

ASIAN DEVELOPMENT BANK MEMBER FACT SHEET

Thailand: 2016 Approved Loans, Grants, and Technical Assistance (\$ million)

Loans		Technical Assistance	Grants	Total
Sovereign	Nonsovereign			
-	90.56	1.00	-	91.56

- = nil.

Note: Grants and technical assistance include ADB-administered cofinancing.

Thailand: Cumulative Lending, Grant, and Technical Assistance Approvals^{a, b, c}

Sector	No.	Total Amount (\$ million) ^d	% ^d
Agriculture, Natural Resources, and Rural Development	44	421.99	6.22
Education	14	164.70	2.43
Energy	59	2,623.32	38.65
Finance	33	1,058.43	15.59
Health	5	502.45	7.40
Industry and Trade	9	91.63	1.35
Public Sector Management	34	15.56	0.23
Transport	40	1,299.79	19.15
Water and Other Urban Infrastructure and Services	31	605.82	8.92
Multisector	9	4.49	0.07
Total	278	6,788.18	100.00

^a Grants and technical assistance include ADB-administered cofinancing.

^b Includes sovereign and nonsovereign loans and technical assistance.

^c Numbers may not sum precisely because of rounding.

Thailand: Cumulative Nonsovereign Financing by Product

No. of Transactions	Amount (\$ million)
Loans	1,013.61
Equity Investments	77.07
Guarantees	-
B Loans	170.00
Grants	2.00
Total	1,262.68

- = nil.

ADB stands ready to assist Thailand in adopting the “Thailand 4.0” model, envisioned to create a value-based economy founded on creativity, innovation, and intellect.

THAILAND

With its strategic geopolitical position and significance as the second-largest economy in the Association of Southeast Asian Nations, Thailand plays a major role in promoting regional cooperation and integration in Southeast Asia. Having attained upper middle-income status, Thailand intends to reach higher-income status by 2032.

To achieve inclusive and sustainable economic growth, the Government of Thailand launched “Thailand 4.0” at the beginning of 2016. Thailand 4.0 aims to pull the country out of the middle-income trap by creating a value-based economy that is founded on creativity, innovation, and intellect. Additionally, Thailand’s Twelfth National Economic and Social Development Plan, 2017–2021 supports and aligns with Thailand 4.0.

The Asian Development Bank (ADB) has been supporting the Government of Thailand since 1966. ADB has approved \$6.79 billion for 278 loans, grants, and technical assistance projects to Thailand.

Cumulative disbursements to Thailand for lending and grants financed by

ordinary capital resources, the Asian Development Fund, and other special funds amount to \$5.24 billion.

ADB-SUPPORTED PROJECTS AND PROGRAMS

The ADB [country operations business plan \(COBP\), 2017–2019](#) for Thailand bridges a gap between the [country partnership strategy, 2013–2016](#) and the forthcoming country partnership strategy, 2018–2022. The COBP, 2017–2019 provides the flexibility to respond to Thailand’s needs and priorities as an upper middle-income country through sovereign and nonsovereign support.

While ADB public sector operations are mainly in the form of technical assistance projects, financial assistance can be provided for investment



purposes and policy reform. Operations continue to focus on selective interventions—predominantly upstream policy advice, capacity building, and other knowledge support—in infrastructure development, social sector reform, finance sector improvement, research and technology innovations, and regional cooperation.

For infrastructure development, ADB is processing the second phase to upgrade national highways, scheduled for approval in late 2017. ADB has continued to provide support for urban rail infrastructure projects to help accelerate transport connectivity in Thailand. ADB is also preparing for possible financial assistance for the construction of future mass rapid transit lines in Bangkok. In 2016, ADB approved a technical assistance project worth \$1 million to strengthen integrated water management and planning around Thailand's river basins.

In the finance sector, ADB support focuses on improving financial literacy among the country's population and on strengthening semiformal and specialized financial institutions to support financial inclusion.

Reflecting a commitment to responsiveness in knowledge support and policy advice, ADB continually

provides technical assistance to support public-private partnerships (PPPs) in Thailand. ADB's policy advice on PPP implementation covers transport and social sector projects. ADB is already helping the social sector seek out bankable projects and structure them as PPP projects. With ADB support, Thailand is also developing a long-term masterplan for PPPs in the health sector.

Under the COBP, 2017–2019, ADB encourages Thailand's involvement in various regional cooperation and integration programs including Association of Southeast Asian Nations, the Greater Mekong Subregion (GMS), the Indonesia-Malaysia-Thailand Growth Triangle, and the Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation. Given the country's strategic location, the ADB Thailand Resident Mission has been promoted as a subregional hub in Southeast Asia.

NONSOVEREIGN OPERATIONS

As a catalyst for private investments, ADB provides direct financial assistance to nonsovereign public sector and private sector transactions in the form of direct loans, equity investments, guarantees, B loans, and trade finance. Since its inception, ADB has approved \$1.26 billion in financing for 20 private

sector transactions in Thailand (including a \$2 million grant). Most nonsovereign operations in the recent years have been in the area of renewable energy. Outstanding balances and commitments of ADB's private sector transactions in the country as of 31 December 2016 was \$530.1 million, representing 5.4% of ADB's total nonsovereign portfolio.

ADB's Trade Finance Program (TFP) fills market gaps by providing guarantees and loans through partner banks in support of trade. The TFP has done over 14,000 transactions supporting over \$26 billion in trade and over 9,300 small and medium-sized enterprises in Asia and the Pacific since 2004. In 2016, the TFP supported \$3.1 billion in trade through over 2,080 transactions.

The TFP works with 13 banks operating in Thailand. Isolating TFP support for Thai exports to developing Asia, the TFP has supported 247 transactions valued at almost \$92 million. The TFP supported Thai exports to six countries including Armenia, Bangladesh, Mongolia, Pakistan, Sri Lanka, and Viet Nam.

COFINANCING

Cofinancing operations enable ADB's financing partners, governments or

Thailand: Project Success Rates

Year	Success Rate (%)	No. of Independently Evaluated Projects and Programs
2006	0.0	1
Total	0.0	1

Note: "Year" refers to the circulation year of the project completion report (PCR). The success rates reported here are based on the ratings from validated PCRs and independently evaluated performance evaluation reports only and do not include self-evaluations. With small sample size, the success rate does not necessarily represent country operations performance.

Source: PCR validation reports and project/program performance evaluation reports ratings database as of 31 December 2016.

Thailand: Portfolio Performance Quality Indicators for Sovereign Lending and Grants, 2015–2016

No. of Ongoing Loans (as of 31 Dec 2016)	2015 (\$ million)		2016 (\$ million)	
	2015 (\$ million)	2016 (\$ million)	2015 (\$ million)	2016 (\$ million)
Contract Awards/Commitments ^{a,b}	-	-	-	-
Disbursements ^a	23.60	2.88	-	-
No. of Ongoing Grants (as of 31 Dec 2016)	2015 (\$ million)		2016 (\$ million)	
Contract Awards/Commitments ^{a,b}	-	-	-	-
Disbursements ^{a,c}	-	-	-	-
Actual Problem Projects (%) (as of 31 Dec 2016)			50	

- = nil.

^a Includes closed loans/grants that had contract awards or disbursements during the year.

^b Excludes policy-based lending/grants.

^c Includes only Asian Development Fund and other ADB special funds.

Thailand: Projects Cofinanced, 1 January 2012–31 December 2016

Cofinancing	No. of Projects	Amount (\$ million)
Projects ^a	11	1,392.41
Grants	1	2.00
Official loans	5	102.90
Commercial cofinancing	5	1,287.51
Technical Assistance Grants	5	5.35

^a A project with more than one source of cofinancing is counted once.

Thailand: Share of Procurement Contracts for Loan, Grant, and Technical Assistance Projects

Item	2015		2016		Cumulative (as of 31 Dec 2016)	
	Amount (\$ million)	% of Total	Amount (\$ million)	% of Total	Amount (\$ million)	% of Total
Goods, Works, and Related Services	0.31	0.00	0.47	0.00	3,229.21	2.04
Consulting Services	6.37	0.97	0.77	0.13	87.07	0.77
Total Procurement	6.68	0.06	1.24	0.01	3,316.28	1.95

Top 5 Contractors/Suppliers from Thailand Involved in Goods, Works, and Related Services Contracts under ADB Loan and Grant Projects, 1 January 2012–31 December 2016

Contractor/Supplier	Sector	Contract Amount (\$ million)
KRC-Sky (JV)	TRA	10.86
Thaiwat Engineering Co. Ltd.	TRA	10.57
Christiani & Nielsen (Thai) Public Co., Ltd.	TRA	9.65
BCK-PNT (JV)	TRA	9.46
Ch. Thavee Construction Co., Ltd.	TRA	9.16
Others		227.28
Total		276.98

TRA = transport.

Top 5 Consultants from Thailand Involved in Consulting Services Contracts under ADB Loan, Grant, and Technical Assistance Projects, 1 January 2012–31 December 2016

Consultant	Sector	Contract Amount (\$ million)
Asian Institute of Technology	ANR, ENE, ICT	4.82
Nexant Asia Ltd.	ENE	2.37
Asian Engineering Consultants Corp. Ltd.	TRA	1.15
DFDL Mekong (Thailand) Ltd.	ENE	0.66
IIEC (International Institute for Energy Conservation)	ENE	0.40
Individual Consultants		5.47
Others		1.92
Total		16.78

ANR = agriculture, natural resources, and rural development; ENE = energy; ICT = information and communication technology; TRA = transport.

their agencies, multilateral financing institutions, and commercial organizations to participate in financing ADB projects. Additional funds are provided in the form of official loans and grants, technical assistance, other concessional financing, and commercial cofinancing such as B loans, risk transfer arrangements, parallel loans and equity, guarantee cofinancing, and cofinancing for transactions under ADB's TFP.

From 1970 to the end of 2016, cumulative direct value-added (DVA) official cofinancing for Thailand amounted to \$540.6 million for 12 investment projects and \$15.7 million for 30 technical assistance projects. Cumulative DVA commercial cofinancing for Thailand amounted to \$2.39 billion for eight investment projects.

A summary of projects with cofinancing from 1 January 2012 to 31 December 2016 is available at www.adb.org/countries/thailand/cofinancing

PARTNERSHIPS

ADB's partnership with the government focuses on support for knowledge sharing and innovation, fostering private sector development, and promoting regional cooperation and integration.

ADB is helping share Thailand's development experience and knowledge with neighboring countries. The partnership arrangement between ADB and the Neighbouring Countries Economic Development Cooperation Agency serves as a broad framework for joint development collaboration in the subregion.

ADB has continued to support Bangkok-based GMS working groups, serving as the secretariat to the working groups on

agriculture and environment. Thailand is also host to the Mekong Tourism Coordinating Office, secretariat to the tourism working group. The country is also pursuing a bid to host the Regional Power Coordination Center and is awaiting decisions from the GMS countries.

ADB has cooperated with the leading nongovernment organization in Thailand to promote good governance and anticorruption in the country. Key activities included knowledge sharing to raise awareness of good governance among the country's youth, and capacity development to create an integrity pact to fight corruption in public contracting.

PROCUREMENT

Each year, ADB provides loans, grants, and technical assistance to fund projects and activities in its developing member countries; and several billion dollars in contracts to procure goods, works, and consulting services. Most contracts are awarded on the basis of international competition, which is open to firms and individuals from any ADB member, regional or nonregional.

Share of ADB's Procurement Contracts

Goods, Works, and Related Services

ADB's procurement contracts in Asia and the Pacific for goods, works, and related services under loan and grant operations totaled \$11.09 billion in 2015 and \$11.42 billion in 2016. Cumulative procurement since 1966 was \$158.68 billion covering 206,915 contracts.

In Thailand, 3,578 contracts worth \$3.23 billion were awarded to contractors and suppliers within the same period.

Consulting Services

ADB's procurement contracts in Asia and the Pacific for consulting services under loan, grant, and technical assistance operations totaled \$655.31 million in 2015 and \$612.46 million in 2016. Cumulative procurement since 1966 was \$11.26 billion covering 52,232 contracts.

In Thailand, 560 contracts worth \$87.07 million were awarded to consultants within the same period.

OPERATIONAL CHALLENGES

Since the late 1990s, economic growth in Thailand has been impeded by global economic shocks, natural disasters, sociopolitical tensions, and relatively low investment. Other challenges to growth have included persistent inequality, environmental degradation, and an aging population.

ADB is well positioned to help formulate and implement the structural reform agenda needed for Thailand to address its key development challenges. Delivering timely knowledge support that is of high quality will continue to translate into development results, but this support needs to be accompanied by suitable financing products and the leveraging of private sector investment and financing.

ADB values Thailand as a strategic development partner, and as an important driver of greater regional cooperation and integration.

Thailand has much to offer in terms of its development experience and knowledge, and ADB is fully committed to facilitating the transfer of their knowledge throughout the region.

FUTURE DIRECTIONS

ADB stands ready to assist Thailand in adopting the Thailand 4.0 model. ADB will also continue to support Thailand's Infrastructure Development Plan, through both financial and knowledge support. This will involve helping to

address multimodal, national, and subregional links, as well as logistics infrastructure, to improve the efficient movement of goods, services, and people.

As the country's need for large investment in infrastructure rises, ADB will continue to promote PPPs to expand and improve the delivery of economic and social infrastructure and other public services. Development of the finance sector will be supported by fostering stronger financial inclusion

and enhancing access to finance, while environmental sustainability and climate change mitigation remain key considerations.

To support regional cooperation, ADB will collaborate with the government in its subregional economic cooperation programs. This includes backing Thailand's plans to expand its role as a development partner, through the sharing of the country's experience and knowledge in cooperation with other developing countries.

ABOUT THAILAND AND ADB

ADB Membership

Joined 1966

Shareholding and Voting Power

Number of shares held:	144,522 (1.362% of total shares)
Votes:	184,129 (1.388% of total membership, 2.130% of total regional membership)
Overall capital subscription:	\$1.94 billion
Paid-in capital subscription:	\$97.17 million

Contributions to Special Funds Resources

Thailand has contributed to the Asian Development Fund (ADF), which is ADB's window for concessional lending to its borrowing members, and to the Technical Assistance Special Fund (TASF), which provides grants to borrowing members to help prepare projects and undertake technical or policy studies.

Contributions to the ADF (committed):	\$15.70 million
Contributions to the TASF (committed):	\$0.88 million

Philaslak Yukkaseemwong is the Director and **Rokiah Hj Badar** is the Alternate Director representing Thailand on the ADB Board of Directors.

The Thailand Resident Mission was opened in 2005 and provides the primary operational link for activities between ADB and the government, the private sector, civil society stakeholders, and development partners. The resident mission engages in policy dialogue, country partnership strategy development and programming, and portfolio management, while also acting as a knowledge base on development issues in Thailand. The resident mission also supports Thailand's regional cooperation and integration activities in the Greater Mekong Subregion and beyond.

The Thailand government agency handling ADB affairs is the Ministry of Finance.

ABOUT THE ASIAN DEVELOPMENT BANK

ADB is a multilateral development bank owned by 67 members, 48 from the region and 19 from other parts of the world. ADB's main instruments for helping its developing member countries are policy dialogue, loans, equity investments, guarantees, grants, and technical assistance. In 2016, lending volume was \$16.35 billion (126 projects), with technical assistance at \$169.03 million (225 projects) and grant-financed projects at \$526.75 million (31 projects). In addition, \$14.06 billion was generated in direct value-added cofinancing in the form of official loans and grants, other concessional cofinancing, and commercial cofinancing such as B loans, risk transfer arrangements, guarantee cofinancing, parallel loans, parallel equity, and cofinancing for transactions under ADB's Trade Finance Program. From 1 January 2012 to 31 December 2016, ADB's annual lending volume averaged \$13.74 billion. In addition, investment grants and technical assistance funded by ADB and special funds resources averaged \$562.24 million and \$154.91 million in technical assistance over the same period. As of 31 December 2016, the cumulative totals excluding cofinancing were \$247.28 billion in loans for 2,935 projects in 44 countries, \$7.75 billion in 296 grants, and \$4.06 billion in technical assistance grants, including regional technical assistance grants.

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Useful ADB websites

Asian Development Bank
www.adb.org

Asian Development Outlook
www.adb.org/publications/series/asian-development-outlook

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www.adb.org/documents/series/adb-annual-reports

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