Urban-Rural Disparity Reduction through Border Area Development

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Agenda

1. Thailand’s Situations and Trends
2. Border Area Policy
3. Regional Connectivity and Border Area Development
4. Expected Outcome
Thailand’s Situations and Trends:

Thailand’s Structure of GDP by sector (2011)

- Agriculture: 11.4% (agriculture + fishing)
- Industry: 33.0% (manufacturing + mining)
- Services: 55.6%

GDP of Thailand in 2011

- Central: 69.3%
- Bangkok: 14.8%
- Northeastern: 6.8%
- Southern: 4.9%
- Northern: 4.2%

Thailand’s Economic Outlook by Region:

- **Northern**: Smallest size of GRP among 4 regions, but more balanced economic structure (agriculture-industry-service).
- **Northeastern**: Lowest GRP Per capita among 4 regions.
- **Central + BKK**: Agricultural & industrial bases, centers for transportation, logistics, trade and service industry.
- **Southern**: Agricultural base, popular tourist destinations and major border economic areas.
In 2011, Thailand’s population was 64.5 million. The largest population was in:
1. Northeastern region
2. Central region (exclude BKK)
3. Northern region
4. Southern region
5. Bangkok (BKK)

- Human development is among the medium-level countries with a future trend to steadily progress.
- Population structure is changing towards an aging society.
- Thai people has higher potential and opportunity for education.
- Thai people have longer life expectancy.
Thailand’s Situations and Trends:

Thailand’s Urban Outlook

Thai urban population was about 45.7% in 2010

- The urban population concentrated in the Central Plain, especially BKK, ESB, WSB, and the Upper South area; together called “the Growth Corridor along the Gulf of Thailand”.

- Rapid development in peri-urban areas has led to increasing needs for housing and public services.

- The rural-urban transformation also has created needs to redistribute economic activities from big metropolitan city to those of medium-sized cities, to support population expansion.

- The current trend of rural-urban disparities is widening.

- There is increasing demand for economic & social infrastructure in both urban & rural areas.
Border Area Policy

Vision and Objectives of the 11th National Development Plan

**Vision:** “A happy society with equity, fairness and resilience.”

**Objectives**

- To promote a fair and peaceful society

- To increase the potential of all Thais based on a holistic approach that enables physical, mental, intellectual, emotional, ethical and moral development through social institutions.

- To develop an efficient and sustainable economy by upgrading production and services based on technology, innovation and creativity using effective regional links, by improving food and energy security, and by upgrading eco-friendly production and consumption toward a low-carbon society.

- To preserve natural resources and the environment so they are sufficient to maintain ecological balance and a secure foundation for development.
Border Area Policy

Strategies of the 11th Plan

1. Creation of Justice in Society
2. Creation of Learning Society

Economic Restructuring
3. Strengthening Agriculture, and food & energy security
4. Restructuring the economy towards quality growth and sustainability
5. Promoting Regional Connectivity

Management of Natural Resources
6. Preparation for management of effects of Climate Change and Transfer to low-carbon & environmentally friendly society

6 Development Strategies
Strategy 5: Creation of Regional Connectivity (concerning border area development)

- Develop connectivity in transport and logistic systems under regional cooperation frameworks. This should be achieved through the development of efficient transport and logistic services that meet international standards. Improvement of rules and regulations governing the transportation of goods and people should also be accomplished. In addition, the capabilities of human resources in transport and logistic businesses should be enhanced. *Economic connectivity along border areas and economic zones should be increased, ensuring connectivity with domestic production bases.*

- Develop investment bases by improving competitiveness in the region. This should be achieved through spatial development that improves connectivity with neighboring countries and South-East Asia, and is based on an integrated spatial development plan for mutual security and stability. *It should lead to formation of the basis for development in industry, agriculture, tourism, border economic zones, and border towns.*
Regional Connectivity and Border Area Development

Thailand’s Key Activities to support Regional Integration

**Corridor Network**
- Thailand plays role of active development partner
- Fulfill missing links along corridors
- Upgrade road standard to ASEAN class
- Promote road safety
- Cooperate with Mekong countries aiming to achieve the first GMS railway link within 2020

**Cross Border Facilitation**
- Implement Cross Border Transport Agreement with Mekong Countries including exchange of traffic rights and single stop inspection.
- Upgrade border crossing points and facilities
- Modernize and streamline cross border procedures i.e. National Single Window, E-Customs
- Improve laws and regulations to facilitate cross border trade and transport.

**Regional Supply Chain and Production Base**
- Jointly develop Dawei SEZ with Myanmar
- Conduct border development plan with Cambodia
- Conduct a Master Plan Study for establishment of Special Economic zones in Key border towns in Thailand
Regional Connectivity and Border Area Development

Targeted Area for SEZ Development

- Border area along the Economic Corridors, with well-developed infrastructure and no security problem.
- Area with outstanding potential to be key investment base of the region or the country.
- Underutilized area according to the restriction under existing laws.
- Area having Cabinet approval to be SEZ such as Mae Sot (Tak province) and Mae Sai (Chiang Rai province).

Remarks:

- Areas took note by the Cabinet of their proposals of SEZ establishment are Kanchanaburi, Mukdahan, Nakhon Phanom, Nong Khai, Surin and Narathiwat.
- The High-Level Committee Meeting between Thailand and Malaysia agreed to establish Special Border Economic Zone at Sadao (Songkhla province) – Bukit Kayu Hitam (Kedah).
Expected Outcome

- Create new development nodes, and develop existing border towns along the border of Thailand
- Utilize potentials of Thailand and its neighboring countries to bring about mutual benefit
- Increase efficiency of the border trade gateways
- Develop new regional transportation routes for Thailand and the neighboring countries
- Encourage domestic and foreign investment
- Create jobs and reduce labor mobility
- Enhance the quality of life of the local people
Thank you