



World Bank Country Partnership Framework for Thailand FY2025-2029
Summary of Consultation with Central Government Agencies
March 19, 2024, 9:00 AM. - 1:00 PM.
Ballroom, Sheraton Grande Sukhumvit Hotel

The first consultation on the World Bank's Country Partnership Framework (CPF) for the FY2025-2029 with central government agencies took place on March 19, 2024. The agenda and list of participants can be found in the Annex.

1. Overview of Consultation Plan for World Bank Group Country Partnership Framework:

The World Bank Group's Country Partnership Framework (CPF) frames our engagement in line with the Bank's mission to end extreme poverty and boost shared prosperity on a livable planet. The model seeks to maximize the impact of WBG's support to these goals, by contributing over time to high-level outcomes (HLOs) consistent with a country's development goals. The current CPF with Thailand is ending in June 2024 and the Bank team, in close collaboration with the Ministry of Finance, is in the process of developing the new CPF, covering the period of 2025-2029.

The CPF is underpinned by the Systematic Country Diagnostic (SCD) Update 2024 which identifies a set of priorities through which a country may most effectively and sustainably achieve the poverty reduction and shared prosperity goals. The CPF is formulated through a consultative process involving a wide range of stakeholders in the country. These stakeholders include central government agencies, academia and think tanks, development partners, civil society, and the private sector. The consultation meetings with each stakeholder group will be structured as combined plenary presentations followed by discussions, plus small break-out discussions where practical.

The objective of these consultations is to seek views on the key development challenges facing Thailand, and areas where the World Bank should concentrate its support so that it has the greatest possible impact in promoting inclusion, reducing poverty, and sharing prosperity on a livable planet.

2. Plenary session

The consultation commenced with opening remarks from Mr. Lavaron Sangsnit, Permanent Secretary of the Ministry of Finance, and Dr. Ndiame Diop, World Bank Country Director for Brunei, Malaysia, Philippines, and Thailand.

Following the introductory speeches, World Bank team presented the SCD Update 2024, detailing development progress, challenges, and high level outcomes in Thailand. The SCD Update outlines key development challenges and identifies five high level outcomes (HLOs) to help Thailand revitalize growth and become a high-income country by 2037, while also fostering a more equitable society and building a sustainable, climate-resilient economy. Achieving these outcomes within the next decade is aimed at improving the well-being of all, especially the vulnerable.

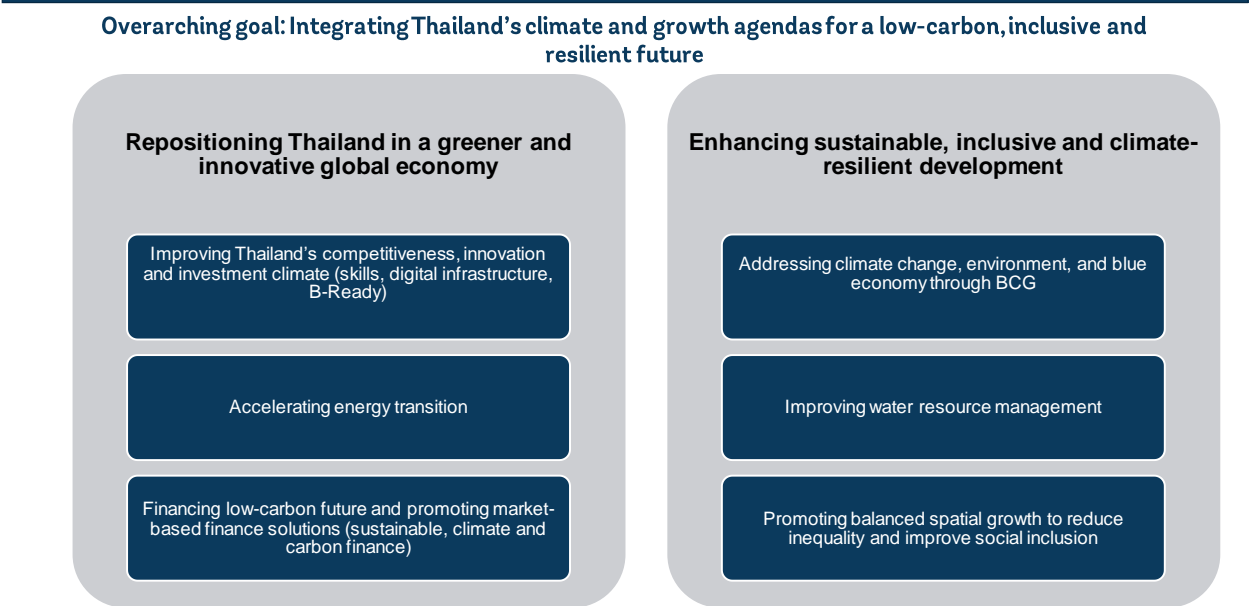
Key development challenges	High-Level Outcomes
Inadequate human capital	Strong human capital
Lagging economy	A competitive and innovative economy
Infrastructure and connectivity gaps	Low carbon urban development and connectivity
Environmental degradation and climate risks	Sustainable development and protection against natural disasters and climate change
Weak institutions	Enabling institutions (cross-cutting solution)

Additionally, the achievements and lessons learned from the current CPF were shared, and the proposed main themes for the new Thailand CPF FY2025-2029 were presented.

The selection of CPF objectives is based on several main filters, including the country's development goals that reflect the WBG's comparative advantage vis-à-vis other development partners and where there is traction for meaningful engagements.

The overarching goal of Thailand CPF FY2025-2029 is integrating Thailand's climate and growth agendas for a low-carbon, inclusive and resilient future. Hence, the Bank team proposed two focus areas and six objectives for the new CPF as shown in the below figure.

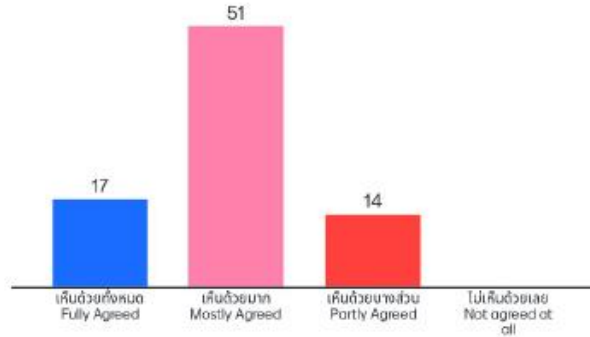
**What are the Most Important Contributions we can Make?
Proposed Higher Level Outcomes and CPF Objectives**



The materials presented are available for review on the [Thailand CPF FY25-29 consultation website](#).

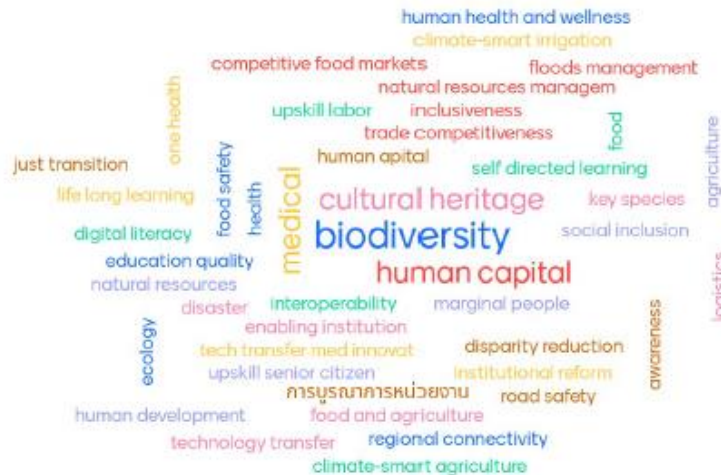
During the session, participants were asked if they agreed with the proposed CPF focus areas and objectives. If they did not fully agree, they were encouraged to suggest alternative focus areas and objectives. Shown below are the Mentimeter results summarizing participants' feedback. Overall, 83% of participants fully agreed or mostly agreed with the proposed focus areas and objectives. Other focus areas and objectives were also suggested, most notably on education and human capital.

ท่านเห็นด้วยกับ focus areas ที่นำเสนอหรือไม่ Do you agree with the proposed focus areas

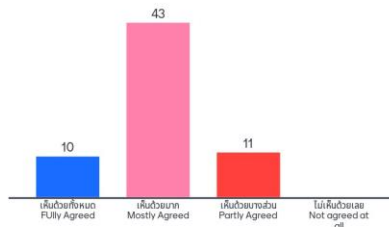


ถ้าไม่เห็นด้วย ท่านอยากเสนออะไรเป็น focus areas (If not fully agreed, what would you propose?)

49 responses



ท่านเห็นด้วยกับ CPF objectives ที่นำเสนอหรือไม่ (Do you agree with the proposed CPF objectives?)



ถ้าท่านไม่เห็นด้วย ท่านอยากเสนอ CPF objectives อะไร (if disagreed, what would you like to propose?)

39 responses



3. Break-out Group Sessions

The attendees were subsequently organized into five separate breakout groups and were tasked with deliberating on two key questions:

1. **Are the proposed CPF focus areas relevant and appropriate for World Bank engagement in Thailand?** If not, what should they be?
2. **Are the proposed CPF Objectives relevant and appropriate for WBG to support Thailand in advancing its long-term development?** If not, please provide suggestions.

Group 1: Agencies related to Equitable Growth, Finance and Institutions (EFI)

Participants are the representatives from Ministry of Finance, Ministry of Commerce, Ministry of Digital Economy and Society, Ministry of Foreign Affairs, Ministry of Higher Education, Science, Research, and Innovation, and The Prime Minister Office.

- The group agreed with the CPF focus areas and objectives, recognizing that they are in line with the efforts of different Ministries. It was noted that the proposed focus areas should specify which one is targeted at enhancing social inclusion and which one is aimed at promoting sustainability.
- A primary challenge identified was the need for strong institutions, which is integral to the two focus areas of the CPF.
- Recommendations for institutional reforms included public finance reform, tax reforms targeting revenue mobilization such as tax on digital economy and carbon tax, and the promotion of public-private partnerships (PPPs) to stimulate growth through PPP projects, with active private and public collaboration.
- Emphasis was placed on the Green Economy, with a focus on climate adaptation, mitigation, and innovation. The group noted the limited green loan issuances and called for an increase in climate financing instruments with more variety of lending instruments available for firms, especially SMEs, supported by a robust green ecosystem that includes taxonomy and verification. The CPF should

Group 1: Agencies related to Equitable Growth, Finance and Institutions (EFI)

also focus on ensuring that the public is well educated on the topic of climate and low-carbon transition.

- The group highlighted the importance of the Green Economy, concentrating on climate adaptation, mitigation, and innovation. They observed the scarcity of green loan issuances and advocated for a broader range of climate financing tools, including a diverse array of lending options for businesses, particularly small and medium-sized enterprises (SMEs), underpinned by a strong green ecosystem that encompasses taxonomy and verification. Additionally, the CPF should prioritize public education on climate issues and the transition to a low-carbon economy.
- The group recommended that the CPF should give priority to the modernization of the agricultural sector, with an emphasis on food security, support for farmers, and enhancement of productivity, particularly in the context of Innovation, Digital infrastructure, and the Inclusion of SMEs).
- The group emphasized the importance of tackling socio-economic challenges such as high household debt, which undermines the resilience and vulnerability of Thailand's economy. They also pointed out the difficulties posed by an aging society and the need for improved social safety nets and protection. The construction of social protection and safety nets, particularly in healthcare, is vital as the country grapples with an aging population. Merely stimulating economic growth is insufficient to address the aging issue. Social inclusion efforts should encompass all social groups, including those in informal sectors.
- Additionally, the group pointed out the existence of multiple layers of inequality at the area-based level, structural factors contributing to inequality, and the impact on vulnerable groups. Spatial inequality for example in education should also be incorporated.

Group 2: Agencies related to Human Development (HD)

Participants are the representatives from Ministry of Education, Ministry of Higher Education, Science, Research and Innovation, Ministry of Labor, Ministry of Public Health.

- The group partially agreed with the CPF focus areas and objectives, highlighting a lack of emphasis on human development, which could be outlined as distinct objectives with clearer policy priorities.
- Questions were raised about which human development indicators did not meet the targets in the previous CPF, suggesting a need for detailed analysis to inform the achievement of objectives in the current CPF.
- The discussion included the need to address labor migration.
- Quality improvements were suggested in education and health, capacity building, and the development of new skills in the public sector, particularly in the use of technology.
- The absence of strong foundational skills for innovation was noted as a challenge.
- The group deliberated on how to resolve the skill mismatch between the public and private sectors.
- The importance of reskilling and upskilling to reflect green growth and lifelong learning was emphasized.

Group 2: Agencies related to Human Development (HD)

- Career advisory services, such as those in Singapore and South Korea, were cited as examples that could be adapted to support not only early adults but also middle-aged individuals in an aging society.
- The group discussed the need for improvements in the sustainability of the pension and social security system.
- A change in leadership and the lack of continuity in policy and reform were identified as concerns.
- The group suggested the World Bank to work more directly "in the kitchen" with Thai agencies, rather than just providing policy recommendations through notes and reports. The idea of a policy sandbox was mentioned as a potential strategy for collaboration between the World Bank and the Thai government.

Group 3: Agencies related to Infrastructure (INF)

Participants are the representatives from Ministry of Transport and Ministry of Energy.

- The group concurred with the CPF focus areas and objectives, but the linkage with the work of Ministries was not clearly articulated.
- Participants recognized infrastructure as a critical support system for achieving national objectives, such as the reduction of greenhouse gas emissions.
- The discussion included the agricultural sector's reliance on infrastructure, including transportation, energy, and water, alongside innovation to improve productivity and induce change.
- Infrastructure's role in the supply chain was acknowledged, with potential improvements such as energy transition through different energy sources or transportation methods to enhance trade logistics and address climate change.
- International requirements, such as CBAM for heavy industries, were noted as potential drivers for policy changes and infrastructure development.
- Challenges identified included the legal framework, government processes, and outdated innovation.
- The importance and difficulty of technology transfer and knowledge sharing between Thai agencies and international agencies were highlighted.

Group 4: Agencies related to Social Sustainability and Inclusion (SSI)

Participants are the representatives from Ministry of Natural Resources and Environment, Ministry of Agriculture and Cooperatives, Ministry of Social Development and Human Security, and Ministry of Industry.

- This group agreed with the proposed CPF focus areas and objectives.

Group 4: Agencies related to Social Sustainability and Inclusion (SSI)

- A recommendation was made to prioritize education and public awareness as key elements and cross-cutting areas for climate-resilient development, noting the current lack of distinction in environmental education within Thailand's curriculum. The promotion of outdoor classrooms and site visits since primary education was proposed to enhance climate change awareness.
- The need for climate-resilient development to balance mitigation and adaptation was emphasized, with a call for clearer connections between climate change and socio-economic issues in the CPF.
- A revision of the CPF objective from "improve water resource management" to "Improving water security" was suggested, to reflect a broader range of activities including flood management, irrigation, and drinking water provision, in alignment with the National Forestry Policy.
- Besides, the participants' emphasis on water resource management and coastal erosion goes in the same direction with World Bank Project - PROBLUE.
- The adoption of a One Health Approach was advocated to recognize the interconnectedness of people and their environment, with a focus on urban greening, biodiversity conservation, and the inclusion of vulnerable groups in collaborative efforts.
- The participants identified the need to address the integration of government agencies at both central and local levels, which has been an obstacle to implementing change.

Group 5: Agencies related to Sustainability and Inclusion (SSI)

Participants are the representatives from Ministry of Natural Resources and Environment, Ministry of Agriculture and Cooperatives, Ministry of Social Development and Human Security, and Ministry of Industry.

- The group's agreement with the CPF focus areas and objectives was partial, with a preference for a balance between urban and rural development, as well as increased bottom-up participation.
- Participants recommended the establishment of a platform for local-driven planning that mirrors the demands of the community, citing challenges with the integration of Thai agencies which affects the implementation based on public demand. They also pointed out the inconsistency in budget allocation and the protracted nature of the budgeting process.
- The need for cohesive support to address social issues like household debt was emphasized, necessitating integrated action at the local level.
- Discussions on food security and the aging society centered on encouraging participation in the agriculture sector and expanding exports for economic growth, with innovation such as smart agriculture being a key driver of change.
- Consideration was given to methods of incorporating older individuals into the workforce and enhancing female labor force participation.
- The significance of education on climate change and natural conservation from early school grades was highlighted.

Annex: Agenda

Thailand – World Bank Group Country Partnership Framework Consultation

19 March 2024, 9:00 AM. - 1:00 PM.

Ballroom, Sheraton Grande Sukhumvit Hotel

AGENDA

8:30-9:00 AM.	Registration
9:00-9:15 AM.	Keynote Speaker Mr. Lavaron Sangsnit , Permanent Secretary, Ministry of Finance
9:15-9:20 AM.	Opening Remarks Dr. Ndiame Diop , Country Director for Brunei, Malaysia, Philippines and Thailand, World Bank (online)
9:20-9:50 AM.	Presentation of “Options for Country Partnership Framework through meaningful engagement” Dr. Kiatipong Ariyapruchya , Senior Country Economist, World Bank Mr. Kwanpadh Suddhi-Dhamakit , Senior Country Officer, World Bank
9:50-10:10 AM.	Presentation “Thailand CPF - Purpose, Structure and Proposed Main Themes” Dr. Kiatipong Ariyapruchya , Senior Country Economist, World Bank
10:10-11:30 AM.	Open Discussion on: <ul style="list-style-type: none">• Are the proposed CPF focus areas relevant and appropriate for WB engagement in Thailand? If not, what should they be?• Are the proposed CPF Objectives relevant and appropriate for WBG to support Thailand in advancing its long-term development? If not, please provide suggestions. Moderated by Mr. Kwanpadh Suddhi-Dhamakit
11:30-11:55 AM.	Reporting Back from Group Discussion and Wrapping Up
11:55 AM-12:00 PM.	Closing Remarks Dr. Fabrizio Zarcone , Country Manager for Thailand, World Bank
12:00 PM-1:00 PM.	Lunch

** Seminar will be conducted in Thai and English, with simultaneous translation*

Annex: List of Participants

Number of Participants	Ministries Attending
93 participants	Ministry of Agriculture and Cooperatives Ministry of Commerce Ministry of Digital Economy and Society Ministry of Education Ministry of Energy Ministry of Finance Ministry of Foreign Affairs Ministry of Higher Education, Science, Research and Innovation Ministry of Industry Ministry of Labour Ministry of Natural Resources and Environment Ministry of Public Health Ministry of Social Development and Human Security Ministry of Transport The Prime Minister Office