other sectors will be developed to defend and develop the country, and protect national sovereignty, the monarchy, national interests, and government under the system of democracy with the king as head of state; the safety and security of the people and society will be maintained by upholding good governance at all levels.

6 From Strategy to Implementation and Evaluation

In advancing the Tenth Plan from strategy to implementation, importance will be given to participation by all development partners from all sectors, cooperating according to their area of responsibility. The strategic directions of the plan will be converted into operational plans for practical implementation at various levels. Resources will be allocated, laws and regulations amended, and bodies of knowledge assembled to support implementation. Monitoring and evaluation will be systematically carried out. The major directions are as follows.

6.1 Ensure development partners participate at various levels in compiling operational plans which integrate the strategies of the Tenth Plan under the principles of the Sufficiency Economy philosophy. Emphasis will be placed on clearly allocating the major roles of development partners including government, private sector, various institutions, and communities for the sake of cooperation and mutual support in implementation. The understanding and implementation of the Sufficiency Economy philosophy with all development partners will form the basis for cooperation in compiling operational plans from the strategies of the Tenth Plan at various levels. Government will compile and implement a national management plan and various operational plans for specific functions, areas, and special topics. Mechanisms will be installed to integrate plans for localities, provinces, groups of provinces, regions, and the national level. Mechanism for consultation with the people's sector will be installed for the sake of cooperation at the area level

6.2 Set guidelines for major investment following the development strategies of the Tenth Plan so that development partners may implement within their area of responsibility, and draw on cooperation from various sectors. Under the concept of people-centered development and community strengthening, emphasis will be placed on the development of a comprehensive health system, life-long learning, upgrading of R&D, ongoing capacity development of communities, extension of social insurance to those in the informal economy, and an integrated approach to the alleviation of poverty. Reform of the structure of the economy will emphasize reform of savings systems, group formation, reform of innovation systems, reduction of the capital cost of transport and logistics, investments to ensure equitable access to basic services, and energy security.

Under the development of biodiversity and maintenance of the resource base and environment, emphasis will be placed on development of geographical information systems, development of water sources, prevention and alleviation of flooding, investments in building, expanding and modifying water treatment and waste disposal systems, adoption of clean technology for vehicles and clean energy, and the compiling of national-level databases and data centers on biodiversity. Under the promotion of good governance, emphasis will be placed on instilling consciousness of good governance and the cultures of democracy and peace, in people at all levels, sectors, and institutions. Opportunities will be created for the people's sector to cooperate in thinking, decision making, implementation, responsibility and evaluation of national administration. Bodies of knowledge will be compiled on the development of democratic culture and good governance.

6.3 Accelerate the development of laws to support efficient and effective implementation of the plan's strategies. Laws will be amended to support good public administration, reform of the structure of the economy, increased competitiveness of the country, alleviation of poverty, prevention of corruption, full distribution of economic benefits, and resilience to trends of change under globalization. Priority will be given to developing the knowledge and capability of legal personnel to meet the requirements of government and changes in the world. Laws relating to economy, society, environment, resources, and administration will be drafted, amended, and promulgated, including new drafts.

6.4 Study, research, bodies of knowledge, and learning processes to support implementation of the strategies of the Tenth Plan. Importance will be given to study, research, creation of bodies of knowledge, learning processes, and dissemination of results, both at the operational level and at the policy level in future, that follow the five strategy points of the Tenth Plan.

6.5 Develop systems of monitoring and evaluation, and devise indicators of development outcome at all levels. Systems for monitoring and evaluation of government administration will be upgraded and extended to assess implementation. Clear standards and measurement methods will be used to monitor and compare results between agencies. All government agencies will be encouraged to develop monitoring and evaluation systems for good administration in the public sector with emphasis on cost effectiveness, transparency, and responsiveness to the diverse needs of the population. Indicators will be devised to assess development under the Tenth Plan, both at the general level and strategy level. Indicators will be devised to assess the success of achieving a *Green and Happiness Society* through a participatory process. Bodies of knowledge will be compiled on monitoring and evaluation. Reports on monitoring and evaluation will be regularly disseminated to the public.

6.6 Develop databases at all levels and data networks linking among central policy bodies, regional and local administrative bodies. Policy level agencies will develop data systems and statistical management systems to meet the needs of development under the Tenth Plan. Indicators and warning systems will be put in place to monitor the economic and social situation both in the country and the world, and monitor the progress of policy. Support will be given to the creation of data networks for planning, monitoring, and evaluation at the levels of province, locality, and community. Data networks linking between province, locality, community and the center will be developed with easy accessibility, and speed and convenience of use.