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# Thailand Country Development Partnership for Poverty Analysis and Monitoring

Phase II - November 2003 to December 2005

Monitoring Report

**Joint Report of  
National Economic and Social Development Board (NESDB) and World Bank**



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## Foreword

The eradication of poverty is one of the four pillars of the Ninth National Economic and Social Development Board (2002 –2006). With poverty as a central concern, the Royal Thai Government (RTG) is regularly adjusting its poverty reduction strategy. The World Bank has assisted the RTG to achieve its poverty reduction goals through diagnostic work, technical assistance, workshops and training events. The main platform for this collaboration over the last few years has been the Country Development Partnership on Poverty Analysis and Monitoring (CDP-PAM).

Launched in May 2002, the CDP-PAM is a partnership program between the RTG, with the National Economic and Social Development Board (NESDB) as a main partner, and the World Bank. Other Thai partners include the National Statistical Office (NSO), Sukhothai Thammathirat Open University (STOU), Mahidol University, the National Institute of Development Administration (NIDA), the Local Knowledge Management Institute (LMI) and Thailand Development Research Institute (TDRI). Other international development partners include the United Nations Development Program (UNDP) and United Nation for Economic and Social Cooperation for Asia Pacific (UNESCAP).

Capacity building and technical assistance have been mobilized through grant resource from the Asia-Europe Meeting Trust Fund (ASEM TF). The program itself is based on voluntary and mutual basis. CDP-PAM supports activities in four areas: poverty database; measurement and analysis of poverty, inequality and vulnerability; development of poverty reduction strategies; and poverty monitoring and evaluation.

A successful second phase of CDP-PAM, commenced in November 2003, is coming to an end. This summary report provides an overview and assessment of the activities undertaken during the last two years. The objective of this wrap-up workshop is to evaluate the implemented activities and to draw lessons from CDP-PAM for future policies. While CDP-PAM is facing out, the World Bank and other development partners will built on its achievements and continue their support to the RTG and non-government counterparts in poverty related areas.

We look forward to our continued partnership on poverty reduction.

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The CDP-PAM Steering Committee and the World Bank would like to extend their gratitude to all contributors.

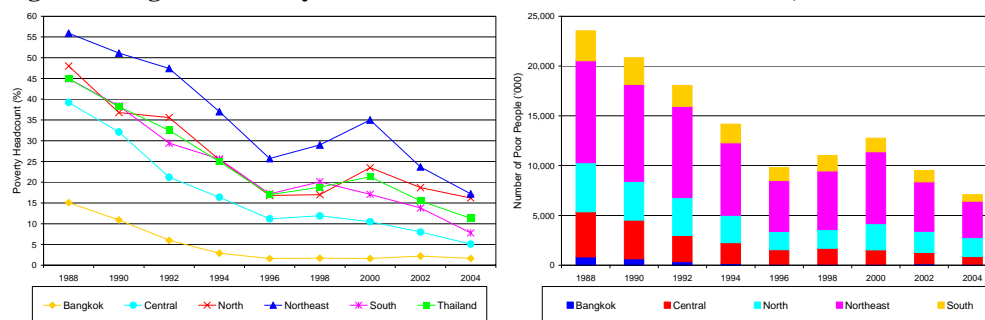
## I. Poverty Reduction in Thailand

**Thailand's record on poverty reduction is impressive.** Using the series of cross-sectional Socio-Economic Surveys (SES), we can trace poverty from 1988 to 2004 at the provincial, regional, and national levels. The national poverty headcount, defined as the share of people living in households with income below the poverty line, fell from 44.9 percent in 1988 to 11.3 percent in 2004 (Figure 1). In spite of population growth and Asian crisis, the number of poor dropped from 23.5 million to 7.1 million over this period. Thailand has already reached its MDG poverty target of halving the poverty headcount between 1990 and 2015.

**The progress in poverty reduction was uneven across regions.** Compared to the 1988 levels, the proportional reduction in poverty was largest in Bangkok, followed by the Center, South, Northeast and North. With poverty falling faster in other regions, poverty becomes more and more concentrated in the Northeast. Just over two in five poor persons lived in the Northeast in 1988, compared to one in three of the total population (Figure 1). The Northeast still accounted for roughly one third of the total population in 2004, but the share of poor had increased to over one in two. This translates into 3.7 million poor living in the Northeast, and 3.4 million in the rest of the country.

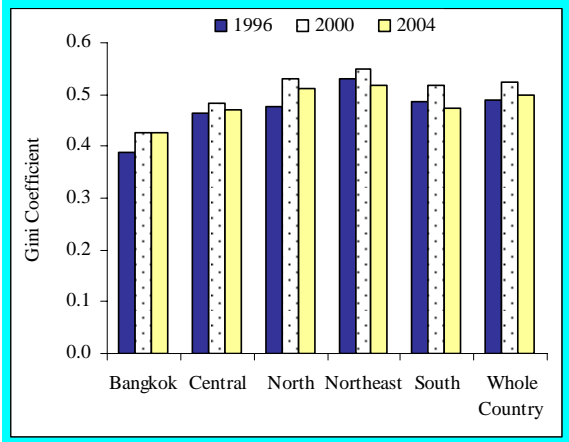
**Variations in living standards within regions are even more pronounced than differences across regions.** For example, the Northeast and the South include the very poorest provinces, but they also comprise provinces in the lowest poverty bracket where the poverty incidence is less than 8 percent. Even within provinces, there are large differences between poor and non-poor communities. Combining household survey data with census data, we can obtain poverty estimates at the tambon level across the whole of Thailand. The 2000 poverty mapping results show that deprivation is concentrated in a relatively small number of tambons. For example, the poorest third (34 percent) of all tambons, and the poorest sixth (16 percent) of all villages and urban blocks, accounted for more than two thirds (70 percent) of all poor in Thailand. Over two thirds (71 percent) of the tambons, and over half of all villages and urban blocks (53 percent), in the Northeast had a poverty incidence at least 50 percent in excess of the national average.

**Figure 1: Regional Poverty Trends: Headcount and Number of Poor, 1988 to 2002**



**While poverty has fallen, there is less progress on reducing income inequality.** The long-standing geographic gaps in well-being lead to large income inequality. The Gini coefficient of income inequality remained over the last decade or so close to 0.50, indicating wide disparities across income groups. Regional differences account only for a small part of overall income inequality, pointing to other factors, such as community infrastructure, geography, and local labor markets as important determinants of inequality.

**Figure 2: Gini Coefficient by Region, 1996 to 2004**



## II. CDP-PAM Framework

**CDP-PAM was launched at an opportune time to support Thailand at a key juncture in the development of its anti-poverty policies.** Poverty alleviation is a central policy priority of the Royal Thai Government (RTG) and one of four pillars of its Ninth National Economic and Social Development Plan (2002-2006). Aiming to eradicate poverty by the end of the decade, RTG has adopted a series of measures to stimulate economic growth in rural areas and improve the lives of the urban poor. In support of the poverty alleviation agenda, the Thai National Economic and Social Development Board (NESDB), the Thai National Statistical Office (NSO), the World Bank, and other donors joined to launch the Country Development Partnership on Poverty Analysis and Monitoring (CDP-PAM) in May 2002, financed mainly by the Asia-Europe Meeting (ASEM) trust fund.

**The partnership evolved in two phases.** The first phase, through October 2003, focused on developing tools to enable the RTG to measure, monitor, and analyze poverty. The second phase, running from November 2003 to December 2005, continued developing these tools and applied these tools to policy issues. A joint approach—with country counterparts, other donors, and the World Bank—underpinned the activities, the management, and the funding of the CDP-PAM. The key strength of the CDP instrument is its voluntary and mutual character. This type of engagement, based on exchange and the sharing of knowledge and experience, broadens the World Bank's philosophy of engagement from assistance to partnership. The most important indicator of success is an achievement of reform milestones, as agreed at the beginning of each phase.

**CDP-PAM serves as a catalyst in the poverty reduction work.** CDP-PAM functions by providing technical assistance and capacity building to alleviate poverty which is NESDB's mandate. Given its limited budget available and limited scope of work CDP-PAM can touch upon, CDP-PAM is considered itself as a catalyst in the poverty reduction work. By bringing in expertise from consultants and putting together knowledge from relate agencies, some necessary activities have been initiated. Activities to be supported under CDP-PAM should meet two selection criteria:

- a) Identified by the government as priority areas with a reform agenda in the poverty reduction area; and
- b) Complement the expertise and ongoing work programs of other development partners.

**The activities are grouped into four components:**

- (i) Developing and improving the poverty data base;
- (ii) Improving techniques on measuring and analyzing poverty, inequality and vulnerability;
- (iii) Strengthening poverty reduction through better policies and programs; and
- (iv) Achieving an effective poverty monitoring and evaluation system.

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**CDP-PAM successfully carried out 11 activities during Phase II, including the 5 pre-committed activities.** Following the practice of Phase I, five activities were identified at the outset of Phase II to serve as tangible benchmarks for evaluating success. All of these activities have been completed successfully:

- (i) Updated poverty maps;
- (ii) Pilot study for panel Socio-Economic Survey;
- (iii) Income Distribution study;
- (iv) Poverty oriented community plan across the country; and
- (v) Finalization of Northeast Economic Development Report

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**The CDP-PAM Steering Committee ensured consistent selection, implementation and monitoring of the activities.** The Steering Committee consisted of representatives from all units and departments involved in CDP-PAM projects. The work of the Steering Committee was supported through a project coordination unit (PCU), consisting of Project Director, Project Deputy Director, Project Manager, Project Coordinator and two assistants, which oversaw the day-to-day progress on the project in various aspects. The Steering Committee performed the following tasks:

- Review the objectives and work programs of the CDP-PAM’s components to ensure its consistency with the government’s overall programs on poverty related areas;
- Provide guidance and suggestion regarding the implementation of the CDP-PAM;
- Approve term of references and workshops for all activities under CDP-PAM as proposed by Project Coordination Unit;

**The partnership was extended to other development partners and institutions.** CDP-PAM encourages partnership with all stakeholders to enhance the implementation of poverty alleviation program. It was structured to draw as much as possible on the skills and expertise of development partners. With NESDB as focal agency, the partnership was extended to the National Statistical Office (NSO), Sukhothai Thammathirat Open University (STOU), Mahidol University, the National Institute of Development Administration (NIDA), the Local Knowledge Management Institute (LMI) and the Thailand Development Research Institution (TDRI). There was also a strong collaboration with international partners in several activities. For example, UNESCAP and UNDP played important roles in organizing expert group meeting on reviewing the methodology of poverty line. UNDP and various UN Agencies also participated in several Millennium Development Goals workshop.

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### III. Activities of Phase II

The second phase of CDP-PAM built on knowledge created in the initial phase to support the RTG's poverty reduction agenda. CDP-PAM connected with activities of Phase II in three ways. First, newly generated information was matched with existing databases to reassess spatial poverty. Second, the improved understanding of the pattern of poverty was used to evaluate the incidence of the government's resource allocation and as an input into evaluating policies for poverty alleviation. Finally, the generated tools and mechanism enabled sharing knowledge and experiences in alleviating poverty. This agenda implied both continuity and linkages of project components from Phase I. Phase II of the project maintained the poverty focus by building on Phase I work in all four areas. Depending on progress made during Phase I, some activities continued into Phase II (Table 1; and Table 2 and Table 3 in the appendix).

All 11 activities of Phase II were completed by December 2005. During 2005 alone, three mid-term monitoring workshops were held (January 27; June 10; and October 21). These events provided an opportunity for project leaders and other stakeholders to exchange experiences about the success and failures of each activity. The appendix summarizes the feedback given during the October workshop

**Table 1: CDP-PAM Activities of Phase I and Phase II**

PHASE I	PHASE II
<b><u>A. Development of Database</u></b>	
1. <i>Poverty Map 2000</i>	1. <i>Poverty Map: Updating and Capacity Building</i>
2. <i>Panel SES: Feasibility Study</i>	2. <i>Panel SES: Pilot Study</i>
	3. <i>District Panel Survey</i>
3. <i>Poverty Database Development for M&amp;E</i>	
4. <i>Village Poverty - Factor Analysis</i>	
<b><u>B. Measurement and Analysis</u></b>	
5. <i>Review of Poverty Line Methodology</i>	
6. <i>Income Distribution: Methodology and Tools</i>	4. <i>Income distribution: Impact of Tax and Labor Market Policies</i>
7. <i>Gender and Poverty</i>	
<b><u>C. Development of Strategies</u></b>	
8. <i>Empirical Study on Poverty</i>	
9. <i>Community Plans: Preparation</i>	5. <i>Community Plans: Implementation</i>
	6. <i>Moving out of Poverty: Growth and Freedom from the Bottom-Up</i>
10. <i>One Stop services: Preparation</i>	7. <i>One Stop Services: Pilot</i>
	8. <i>Northeast Economic Development Report</i>
	9. <i>Capacity Building on Poverty Reduction Strategies (PRS)</i>
<b><u>D. Monitoring and Evaluation</u></b>	
	10. <i>Monitoring and Evaluation Indicators</i>

	for PRS
11. <i>Millennium Development Goals: Preparation</i>	11. Millennium Development Goals: Report Dissemination and Provinces

Note: The activities in *italic* font were identified as benchmarks of success at the outset of each phase.

### **A. Development of the Poverty Database**

**Policy makers need to know the status and determinants of poverty for effective poverty reduction policies.** This includes information on who the poor are, where they live, how they earn their living, and the types of assets they possess. Data should be disaggregated into key dimensions, complemented by qualitative information, and easily accessible.

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**Thailand's poverty database is rich but not without shortcomings.** The most relevant data source for poverty analysis is the socio-economic survey (SES), a household level database conducted every two year by the NSO. It is also complemented by the village- and household-level database from the Ministry of Interior, the NRD2C and BMN. However, although the SES is a reliable data source, its aim is to provide poverty picture at the regional and provincial level. A more disaggregate database is needed to support targeted policies. The findings of the NRD2C and BMN are not fully consistent with result from the SES. There is also no systematic measurement of movement in and out of poverty. Finally, most of the data users are academics, rather than policy makers.

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**To improve policy impact, a better integration of the databases is crucial.** Phase II supported activities that combined the existing poverty databases, ensuring consistency with the revised poverty line definition, and improve the incorporation of dynamic aspects of poverty. The activities will ensure that relevant government agencies build adequate capacity to update the poverty database in the future, as new data becomes available. The decentralization process implies demand by local decision makers for reliable and disaggregated information on living standards and the distribution of wealth. An understanding of poverty and inequality levels at detailed spatial scale is a prerequisite for geographic targeting of interventions aimed at improving welfare levels.<sup>1</sup>

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#### *1. Poverty Map: Updating and Capacity Building*

**A disaggregated poverty database is needed for targeted poverty reduction policies.** Distribution of poverty in Thailand is highly spatial in its nature. Close to 70 percent of the population live in villages, where poverty (19 percent) is far in excess of the national average. In addition, poverty has a sharp regional dimension. For example, the Northeast has a poverty headcount of twice of the national average. The provincial differences in poverty are even greater than the regional differences. While the typical observations of the SES may be enough to calculate poverty estimates at the provincial level with a high degree of precision, a more precise and disaggregated data base is needed to capture the poor at the lower level.

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<sup>1</sup> As part of the division of labor under CDP-PAM, the World Bank Institute (WBI) mobilized funding for NSO to redesign the SES questionnaire to move to a modular structure and extend the information on social sectors. As part of the reform, NSO plans to conduct the SES annually from 2006 onwards with an enlarged sample size of 60,000 households.

**Poverty map assists policy makers in targeting the poor at the lower disaggregated level.**

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Under Phase I, income- and consumption-based poverty maps for the year 2000 were developed. Poverty mapping combines household survey and census data to estimate either income-or consumption-based welfare indicators for small geographic areas such as districts and sub-district. A poverty map can contribute a disaggregated level of information to help policy makers in addressing concerns about regional inequality and lagging regions in a decentralizing fiscal framework, leading to better geographical targeting. The results were disseminated at the national workshop.

**The poverty map, complemented with lists of the poor from NRD2C, can result in better geographic poverty targeting.**

A validation of the poverty map with NRD2C revealed inconsistencies. The numbers of poor villages are different. A good part of the divergence of NRD2C is likely to be due to subjective assessments and inaccuracies in reporting. The poverty mapping work during Phase II updated the spatial poverty estimates to 2002 and 2004 with improved techniques. Cheaper software packages for poverty mapping also improved the sustainability of the project. Poverty mapping techniques require that those who conduct it have a sound knowledge of econometrics and statistics and a good understanding of surveys and the census. NSO, together with NESDB, is the responsible agency. TDRI provided technical support and capacity building to staff from these institutions.

*2. Pilot Study of the Panel Socio-Economic Survey*

**Panel data base can deepen the understanding of the causes of poverty.**

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Currently, the SES provides repeated cross sectional data, so that for each new round a new sample of households is surveyed. This data can be used to study the changes in the levels and patterns of poverty over time at the aggregate level. However, the database itself does not allow for an analysis of individual movements in and out of poverty. In addition, the analyst cannot link changes in the welfare of the households to changes in other characteristics, such as the labor market. Key users of the SES, including the National Economic and Social Development Board (NESDB) and the Thailand Development Research Institute (TDRI) have proposed that the SES be collected as a panel.

**A panel survey improves information on poverty dynamics.**

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The NSO contracted the Institution for Social and Economic Research of Essex in the UK to explore the possibility of implementing panel component in the SES. Panel data follow the same individuals, households, or dwellings over more than one survey. It has two advantages over cross-sectional data. First, they track individuals or households over time. For example, they capture individual movements into or out of poverty (poverty dynamics), and therefore permit the analysis of the factors that underlie mobility. Second, they provide rich information on past events. This allows the analyst to link changes in the welfare of households to changes in other characteristics, such as labor market situation (for example, loss of employment status) or the provision of public services (treatment in health center). Overall, these advantages imply that panel data can shed light on the causes of poverty while cross-sectional data typically only reveals correlates of poverty. The institute suggested that panel data are collected over a 3-year period, following at least 8,000 individuals over time and the panel SES should be established as separate survey from existing SES.

**Although panel is crucial in understanding poverty dynamic, it is also costly to follow the same individuals over time.** Conducting a longitudinal household panel survey is complex, requiring a clear understanding of the implications for sample and survey design, questionnaire design, sample management, data processing, data management, and longitudinal analysis. In a panel survey, having high quality data for research implies systems that ensure high data quality. Given the requirements and complications, the cost of conducting such survey are high.

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**The National Statistical Office and the National Institute of Development Administration conducted jointly a pilot panel survey over three rounds.** Since panel survey is new for Thailand, capacity building for personnel is necessary. An on-the-job training for NSO staff on a panel survey provided them experience in every step of the panel survey method, including questionnaire design, data collection, data editing, and data processing. The results were satisfactory and response rates remained high also during the second and third wave. Due to the successful completion of the panel pilot, NSO is planning to conduct a three-year panel survey of 6,000 households.

### *3. District Panel Survey*

**Panel analysis requires knowledge of new techniques.** This project utilized panel data of Nang Rong district of Buri Ram province to experiment with an analysis of structural and asset changes. It built up knowledge and capacity in managing and analyzing panel data for personnel of NESDB and NSO. The panel data of Nang Rong district was collected by another project which focused on studying the impact of environmental and climate changes on wellbeing of people in the district.

## **B. Measurement and Analysis of Poverty and Inequality**

**Improving knowledge of techniques to measure and analyze poverty and inequality will support the government's efforts to effectively monitor changes in the living standards.** Poverty reduction policies often go through both macro economic and structural instruments aimed at enhancing economic activity and growth. The actual changes in living standards generated by these interventions is complicated by the fundamental difficulty of establishing satisfactory linkages between micro and macro analysis. NESDB is responsible for providing assessments of the impact of policy changes on poverty and inequality, yet it lacks the tools to conduct such analyses. Phase I reviewed Thailand's historic experience on income inequality. The study argued that five interventions (budgetary, monetary, price, minimum wage, and trade and exchange rate policies) affect the income distribution jointly. Phase II followed up with a study on the scope of fiscal and labor market policies to reduce income inequality.

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### *4. Income Distribution in Thailand: Determinants and Impacts*

**Over decades, high income inequality has remained a chronic problem.** Although poverty situation is improving, inequality has remained consistently high. The Gini coefficient of income inequality fluctuated around 0.50. In 1988, the poorest 20 percent of the population received only 4.6 percent of total income. The number declined to 4.2 percent in 2002. At the same time, the 20 richest percent of the population received 56 percent in 2002. While the government regularly measures the extent of inequality, there is little further

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analysis. An in-depth research and analysis of inequality and social welfare is needed to review situation and determinants of inequality in Thailand and to provide policy guidelines to reduce inequality.

**This project discussed which types of fiscal and labor market policies are most conducive to reducing income inequality in Thailand.** There are many interesting findings. First, tax policy is found to be typically an inappropriate instrument. Past studies in Thailand and other countries, point out that the taxation system is generally neutral. While the income tax system is progressive, certain types of income, such as profit earned from the stock market, are income tax exempted. Redistributive policies should instead focus on the expenditure side of the government budget. Labor market policies may be more effective than tax policies to improve the income distribution. For example, active labor market policies can focus directly on employment creation such as training and skill upgrading and supporting labor intensive SMEs.

**C. Development of Poverty Reduction Strategy**

**The ultimate objective of measuring and analyzing poverty is to design more effective strategies.** Although there are many poverty alleviation programs, effective coordination is still lacking. This results in inefficient resource use and slower poverty alleviation. Communities do not have coherent poverty reduction strategies, which reflect their own needs and preferences. Local government capacity is extremely limited, and few personnel have been transferred to the local level. The challenge is to strengthen capacities in the around 8,000 tambons to ensure a better access of the poor to basic social services. Lack of capacity also limits the scope for mutual learning from successes, and failures, of poverty reduction in villages and districts. Most poor communities are located in the Northeast, which is home to almost two out of three poor people. As the crisis revealed, private and informal safety nets were effective but not adequate to cushion the effects of the economic contraction, particularly on the poor. Poverty among certain sub-groups and in certain areas appears to be chronic and resistant to the benefits of growth, posing a possible “structural” dimension to poverty.

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*5. Development of Community Plans*

**Community participation is crucial in poverty alleviation.** Initiation from and participation of local communities are crucial in poverty alleviation at the grass root level. Policies often fail when they are designed top-down and applied universally rather than to target groups. Communications between the poor and the service providers are sometimes deficient and often overlooked, resulting in mis-alignment of politics at the national and local levels. Bringing in the poor to participate in poverty reduction would strengthen process and make it more sustainable.

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**CDP-PAM supported community participatory process through the preparation of community plan.** RTG set the objective of integrating multiple community plans developed independently into a single, community-owned plan focused on poverty reduction. The government allocated about 8,500 million bath to support this process over three-year process. CDP-PAM worked with NESDB to support this development of community plan process during Phase I and Phase II. Ten regional workshops were organized, bringing in various

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stakeholders to prepare guidelines and manuals to be used during the actual process of community plan development. Through these workshops, existing community plans were assessed and those with best practices are adopted. These workshops promote participatory process at all levels and strengthen cooperation across development partners in developing community plans at the targeted sub-district level, with an aim to reduce poverty.

**Results point to many important successes.** First, a network of six development partners was initiated. Second, a concept of community-based project building has been employed in many agencies. Third, new projects and activities were integrated at a policy level. Fourth, rules and regulations were adjusted so that they will support and benefit the cooperation in development planning among various community development organizations and the government. Importantly, this sub-project has turned the tide of development planning to use community plans as major instruments. Clearly, time is needed to allow for learning process, understanding, and people participation in the planning.

#### *6. Moving Out of Poverty*

**Moving out of poverty (MOP) is a study conducted under the same framework as 30 other countries worldwide.** It aims to understand factors that unleash the economic potential of the poor and support the transition out of poverty. The study allows stakeholders to understand the dynamic of chronic poverty in Thailand. The Thailand MOP team hosted an international workshop in Bangkok to agree on the methodology and launch the preparation of these studies. This mixed-method study on long-term movements in and out of poverty provided capacity building in both quantitative and qualitative research for the personnel of the NESDB and NSO.

**The Thailand MOP study shows that the poor in different communities do not always share the same experience.** The sample of the survey came from forty villages in four provinces. One province was selected from provinces that recorded high growth and high income inequality. Another was selected from provinces recorded high growth but low income inequality. Two other provinces were selected from provinces that recorded low economic growth, and had high or low income inequality. Results indicate that each community had their own definition for poverty. Poverty could be defined by qualitative factors such as being workers, landless, small land holding farmers, dry land holding farmers, indebted, and unrecognized by other community members. Causes are being uneducated, family burdens, living in a broken family, drug or gambling addiction, and being unenthusiastic as well as despair. Despite different definitions, grass root people believe that their own poverty lines are relatively higher than the average official poverty lines of the NESDB. Thus, there is a tendency that communities have higher estimates of poverty incidence than official sources.

#### *7. Piloting One Stop Services for Communities*

**Informal safety net should be complemented by a formal system.** Thai society placed a high value on close community and family ties, resulting in a strong informal safety net. The reliance of the informal safety net and support from the community and family were major forms of assistance during the crisis. The crisis also revealed that informal system was not sufficient. A formal system would help individuals and communities to better manage risks.

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In the past, components of a formal safety net have been fragmented and not well targeted. Further, there is no early warning system. RTG aims to develop a more balanced strategy which places adequate emphasis on public mechanisms to complement family and community based coping strategies.

**One-stop-services are a formal system managed by the community.** The Ninth Plan emphasizes the development of measures to improve the efficiency of social safety net program so that the poor and the disadvantaged are protected and become self-reliant in the long run. NESDB, in collaboration with CDP-PAM, developed a pilot program for one-stop-services at five pilot communities. In Phase I, the study investigated the capacity of communities to deliver its own social safety net. Phase II implemented a pilot project of one-stop social service access in five communities. The results show that there are many factors determining the capability of communities in managing a social protection system. There is the presence of change agents and leaders with diversified background in gender, age, education and occupation. Compromise in steps of operation and practice is needed to make models suitable and acceptable to local people.

8. Northeast Economic Development Report

**Using new data sources, the NEED aimed to better understand the factors influencing the economic development of the Northeast and to propose measures supporting balanced growth.** NEED was a collaborative effort between the World Bank and the Northeast Office of NESDB. Its steering committee includes representatives of concerned regional and provincial government agencies. It has three main objectives:

- Raise the profile of regional development issues in the context of Thailand's development strategy, in terms of their importance for both reaching national targets (such as the eradication of poverty) and addressing regional inequities.
- Provide recommendations for a Northeast development strategy on its economic and social rationale; and the balance between sectoral (agribusiness) and cross-sectoral (education, labor, public expenditure) issues.
- Foster institutional development and capacity building in our counterpart agencies for greater ownership and sustainability of the analysis and results.

**The NEED report argues that firms will only invest in the Northeast if resources, business climate and markets are as or more favorable for their products than in other regions.** Economic development of the Northeast is connected to economic development in the country as a whole. Thailand has also thus far connected with its neighbors through Bangkok. While this has worked well for the country in general, this strategy may now have become a constraint for Northeast growth. The time may be right to augment the strong regional links through Bangkok and proximate areas with equally strong sub-regional international links through other parts of Thailand, especially the Northeast. But the success of these shifts in strategy in helping Northeast living standards converge with those of other Thai regions will depend on how well-prepared the *Isan* population is to compete. Fostering such a conducive climate will require government actions to upgrade services and institutions centered on three pillars: Thailand, the poor and the Greater Mekong Sub-region.

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## 9. Capacity Building for Poverty Reduction Strategies

**This project focused on capacity building of NESDB personnel in participatory methods for poverty reduction strategies.** The field work aimed to understand the success stories of a number of communities that employed a participatory approach for development. This activity has assisted the personnel in working horizontally and turning policies into practice. The field work also provided important basic knowledge on success factors. They can be divided into internal and external factors. The internal factors are natural leadership, traditional knowledge, a common goal, community unity, as well as educational background, health status, and the economic status of people in the community. The external factors consist of support from outside agencies in government, civil society, academia, as well as access to data and funding.

### **D. Poverty Monitoring and Evaluation System**

**Effective outcome monitoring will enable the assessment of progress made toward poverty reduction goals.** A poverty monitoring system is needed to track key indicators over time and space and see whether they change as a result of poverty reduction strategy while the impact evaluation of selected projects and programs help to determine the extent of which improvements in outcome are due to specific public actions. Monitoring and evaluation systems are necessary in order to assess whether a poverty reduction strategy is effective in reducing poverty. Systematic monitoring and evaluating of progress, which would allow experience to be gained on the relationship between actions and outcomes, is a crucial element of successful implementation.

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**Dissemination of evaluation is also necessary.** Dissemination of results is critical for usage. Results that are not widely disseminated, through mechanisms tailored to different groups in civil society, will not be used, and the resources that were spent in getting such results will be wasted. Non-governmental actors – be they research institutions, civil society organizations, special-interest and advocacy groups, or others – have an important role to play in the design of the monitoring and evaluation system, in actually carrying out monitoring and evaluation activities, and in using the results.

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**Monitoring progress of poverty reduction in Thailand requires institutionalizing a system of data collection, analysis and reporting.** Monitoring and evaluation systems enable the government to assess whether a poverty reduction strategy is effective in reducing poverty. Monitoring concerns the issue of measuring the progress towards poverty reduction goals. Given the multi-dimensional nature of poverty and the commitment to the Millennium Development Goals, this requires monitoring both consumption-based poverty and other dimensions of well-being, like access to basic services (such as education, health, safe drinking water). Apart from monitoring, the evaluation of specific policies and programs determines is essential to assess the extent to which improvements in outcomes are due to those public actions.

## 10. Millennium Development Goals

**As part of agreement made during the millennium declaration, Thailand committed to preparing a MDG-Report.** This report updates every five years the status of 48 MDG indicators on poverty, education, health, gender, environment, and international collaboration. During Phase I, CDP-PAM supported the preparation of the first MDG-R. In national workshops, participants agreed on targets and indicators, localized to suite current policies and existing indicators. These indicators are to be monitored over time, resulting in the establishment of proper monitoring system. Given that Thailand has met most of targets and indicators, the concept of MDG-Plus has been introduced. Under MDG-Plus, more ambitious localized indicators with expanded coverage and quality will be monitored. For example, the 3<sup>rd</sup> MDG is to ensure that by 2015, there will be universal primary education for both boys and girls. Thailand has already achieved this target. The MDG-Plus expanded the target to the achievement of secondary education. MDG-Plus indicators were selected through the consensus of workshop participants. Currently, 23 MDGs Plus indicators have been identified.

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**Although nationally many targets have been achieved, there are disparities at the provincial level.** In close collaboration with NESDB and UNDP, Phase II supported the dissemination of the MDG-Report as well as the development of pilot provincial-level MDG-Rs in Mae Hong Son and Nakhon Phanom.

## 11. Monitoring and Evaluation of Poverty Reduction Strategies

**The 9<sup>th</sup> National Economics and Social Development Plan and action plan of Poverty Eradication Center identified five poverty alleviation strategies.** This project aimed to lay down a framework for identifying key indices for the monitoring and evaluation of the five strategies and to build up capacity of relevant personnel. It consisted of 6 activities: 1) the development of key indices for the monitoring and evaluation of the strategies, 2) monitoring and evaluation of turning the strategies into practice, 3) data collection and processing, 4) development of poverty database, 5) monitoring and evaluation of community level poverty alleviation, and 6) training for personnel of the NESDB in utilizing the poverty database. A major output are the key indices for the monitoring and evaluation of poverty alleviation strategies. These indices are based on the concept of the poor, learning process and development process, and resource allocation. Another output is a strategic map for poverty alleviation that contains 18 categories of indices and 26 indices. This includes the Gini index of income inequality, educational level, employment status, increasing income and savings, reducing expenditure and debt, living in good housing conditions, being in good health, and having access to natural resources, fund for investment and social protection, as well as good public management, a poverty database, and poverty alleviation plans at the community level.

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#### IV. Outcomes and Impact

**CDP-PAM generated knowledge, developed tools, initiated learning experiences, and provided technical assistance with the objective of reducing poverty.** It offered seed money with the goal of having the RTG carry activities further and adopt poverty-reducing interventions on a broader scale. CDP-PAM created impact through knowledge sharing and collaboration. Through its nature, CDP-PAM has development impact in three ways. First, through technical assistance provided and workshops organized, CDP-PAM has provided an updated knowledge and techniques on poverty such as methodology for poverty map and panel SES. Second, by disseminating sound data, analysis, monitoring, and evaluation, CDP-PAM raised the profile of the poverty issue in the policy debate in Thailand and contributed to raising the quality of policy discussions. For example, the development of a poverty map for Thailand will be a key input in promoting a greater focus on overcoming the long-term poverty in the Northeast. Third, through workshops and seminars, CDP-PAM enhanced coordination across different agencies, including policy makers in poverty related areas to share knowledge and experiences in alleviating poverty and also created an enabling environment for them to work together in integrative way. For example, the process of the preparation of the MDG-Report brought in not only line ministries, but also international organizations to review and select appropriated indicators for Thailand.

**Progress on outcomes has been made in a number of areas, as illustrated by these examples:**

- Although the Ninth National Plan emphasizes a participatory approach to poverty reduction, few of the around 8,000 Thai communities (tambons) had developed community-based poverty reduction plans. In a first stage of CDP-PAM, a manual was developed to help local communities develop their own poverty reduction plans, supported by training workshops for trainers on how to use it. The second stage used funding from NESDB for the preparation of community-level plans, with the target that all communities have developed their own poverty reduction strategies by end 2005.
- Poverty is concentrated in the Northeast region of the country, where 60 percent of the country's poor live and where most of the progress will be needed to reach the RTG's goal of eradicating poverty by 2009. Through a Northeast Development Report (NEED), the Northeast office of NESDB (NEESO) and the World Bank offered a systematic, policy-oriented analysis of Northeast economic development and drew lessons for balanced regional growth in Thailand. The collaboration included a participatory value-chain analysis of rice and silk. NESDB funded independently a special training workshop on value-chain analysis conducted by the international experts for the NEED value chain work. The capacity building enabled NESDB to conduct similar analyses for other sectors and regions.
- Poverty is a dynamic issue and data quality is critical. CDP-PAM has brought in international expertise to train the Thai National Institute of Development Administration (NIDA) to develop a pilot panel survey, tracing poor individuals over time in a few hundred households. Due to the successful completion of the pilot survey, NSO is planning to implement a three-round panel survey of 6,000 households.

- The new poverty line, developed during Phase I of CDP-PAM, was officially adopted in April 2005. It is used as key indicator for progress on poverty eradication in the 2005 to 2008 Public Affairs Management Plan (PAMP). The Plan was approved by the Cabinet and published in the Royal Gazette on April 12, 2005.
- The poverty data base will also be improved in another aspect. NSO has approved the redesign of the SES as integrated modular household survey with additional information on social outcomes. The sample size will increase from around 40,000 to 60,000 households, and the survey will be conducted annually.
- Going beyond the standard MDG goals that are well within reach for Thailand, the NESDB, in partnership with the UN Country Team including the World Bank, has finalized the Millennium Development report for Thailand. It introduces the concept of MDG-Plus, a set of more ambitious and country-specific targets going beyond the international goals agreed upon at the Millennium Summit. MDG-Plus also includes new indicators for more sophisticated and comprehensive monitoring of progress. For example, having already met the MDG target of halving the proportion of people living in poverty, Thailand sets an MDG-Plus target of reducing poverty to below 4 percent by as early as 2009. Thailand has also set MDG-Plus targets for education, health, gender equality, and environment.
- Monitoring and evaluation is also critical for the success of the poverty reduction strategy underpinning the 9<sup>th</sup> National Economic Development Plan. CDP-PAM identified 26 indices for the five sub-strategies of poverty reduction and assisted in building up capacity of government staff on the use of these indices.

**Three and a half years of experience with CDP-PAM implementation suggests the following success factors for impact on poverty reduction:**

- ***Building capacity and creating ownership in a balanced way.*** Creating ownership enhances the likelihood of having an impact, but it is important to get the ownership balance right. The RTG insisted on an institutional structure and process for the CDP that mirrored the functioning of Thai institutions. The steering committee formed by the NESDB and the NSO met periodically and approved all steps taken by the team. While this approach increased transaction costs and prolonged the process, it paid off in terms of client ownership, capacity building, and mutual learning.
- ***The programmatic approach.*** Developing a common understanding among partners on objectives and a common framework right from the outset is essential for maintaining focus and having impact in the longer run.
- ***The team.*** Having a close ongoing collaboration on the ground is critical, as is a good skill mix within the team and a supportive management.
- ***Top-level government commitment.*** Ultimately, the policy impact of better monitoring and evaluation depends on commitment of the policy makers to the poverty reduction agenda.
- ***Sustainability.*** The face of poverty is evolving over time. The principle challenge of capacity building is to make sure that institutional learning takes place. This enables the government to respond to future challenges with adequate policies and programs, even if the nature of the problems has changed.

## V. Appendix

### A. Stakeholder Feedback

The October 2005 workshop provided an opportunity for project leaders and other stakeholders to comment on the successes and failures of CDP-PAM. Here is a brief summary of the main findings:

#### *Strengths*

- CDP-PAM is an important instrument to help empowering poor people.
- The project covers more dimensions of poverty than previous studies.
- It has contributed to raising the capacity of government agencies.
- Poverty mapping will be a useful tool for targeting of resources.
- The household panel will improve the quality of quantitative analysis.
- The participatory work will improve the understanding of qualitative aspects of poverty.
- Reviewing fiscal and regional aspects of poverty filled an important knowledge gap.
- The project acknowledges the importance of social protection systems.

#### *Suggestions for future work*

- There is still no consensus on the meaning and characteristics of poverty. The poverty registration system is based on a different definition of poverty than the official poverty line. Each community has their own definition of poverty, and community perceptions on changes in poverty can differ from trends in official statistics.
- The available poverty database still has a number of weaknesses. It lacks information on migration and income remittances as well as cultural factors.
- Poor people often lack the trust, confidence, and opportunity to approach government agencies. This limits the effectiveness of targeting.
- Economic development changes the face of poverty. Information on the likely profile of tomorrow's poor is lacking.
- Government officials require more capacity building in understanding the causes of poverty.
- Government budget allocations do not correspond with the degree of poverty in local areas.
- Poverty is not only affected by social safety programs. Regional development programs can play an important role, but have to take into account the cost of depletion of natural resources.
- Poverty reduction policies should learn both from stories of success and failure.
- More work is required to understand how to leverage social capital for poverty reduction.
- New poverty is visible in peri-urban areas, where communities are not sufficiently united.
- While poverty may have fallen, income inequality remains stubbornly high.

## **B. Summary Sheets of Phase II Activities**

### *Poverty Map: Updating and Capacity Building*

<b>1. Activity</b>	Poverty Map: Updating and Capacity Building (Phase II)
<b>2. Responsible Agency</b>	The National Statistical Office (NSO)
<b>3. Project Manager</b>	Ms.Ruamporn Sirirattrakul
<b>4. Consultant</b>	Dr. Somchai Jitsuchon (TDRI)
<b>5. Budget</b>	US\$ 40,327
<b>6. Disbursement Amount</b>	US\$ 29,580
<b>7. Starting Date</b>	September 2004
<b>8. Ending Date</b>	July 2005
<b>9. Objective</b>	<ul style="list-style-type: none"><li>- To achieve a more disaggregated data related to poverty by combining household survey and census database to capture the spatial distribution of poverty and inequality.</li><li>- To build capacity for the NSO and NESDB staff to conduct poverty map.</li></ul>
<b>10. Project results</b>	<ul style="list-style-type: none"><li>- Training for NSO and NESDB officials on knowledge and skills to conduct poverty mapping</li><li>- The 2002 Thai poverty mapping provide results of poverty index and income distribution (income and consumption) by changwat, district, tambon, and village as follows; The average of income and consumption per person per month, Head-Count Ratio, Poverty Gap, Poverty Severity, Gini Coefficients.</li><li>- Poverty mapping results can be used to support the poverty reduction policy. The government will know the poverty locations and level to design the development projects which serves the objectives of the program.</li></ul>

*Panel SES: Pilot Study*

<b>1. Activity</b>	Panel SES: Pilot Study (Phase II)
<b>2. Responsible Agency</b>	The National Statistical Office (NSO)
<b>3. Project Manager</b>	Ms. Chalermkwun Jiemprachanarakorn
<b>4. Consultant</b>	Center of poverty studies (NIDA); and Ms. Heather Laurie (ISER)
<b>5. Budget</b>	US\$ 68,188
<b>6. Disbursement Amount</b>	US\$ 42,830
<b>7. Starting Date</b>	April 2004
<b>8. Ending Date</b>	July 2005
<b>9. Objective</b>	<ul style="list-style-type: none"><li>- To find more longitudinal information on these households, to see the patterns, speed, and tempo of changes in socio-economic characteristics of Thai households and population, especially those characteristics that are associated with the ways the Thai people earn their living, spend and save parts of their income.</li><li>- To assist the NSO in implementing panel component in the SES within five pilot provinces.</li></ul>
<b>10. Project results</b>	<ul style="list-style-type: none"><li>- A report on panel component in the Socio-economic survey (SES).</li><li>- A manual and questionnaire with panel component in the SES.</li><li>- Workshops and training for NSO and NESDB staff.</li></ul>

*Empirical Study of Households' Socio-economic Status from Nang Rong Database*

<b>1. Activity</b>	Empirical Study of Households' Socio-economic Status from Nang Rong Database
<b>2. Responsible Agency</b>	NESDB
<b>3. Project Manager</b>	Mr. Wanchat Suwankitti
<b>4. Budget</b>	US\$ 15,000
<b>5. Disbursement Amount</b>	US\$ 13,463
<b>6. Starting Date</b>	February 2005
<b>7. Ending Date</b>	June 2005
<b>8. Objective</b>	<ul style="list-style-type: none"> <li>- To develop a knowledge on analyzing poverty problem by panel data</li> <li>- To enhance capacity of the NESDB and NSO staff in analyzing panel data for evaluating poverty problem which will be a preparation for the use of the NSO panel data.</li> </ul>
<b>9. Project results</b>	<ul style="list-style-type: none"> <li>- The training and workshop for NESDB and NSO staff have been conducted. The training consisted of basic principle in data analysing by STATA programme, analysis of Nangrong panel data, experiences in collecting Nangrong panel data, demographic and environmental change in Nangrong, Pooling Independent Cross Sections Across Time, Policy Analysis with Pooled Crossed Sections, etc.</li> <li>- The report suggests that the lack of data for analysing poverty situation or for monitor and evaluating poverty incidence are critical and Thailand needs to develop a profound data for a deeper analysis of poverty incidence.</li> <li>- The report also suggests that poverty factor analysis for the Thai poverty is still limited to conclude as universe knowledge. This leads to a suggestion to conduct a factor analysis of poverty problem in order to develop a set of knowledge to deal with poverty in a holistic approach.</li> </ul>

*Income distribution: Impact of Tax and Labor Market Policies*

<b>1. Activity</b>	Income distribution: Impact of Tax and Labor Market Policies
<b>2. Responsible Agency</b>	Community Economic Development and Income Distribution Office (NESDB)
<b>3. Project Manager</b>	Ms. Somsri Luangmanirut
<b>4. Consultant</b>	Center for Poverty Studies (NIDA); and Ms. Anne Booth (School of Oriental and African Studies)
<b>5. Budget</b>	US\$ 42,500
<b>6. Disbursement Amount</b>	US\$ 35,106
<b>7. Starting Date</b>	April 2004
<b>8. Ending Date</b>	June 2005
<b>9. Objective</b>	<ul style="list-style-type: none"><li>- To minimize inequality in income distribution with a focus on the service delivery aspects of selected poverty reduction policies and to test the effectiveness of the public administrative mechanisms of the Thai public sector to generate outcomes of its various poverty reduction policies and to look for weaknesses in the current organizational structures.</li><li>- To conduct studies on income distribution situation both in fiscal policy and labor market.</li></ul>
<b>10. Project results</b>	<ul style="list-style-type: none"><li>- Two reports on income distribution with policy recommendation in the area of fiscal policy and labor market</li><li>- Workshops to disseminate findings and policy recommendation</li></ul>

*Community Plans: Implementation*

<b>1. Activity</b>	Community Plans: Implementation (Phase II)
<b>2. Responsible Agency</b>	The Community Economic Development and Income Distribution Office (NESDB)
<b>3. Project Manager</b>	Mr. Plaichumpol Numchaloen (NESDB)
<b>4. Consultant</b>	Mr. Weera Nijtrirat
<b>5. Budget</b>	US\$ 34,800
<b>6. Disbursement Amount</b>	US\$ 26,130
<b>7. Starting Date</b>	November 2003
<b>8. Ending Date</b>	October 2004
<b>9. Objective</b>	<ul style="list-style-type: none"> <li>- To support community driven poverty reduction and welfare development plan through participatory approach, in coordination with other relevant stakeholders</li> <li>- To support local communities in preparing and implementing their own community and welfare development plans</li> </ul>
<b>10. Project results</b>	<ul style="list-style-type: none"> <li>- A manual on how to develop proper community and welfare development plan, based on synthesis work from other existing plans</li> <li>- Workshops and training for government agencies, community leaders and community members.</li> <li>- Network between 6 government agencies have been established with the NESDB acting as the core coordinator. The idea of exchanging of knowledge between government agencies and community and the vision of the working Network Organization Partnerships of the Public Sector supports the operation of community planning is widely known by the people.</li> <li>- There are establishment of community forums for learning methods to set community plans according to the operation and steps in the areas of 3,049 tambons.</li> <li>- The report suggest that for community plan to be able to solve the problems of poverty in the long term, 4 keys area have to be set up (1) The provincial governor (CEO) must conduct the integration of work plans/ project at the provincial level (2) The Local Administration must coordinate Local Administration Organizations to support the operation for setting of community plans (3) The public sector agencies involved with development in the areas must recognize the needs of the community under the community plan (4) Network and collaboration between development partners, community members are important.</li> </ul>

*Moving out of Poverty: Growth and Freedom from the Bottom-Up*

<b>1. Activity</b>	Moving out of Poverty: Growth and Freedom from the Bottom-Up
<b>2. Responsible Agency</b>	Sufficiency Economy Unit (NESDB)
<b>3. Project Manager</b>	Ms. Arathip Archaviboonyobol
<b>4. Consultant</b>	Mrs. Prasopsee Sookmark, Local Knowledge Management Institute (LMI)
<b>5. Budget</b>	US\$ 125,000
<b>6. Disbursement Amount</b>	US\$ 115,340
<b>7. Starting Date</b>	November 2004
<b>8. Ending Date</b>	November 2005
<b>9. Objective</b>	<ul style="list-style-type: none"> <li>- To understand from the bottom-up, factors that unleash poor people's economic potential and support their transitions out of poverty.</li> <li>- To identify local definitions, importance of various factors and interactions between factors (How/Why/When) that constrain or facilitate the movement out of poverty.</li> </ul>
<b>10. Project results</b>	<ul style="list-style-type: none"> <li>- The report suggest that what poor villagers needs are (1) Reducing expenses by debt relief, lower cost of production, community fund program (2) Increasing income by job creation and agricultural products price guarantee (3) Opportunity Creation by developing irrigation system, transportation system, rural development, shelter development, lands and welfare.</li> <li>- The report indicate that most villagers does not understand the meaning of "Poverty Line", thus, they believe that it is simply some number that government made up and does not represent the truth.</li> <li>- Two policies recommendation to assist the poor to successfully move across the poverty line are (1) Revolutionizing the meaning of poverty and (2) Community strengthening: human capital and social capital</li> </ul>

### *One Stop Services: Pilot*

<b>1. Activity</b>	One Stop Services: Pilot
<b>2. Responsible Agency</b>	Quality of Life and Social Development Office (NESDB)
<b>3. Project Manager</b>	Ms. Sujitraporn Nakalaksana (NESDB)
<b>4. Budget</b>	US\$ 17,795
<b>5. Disbursement Amount</b>	US\$ 16,058
<b>6. Starting Date</b>	November 2003
<b>7. Ending Date</b>	November 2004
<b>8. Objective</b>	<ul style="list-style-type: none"><li>- To ensure that the poor and the disadvantaged group have access to social safety net programs provided by the government.</li><li>- To develop a model for one stop social safety net services at the community level</li></ul>
<b>9. Project results</b>	<ul style="list-style-type: none"><li>- The Pilot project for the management of the social safety net operates in 2 communities and in 5 target provinces (The target provinces include Payao, Roy Aed, Nakhon Sithamarat, Uthaythani and Pathumthani)</li><li>- The result suggests the key areas for the success of the social safety net program.<ol style="list-style-type: none"><li>(1) The Change agent - Selection of the change agent in the area is an important factor for the continuity of the management of the social safety net especially the leader qualities of the team leader/ coordinator.</li><li>(2) Flexibility of the operation, steps and the methods of work - The method of work was planned to fit a wide framework of the design and build strategy so that it could be implemented easily and realistically in various provinces.</li><li>(3) Building an operation of participation and shared ownership –People should be able to participate in thinking, implementing and sharing ownership in activities while concentrating more on benefits affecting the community as a whole.</li></ol></li></ul>

*Northeast Economic Development Report*

<b>1. Activity</b>	Northeast Economic Development Report
<b>2. Responsible Agency</b>	Northeast Office of NESDB
<b>3. Project Manager</b>	Mr. Montree Boonpanit
<b>4. Budget</b>	US\$ 200,000
<b>5. Consultant</b>	Agrifood International
<b>6. Disbursement Amount</b>	US\$ 200,000
<b>7. Starting Date</b>	Dec 2003
<b>8. Ending Date</b>	Dec 2005
<b>9. Objective</b>	<ul style="list-style-type: none"><li>- To better understand the dimensions that characterize the underdevelopment of the Northeastern region and the identify the way in which the government can help to reduce them</li><li>- To analyze opportunities and constraints for local and regional development of the Northeast through regional economic competitiveness and human capital development.</li></ul>
<b>10. Project results</b>	<ul style="list-style-type: none"><li>- A comprehensive report on Northeast Economic Development</li><li>- Separate reports on value chain studies (silk and rice), labor market and education, and public expenditure in the Northeast</li><li>- Workshops and training for government agencies.</li></ul>

### *Capacity Building on Poverty Reduction Strategies*

<b>1. Activity</b>	NESDB Capacity Building on poverty reduction strategies
<b>2. Responsible Agency</b>	The Community Economic Development and Income Distribution Office (NESDB)
<b>3. Project Manager</b>	Mr. Techapol Thitayarasa
<b>4. Budget</b>	US\$ 22,500
<b>5. Disbursement Amount</b>	US\$ 11,419
<b>6. Starting Date</b>	February 2004
<b>7. Ending Date</b>	September 2005
<b>8. Objective</b>	<ul style="list-style-type: none"><li>- To encourage a better understanding of sufficiency economy and achieve a sustainable poverty reduction</li><li>- To assist NESDB staff and partner agencies to increase their knowledge on poverty reduction strategies, holistic people center development approach, and to create network among related stakeholders.</li></ul>
<b>9. Project results</b>	<ul style="list-style-type: none"><li>- Workshops and training for NESDB staff and other partner agencies, including field visit to local communities to promote the community participation in developing poverty reduction strategies. The training consists of middle level government officer training and senior/policy maker training.</li></ul>

*Millennium Development Goals: Dissemination and Provinces*

<b>1. Activity</b>	Millennium Development Goals: Provinces (Phase II)
<b>2. Responsible Agency</b>	Macro Economic Department (NESDB)
<b>3. Project Manager</b>	Ms. Punnipa Kasetsiri
<b>4. Consultant</b>	UNDP; and Givingworks Inc.
<b>5. Budget</b>	US\$ 28,026
<b>6. Disbursement Amount</b>	US\$ 23,068
<b>7. Starting Date</b>	November 2003
<b>8. Ending Date</b>	March 2004
<b>9. Objective</b>	<ul style="list-style-type: none"> <li>- To advocate for the integration of the MDGs into national policy framework and to promote monitoring mechanism to ensure progress towards attaining these goals.</li> <li>- Technical assistance to prepare the first national Millennium Development Goals Report (MDGs-R) and to raise MDGs awareness in the related agencies.</li> </ul>
<b>10. Project results</b>	<ul style="list-style-type: none"> <li>- First Millennium Development Goals Report in Official Version in Thai and English</li> <li>- The reader- friendly People Version MDGs report in Thai (for the public)</li> <li>- MDGs Report Sourcebook in Thai and English (for government and international agencies). The volumes provide a tool for advocacy and collaboration in the pursuit of human development and poverty reduction.</li> <li>- Workshops for government agencies to promote awareness of MDGs.</li> <li>- Collaboration network have been expanding and encompassing governmental organizations, private sectors and academic institutes who collectively worked on MDGs database and monitoring system.</li> <li>- People have better understanding and realize the importance of MDGs data/monitoring systems as well as mechanism to follow up Thailand's progress on MDGs.</li> </ul>

### *Monitoring and Evaluating Indicators*

<b>1. Activity</b>	Monitoring and Evaluating Indicators
<b>2. Responsible Agency</b>	The Community Economic Development and Income Distribution Office (NESDB)
<b>3. Project Manager</b>	Mr. Wanchat Suwankitti
<b>4. Consultant</b>	Mr. Techa Boonyachai, Sukhothai Thammathirat University; Mr. Soroht Sirisai, Mr. Jitjayang Yamabhai, Mahidol University, Mr. Apidech Arunsiriwong, Vista Computing System Co.,
<b>5. Budget</b>	US\$ 80,000
<b>6. Disbursement Amount</b>	US\$ 62,833
<b>7. Starting Date</b>	July 2004
<b>8. Ending Date</b>	Sep 2005
<b>9. Objective</b>	<ul style="list-style-type: none"> <li>- To monitor and evaluate the implementation of poverty reduction policies and to provide capacity building for government staff on proper monitoring and evaluating techniques.</li> <li>- To support the establishment of proper poverty monitoring and evaluating system</li> </ul>
<b>10. Project results</b>	<ul style="list-style-type: none"> <li>- Indicators Development for Monitor and Evaluation of the Poverty Reduction Strategy Project applied the principles of Balanced Scorecard (BSC) to monitor and evaluate poverty problems in Thailand have been conducted.</li> <li>- System for the poverty and income distribution knowledge/database in order to support new functions of NESDB in dealing with poverty reduction have been set up (<a href="http://poverty.nesdb.go.th/poverty_new/mobile">http://poverty.nesdb.go.th/poverty_new/mobile</a>)</li> <li>- The result of the report suggest that             <ol style="list-style-type: none"> <li>(1) The synthesis of the knowledge of poverty is still limited at both structural level and at micro level. Therefore, there should be a more in-depth research about these issues. Knowledge gained from the research will link all aspects of poverty reduction practices, especially knowledge from the community level in which community will play an important role in sustaining the poverty reduction.</li> <li>(2) Data for monitoring and evaluation of poverty reduction is varied among agencies. These sets of data, have never been compared among each other. Therefore, these sets of data should be compared and synchronised in order to reduce the redundant of data and to increase the linkage for the benefits of data usage for example, a comparison between NRD2C from the Ministry of Interior and the village level data from the National Statistics Office.</li> </ol> </li> </ul>

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|  | <p>(3) All governors have one main responsibility in reducing poverty. The Balanced Scorecard technique can be applied to the procedure of the province because the technique consists of a strategy map that is a perspective of poverty reduction within the province. While the strategy map consists of programmes, projects, indicators, responsible agencies, and other details. Therefore, all provinces should adapt this technique</p> <p>(4) Poverty has many aspects and complexities, both individual and structural factors. that are all related. Poverty also differs among areas. Therefore, poverty reduction approach at the present cannot be utilised by only one measure overall the kingdom. The appropriate approach is to stress the importance of community as the main actor in dealing with poverty in the local areas while other development partners support this process and take action in a higher level of responsibility that community cannot handle. This means that poverty reduction at the present needs to be done through a participation approach from all sectors in the society, especially at the provincial level that has to find and to build up a linkage between the community or local level to the provincial level or a higher level.</p> <p>(5) A knowledge management for poverty knowledge is an essential factor for facilitating the processes of reducing poverty at the present. This is because poverty has many aspects and has a very broad meaning. Accordingly, an in-depth knowledge and an interdisciplinary knowledge are needed to deal with poverty reduction as poverty consists of many aspects which a single knowledge or approach might not be appropriate to deal with poverty reduction. This leads to an importance of enhancing knowledge of any stakeholders to deal with poverty reduction and be ready for changes of contexts during this era.</p> |
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**Table 2: Overview of CDP-PAM Activities in Phase I (May 2002 to October 2003)**

Activities	Objective	Deliverables	Budget
<b><u>A. Development of Poverty Database</u></b>			
1. Poverty Map	To achieve a more disaggregated database	Income-, and Consumption poverty maps	US\$ 143,037*
2. Panel SES	To improve information on poverty dynamics through collective data on a panel of household	Recommendations on implementation of Panel SES and on possible feasibility study	US\$ 53,279
3. Poverty Database Development for M&E	To integrate and improve accessibility of NRD2C database	NRD2C Web-based with user query	US\$ 34,871
4. Factor analysis	To analyze factors influencing development of village level	Development factors the reflect the true standard of living of village	US\$6,976
<b><u>B. Measurement and Analysis of Poverty and Inequality</u></b>			
5. Review of Poverty Line Methodology	To review official methodology of poverty line calculation for a better capturing of current standard of living	Revised methodology for poverty line with new food basket and base year	US\$2,381
6. Income Distribution in Thailand	To conduct in-depth analysis on income situation in Thailand	Study on income distribution with recommended policy monitoring	US\$ 19,319
7. Gender and Poverty	To study roles of women in local government organization in poverty reduction	A study on women roles in poverty reduction through Tambon Administrative Organization	US\$ 14,595
<b><u>C. Development of Poverty Reduction Strategies</u></b>			
8. Empirical Study on Poverty	To identify constraints and opportunities in alleviating poverty	Report on relevant issues on poverty, poverty web site, and poverty conference	US\$ 207,000
9. Preparation for Community Plan Development	To provide a plat form for community in preparing its own community plan	Participatory workshops to prepare community in community plan development	US\$ 116,971
10. Piloting One Stop services	To seek alternative forms of social service providing through community	Recommendations for community participation in delivering social services	US\$ 29,905
<b><u>D. Poverty Monitoring and Evaluation</u></b>			
11. National Millennium Development Goals Report	To undertake official review of development situation in Thailand and prepare the first national MDGs report	A draft of MDGs report to be submitted to cabinet and launched in the second phase	US\$ 42,089

\*This activity is financed by Regional ASEM TF for Poverty Mapping

**Table 3: Overview of CDP-PAM Activities in Phase II (November 2003 to December 2005)**

<b>Activities</b>	<b>Objective</b>	<b>Deliverables</b>	<b>Budget</b>
<b>A. Development of Poverty Database</b>			
1. Poverty Mapping, Phase II	To develop poverty map by using Socio-Economic survey data and to transfer the knowledge to NSO and NESDB staff.	NESDB and NSO can develop and using poverty map to identify the poor villages and use it to target poverty reduction policy to the right groups and areas.	US\$ 29,580
2. Pilot project on Household Socio-economic Panel Survey, Phase II	To assist the NSO staffs in conduct a panel survey in order to better understand the dynamics of poverty especially on the cause of poverty facing among the poor.	NSO staffs understand of how panel data works and are able to design a questionnaire, conduct survey, collect and analyze data by using the computer software.	US\$ 42,830
3. District Panel Survey	To develop knowledge and to build up capacity in the use of panel data in poverty monitoring and analysis.	NESDB and NSO staff can use the panel data to analyze and monitor poverty reduction policy.	US\$ 13,463
<b>B. Measurement and Analysis of Poverty and Inequality</b>			
4. Study on Income distribution : Impact of Fiscal Policies and Labor Market Policies, Phase II	To understand the impact of fiscal policies and labor market policies on improving income distribution from Thai and international experiences.	Reports on impact of fiscal policies and labor market policies on income distribution with policy recommendations.	US\$ 35,106
<b>C. Development of Poverty Reduction Strategies</b>			
5. Community Planning and Development for Poverty Alleviation, Phase II	To support communities and partner collaboration in preparing and implementing their own community and welfare development plan.	Manual, workshop and training on how to develop community plan with the collaboration across Government agencies, local NGOs and local communities.	US\$ 26,130
6. Moving out of Poverty: Growth and Freedom	To better understand the dynamic mobility and chronic poverty in Thailand.	Report on how poor people can move out of poverty by using both quantitative and qualitative methods.	US\$ 115,340
7. Pilot Project on Social Safety Net Program Phase II	To study and experiment with a social protection network at a community level.	Guidelines on how to develop a social protection network in order to help the disable and poor people within community.	US\$ 16,058
8. Northeast Economic Development*	To analyze opportunities and constraints for local and regional development of the Northeast.	Comprehensive report of Northeast Economic Development and policy recommendations.	US\$ 200,000
9. Capacity Building in poverty reduction strategies	To broaden knowledge of government staff in preparing poverty reduction strategies with holistic people centered approach.	NESDB staff and related partners have a network and collaboration with local communities to develop poverty reduction strategies with communities.	US\$ 11,419
<b>D. Poverty Monitoring and Evaluation</b>			
10. Millennium Development Goals (MDG) Phase II	To prepare the first report of National Millennium Development Goals, raise awareness on MDGs, and launch pilot provincial MDG-Reports.	The first National MDGs Report in Thai and English language and the manual, guidelines and data source book for developing MDGs report; pilot provincial MDG-R.	US\$ 23,068
11. Monitoring and Evaluating Poverty Alleviation	To establish indices for the evaluation and monitoring of poverty alleviation strategies on the area based.	Construct database, indices and build up network and capacity of government personnel to monitor and evaluate poverty reduction policy.	US\$ 62,833

\* This activity is financed by ASEM TF executed by the World Bank

### **C. Steering Committee Meetings and Monitoring Workshops of Phase II**

January 2004	<b>Steering Committee Meeting 1/2004</b> <i>(Review Steering Committee, Inform CDP-PAM implementation Phase II and Budget of Project Approved</i>
February 2004	<b>Steering Committee Meeting 2/2004</b> <i>(Design budget allocation, approved sub-activity proposals i.e, Poverty mapping phase II, MDGs Phase II, Income distribution study Phase II, Social Safety net program phase II)</i>
16 March 2004	<b>Steering Committee Meeting 3/2004</b> <i>(Approved Sub-Activity proposals i.e, Northeast Economic Development study, Panel SES-Pilot project, CDP-PAM Audit)</i>
6 May 2004	<b>Steering Committee Meeting 4/2004</b> <i>(Approved Sub-Activity proposals i.e, Moving Out of Poverty, Capacity Building for poverty reduction strategies )</i>
5 July 2004	<b>CDP-PAM Phase II Orientation Meeting</b> <i>(Project management, M&amp;E, Finance, Reporting and Tax)</i>
19 November 2004	<b>Steering Committee Meeting 5/2004</b> <i>(Progress report on MDGs phase II, Development of Community Plan, Poverty mapping phase II, Monitoring and Evaluation of poverty reduction strategies, audit report)</i>
1 April 2005	<b>Steering Committee Meeting 1/2005</b> <i>(Approved a request for another 4 months extension of CDP-PAM phase II (Sep-Dec 2005), report the CDP-PAM mid-term review workshop)</i>
10 June 2005	<b>Steering Committee Meeting 2/2005</b> <i>(Monitored and evaluated sub-activities reports)</i>
2 August 2005	<b>Steering Committee Meeting 3/2005</b> <i>(Monitored and evaluated sub-activities reports)</i>
27 January 2005	<b>CDP-PAM Phase II Midterm Review Monitoring Workshop</b>
21 October 2005	<b>CDP-PAM Phase II Preparation Workshop for Final Report</b>
21 December 2005	<b>CDP-PAM Phase II Annual Review Workshop</b>