

Thailand

1. In which areas of structural reforms have the most significant progress been made in your economy in the past five years? Please describe in what way you think the progress has been significant? Any structural reform activity can be included here, and does not necessarily need to be restricted to the five LAISR themes.

Public sector governance has been making significant progress in Thailand in recent years. Prior to December 2008, there was only one classification scheme with 11 grades for ordinary servants. However, in December 2008, this single classification scheme was changed with the implementation of the new Civil Service Act (2008). It aims to introduce modern HRM practice into the Thai civil service with the line ministries being responsible for the implementation of a newly designed structure of the Civil Service Commission. The Act stresses the importance of the merit principle, a focus on performance and on ethical behavior.

New ethical values harmonized with the new orientation of management in public administration are being formulated, with the ultimate goal of yielding a positive impact on public administration. Generally accepted ethical values and principles are incorporated into the code of ethics for public sector officials aiming to advance the national development in the right and sustainable way.

The moral and ethical standards became nation policy that reflected the legal structure of the society, laws and regulations serve as the basis for communicating the minimum obligatory standards and principles of behavior for civil servants.

Moreover, the most significant progress includes the good governance principles. The good governance principles have been specified in the State Administrative Act and have been further reinforced in the Royal Decree on Criteria and Procedures for Good Governance. The Royal Decree comprises of nine sections: (1) the concept of good governance, (2) responsive Public Administration, (3) result-based management, (4) effectiveness and value for money administration, (5) lessening unnecessary steps of work, (6) mission review, (7) convenient and favorable public services, (8) performance evaluation, and (9) miscellaneous section.

The progress in public sector governance has been significant in various ways. Firstly, with regard to the Royal Decree on Good Governance, the Thai government has installed the Results-Based Management (RBM) system which aims to promote efficient and effective implementation. Within the RBM system, a Strategy Map had to be elaborated, comprising vision, mission, strategic issues, objectives and strategies. Moreover, the use of Balanced Scorecard will measure the organization's performance in four dimensions. Key Performance Indicators (KPIs) will be used to evaluate each dimension to meet objectives in conjunction with vision and mission. These tools are used to transform organizational strategies into action and will also be used as the basis for making performance agreement between Ministers and Permanent Secretaries for the further evaluation. Secondly, based upon the principle of putting the customer first, several programs have been launched to streamline the work process for faster action and higher customer satisfaction. For instance, all government agencies were expected to reduce their work processes and achieved cycle-time reduction by 30-50 percent. In addition, a one-stop service called Service Links was established in all ministries and provinces. The Government Counter Services (GCS) further increases convenience by locating

service counters of public agencies that provide basic services (such as identification cards, household certificates, name change certificates, birth and death certificates, and passports) in populated areas, especially shopping complexes and sky-train/subway stations. Thus, all citizens should be able to contact, request information, and apply for permission or approval at a one-stop service center or through the modern e-service facilities. In order to ensure the public service quality for business operations, all government agencies have pushed forward to shorten service delivery time, streamline processes, reduce burden costs, and enhance the business climate. Furthermore, according to the annual survey conducted by the World Bank on the ranking of counties in terms of ease of doing business from starting to closing, Thailand is ranked 12th (of 183 economies) in 2010, moving up from 13th (of 181 economies) in 2009 and 15th (of 178 economies) in 2008.

Finally, opening up the bureaucratic process has been laid out to provide opportunities for public participation. Citizen engagement is seen as an appropriate and necessary part of policy implementation in the democratic system. Public administrators should be held ethically responsible for encouraging the participation of the citizenry in the process of planning and providing public goods and services. Therefore, people are able to monitor and evaluate public performance in order to increase transparency. Concurrently, a Thai government seeks better incorporation of citizens into participatory governance through mechanism called people's audit.

2. Describe examples of successful reforms and lessons learned in your economy in implementing structural reforms in the five LAISR areas. Please indicate relevant websites or other reference material, preferably those written in English.

Public sector Governance

The Ethics Promotion and Information Center (EPIC) was established to improve the human resource management and develop performance with ethical standards for ministries, departments, and provinces. The EPIC has enhanced core values: moral courage, integrity and responsibility, transparency and accountability, nondiscrimination, and result-orientation for civil servants and public service officials, by coordination and networking with the private sector and other institutions. It acts as a center for the coordination of activities relating to the promotion of ethical standard and good governance with five main missions.

- (i) Government policy integration and strategic planning. Formulate strategy, coordinate and integrate government policy related to ethics promotion and anti-corruption efforts for public departments and other agencies.
- (ii) Research and development. Undertake research studies in ethics promotion and anti-corruption efforts coordinate the research and academic studies both domestic and abroad. Serve as an information center for study and gather any information relating to ethics promotion and anti-corruption to disseminate on website.
- (iii) Establishment of ethics promotional networks. Coordinate and cooperate with all involved sectors such as government and private sectors, civil societies and non-government agencies for collaborating in ethics promotion and anti-corruption for clean and transparent government.
- (iv) Training and development. Provide recommendation and advice to the government agencies both central and local levels for ethics promotion training in accordance with

the government policies. Developing training courses for ethics promotion as a tool for expanding the ethical concept and understanding in other areas.

- (v) Enhancing public awareness on ethics promotion and anti-corruption. Create public awareness through activity campaigns and media such as advertisements, published books, DVD, leaflets, posters, and other small symbolic items.

Examples of relevant websites include: <http://www.ocsc.go.th>

3. What in your economy's experience are the keys to the success of reform? (e.g. leadership, institutional framework, communication strategy, consultation process) What are the factors, if any, that impeded reform? What lessons can we learn from your experience?

The keys to the success of structural reform in Thailand are the continuity of policy and the support from leadership. Political leadership is one of an important factor in establish a strong policy and in implementing their recommendations. However, all related participants such as government agencies, private sector, academic and people have played an important role in advancing structural reform. Their contributions include identifying key problems, enhancing transparency of discussions, disseminating information, and making effective and timely recommendations.

4. What are the impacts, both positive and negative, of the reform on the economy and the flow of trade and investment? Please provide data or statistics where available.

The positive impacts of the structural reform on the economy are as follow:

- Create synergy within organization.
- Effectively response to all consumers especially private sector.
- Develop capacity building for public system and government officers.
- Create public participation in government processes.
- Diminish working process and timeliness such as one stop service, decentralization.
- Regularly evaluate working process.

Sixty-six percent of government agencies had decreased steps of service to public which reflected to the decreased in service time and had decreased unnecessary steps of work with the raised in quality of service.

(Source: Annual report, 2009, <http://www.opdc.go.th>)

5. In what ways can APEC better promote structural reform in the region? What would be some possible next steps beyond 2010 based on the achievement of the LAISR process?

APEC should disseminate and enhance members to recognize the important of structural reform as a development tool for improving economic and social aspect within the region. By doing these, APEC should organize seminar or workshop for members to share their experiences and best practices regarding to structural reform. Moreover, disseminate the result from the seminar or workshop in APEC website to better promote structural reform knowledge within the region.

APEC should maintain all five issues of LAISR as a long term development tool to promote trade and investment facilitation within the region. Keep up the achievement by stimulating their economy to do structural reform. Together with five issues of LAISR, APEC should broaden their awareness in social aspect such as social safety net, retrain worker and transfer to prospect industries. This would finally affect to the increase in trade and investment value and volume.