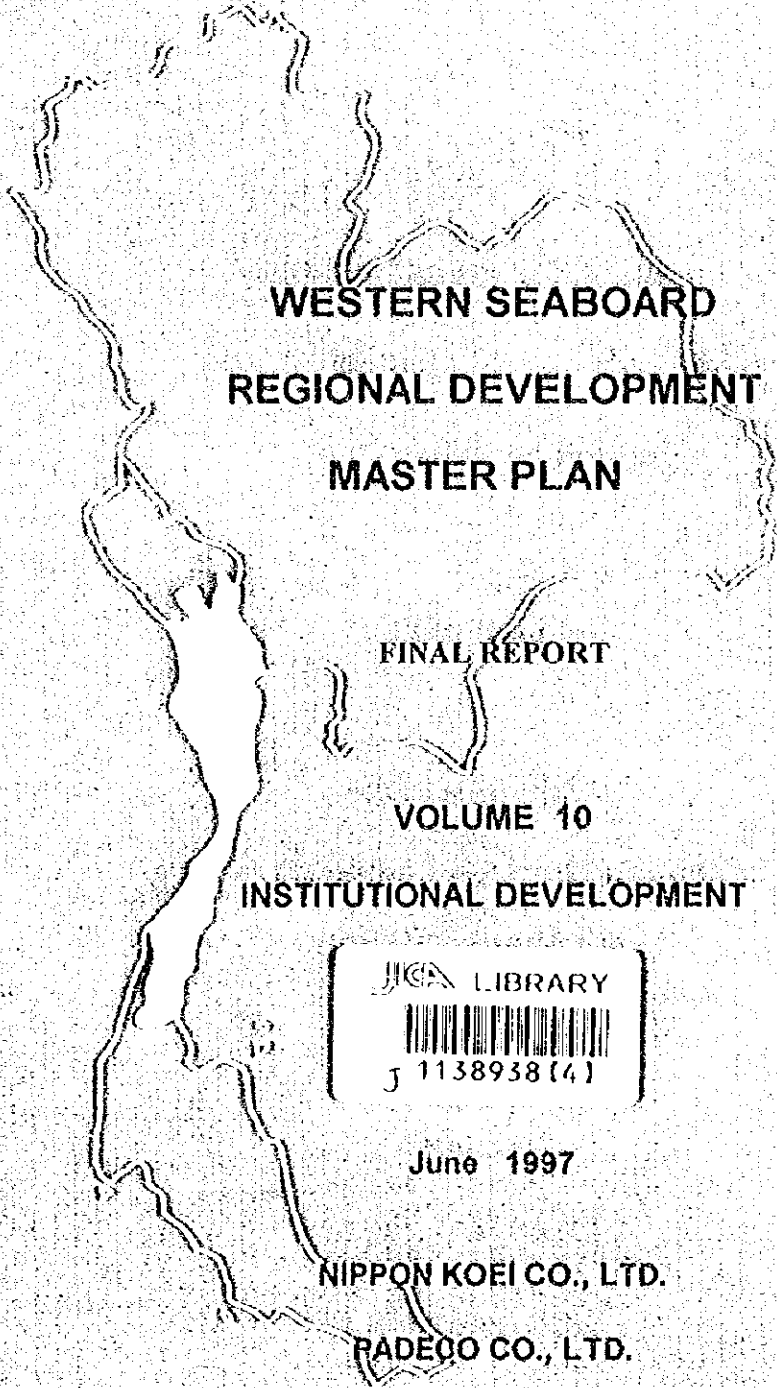


JAPAN INTERNATIONAL COOPERATION AGENCY (JICA)

NATIONAL ECONOMIC AND
SOCIAL DEVELOPMENT BOARD (NESDB)
OF THE KINGDOM OF THAILAND



WESTERN SEABOARD
REGIONAL DEVELOPMENT
MASTER PLAN

FINAL REPORT

VOLUME 10

INSTITUTIONAL DEVELOPMENT

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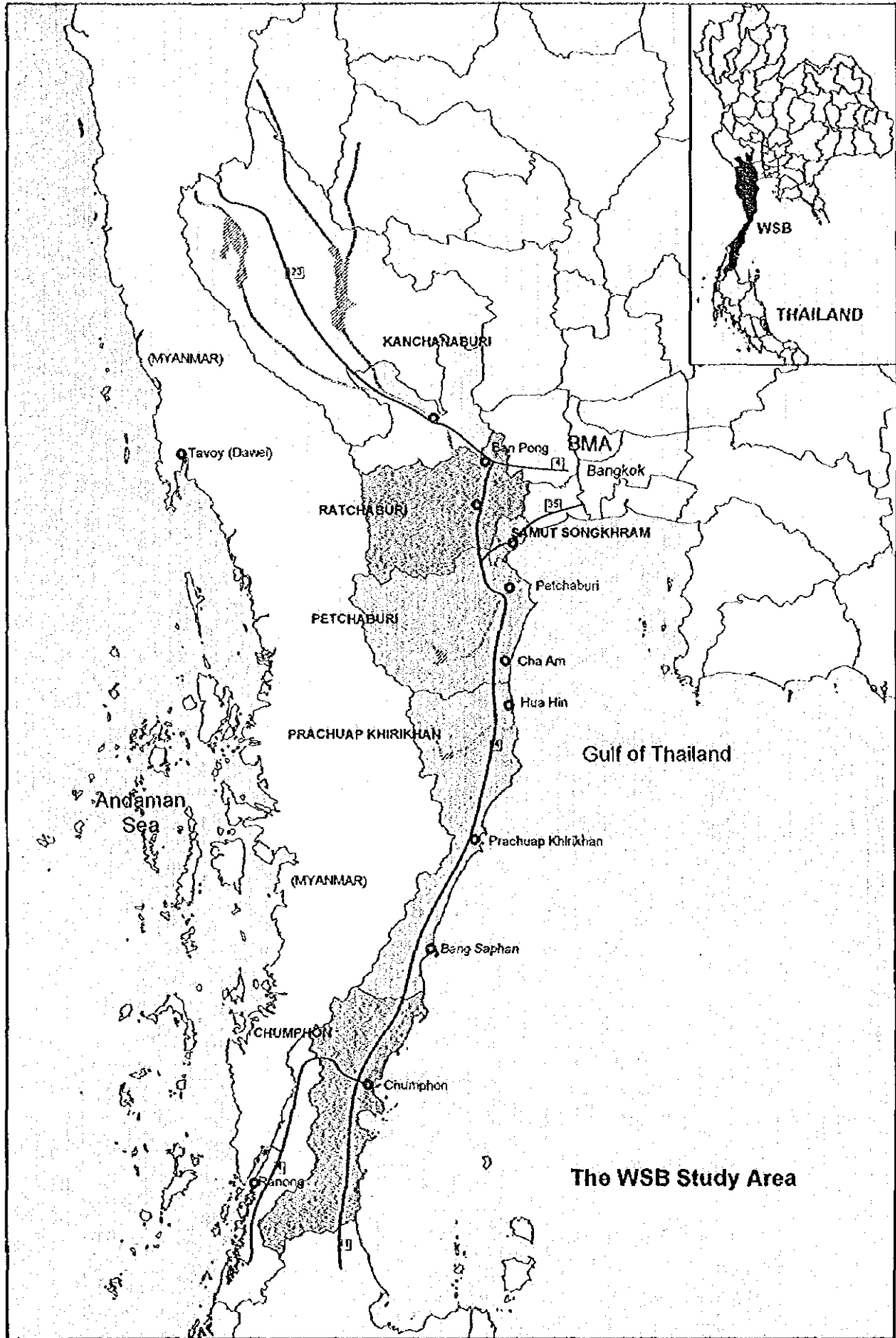


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Chapter 1 INTRODUCTION

The Western Seaboard (WSB) regional development plan involves a large number of actors both in the public and the private sectors : many government agencies/offices at different administrative levels, state and private enterprises and institutes, and non-governmental organizations as well as local communities and people. The development efforts of these actors in pursuit of their respective goals need to be coordinated to a reasonable extent to ensure successful regional development.

First, it is most essential for governmental implementing agencies to make concerted efforts in planning and implementing projects/programs of their respective sectors in line with a long-term vision and objectives of the WSB regional development master plan. Second, development activities of private enterprises should be guided by proper institutional measures to maximize their contributions to the WSB master plan vision and objectives. Third, local communities and people should be motivated to participate actively in various phases of the WSB regional development program.

The WSB master plan will be instrumental for ensuring the concerted efforts by governmental implementing agencies, properly guided private sector activities and well motivated local communities and people. The WSB master plan with a long-term development vision will facilitate coordination of activities by various governmental agencies, indicating development priorities, clarifying specific strategies by sector and by area under the overall regional development strategy, and guiding project/program formulation. The WSB master plan would provide principles for formulating specific policies and legislative measures necessary to guide effectively private sector activities. The WSB master plan proposals should be disseminated widely to local communities and people as well as local government offices so that they would respond better to governmental initiatives and increasingly take their own initiatives through participation in planning and development activities.

The WSB master plan naturally encompasses both WHAT development activities should be implemented and HOW to plan and implement them. The bulk of development projects and programs (WHAT) proposed by the WSB master plan may be implemented by sector agencies within the existing development administration. For the WSB master plan to serve the functions described above, however, institutional arrangements (HOW) for planning and implementing development projects and programs need to be streamlined.

The remaining part of this report is structured in the following way: In Chapter 2, existing development administration in Thailand is reviewed especially from a viewpoint of regional/rural development. The existing administrative structure in the Western Seaboard region is also described. In Chapter 3, issues for improving the development administration are clarified, and recent reforms of regional/rural development administration are described. Based on these, the institutional strategy for development of the WSB region is established.

Chapter 4 presents proposed institutional arrangements for development of the WSB. Needs to establish a management system for the WSB are clarified together with conditions to be satisfied by the system. Alternatives for the WSB management system are presented, and the most appropriate alternative is recommended. The recommended WSB management system would make effective utilization of existing institutions, but two new organizations would be established --the Western Seaboard Management Office and the Western Seaboard Development Corporation as described in Sections 4.3 and 4.4, respectively.

Finally in Chapter 5, the ultimate goal of the WSB regional development master plan is reiterated to provide further motivation for implementation. Along these lines, actions to be taken in the immediate future are clarified.

Chapter 2 **EXISTING DEVELOPMENT ADMINISTRATION IN THAILAND**

2.1 *Basic Structure of Existing Development Administration*

The Thai Government has been taking a series of regulations to effect partial decentralization in development administration since the completely centralized system under the monarchy was replaced in 1932 by a constitutional democracy. Thailand's development administration, however, is still highly centralized.

The administration of the Thai Government is divided into three levels: central, regional and local administration. The regional administration represents de-concentration of central administration rather than decentralization. The local administration represents some official duties assigned to local governments, where all or part of officials are elected by the people. The local government thus has reasonable independence in performing the assigned duties, although it is in practice constrained by its limited budget. The structure of local administration in Thailand is illustrated in Figure 10.2.1.

(1) Regional Administration at Provincial and District Levels

Under the central government administration, there exist four levels of regional administration: province (changwat), district (amphoe), sub-district (tambon) and village (muban), each having officials assigned from the central administration. The regional administration exercises a limited portion of the central administrative power in respective regions under the control of the central administration.

At the provincial level, the Governor is an official under the Office of the Permanent Secretary for Interior, the Ministry of Interior (MOI). He is also the head of the Provincial Administrative Organization (PAO) -- the local administration at the province level and as such controls government officials of all ministries and departments within the province. The Governor is supported for the execution of its administrative power by provincial officials receiving salaries from the budget allocated by the province. The superior official at the provincial level is the Permanent Secretary under the Department of Local Administration, MOI.

At the district level, the District Officer is an official under the Department of Local Administration, MOI, responsible for administrative activities of a district. Duties of ministries and departments are exercised by respective government offices in the district. The PAO, however, empowers the District Officer to be the superior official at the district level in charge of the provincial administration within and related to the district.

Both the Governor and the District Officer thus assume dual responsibilities: one as the representative of the central administration at the provincial and the district levels, and the other as the chief executive of their respective regional administrative body. Such dual responsibilities are more clearly legislated for the Governor, who is the chief executive of the PAO as the local administration. Such responsibilities at the district level are vested in the District Officer by the PAO.

(2) Tambon and Village Administration

At the tambon level, the Kamnan is the elected head of the local community. The Tambon Council chaired by the Kamnan carries out administrative duties assigned by the Governor, approves development projects of ministries and departments, and coordinates/cooperates in other works with related agencies.

The Tambon Administrative Organization (TAO) has been instituted by a recent legislative action. An increasing number of tambons have been given local government status, as they satisfy established criteria. At present, there are about 3,000 TAOs throughout the country.

At the village level, the Village Headman is elected by villagers and carries out administrative duties. The Village Committee chaired by the Village Headman is expected to improve the efficiency of village administration ensuring coordination among government agencies. Its duties include identification of projects and operation plans receiving appropriated budget or special financial support as well as concurring in projects and plans of government offices.

Both the Tambon Council and the Village Committee represent a sort of local administration. Their operation used to be guided strongly, if not controlled by the District Officer. At the tambon level, the District Officer organized an election of the Kamnan, and selected an advisor to the Tambon Council. With the institution of the TAO, the budget administration has been decentralized to the tambon level, although TAOs still need to be guided by officials at higher administrative levels.

(3) Local Administration

Local administration in Thailand consists of the normal system comprising the Municipality, the Sanitary District, PAO and TAO, as well as special system for the Pattaya City and the Bangkok Metropolitan Administration. The Municipality is classified into the Town (or Tambon) Municipality, City (or Muang) Municipality, and Metropolitan (or Nakhon) Municipality. At present, there are 49 Tambon Municipalities, 84 City Municipalities and six Metropolitan Municipalities.

The municipal administration is supported by the Municipal Assembly and the Municipal Council. The Municipal Assembly is the legislative body, equivalent to the Parliament at the national level, and its members are elected directly by the people. The Municipal Council headed by a Mayor is the administrative body, equivalent to the Cabinet at the national level, and consists of municipal councilors.

The Sanitary District has only the Sanitary Board acting as legislative and administrative body. The District Officer supervises the Sanitary District as *ex officio* chairman of the Sanitary Board. The Sanitary Board has the duty to plan development projects. Such a plan once documented and approved by the Sanitary Board will constitute the action plan of the Sanitary District, but it will take effect only after approval by the Governor.

2.2 Development Planning and Budgeting System

(1) Top-down Planning

The bulk of development projects and programs are planned within the central administrative system either directly by line ministries and departments or through regional government offices. At the provincial level, the provincial office is responsible for provincial development planning and project formulation with specific focus on rural areas in line with the national policy. Every province has a provincial development committee (Kor Phor Or) to facilitate project development and coordination. The committee lays down policies and guidelines for project development by government offices and coordination among them, and evaluates development plans according to the national policy and the National Economic and Social Development Plan. The Governor with dual responsibilities, supported by permanent officials of the project office, serves

also as the chairman of the committee to ensure coherent formulation and evaluation of development plans.

Development planning at the district level is effected also by the province through the District Officer serving as the superior official in charge of the provincial administration in the district. A district development committee (Kor Phor Or) is established to facilitate project development and coordination.

(2) Bottom-up Planning

A bottom-up mechanism for project development and planning exists at the lower tiers of regional development administration. The Tambon Council formulates and proposes a tambon development plan. A development committee of the Tambon Council (Kor Sor Tor) supports project development through technical assistance for feasibility studies of projects. Otherwise, the Tambon Council undertakes coordination, cooperation, and information dissemination for government projects.

The Village Committee identifies projects and operation plans receiving appropriated budget or special financial support. It concurs with projects and plans of government offices to be implemented within the village. Its development activities are facilitated by a village development committee (Kor Mor).

Local governments other than PAOs may also prepare development plans of their own. Municipalities have a technical and planning office in charge of development planning, feasibility studies, research and evaluation, public relations and budget. It prepares a five-year municipal development plan and an annual plan. Sanitary Districts document their project planning to provide effectively an action plan to guide the development subject to the approval of the Governor.

(3) Provincial Investment Plans

As part of efforts to effect the further decentralization of development administration, a new system for provincial planning was initiated during the Seventh Five Year Plan. Under this system, all the provinces prepare investment plans following manuals provided by the central government. The main purpose of provincial investment planning, however, is to provide basic socio-economic data and information on each province for private investors and to guide their investment activities. The planning was entrusted mostly to research institutes.

(4) Budgeting for Development

Budgeting for projects of line ministries and departments or their regional offices is conducted centrally. Local budgeting for development is conducted at the provincial level and also for the Municipality. The former encompasses Tambons, Sub-Districts and Districts including Sanitary Districts. Local budgeting at the provincial level is control-oriented, while that for the Municipality is planning-oriented.

Provincial budgeting

Projects proposed by the Tambon Council, including those derived from the Village Committee, are made to fit the estimated incomes available for the respective tambon. Possible incomes consist of the budget appropriated by MOI, local taxes and duties, donations, income of the Tambon Council, and the budget appropriated by the Governor. The budget of the Tambon Council is scrutinized by a budget committee at the district level. The same committee prepares the budget of the district and sub-districts to prevent the duplication. A draft budget at the district level is submitted to the province.

All offices at the province level prepare revenue and expenditure estimates and submit them to the Office of Secretary for the province for compilation. The Permanent Secretary of the provincial office, as the budget officer of the province, reviews and corrects the draft budget for submission to the provincial budget committee appointed by the Governor. Application for budget appropriation, after concurrence by the provincial budget committee, is made into a draft ordinance by the Permanent Secretary for submission to the Governor. The draft ordinance is forwarded to the Provincial Council.

Municipal budgeting

Budget preparation for the Municipality starts with the review of the five-year municipal development plan and annual plan. Those projects incorporated in the plans provide the basis for the municipal budget for development, subject to revenue estimates by the Permanent Secretary for Municipality and performance review of the budget execution and operation. Officials of the Municipality prepare budget expenditures, following guidelines prepared by the Municipal Council. The revenue and expenditure estimates are reviewed and concurred also by the Council

2.3 Institutional Development for Rural/Regional Development

(1) National Rural Development Committee

The Thai government, through its successive administrations, has consistently placed emphasis on agriculture and rural development. Agricultural development during 1960s and 1970s pursued product diversification in favor of high value added products and increasing productivity. This has been supported first by rehabilitation and then by an extension of infrastructure, expansion of agricultural land, and improved input utilization as well as development of domestic and international markets. Rural development during this period was seen as complementary to growth-oriented agricultural strategy. It was based on community development and land settlement focusing on economically backward areas.

Agricultural and rural development during this period is characterized first by the dichotomy between agricultural strategy and rural development strategy and second by largely segregated planning and implementation of projects by sector agencies. Integrated or area-wide approach was generally lacking.

The rural emphasis of the Thai Government took the shape of integrated rural development for the first time in the Fifth Five Year Plan (1982-86). The government established a new administrative system for rural development on the nationwide basis. The central institution is the National Rural Development Committee (NRDC; Kor Chor Chor Por) chaired by the Prime Minister. Its original membership consisted of ministers and permanent secretaries of key ministries involved in rural development; i.e., the Ministries of Interior, Education, Agriculture and Cooperatives, and Public Health, with the Secretary of NESDB serving as the secretary. The Ministries of Commerce and Industry were added by the Sixth Five Year Plan.

NRDC initiated special projects focusing on rural areas, which consisted of the Rural Poverty Alleviation Project, the Water Resources Project, the Rural Job Creation Project, and the Development Project under the six ministries. NRDC also formulated policy and strategy for rural development to be initiated at the provincial and local levels. Projects after coordination and screening through development committees at respective levels were approved also by NRDC.

(2) National Rural Development and Decentralization Committee

The scope of responsibilities and authority of NRDC was enlarged in 1992 to cover coordinating functions of private investments in regions. It was renamed the National Rural Development and Decentralization Committee (NRDDC). The main functions of NRDDC are basically the same as those of its predecessor except that the decentralization of development to provinces is explicitly defined in most functions and functions to guide and coordinate activities of the private sector are included.

NRDDC, chaired also by the Prime Minister, has rather extensive membership. It includes seven ministers with portfolios strongly related to rural development (i.e., the Ministers of Finance, Agriculture and Cooperatives, Communications, Interior, Education, Public Health and Industry), as well as representatives of other agencies serving private investors such as the Board of Investment, the Federation of Thai Industries, and the Thai Bankers' Association. Inclusion of the Permanent Secretaries of Interior and Industry is another notable feature, reflecting influential positions of these ministries. The full membership is given in Table 10.2.1.

The large NRDDC membership represents the fragmented nature of the Thai development administration. Lack of representation of the local government in this key rural development organization reflects the superior position of the central government and marginal roles played by the local government.

(3) Decentralization Committee and its Sub-Committees

NRDDC is now more commonly referred to as the Decentralization Committee. This is supported by the following eight Sub-Committees.

- (i) Sub-Committee on Provincial Planning Coordination,**
- (ii) Sub-Committee on Decentralization of Authority,**
- (iii) Sub-Committee on Decentralization of Economic Activities,**
- (iv) Sub-Committee on Decentralization of Social Services,**
- (v) Sub-Committee on Preservation of Natural Resources and Environment,**
- (vi) Sub-Committee on Tambon Development Projects,**
- (vii) Sub-Committee on Rural Development Fund, and**
- (viii) Sub-Committee on Decentralization of Prosperity to the Regions.**

The first Sub-Committee has taken over the provincial planning coordination function of the former NRDC. The last Sub-Committee deals with the decentralization of development administration. Its membership is given in Table 10.2.2.

While the Decentralization Committee itself is primarily for policy coordination, the Sub-Committee on Decentralization of Prosperity to the Regions is its arm to deliberate specific policy measures. So far the Sub-Committee has introduced five main policy measures as follows:

- (i) a measure on incentive for investment promotion - specifically declaring zone 3 as the most privileged area for investors,
- (ii) a measure on credit provision implemented through government financial institutions,
- (iii) a measure to facilitate capital registration and mobilization by investors through deregulation,
- (iv) a measure to set up a Joint-Venture Fund, and
- (v) a measure on coordination with participating agencies for infrastructure development.

In addition, a new system of provincial investment plans was initiated as described in Subsection 2.2.

(4) Eastern Seaboard Development Committee

In addition to the institutional arrangements for rural/regional development throughout the country, area-specific development has taken place especially for the Eastern Seaboard. Most recently the Eastern Seaboard Development Committee was established in November 1992 with the Deputy Prime Minister as the chairperson. The committee consists of the following.

- (i) Deputy Primer Minister as the chairperson;
- (ii) Minister attached to the Prime Minister's Office as a member;
- (iii) Minister of Communications, as a member;
- (iv) Minister of Interior, as a member;
- (v) Minister of Science, Technology and Environment as a member;
- (vi) Minister of Industry, as a member;
- (vii) NESDB Secretary-General as a member and secretary;

- (viii) NESDB Assistant Secretary-General as a member and assistant secretary; and
- (ix) NESDB Director of the Office of the Eastern Seaboard Development as a member and assistant secretary.

The organizational structure of the Eastern Seaboard development program is illustrated in Figure 10.2.2.

2.4 Existing Administrative Structure in Western Seaboard Region

At present the WSB region is not a single administrative or development region. Each of the six provinces in the region has a number of government agencies, which separately carry out their functions in the respective province or beyond. The Governor is the superior official responsible for the overall matters of concern to the province, but he has very limited power over the agencies stationed in the province. These government offices can be classified into three categories, as follows.

Provincial Government Units

These are the field offices of central government agencies, which by law, are members of the provincial government headed by the Governor. The provincial government has some functions to perform with the field offices of central government agencies. Work of the latter is to pass through the Governor, but in practice this function is more of a formality than real supervisory authority. The units in each of the WSB provinces are listed in Table 10.2.3, with their main functions.

Local Government Units

In each province, there is a Provincial Administrative Organization (PAO). The numbers of municipalities and sanitary districts in each province vary according to the area and population sizes of the province. In the WSB region, the following exist.

- | | | |
|-------|-----------------|---|
| (i) | In Kanchanaburi | two municipalities and 25 sanitary districts. |
| (ii) | In Ratchaburi | three municipalities and 20 sanitary districts. |
| (iii) | In Petchaburi | two municipalities and nine sanitary districts. |

- | | | |
|------|-----------------------|--|
| (iv) | In Samut Songkhram | two municipalities and three sanitary districts. |
| (v) | In Prachuap Khirikhan | two municipalities and 13 sanitary districts. |
| (vi) | In Chumphon | two municipalities and 12 sanitary districts. |

In addition, there are in each province a number of Tambon Councils and newly created Tambon Administrative Organizations (TAOs). The former is now being replaced by the latter, with a view to making the latter an autonomous legal entity overseeing a small area with its own budget preparation and work implementation. Municipalities in the WSB region are listed in Table 10.2.4.

Central Government Units

These units report directly to their superiors in the central government. They have few contacts with the Governor. This group includes field or branch offices of the central administration and public enterprises. They have been created to take charge of each project area, research and experiment activities, maintenance and technical support, or regional supervision and auditing. These units existing in the WSB region are listed in Table 10.2.5.

The overall administrative structure found in each of the six WSB provinces is shown in Figure 10.2.3.

The Provincial Development Committee is a part of the coordination machine of the central government for rural development. A set of committees exist at national, provincial, district and tambon levels. The national committee sets broad guidelines and allocates annual sum of budget to support each provincial development.

Above the provinces are a number of functionally regional or subregional offices, whose authorities are given directly by their supervisors in the central government and whose responsibilities cover their own delineating regional boundaries. These units are:

- 10th Irrigation Office at Kanchanaburi,
- 10th Land Development Office at Ratchaburi,
- 10th Cooperative Auditing Office at Petchaburi,
- 10th Western Agricultural Extensions Office at Ratchaburi,
- Accelerated Rural Development Field Operations Center at Prachuap Khirikhan,

**7th Community Development Technical Assistance Center at Petchaburi,
4th Communicable Disease Control Center at Ratchaburi, and
7th Regional Police Bureau at Ratchaburi.**

The proliferation of new agencies makes the administrative system in the WSB provinces more departmentalized and independent of one another. Quite often it is found that their activities do not lend support to each other, even contradictory or inconsistent with one another. Only occasionally do they come to work together.

Chapter 3 ISSUES AND STRATEGY FOR DEVELOPMENT ADMINISTRATION

3.1 *Issues for Improving Development Administration*

(1) Direction for Development Administration in Thailand

There is no doubt that the largely centralized development administration in Thailand has been an essential condition in realizing the high economic performance in the past decades. Even the regional administration represents the deconcentration of central administrative power rather than decentralization as pointed out before. Behind this system is the following typical perception:

"The system is appropriate for the country where people are still not cognizant about self-rule. If the self-government concept is implemented immediately, it is more likely that effects will be detrimental not beneficial to the community. Consequently, regional officials will serve as example for self-government. The system can be gradually modified to allow for more public participation." (OECF, *The Study on the Functions of Local Administration in Thailand, Main Report, March 1994*).

It is also true that the basic policy of the Thai Government for further development of the nation is toward decentralization. In particular, the 8th National Economic and Social Development Plan (1997-2001) places its main emphasis on human and social development for more equitable distribution of economic wealth and restoration of social value as well as preservation of natural resources and the environment. One of the five objectives of the Plan refers specifically to development administration:

"To reform the administrative system in order to increase the opportunity for non-governmental organizations, the private sector, communities, and individuals to participate in national development."

Along the directions clearly set by the 8th Plan, a few issues need to be addressed for improving the existing development administration. The first issue is how to effect local participation in all phases of development from needs identification and project planning to monitoring and evaluation of development implementation and performance. The

second issue is how to ensure individual development efforts to be consistent one another and contribute to the overall goal of national development. The 8th Plan adopts as its implementation strategy an integrated approach as against traditional sector plans. It states as follows:

"The integrated or the holistic approach systematically links all aspects of development and thus will lead to efficient and sustainable development which will make the Thai people benefit from the development more than in the past."

The third issue is how to strengthen the local administration for more effective implementation of development to serve local people without undermining the national integrity. The 8th Plan advocates the area development approach and the location specific management system, which have institutional and organizational implications.

These issues are related to one another and also to other issues. For instance, more active local participation may be an essential condition for strengthening some functions of the local administration. The integrated approach would call for restructuring of the planning and budgeting system naturally involving the local administration. These issues are further discussed, referring to the existing development administration.

(2) Local Participation

Participatory development starts with participation in planning ---- needs identification and project planning. In the existing development administration, development projects may be initiated at the tambon, district (sub-district) and province levels through respective development committees. Within this system, however, local people and communities would not take strong initiatives in project development. First, direct representation of local people is limited in any committee, and second, a committee tends to lapse into a political device for power struggle among government agencies. Local participation in other phases of development, including monitoring and evaluation, is almost totally lacking at present.

(3) Planning and Budgeting System

A prerequisite to consistent project implementation is the presence of some sort of a master plan. The National Economic and Social Development Plan is the prime master plan serving this purpose at the national level. To effect the area development approach as advocated by the 8th Plan, a regional development master plan needs to be prepared for any region of strategic importance, including the WSB region. Such a master plan indicates the direction of long-term development of the region with a vision and provides guidelines for planning and coordinating specific development activities. An action plan is formulated within the master plan for implementation in the immediate future.

Budgeting for development according to the action plan would ensure consistency among individual projects and their contribution to the attainment of objectives for regional development. This is the idea of the planning-programming-budgeting system (PPBS). At present, budget preparation by the PPBS method is adopted only for the Municipality. Provincial budget preparation is control-oriented. This budgeting method tends to be *ad hoc* without a long-term vision. Consistency among projects formulated by various agencies would not be warranted, although duplication of development activities is avoided.

During the Seventh Five Year Plan period, a new system for provincial planning has been initiated. The central government has prepared manuals for preparing provincial investment plans. This is certainly a step toward further decentralization of development administration to provinces. Provincial investment plans prepared mostly by research/consulting institutes, however, do not constitute an effective tool for development budgeting by the PPBS method, although they would provide basic socio-economic data and information useful for investors,

(4) Local Administration and Autonomy

Local administration is the main concept representing the decentralization policy of the Thai Government. It is effected by a set of local governments having certain duties to serve specific requirements of local people. To perform its duties, a local government should have reasonable independence supported by its own financial resources and elected officials.

The financial position of any local government is weak at present. They can levy only four kinds of taxes, i.e., the building and land tax, land development tax, signboard tax,

and animal slaughter tax. In addition, a surcharge is put on certain taxes imposed and collected by the central government and earmarked for use by local governments, and some other taxes are shared by local governments. The income of local governments from these and other own sources is insufficient for them to fulfill their duties. Additional income is provided by grants and subsidies of the central government and from special funds established by the central government or local governments. Local governments suffer also from insufficient technical and administrative capacities. This is partly due to limited financial capacity to recruit necessary personnel. The real issue, however, is how to streamline the system of development administration as a whole to make the limited technical and administrative capacities available at different administrative levels.

3.2 Recent Reforms in Regional/Rural Development Administration

(1) Efforts and Performance at National Level

Efforts for regional/rural development at the national level follow two main approaches - the rural development approach and the regional development approach. Recent activities and performance of these approaches are outlined.

Rural development approach

The rural development program was initiated in 1983 by a former administration. The Decentralization Committee is a main vehicle to implement the program. This committee is still chaired by the Prime Minister. The government retains the following four standing schemes and the corresponding responsible sub-committees:

- (i) Coordination of Provincial Planning Scheme,
- (ii) Supervision of Tambon Development Projects Scheme,
- (iii) Rural Development Fund Scheme, and
- (iv) Decentralization of Prosperity to the Regions.

A brief description of the recent performance of the related sub-committees is presented in Table 10.3.1. The table shows the work process of each decentralization scheme, and the amount of funds presently available in each scheme. It should be noted, however, that one change in policy was introduced in 1996. The allocation of fund to each province for its own spending, which heretofore amounted to between 3,000 - 6,000 million Baht per year, has been terminated. The fund has been transferred to support the

bottom-up tambon projects, while the top-down eight-ministry consortium's budgets are maintained and increased accordingly. The amount of rural development funds has also increased due to the carry-over of undisposed amount from the previous year. The level of funds available for the fourth sub-committee remains the same.

Progress made by the four sub-committees is also presented in Table 10.3.2.

Regional development approach

The Eastern Seaboard Development Project reached its second phase in 1996. A new committee has been appointed to oversee project implementation as well as to initiate supplemental components which will make this area develop at full steam. The Southern Seaboard Development Project, however, hit a snag when the government felt the sea environment at Krabi bay might be badly affected by the construction of seaport and other facilities. As a result, the Thai government ordered a review and remake of environmental impact assessment.

The Trade and Economic Regional Development Projects in cooperation with neighboring countries also advanced slowly. In the South, the Indonesia-Malaysia-Thailand (IMT) Triangle Project has not been implemented although several joint meetings have been held.

Recently, the Office of the National Economic and Social Development Board contracted a consulting firm to prepare a 10-year master plan for the five southernmost provinces. This will provide a new framework for future development of these provinces. NESDB at present has expressed a new interest in preparing the regional development plans for the other border areas in the near future.

(2) Restructuring of Local Administration

Following the recent institution of the Tambon Administrative Organization (TAO) as local administration, an increasing number of Tambon Councils have been elevated to TAO status (Section 1.1, Volume 5: Rural and Urban Development). A critical issue here is the capacity of Tambon Councils and TAOs to manage the affairs of respective tambons, given the increasing scope of work and the duplicating responsibilities. Due to inadequate technical knowledge and weak financial and management capacity, many tambons prefer the dependency on the government.

Given that the Kamnan and the Village Headman operate under the District Officer and his deputies, there is a tendency for the tambon to follow the policy of, and take directives from, the formal channel of command instead of responding to the needs of the people in the tambon. Moreover, although the Tambon Council is responsible for proposing development projects and programs, it does need to meet pre-set conditions as to the types of "permissible" projects/programs that are likely to be approved for a particular year. The rationing of budget among many contending users and the decision-making process in distribution of financial resources are among the explanatory factors for the failure for local governments to influence the direction and pace of local development.

3.3 Institutional Strategy for WSB Development

The Western Seaboard regional development is taking place in the midst of various administrative reforms currently discussed and undertaken to effect further decentralization. The strategy for WSB institutional development should take advantage of these and other expected reforms, but probably should not go too far beyond the existing institutions. The first component of the WSB institutional strategy is:

- (1) to utilize the established system for rural/regional development effectively and to attempt to realize expected reforms in advance.

The WSB regional development should be supported more directly by the private sector than was the case for the Eastern Seaboard development during its early years. In fact, one of the initial motivations for the WSB development was given by the Bang Saphan steel mill project. Thus the second component of the WSB institutional strategy is:

- (2) to maximize roles of the private sector in all phases of the development from planning and investigations to implementation and management.

Success of the WSB regional development program would depend critically on how well local communities and people would be motivated as development actors rather than just recipients of services provided by government-initiated development. The best way to assure this result is to let them participate actively from the beginning in the planning process. Their participation is essential also for monitoring and evaluation. The

increased local participation would also help to complement the limited capacities of local administration. The third component of the WSB institutional strategy is:

- (3) to enhance local participation starting from development planning by a bottom-up approach.

Both the 8th Five Year Plan and the Thailand Vision 2020 place heavy emphasis on social and human development. If the WSB development program should realize in advance expected future reforms in development administration, it would provide a precedent in this important aspect as well. This may be expressed in the fourth component of the WSB institutional strategy as follows:

- (4) to emphasize human development not only as a means to better development management but more importantly as a goal of the development process by itself.

Specific institutional arrangements for development of the WSB region will be proposed in the next section largely in line with these four components of the WSB institutional strategy.

Chapter 4 INSTITUTIONAL ARRANGEMENTS FOR WSB DEVELOPMENT

4.1 Need and Frameworks for WSB Management System

(1) Need for WSB Management System

An effective management system is a key for successful regional development encompassing multiple sectors and involving many actors in both the public and the private sectors. Lessons can be learned from the Eastern Seaboard (ESB) experience to clarify the need for a WSB management system. Although the ESB is considered generally quite successful, the following problems are noted, which would call for a *coherent management system*.

- i) Government activities based on a committee having no legislative status tend to be of a temporary nature, while a long-term project like the Eastern Seaboard (ESB) development program calls for continuity in policy making.
- ii) Many government agencies involved in the ESB development program have their own mandates, which do not necessarily complement one another within the context of area-wide development.
- iii) The Office of the ESB Development Committee (OESB) is a coordinating unit without its own staff; staff seconded from other agencies may not have sufficient motivation to work together for a common goal.
- iv) NESDB is a planning agency, and OESB under the supervision of NESDB has no legal authority to operate the development plan; operating units of various agencies have different capabilities as well as operating rules and procedures of their own.

A coherent management system would be necessary to overcome these problems for integrated planning, coordination, and effective implementation. For this, existing institutions should be streamlined and new institutions established.

(2) Policy Framework

The Thai Government has an established management system for rural (or regional) development. The prime national committee for rural development is now the Decentralization Committee with its sub-committees. The committee sets policies and guidelines for development projects to be initiated at the province and local levels. Projects after coordination and screening through development committees at the respective levels are finally approved by the committee. This established system should be further improved. Directions for improvement are indicated below, in relation to the WSB regional development plan.

First, development of the WSB region should take place in the context of further decentralization. Second, it should be supported by increased local participation in all phases of the development, as well as stronger initiative by private business. Third, the planning and budgeting system should be made more consistent with better coordination between various government agencies. Fourth, to undertake all of the above, the local administration should be strengthened.

A possible management system for development of the WSB region is proposed largely within the established system for rural (or regional) development and under the conditions presented above. The need for a coherent management system for multi-sectoral area development involving many entities, however, does not call for setting up a single organization having all the management functions.

(3) Key Management Functions

There are several management functions that need to be fulfilled for the success of the WSB regional development plan. The following functions relate directly to the public sector management for resource allocation:

- (i) master planning with a long-term development vision,
- (ii) project development reflecting needs of local people and communities,
- (iii) coordination of various development activities by many agencies,
- (iv) smooth and efficient budgeting and budget execution,
- (v) fund management for development budget,
- (vi) fund sourcing for external assistance, and

- (vii) monitoring and evaluation of development implementation and performance.

Additional functions to better guide and support private sector activities are as follows:

- (viii) guidance and administrative servicing for private investors,
- (ix) assistance in financial and organizational arrangements for private investors,
- (x) technical assistance for project development, including environmental protection by private business, and
- (xi) assistance in marketing of project output.

Another function to be fulfilled for both public and private sector activities is (xii) cultivation of public acceptance. These and other functions will be supported by (xiii) data-base development and management, and (xiv) some basic studies to be carried out to generate additional management information.

4.2 Conditions and Alternatives for WSB Management System

(1) Master Plan as Basic Condition

Presence of a master plan is the basic condition for management of the WSB regional development. The master plan would provide an effective tool for planning and coordinating the individual development activities of various agencies, and help also to guide private sector investments and to seek external assistance. An action plan should be prepared within the master plan, which would provide a basis for development budgeting by the PPBS method. The master plan and the action plan would serve also as references for the management of public development funds, and monitoring and evaluation of development implementation and performance.

(2) Early Reforms

The management system for development of the WSB region should be established, capitalizing as much as possible on the existing development administration and introducing some modifications and new elements. The following may constitute conditions to be satisfied:

- (i) Incorporation of Tambon Council into the local administration may be accelerated and more TAOs established and local participation institutionalized at the tambon level; this would strengthen the bottom-up planning mechanism.
- (ii) Provincial budgeting for development may be changed into a planning oriented one by adopting the PPBS; as a prerequisite, a provincial development plans should be prepared in line with the WSB regional development master plan.
- (iii) The annual plan of each province may be compiled by the Provincial Officer or the Governor based on project proposals by tambons and regional government offices prepared according to the guidelines provided by the master plan; this may be the first step toward the decentralization of budget administration to the Governor.
- (iv) The WSB Development Committee just established should be supported by a permanent management office ---- tentatively called the Project Management Unit (PMU) ---- serving as its secretariat and Sub-Committees to be nominated as necessary.
- (v) The PMU may effect its functions through the provincial development committees, the main functions being the following:
 - (a) to review and update the master plan occasionally;
 - (b) to review the programs of line agencies, and coordinate and integrate them for submission to the Decentralization Committee;
 - (c) to identify fund sources for implementation of the programs;
 - (d) to initiate integrated area development and multi-sectoral programs; and
 - (e) to monitor and evaluate the implementation and performance of development programs.

The PMU may develop strong links with the local administration.

(vi) Sub-Committees may deal with such subjects as the following:

- (a) public-private cooperation through BOT, BOO, joint venture and other arrangements;
- (b) marketing and promotion of private investment opportunities;
- (c) urban development including amenity improvement;
- (d) labor relations and management covering immigrant labor; and
- (e) social development.

(vii) The membership of the WSB Development Committee may be expanded to include members from the private sector; sub-committee membership should include representatives of the private sector appropriate to the subject matter.

(3) Alternatives for WSB Management System

The early reforms listed above would call for relatively minor modifications of the existing development administration. The only institution to be newly created is the Project Management Unit (PMU), which would be different from any institution created, for instance, for the Eastern Seaboard in the sense that it would be a permanent management office with its own staff. Initially, the PMU may be established within the existing Central Region Development Center (CRDC) of NESDB. The structure of the WSB management system with this arrangement is illustrated in Figure 10.4.1. This is one possible alternative.

This alternative has a clear disadvantage. For effective coordination at the regional level, the Head of PMU should have an administrative rank equivalent to or higher than a provincial governor. At present, however, even the Director of the NESDB Regional Development Center is ranked lower than a provincial governor. While this alternative has the advantages of easy establishment and small staff requirement as PMU would be based in CRDC of NESDB, the role of PMU would be limited under this alternative.

A more effective setup would be to place the PMU under the direct line of command of the Prime Minister's Office. If similar arrangements were to be made for other regional development projects, a national level organization might be established between the Prime Minister's Office and PMU. It may be called the Regional Development Office. It would perform similar functions as those of the Decentralization Committee but have its own staff.

The third alternative is to establish the PMU as a public corporation. It may be established with the contribution of the private sector to undertake most elements of the expected management system. It may also be a financing agency for private development activities similar to the Industrial Finance Corporation of Thailand (IFCT). It would better be an implementing agency, a development corporation to undertake major development activities including some infrastructure projects. Naturally, the corporation will have to operate under the supervisory control of the government, and perform some management functions for development of the WSB region, supported by some legislative measures.

Many variants of the alternatives presented above may be conceived. It is recommended that the PMU be established first as the governmental entity under a direct line of command of the Prime Minister's Office. For one of the development initiatives, a development corporation may be established with a private sector contribution. Subsequently, more development corporations may be established to take charge of different development initiatives, or the PMU itself may be restructured into a development corporation.

(4) Naming and Jurisdictions

The PMU may be called the WSB Development Management Office (DEMO). Prefixing with Western Seaboard or WSB is desirable to establish identity and also to clearly delineate the jurisdiction.

The development corporation may also have "Western Seaboard" in its name, i.e., Western Seaboard Development Corporation, for its identity, although it will be in charge only of a small designated area. It is recommended, however, that the proposed development corporation take charge of selected development initiatives formulated by the WSB master plan; specifically the Samut Songkhram FTA Development Initiative, the Petchaburi Science City Development Initiative, and the Bang Saphan FTA Development Initiative. If separate development corporations are established for respective initiatives, they may be called the Samut Songkhram Development Corporation, the Science City Development Corporation, and the Bang Saphan Development Corporation.

Specifics of the WSB Development Management Office and the WSB Development Corporation are described in subsequent sections. The setup of the WSB Development

Corporation may have variants, should separate corporations be established for the respective development initiatives.

4.3 WSB Development Management Office

(1) Head

The Head of the Western Seaboard DEMO may be called the Managing Director. This post should have an administrative rank equivalent to or higher than that of a provincial governor (C-10) or regional director of line agencies to facilitate coordination at the regional level. This is quite possible as the DEMO is placed directly under the Prime Minister's Office.

(2) Organization

The Western Seaboard DEMO may have the following four divisions: Program and Investment Division, Development and Planning Division, Monitoring and Evaluation Division, and Communications Division. Other divisions may also be established as the operation of the PMU expands. Its operation may be supervised by the Board of Directors chaired by the Prime Minister.

(3) Stage-wise Development

The Managing Director of the Western Seaboard DEMO may be drawn from either the public or private sector. It is a full-time position to be assumed by a senior regional development planner. Initially, he/she may also assume the directorship of the Development and Planning Division to provide the stronger leadership necessary for these functions as well as to minimize staff requirements. Three more senior staff will be appointed to head the other divisions. Desirable qualifications include financial analysis for the Program and Investment Division, environmental management for the Monitoring and Evaluation Division, and social considerations for the Communication Division. The staff may be drawn from related government agencies but no line of command derived from any government agency should be implied by the nomination. They may be seconded from their respective agencies for a minimum of two years. A limited number of junior experts may be recruited to assist the directors.

(4) Initial Tasks

The Western Seaboard DEMO may initially carry out the following broad tasks:

- (i) To prepare an action program based on the WSB master plan, designating implementing agencies and identifying funding sources; the action program would serve as a basis for preparing an annual development budget;
- (ii) To establish a Project Management System (PMS) by drafting legislative documents necessary for streamlining functions of government agencies and by organizing local support and advisory base;
- (iii) To initiate specific area development and/or multi-sectoral programs through master planning, organizational arrangement, and recommendation of institutional measures necessary for the implementation including those related to investment promotion and land acquisition;
- (iv) To prepare legislative documents necessary for the establishment of the WSB Development Corporation, clarifying its mandates with respect to functions/authority and jurisdictional areas;
- (v) To develop guidelines for the preparation of development and land use plans by local governments and also for the management of development related data; and
- (vi) To launch a communication package to disseminate the WSB master plan proposals and to cultivate public acceptance.

(5) Budgeting and Fund Management with DEMO

The Western Seaboard DEMO would be instrumental for improving the planning and budgeting system at the regional and national levels for the WSB development. Function of the DEMO would be different for various types of projects/programs.

For multi-sectoral projects involving several agencies and inter-provincial projects, the DEMO should take the initiative and prepare project documents in cooperation with related agencies and provinces. In their implementation, the DEMO would function as a coordinating agency. The budget for project implementation may be released directly to different agencies or local governments under the coordination of the DEMO. Monitoring of project implementation and performance would also be undertaken by the DEMO with the cooperation of local governments and communities.

The DEMO should facilitate more effective use of transfers from the central government to local governments, ensuring coordinated implementation of related local projects or project components by different agencies. The coordinating function of the DEMO should be effected mainly through existing committees at different administrative levels. The DEMO may also assist project development by providing technical guidance.

Various livelihood and rural development projects would be implemented with local participation. The DEMO may assist community organizing as a prerequisite for project development. Implementing agencies may utilize NGOs to channel funds to relevant project components. The DEMO may assist these NGOs in making arrangements with the implementing agencies.

4.4 WSB Development Corporation

(1) Heads

The success of the WSB Development Corporation will depend critically on the Chief Executive. He/She should be an active person with strong character, willing to make this executive position a main part of his/her career. He/She should have strong personal connections with key government agencies as well as within the business circle. He/She will be the Chairman of the Board of Directors. A few directors may be appointed by the Government. A few other directors may be initially elected at the first meeting of shareholders.

(2) Organization

Corporate organization will have to allow both the management flexibility of a private company and the supervisory control of the Thai government. The Corporation will be headed by the Chairman of the Board and supported by the Board of Directors and shareholders (Figure 10.4.3). The supervisory control of the government may be effected by a Regional Steering Committee with members from key government agencies. The chairmanship may be assumed alternately by member agencies. The Committee will have authority to approve a master plan and projects prepared by the Corporation for its jurisdiction.

(3) Initial Steps

After the nomination of the Chief Executive Director, the public will be notified to subscribe to the Corporation's shares and other related matters. At the first meeting of shareholders, a few directors may be elected to constitute the Board of Directors together with additional directors to be appointed by the Government. They will prepare the articles of association for the Corporation.

In this initial procedure, the Western Seaboard DEMO will prepare legislative documents necessary for the establishment of the Corporation, the nomination of the Chief Executive and the public subscription for shareholders. Legislative actions necessary for land acquisition may also be initiated by the DEMO. The Managing Director of the DEMO may be a member of the Regional Steering Committee.

(4) Tasks

The Development Corporation will be an implementing agency for development of a designated area. For coordinated and coherent development, the Corporation will first prepare a master plan for the area to be approved by the Regional Steering Committee. Consistency of the area development master plan with the WSB master plan will be ensured through the Western Seaboard DEMO. The Corporation will further prepare within the master plan, a land use plan, an infrastructure development plan, and urban design guidelines for individual developments by using external consultancies if necessary.

The main task of the Corporation will be to undertake development by itself or to participate in joint development. For this task, the Corporation will perform the following functions:

- (i) to acquire and own land;
- (ii) to develop land and infrastructure;
- (iii) to build some facilities; and
- (iv) to own and operate some functions.

The Corporation may sell some plots of land to other developers, which will be developed according to the urban design guidelines. It may make a capital contribution to establish a company to develop some plot or facilities. It may engage in a joint venture with the public sector as well.

The Corporation may sell some plots of land to other developers, which will be developed according to the urban design guidelines. It may make a capital contribution to establish a company to develop some plot or facilities. It may engage in a joint venture with the public sector as well.

4.5 Recommendation for Administrative Reforms

The institutional arrangements for development of the WSB presented above should take place in the midst of administrative reforms carried out at the national level for further decentralization. Most critical levels of local administration where the early reforms are necessary throughout the country are province and tambon. Specifically, the following should be realized as key reforms at the respective levels:

- (i) Decentralization of budget administration to the Governor as the chief executive of the PAO, and
- (ii) Institutionalization of local participation at the tambon level as TAOs are established.

The TAO would be the key local administration to effect participatory development. Better input responding to bottom-up needs should be fed into the planning process at this level. The province would be the key administrative level for effective coordination of project proposals by the tambon and governmental offices at the provincial and district levels.

A regional management office like the Western Seaboard DEMO may be established for any region of strategic importance, where a wider regional perspective, long-term vision, and inter-provincial consideration are essential for the development. Main functions of such a management office are planning and coordination at the regional level.

Direct contribution of the private sector to area development management, as proposed for the WSB Development Corporation, should be introduced in steps. The public-private participation for such an area development initiative represents a new form of incentive measures to promote private sector participation.

Chapter 5 INITIAL STEPS

Following the completion of the WSB master plan, NESDB should prepare a policy document recommending the adoption of the master plan objectives, strategy, and institutional arrangements in principle and requesting approval. The Cabinet should adopt them in principle, with addenda if necessary, as a national policy. Then the Decentralization Committee should be convened to discuss and resolve issues involved in the establishment of the proposed WSB management system in general and the WSB Development Management Office (DEMO) in particular. Legislative measures would be taken as necessary to streamline functions of existing agencies and establish the Western Seaboard DEMO. The Managing Director of the Western Seaboard DEMO would be nominated by the Decentralization Committee and appointed by the Prime Minister.

The Board of Directors would be organized and initially chaired by the Prime Minister to support and supervise the Western Seaboard DEMO. The Managing Director of DEMO would organize it with key staff. The nomination of Division Directors would be subject to approval by the Board.

The Western Seaboard DEMO should prepare legislative documents necessary for the establishment of the WSB Development Corporation, clarifying its mandates with respect to functions/authority and jurisdictional areas. Initially one of development initiatives proposed by the WSB master plan should be taken to define the jurisdiction. Legislative actions necessary for fully acquiring land to be under the jurisdiction of the Development Corporation would also be initiated by the DEMO in a timely manner.

The Western Seaboard DEMO should prepare an action program based on the WSB master plan, designating implementing agencies and identifying funding sources. Those projects with the WSB Development Corporation as the designated implementation agency should be delegated to it for subsequent action. The action program would serve as a basis for preparing an annual development budget. The Development Corporation should prepare a master plan for its designated areas in line with the WSB master plan under the guidance of the DEMO. The Development Corporation would further prepare within the master plan, a land use plan, an infrastructure development plan, and urban design guidelines for individual developments using external consultancy, if necessary.

In parallel with these steps, the master plan proposals should be disseminated widely to facilitate implementation and cultivate public acceptance. The following may be particularly effective:

- (i) implementation of orientation seminars to convey the master plan proposals to a wide range of people such as politicians, local government officials, prospective investors, NGOs, environmentalists and researchers as well as general public;
- (ii) preparation of publicity materials such as brochures and videos;
- (iii) drafting of promotion materials for selected priority projects/programs;
- (iv) launching of a series of TV programs combining video presentations, plan schematics and commentaries by various people; and
- (v) organization of an international donors' meeting and investment promotion committee with public-private cooperation.

These institutional measures may take some time to implement fully. During this period, promotion and implementation of priority projects should not be deferred nor private sector initiatives discouraged. The Decentralization Committee with NESDB as its secretariat should act as a transitional body for the forthcoming Western Seaboard DEMO and the WSB Development Corporation to ensure proper coordination and timely approval of development activities by public and private entities.

Table 10.2.1 Membership of National Rural Development and Decentralization Committee

-
1. Prime Minister, chairperson
 2. Deputy Prime Minister I, vice-chairperson I
 3. Deputy Prime Minister II, vice-chairperson II
 4. Deputy Prime Minister III, vice-chairperson III
 5. Deputy Prime Minister IV, vice-chairperson IV
 6. Minister attached to the Prime Minister's Office, member
 7. Minister of Finance, member
 8. Minister of Agriculture and Cooperatives, member
 9. Minister of Communications, member
 10. Minister of the Interior, member
 11. Minister of Education, member
 12. Minister of Public Health, member
 13. Minister of Industry, member
 14. Secretary-General of the Prime Minister, member
 15. Governor of the Bank of Thailand, member
 16. Permanent Secretary of the Interior, member
 17. Permanent Secretary of the Industry, member
 18. Director of the Budget Bureau, member
 19. Secretary-General of the Board of Investment, member
 20. President of the Board of Trade, member
 21. President of the Federation of Thai Industries, member
 22. President of the Thai Bankers' Association, member
 23. NESDB Secretary-General, member and secretary
 24. NESDB Assistant Secretary-General I, member and assistant secretary
 25. NESDB Assistant Secretary-General II, member and assistant secretary
 26. Representative officer from the Board of Investment, member and assistant secretary.
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Table 10.2.2 Membership of Sub-Committee on Decentralization or Prosperity to the Region

-
1. Minister attached to the Prime Minister's Office, chairperson
 2. Minister of Finance, member
 3. Minister of Communications, member
 4. Minister of Industry, member
 5. Permanent Secretary of the Interior, member
 6. NESDB Secretary-General, member
 7. BOI Secretary-General, member
 8. General Manager of the Industrial Finance Corporation of Thailand (IFCT), member
 9. President of the Board of Trade, member
 10. President of the Federation of Thai Industries, member
 11. President of the Thai Bankers' Association, member
 12. Khun Sivavong Changkasiri (in persona Permanent Secretary of Industry), member
 13. NESDB Assistant Secretary-General I, member and secretary
 14. NESDB Director of Public and Private Coordination Division, member and assistant secretary
 15. BOI Director of Regional Investment Promotion Division, member and assistant secretary.
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Table 10.2.3 Provincial Government Units in Each of Western Seaboard Provinces

Name of the Unit	Superior Unit in the Central Government	Main Functions
1 Office of the Governor	Ministry of the Interior (MOI)	Governor's Secretariat Office and planning staff
2 Local Administration Office	Department of Local Administration, MOI	Supervision of district and local government activities
3 Land Office	Department of Land, MOI	Land survey and registration
4 Community Development Office	Department of Community Development, MOI	Support of self-help community development activities
5 Public Works Office	Department of Public Works, MOI	Construction of provincial roads, bridges, and reservoirs
6 Accelerated Rural Development Office	Office of the Accelerated Rural Development, MOI	Construction of rural roads, bridges, water supply, weirs, and promotion of village cooperatives
7 Police Office	Police Department, MOI	Upkeep of law and order
8 Labor and Social Welfare Office	Ministry of Labor and Social Welfare, (MLSW)	Representative of the Ministry
9 Employment Office	Department of Employment, MLSW	Mediation between employers and employees
10 Public Welfare Office	Department of Public Welfare, MLSW	Delivery of social services
11 Social Security Office	Office of Social Security, MLSW	Administration of Social Security Fund
12 Labor Welfare and Protection Office	Department of Labor Welfare and Protection, MLSW	Inspection and advice on workers' welfare
13 Education Office	Ministry of Education (MOE)	Representative of the Ministry and coordination of education affairs, and promotion of culture and religion
14 Public Health Office	Ministry of Public Health (MOPH)	Representative of the Ministry
15 Industry Office	Ministry of Industry (MOIN)	Representative of the Ministry
16 Land Transportation Office	Department of Land Transportation, Ministry of Transportation (MOT)	Registration and control of vehicles
17 Commerce Office	Ministry of Commerce (MOC)	Representative of the Ministry
18 Agricultural Extensions Office	Department of Agricultural Extensions, MOAC	Promotion of major cropping
19 Livestocks Office	Department of Livestocks, MOAC	Control of livestock diseases
20 Forestry Office	Department of Forestry, MOAC	Registration of timber traders and movement
21 Fishery Office	Department of Fishery, MOAC	Registration and control of fishing boats
22 Cooperatives Office	Department of Cooperative Promotion, MOAC	Promotion and supervision of all kinds of cooperatives
23 Treasury Office	Ministry of Finance (MOF)	Safe deposit and supply of public funds
24 Revenue Office	Department of Revenue, MOF	Collection of revenue
25 Excise Office	Department of Excise, MOF	Collection of excise taxes
26 Public Land Office	Department of Public Land, MOF	Administration of public funds

Table 10.2.4 Municipalities in the Western Seaboard Provinces

Name of Provinces	Name of Municipalities
Kanchanaburi	Muang Kanchanaburi Tambon Tara Prataen
Chumphon	Muang Chumphon Tambon Lang Suan
Prachuap Khirikhan	Muang Prachuap Khirikhan Tambon Hua Hin
Petchaburi	Muang Petchaburi Tambon Cha Am
Ratchaburi	Muang Ratchaburi Muang Ban Pong Muang Photharam
Samut Songkhram	Muang Samut Songkhram Tambon Amphawa

Table 10.2.5 Central Government Units in Each of Western Seaboard Provinces (branches of public enterprises included)

Name of the Unit	Superior Unit in the Central Government	Main Functions
1 Statistics Office	National Statistics Bureau, PO	Collection of statistics
2 City Planning Office	Department of City Planning, MOI	Preparation of city planning
3 Minerals Office	Department of Minerals, MOIN	Control of mining licence
4 Highway Maintenance Unit	Department of Highways, MOT	Maintenance of highways
5 Cooperative Auditing Office	Department of Cooperative Auditing, MOAC	Audit of cooperatives' accounts
6 Labor Skill Development	Department of Labor Skill Development, ML,SW	Training of labor
7 Post and Telegraph Office	Department of Post and Telegraph, MOT	Postal services
8 Electricity Authority Office	Provincial Electricity Authority, MOI	Electricity services
9 Water Supply Office	Provincial Water Supply Authority, MOI	Water supply services
10 Telephone Office	Telephone Organization of Thailand, MOT	Domestic telephone services
11 Telecommunication Office	Telecommunications Authority of Thailand, MOT	International telephone services
12 Harbour Office	Department of Harbour, MOT	Administration of public wharfs and supervision of private wharfs
13 Irrigation Project, Samut Songkhram	Department of Irrigation, MOAC	Operations and maintenance of irrigation canals and facilities
14 Elementary Education Commission	National Elementary Education Commission, MOE	Administration of public elementary education
15 Secondary Education Commission	Department of Secondary Education, MOE	Administration of secondary education
16 Non-Formal Education Center	Department of Non-Formal Education, MOE	Administration of non-formal education center
17 Vocational colleges and schools	Department of Vocational Education, MOE	Administration of vocational education
18 Regional and provincial hospitals	Department of Medical Science, MOPH	Hospital services

Table 10.3.1 Recent Development by Existing Sub-Committees of the Decentralization Committee (Kor Nor Por)

Sub-Committee on Cordination of Provincial Planning	Sub-Committee on Tambon Development Projects	Sub-Committee on Rural Development Fund	Sub-Committee on Decentralization of Prosperity to the
<p>Programs of 8 core-ministries (regular budget) 1996=104,962 million baht</p>	<p>Tambon Development Projects (central budget) 1996=5,000 million baht</p>	<p>Rural Development Fund 1996=250 million baht</p>	<p>Fund for the dispersion of production and employment 1996=800 million baht</p>
<ol style="list-style-type: none"> 1 The sub-committee fixes the ceiling of the funds available consistent with provincial needs 2 The departments/ministries prepare the budget requests 3 The departments administer project implementation 4 The sub-committee supervises and monitors project implementation 	<ol style="list-style-type: none"> 1 The sub-committee determines the ceiling of the fund and the criteria for using the fund 2 The sub-committee's secretariat prepares the budget requests 3 The Tambon Council or Tambon Administrative Organization administers 4 The secretariat of the sub-committee monitors project implementation 	<ol style="list-style-type: none"> 1 The sub-committee sets the policy, the ceiling of the fund available and the criteria 2 The sub-committee secretariat prepares the budget requests 3 The Government Saving Bank handles project implementation 4 The secretariat of the sub-committee monitors project implementation 	<ol style="list-style-type: none"> 1 The sub-committee fixes the ceiling of the fund available and the criteria 2 The secretariat of the sub-committee prepares the budget requests 3 The province/district administers project implementation 4 The secretariat of the sub-committee monitors project implementation

Table 10.3.2 Recent Work of the Newly-Created Sub-Committees of the Decentralization Committee

Sub-Committee on Decentralization of Power	Sub-Committee on Decentralization of Economic Activities	Sub-Committee on Decentralization of Social Services	Sub-Committee on Conservation of Natural Resources and Environment
<ul style="list-style-type: none"> - Preparation of the master plan for local government finance has been completed - Preparation of the improvement plan for provincial efficiency is now underway 	<ul style="list-style-type: none"> - The study on group of province development scheme is being initiated. The Western Seaboard Development Region might be composed of two provincial groups. 	<ul style="list-style-type: none"> - The social service decentralization plan has been approved by the Cabinet 	<ul style="list-style-type: none"> - The draft of a community forest law has been presented to the Cabinet

Figure 10.2.1 Structure of Local Administration in Thailand

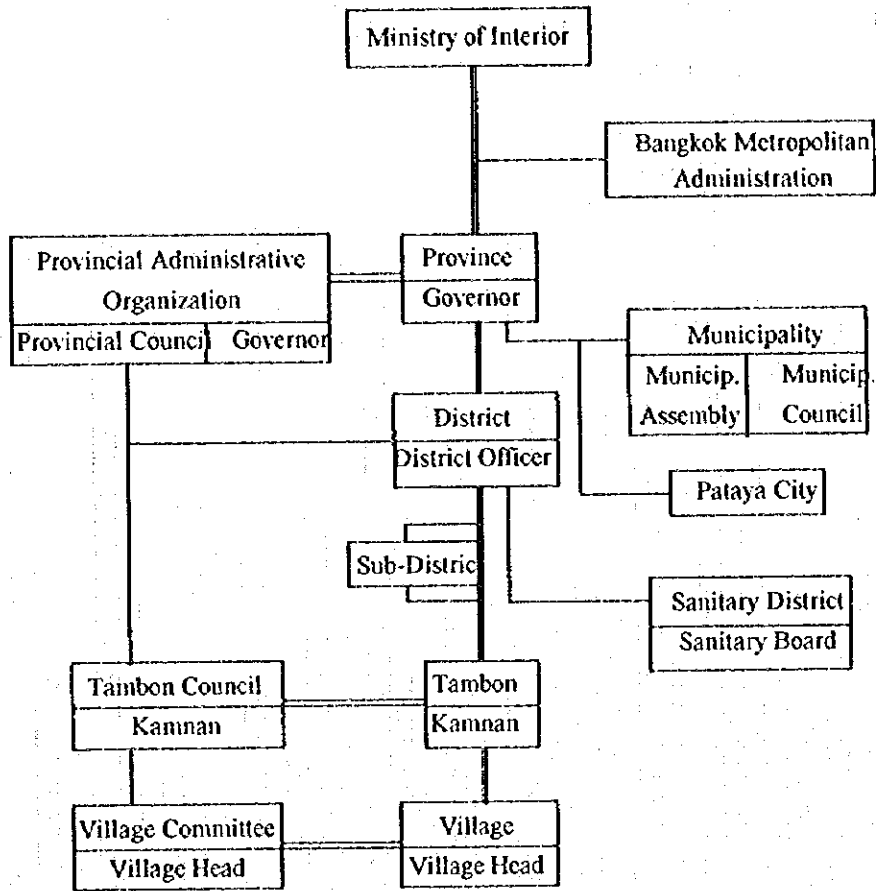


Figure 10.2.2 Organizational Structure of Eastern Seaboard

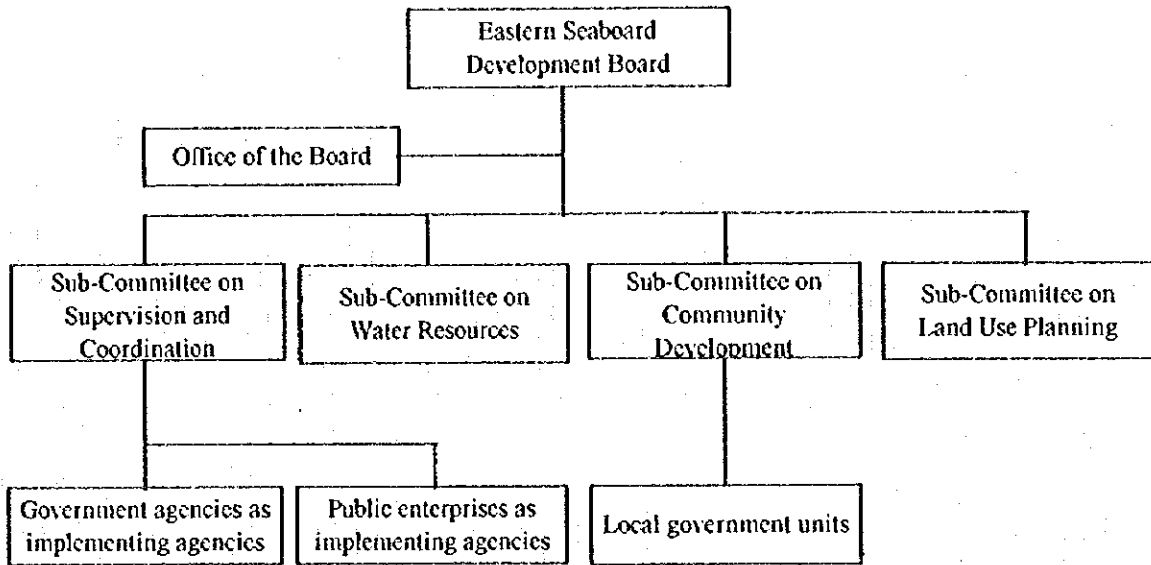


Figure 10.2.3 Overall Administrative Structure in Each of the WSB Provinces

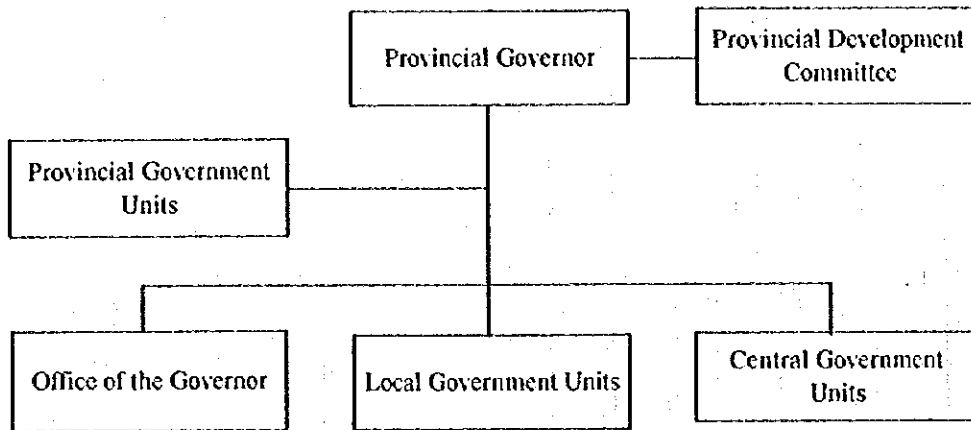


Figure 10.4.1 Possible Project Management System with Project Management Unit (PMU) for Western Seaboard Regional Development

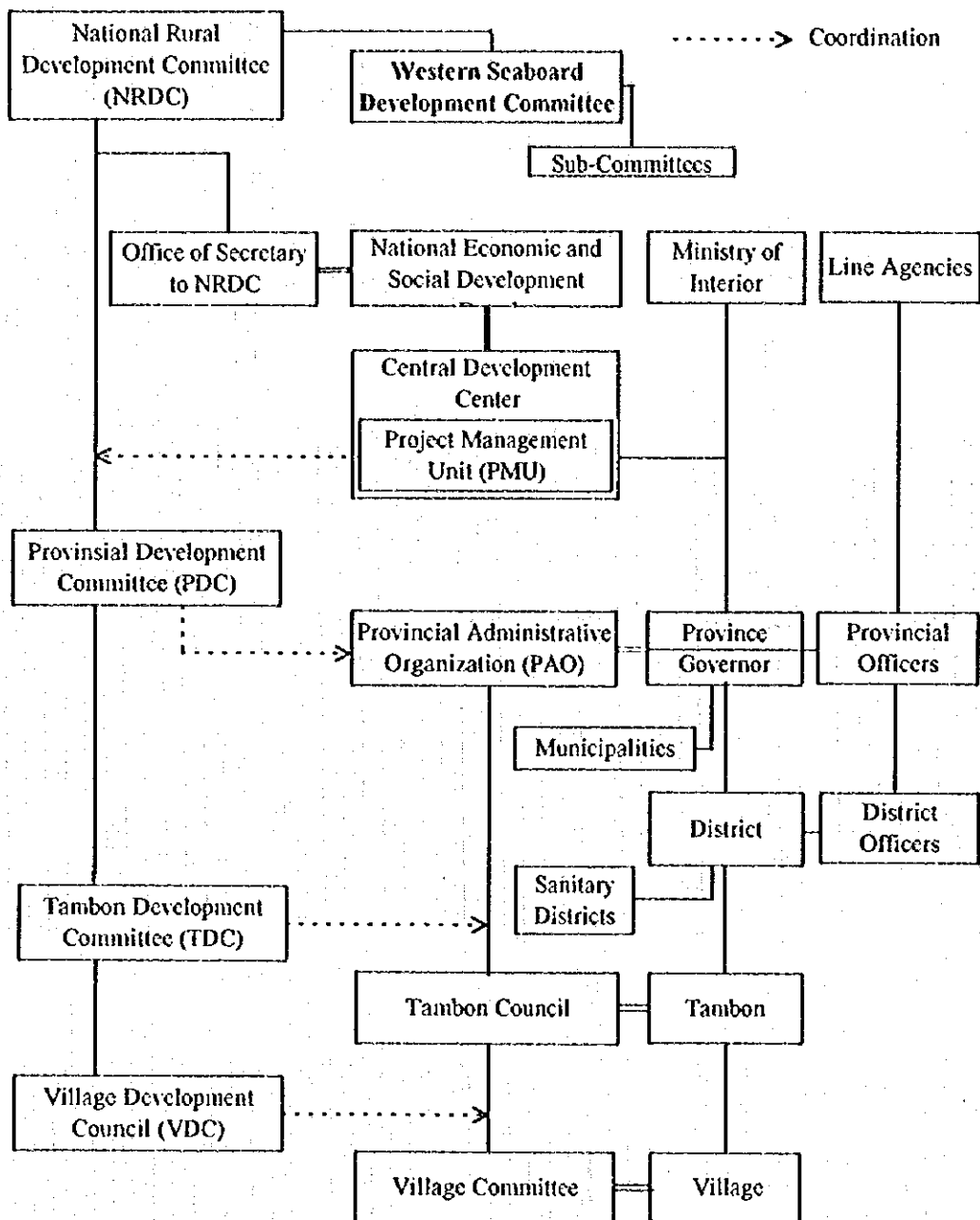


Figure 10.4.2 Organizational Structure of the WSB Development Management Office

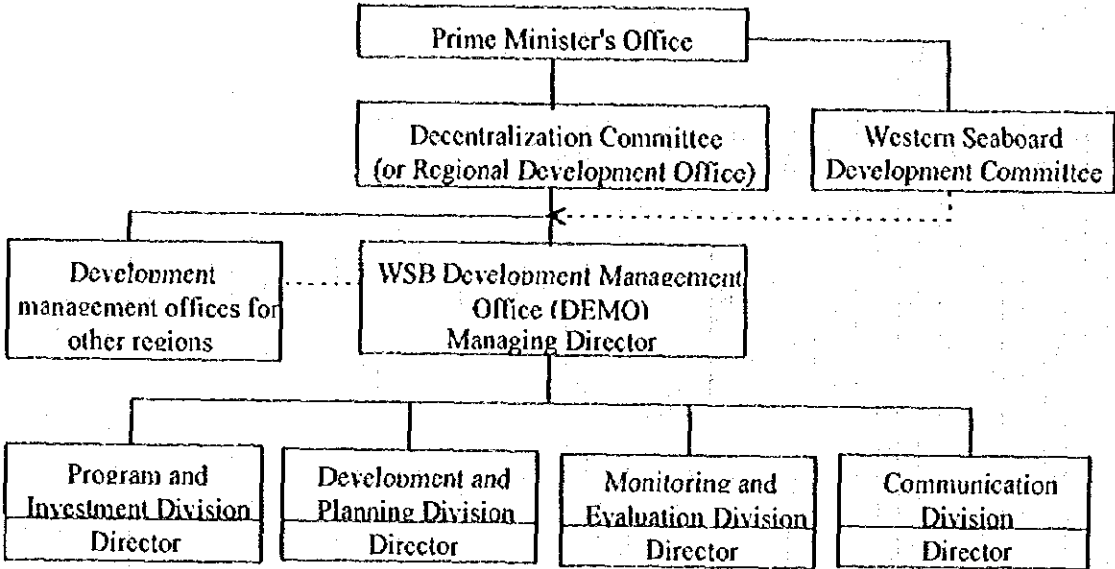
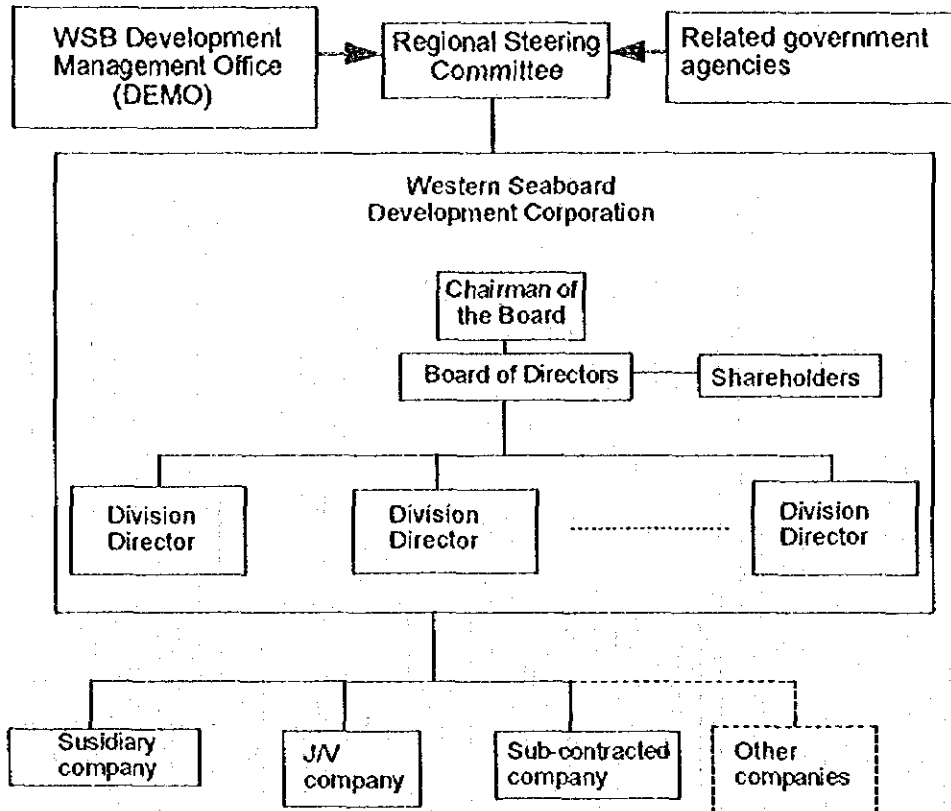
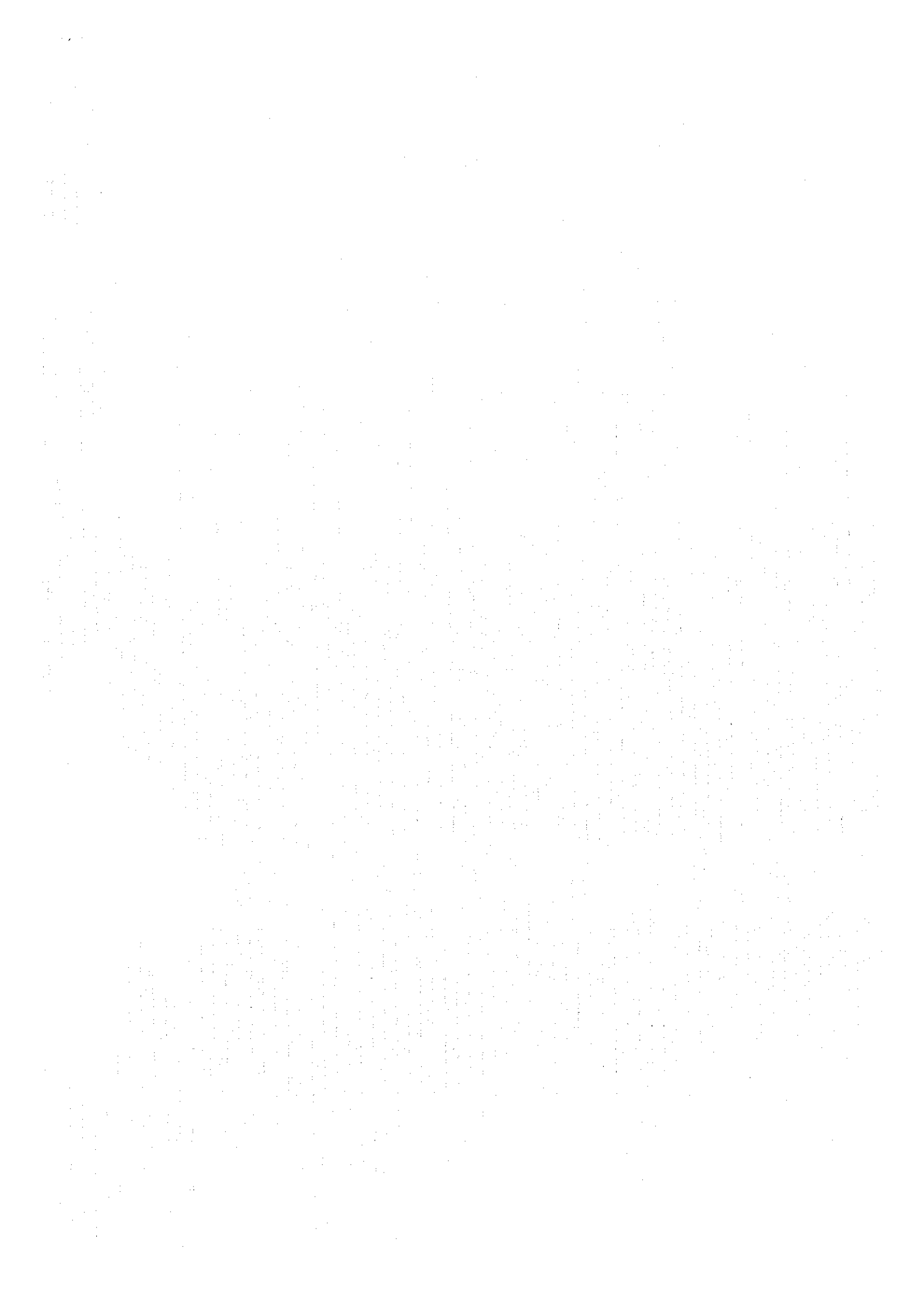
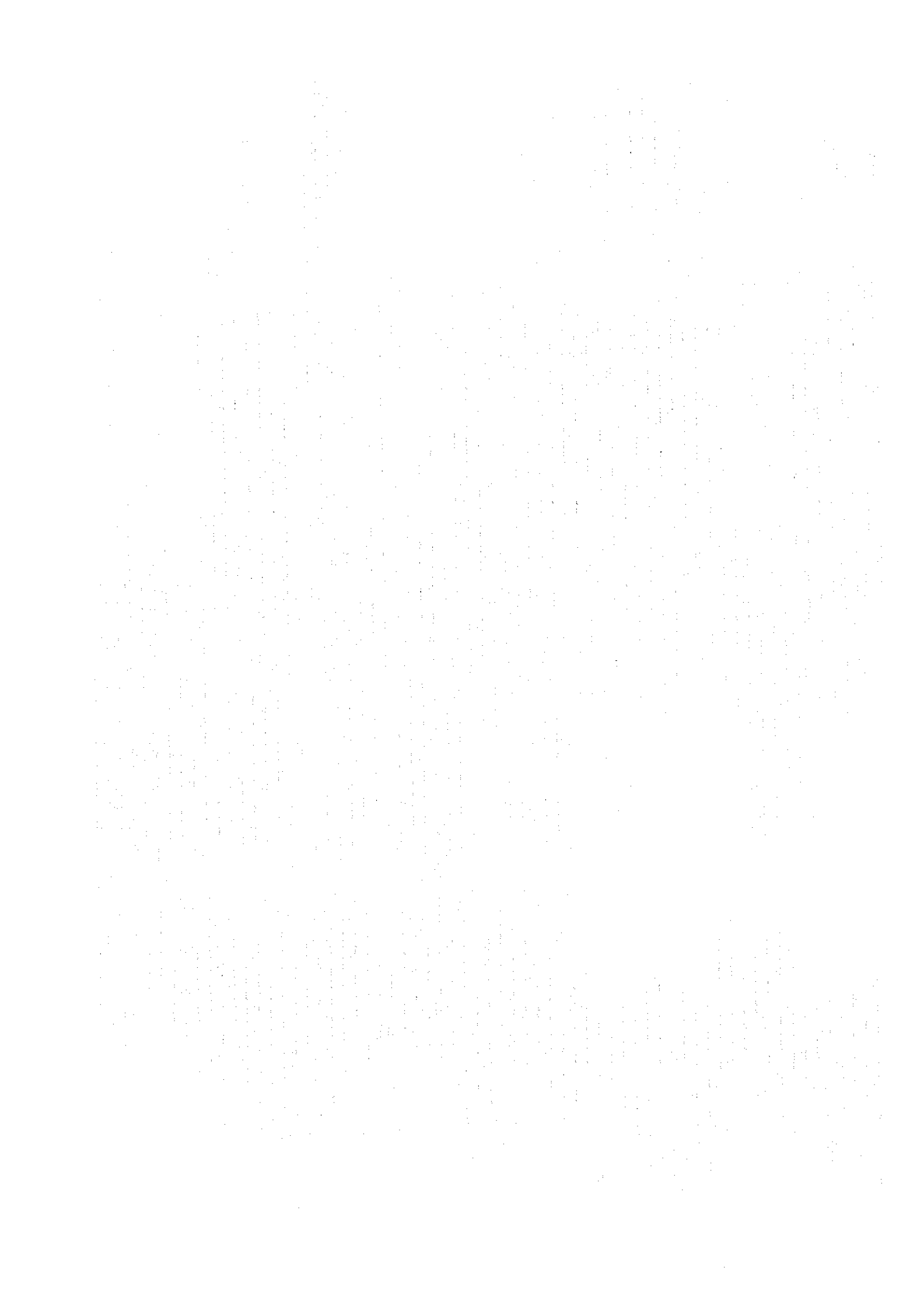


Figure 10.4.3 Organizational Structure of the WSB Development Corporation







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