

APPENDIX 3. A SUMMARY: POLICIES AND STRATEGIES

A Summary : Policies and Strategies

Upper Central Region Development

Why Upper Central Region (UCR)

Toward the year 2010, Thailand will have to get through the challenges of :

- (1) shifting export-led to domestic market-based growth,
- (2) balancing development and environment, and
- (3) smoothly transitioning rural to urban employment.

In the national space, these challenges call particularly for :

- (1) decentralizing the capital region systematically, and
- (2) strengthening the linkages between ESB, SSB and other parts of the country, and
- (3) sustaining strategic agricultural and forestry space.

Under these national perspectives, it is the UCR that potentially plays a combined role of :

- (1) National Food Supply Center,
- (2) Subnational Distribution Center, and
- (3) A New Inland Industrial Base,

if this region can overcome :

- (1) the presently unstable rural sector,
- (2) the weak urban sector, and
- (3) consequent regional out-migration.

The UCR is at a crossroads between a tri-sector (agriculture, industry and services) balanced region or a mere transit region over-ridden by sporadic external industrial investments.

Development Policies & Strategies

Objectives of the UCR development are :

1. Maintaining and restoring the ecological environment,
2. Deepening and widening of regional economy, and
3. Enhancing regional human resource base to support the two objectives above.

Recommended policies and strategies are thus as follows:

Agriculture

1. Strengthen capability and willingness of rice farmers,
2. Rehabilitate upland agricultural environment, and
3. Promote linkages between production, processing and market.

Industry

1. Build-up, step-by-step, an industrial development core at Sara Buri,
2. Intensify agro-industrial linkages within the UCR,
3. Foster local entrepreneurship of potential business men, and
4. Control rapidly dispersing industries in Ayutthaya.

Services

1. Develop secondary order centers
2. Develop extensive urban, technological and managerial supporting services at sub-regional urban centers,
3. Strengthen hierarchical system of agricultural distribution, processing and transport network, and
4. Promote tourism especially at Ayutthaya, Lop Buri and Chai Nat.

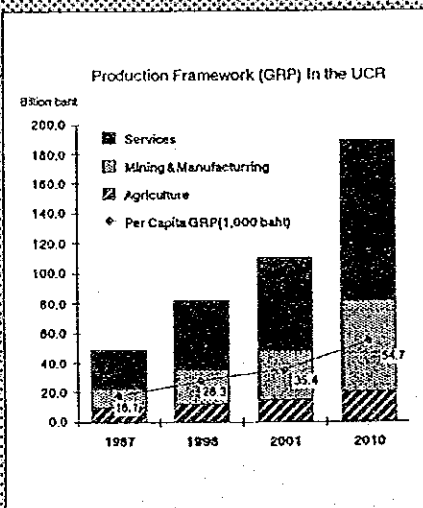
Development Target

Economic Growth: Toward 2010, it is targeted that per capita GPP growth of the UCR will be accelerated up to that of national average growth rate, 5% p.a. The GPP growth rate will be 6.1% p.a. toward 2010, and sector growth rates are: Agriculture : 1.3%; Manufacturing : 7.0%; and Services : 6.3%.

Population Growth: Population is targeted to growth at a rate of 1.0% so that the targeted per capita GPP will be attained. It will be 3.46 million in 2010, compared with 2.74 million in 1987.

Urbanization: Urban population will increase at a 2.5% growth rate, compared with 1.1% p.a. between 1981 and 1987. The urban population ratio will be 37.2% in 2010.

Employments: Additional 421 thousand job opportunities will newly be created, and a total will be 1.9 million in 2010. The employments in both manufacturing and service sectors shall increase by 568 thousand, while that in agriculture sector will decrease by 147 thousand.



Profile of Upper Central Region

The Upper Central Region (the UCR) consists of 6 Changwats: Ayutthaya, Sara Buri, Ang Thong, Sing Buri, Lop Buri and Chai Nat, having the population of about 2.7 million and the area of 16,6 thousand sq. km. The UCR is located in the Chao Phraya River Basin Area, an agricultural (particularly rice) advanced region in the Kingdom, and environmentally sensitive.

The UCR is on a frontage of the expanding Bangkok economy, and has been pressured by urbanization and industrialization. Thus, the UCR is a pioneer to the national challenge of agro-industrial coexistence by widening and deepening the UCR economy. For the second generation development of the Thai economy, the UCR's gateway function would be more significant.

Key Concepts for the Upper Central Region Development

Agricultural Diversification and Agro-Industrial Linkage

In order to stabilize income of the farmers, being the leading players in sustaining agricultural and ecological environment, a must is the agricultural diversification at the farmer level. With good access to the expanding and diversifying market in Bangkok, the agricultural diversification should be supported by the intensified linkages among crop production, livestock and processing networks as well as by the improved urban and transport infrastructures.

Industrialization for A New Industrial Base

The country will call in the UCR a strong magnet as (1) one of the centers to facilitate deconcentration of Bangkok, (2) a means to prevent extensive industrial pollution and agro-industrial conflicts, (3) a base to attain agro-processing agglomeration, and (4) an inland supporting base for the Eastern Sea-Board to maximize its spread effect.

Sara Buri offers the best seat of this magnet. Local infrastructure, urban and human resource development should be integrated in timely response to ongoing and forthcoming national projects.

Gateway as A Subnational Distribution Center

The UCR is situated at the gateway of Bangkok to the North and Northeast Regions. In other words, the UCR is in a best position to make use of development in other regions. In addition to traditional concentration of agricultural products, new transport and energy infrastructure inputs will boost various industrial and business opportunities.

Integrated Urbanization and Service Sector Encouragement

Urban and service sector encouragement is strategic to regional development especially in the UCR in order to (1) support externally dependent and thus unstable rural sector, (2) provide nonagricultural job opportunities for decelerating out-migration to Bangkok and (3) offset a missing link existing between foreign-investment-led industrial expansion and regional economic development.

Of particular importance are to meet Basic Urban Needs (BUNs), encourage local entrepreneurship and improve goods distribution functions in selected urban centers at regional level.

Human Resource Development

Focusing on (1) Middle level manpower for industries, (2) Community leaders for environmental management and (3) potential local entrepreneurs.

Implementation & Development Management Systems

Unlike the regional development triggered by intensive central government investments, the UCR development will need not only central initiative but effective management particularly at the local level. Of particular importance are (1) local planning system to meet the cross-boundary expansion of urban and industrial activities, (2) institutional measures to realize the scale of economy in urban services and (3) strengthened financial base of local authorities so as to encourage local initiatives in public investments and business promotion.

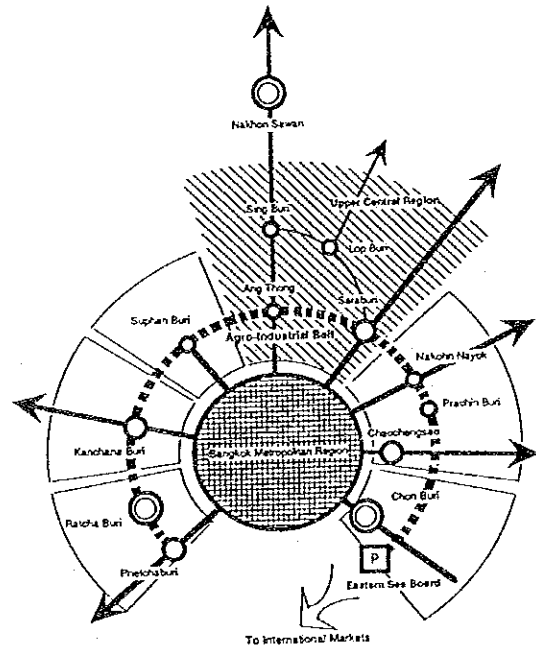
Environment and Water Resources Management

Special importance lies in (1) keeping the Chao Phraya River clean and conserving flood retarding areas for the survival of Bangkok and (2) maximizing water use efficiency and rehabilitating upland soils for the UCR's agriculture of national importance to be maintained. High priority should be given to (1) the integrated management of water and land use for two river basins of Chao Phraya and the Pasak and (2) the strengthened institutions at not only central but local levels to explore environmental control.

Spatial Setting

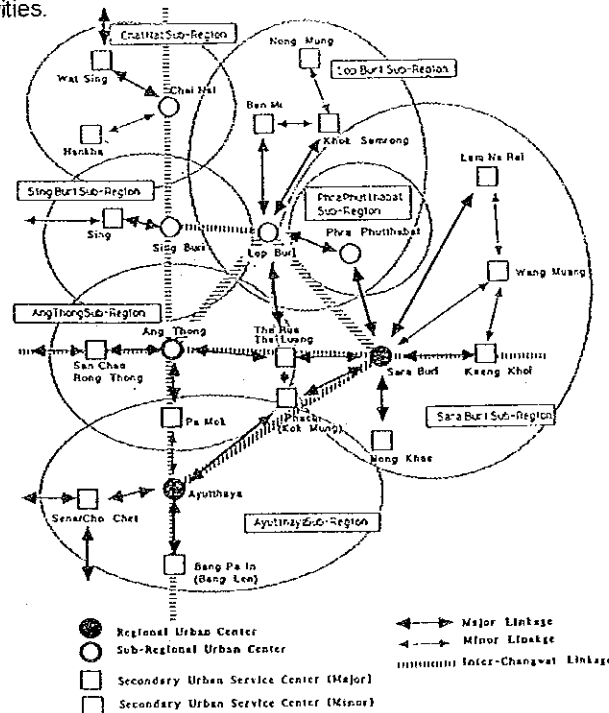
Macro-Spatial Framework

To assure effective economic links between major urban centers centering on Bangkok and the Eastern Sea-Board functions, a well organized macro-spatial network is necessary. The UCR may be situated in the Suburban Agro-Industrial Belt.



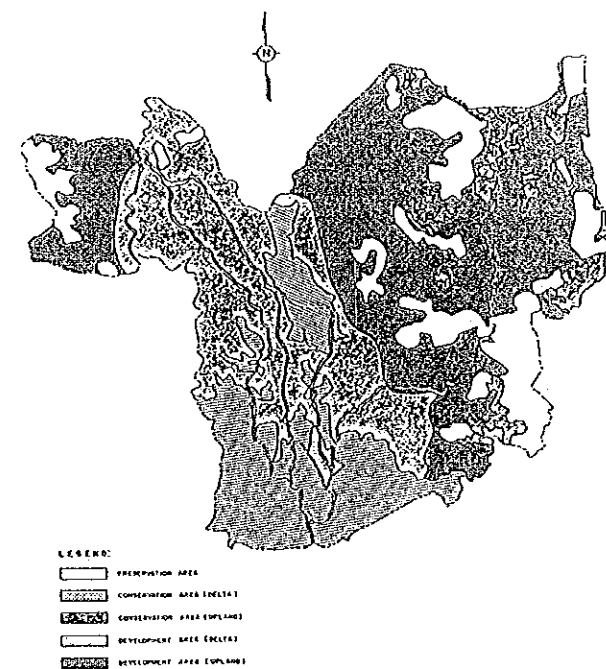
Human Settlement System

Sub-regional system with a urban center hierarchy should be formulated as a basis of regional development. This system assure relations between urban functions and their hinterland activities.



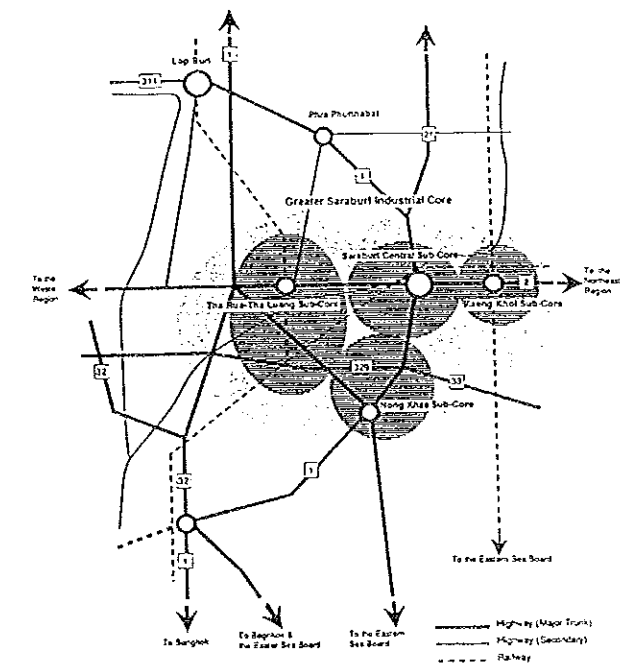
Appropriate Land Use

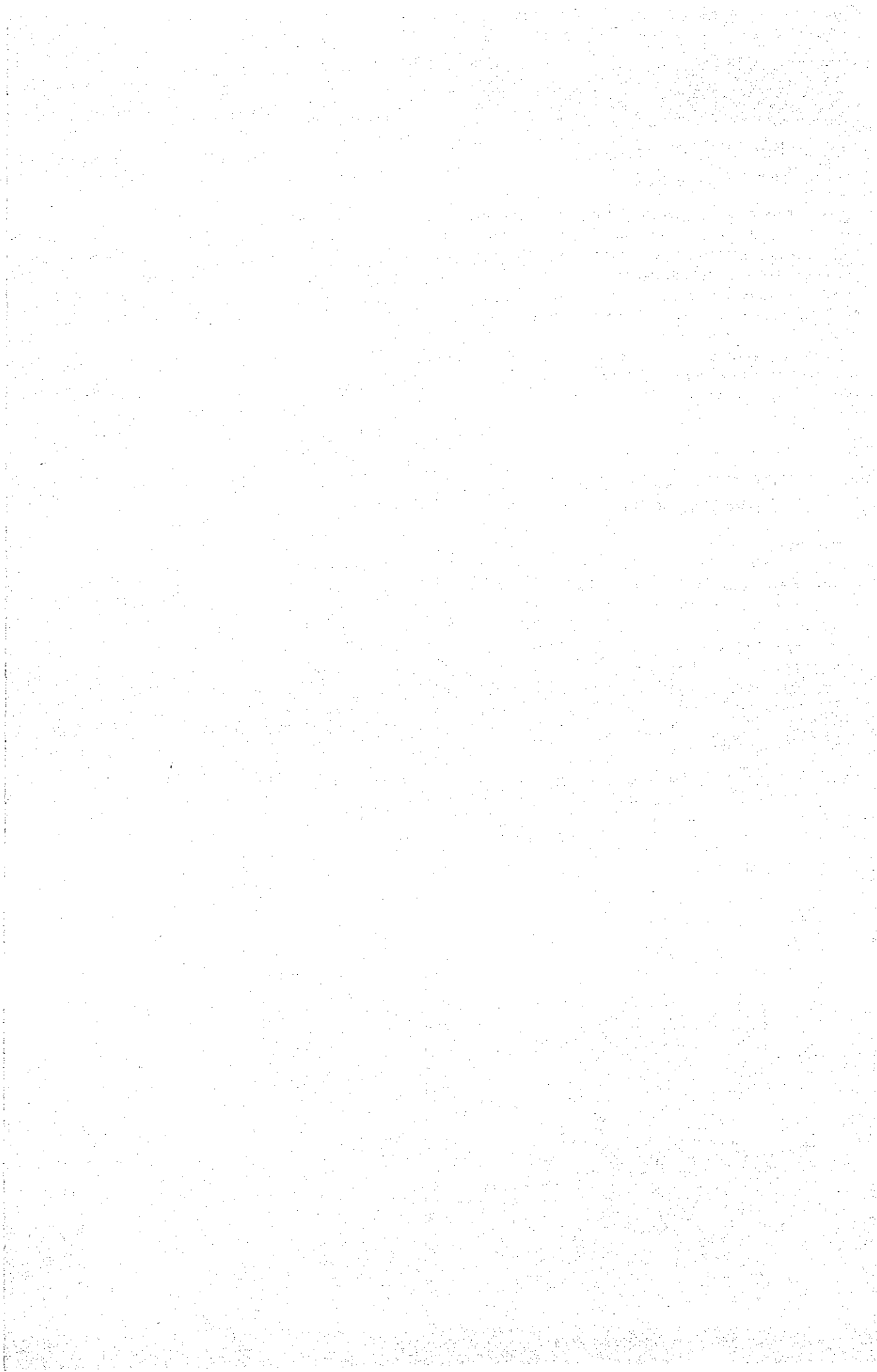
A clear-cut land use zoning system is essential for a balanced development with an appropriate use of natural environmental resources.



Greater Sara Buri Industrial Core (GSIC) Development

The GSIC development is recommended to receive the potential activities for industrialization and urbanization, being a new inland industrial basis linking with the sea-board development.





Development Strategies & Phasing

1996

2001

2010

Short-Term

Medium-Term

Long-Term

National
Development

Economy

Export-led Industrialization
Back-supported by Regional
Economy

Expanding Development
Opportunities All Over the
Country

Domestic Market Based
Economic Diversification

Space

Infrastructure Investments to
Debottleneck Growth

Development-Environmental
Balance

National Space Integration with
Locally managed environment

Strengthening Human Resource Base

Agriculture

Reinforcing Natural Resource
Base and Marketing
Capabilities

Upland Development by
Agricultural Diversification

Distribution/Processing
Network Development

Industry

Agro-based industrialization &
Local Entrepreneurship
Development

Inducement of Modern &
High Technology Types of
Industries

Formation of Industrial Base
Linked with ESB & BMR
Industries

Urban & Services

Meeting Basic Urban Needs in Subregional Urban Centers

Establishing Urban Agglomeration
as Business Incubator

Tourism Development in
Ayutthaya and Lop Buri

Regional Center (Sara Buri)
Urban development

Inducing Higher Urban Functions,
R & D, and Amenities

Key Integrated Projects

Integrated Pasak River Basin Development

Greater Sara Buri Industrial Core (GSIC) Development

Agro-Industrial Linkage Development

UCR
Development

National
Management
Issues

Environmental and Water Resource Management of Chao Phraya River Basin

National Land Use Zoning for Development and Conservation

Reinforcement of Planning and Financial Instruments for Urban Management

Short-Term

Medium-Term

Long-Term

JICA