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PROVINCIAL PLANNING FOR LOCAL DEVELOPMENT  
IN THAILAND: LESSONS FROM EXPERIENCE



REGIONAL PLANNING AND AREA DEVELOPMENT PROJECT  
INTERNATIONAL STUDIES AND PROGRAMS

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COMMON ABBREVIATIONS

AOP	Annual Operating Plans
ARD	Accelerated Rural Development Program
CD	Community Development
DOLA	Department of Local Administration, Ministry of Interior
NESDB	National Economic and Social Development Board
NIDA	National Institute of Development Administration
NVDP	New Village Development Program
PAO	Provincial Administrative Organization
PPDP	Provincial Planning and Development Program
RID	Royal Irrigation Department
RPADP	Regional Planning and Area Development Project
UNDP	United Nations Development Program
USAID	United States Agency for International Development

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## I. INTRODUCTION

### A. BACKGROUND

This analysis of provincial development planning in Thailand is a further contribution of the Regional Planning and Area Development Project (RPADP) to a long-term and cross-national investigation of the practical implications of the efforts of selected developing countries to implement area development programs.

Since January 1979, the RPADP has had an extensive involvement in Thailand. Four consulting missions concerned with subnational planning and local administrative capacity for development have been completed in conjunction with Thai Government agencies, USAID, the World Bank, and the United Nations Development Program (UNDP).

Several RPADP staff members participated in the preparation and review of this report. Stephen Born, Thomas Morgan, and Ved Prakash have had major involvement. Thomas Morgan deserves special mention for undertaking primary responsibility for several drafts of this report.

The RPADP has participated in the following consulting missions in Thailand:

- January - February 1979      Stephen Born, Leo Jakobson, and Ved Prakash of RPADP, with representatives of the U.S. Department of Agriculture and USAID, in reconnaissance mission on provincial planning. See "Report of USAID Team on Provincial Planning and Administration," March 1979.
- June - July 1979              William Bateson, John H. Ellis, Edward Fallon, Ved Prakash, Thomas Trout, together with Thai Government and USAID officials. See: Project Identification Document "Northeast Rainfed Agricultural Development Project," September 15, 1979, USAID; and RPADP Consulting Report No. 2, "Northeast Rainfed Agricultural Development Project-- An Opportunity Framework," October 1979.
- July 1979                      Stephen Born and Ved Prakash conducted a follow-up evaluation of the Provincial Planning and Development Program.
- October - November 1979      Thomas Morgan and Ved Prakash collaborated with the World Bank team in a study of options for decentralization and the capacity of local administrative jurisdictions to undertake development projects. Two reports are forthcoming from the World Bank.
- December 1979 and  
March 1980                      Thomas Morgan assisted the National Institute of Development Administration (NIDA) of Thailand in a UNDP-funded analysis of the performance of the four Regional Agricultural Offices of the Ministry of Agriculture and Cooperatives. See: NIDA Provincial Report "A Study of the Role and Functions of Regional Agricultural Offices in Thailand," March 1980, Bangkok.

## B. PLANNING INSTITUTIONS

### 1. National Planning

Thailand has engaged in some form of national-level macroeconomic planning for nearly thirty years. In 1950, the Thai Technical and Economic Commission and the National Economic Council were created to plan and coordinate development projects. These agencies were replaced in 1959 by the National Economic Development Board (NEDB)--an outgrowth of recommendations of a 1957 World Bank mission to Thailand. This agency, which was renamed the National Economic and Social Development Board (NESDB) in 1972, has produced four national multi-year development plans and is drafting a fifth plan for the period 1982 to 1986. The quality of these plans has steadily improved.

The NESDB plans, however, are macroeconomic plans. One of the major criticisms leveled against the planning process in Thailand has been that there was no clearly defined mechanism by which national plans could be disaggregated into subnational development programs and specific projects. The national planning process is separate from the financing and budgeting process, making it difficult to reconcile plans with available resources, and to insure that resource allocation responds to priorities established in the planning process. Any change away from indicative sectoral planning as now practiced will require extensive modification of several major institutions of the central administration; such change appears unlikely.

### 2. Subnational and Sectoral Planning

The general recognition of the inadequacies of central planning in Thailand have led to a greater emphasis on subnational planning. This shift in orientation is particularly evident in the evolution of the Provincial Planning and Development Program (PPDP), though a recognition of the need for some type of subnational planning has existed for a long time. Moreover, many departments and even some ministries have undertaken steps to give themselves some planning capacity. In the past, units with planning titles often had little involvement with program planning. Nevertheless, the efforts now being made by a number of agencies indicate that the need for a planning capacity is being felt, even though the institutional response may not yet fully satisfy this need.

Over the past decade, the Ministry of Agriculture and Cooperatives has explored several institutional arrangements for planning purposes. It created a system of regional agricultural offices to coordinate the collection and analysis of data, as well as to facilitate departmental planning. More recently, the ministry created the Office of Agricultural Economics, with a comprehensive mandate for planning, monitoring, and evaluating ministerial programs. Similarly, the Ministry of Interior has developed the Office of Policy and Planning to help rationalize the activities of its various departments, and the Ministry of Public Health has also strengthened the planning and coordinating capacity in the Office of the Undersecretary-of-State.

The NESDB recognized the need for some disaggregation of the planning process, and this awareness was reflected in the Second (1967-1971) and subsequent National Economic and Social Development Plans. Under the second plan, five regional planning committees were appointed. This number had been reduced to three during the third plan period (1972-1976). Though based in Bangkok, these committees were responsible for making recommendations on regional needs and for suggesting appropriate modifications in the national plan to address these needs. These committees are established by an order of the Council of Ministers, rather than by legislation. Consequently, they had no existence independent of the government in power. When the governments of both Seni and Kukrit Promoj did not reestablish the committees created by the Sanya Thammasak government in 1974, the committees simply ceased to exist.

The NESDB's concern with subnational planning was more concretely manifested in the preparation of three regional plans between 1968 and 1974, and the creation of three regional planning offices in the North, Northeast, and South. These developments were accompanied in 1974 by the formation in the NESDB of a Regional Planning Division. The regional planning centers have yet to be provided with adequate staff (in numbers as well as academic background and training) and budgetary resources needed to fulfill their purpose. Though not engaging in regional planning, these centers were used to provide assistance to the Provincial Planning and Development Program. This assistance involved screening and preparation of plans for provinces, as well as monitoring and evaluating the implementation of provincial plans.

### C. THAI ADMINISTRATIVE ORGANIZATION

Thailand has a unitary administrative system based on a pattern of central line ministries in various sectoral areas, with a territorial division into provinces which are subordinate to the national administration. There is a general resemblance to the French administrative system.

The national level of administration consists of a Council of Ministers, headed by a Prime Minister. Under the current constitution, the Prime Minister is elected by the National Assembly but does not have to be a member of the Assembly.

At present, there are twelve ministries with distinct sectoral concerns, e.g., education, agriculture, health, defense, and numerous parastatal agencies under ministerial supervision. In addition, the Office of the Prime Minister functions as a ministry in itself and incorporates several agencies concerned with defining national policy and monitoring the performance of the administrative system.

The country is divided into seventy-two provinces for administrative purposes. In addition, there is the capital city (the Greater Bangkok Municipality), which does not come within the jurisdiction of any province. Each province is headed by a governor who is an official of the Ministry of Interior and directly subordinate to the Office of the

Undersecretary-of-State of the ministry. Line ministries may assign representatives to the provincial offices as their needs require. These officials are nominally under the control of the provincial governor. The ministries, however, retain actual control over the activities of their representatives in the province and over personnel issues involving these officials.

The provincial governor is responsible for coordinating the activities of the officials assigned to the provincial office, but this role is severely restricted because the governor lacks the authority to enforce the compliance of the ministerial representatives. To the extent compliance is forthcoming, it is often due to the personal characteristics of the governor, rather than to the formal authority vested in this position.

Provinces are further divided into a number of districts, the organization of which parallels on a smaller scale that of the province. The district is headed by a district officer who is an official of the Department of Local Administration of the Ministry of Interior. Representatives of the line ministries are also assigned to the districts; however, the number of ministries represented at this level is less than at the provincial level and the number of such officials from each ministry is substantially lower than at the provincial level. The district officer performs a coordinating function, similar to that of the governor. The district officer's influence over the line ministry officials likewise depends more on personal factors than on formal authority.

The Thai Government has emphasized different patterns of field administration at various times since the reforms of the late nineteenth century. Initially, a pattern of territorial administration was dominant because of the need to secure control of the formerly autonomous and semiautonomous provinces and vassal states.

Once territorial integrity was assured and as the technical competence of the government grew, functional administration became increasingly important as a pattern for the field services. Provincial administrations were elaborated by the addition of a variety of specialized sections dealing with health, education, agriculture, and animal husbandry, in addition to the traditional sections dealing with police, revenue, and excise matters.

The functional responsibilities of the government grew steadily from the outset of the administrative reforms of King Chulalongkorn, but a major shift in the pattern of functional administration appeared after World War II. This shift was manifested in the emergence of many special-purpose functional agencies which were independent of the provincial administration, and in many cases had areas of operations which did not conform to provincial boundaries. Some of these agencies carried out activities in a portion of a single province, while others were active in a number of provinces. The list of these agencies is too long to reproduce here. However, a few of

the more prominent ones are the Regional Tuberculosis Centers, Regional Forestry Offices, Regional Irrigation Offices, Regional Water Supply Centers (concerned with construction of small-scale water purification systems in rural areas), and Regional Community Development Centers.

Regional agencies from different departments seldom share common areal boundaries. The government has called without success for the departments to designate regional boundaries in accordance with the regional divisions used by the Ministry of Interior. In part this failure is due to the difficulty of reconciling the Ministry of Interior's delineation of regions for purposes of territorial control with other departments' boundary designations for reasons of technical efficiency or other necessities. These latter departments have long been concerned that such a change would serve to subordinate them to the Ministry of Interior. One consequence of the proliferation of these regional and special-purpose agencies has been the removal of many areas of activity from even nominal supervision by the province, accentuating the already difficult task of coordinating the activities of line agencies at the provincial level.

Since the overthrow of the absolute monarchy in 1932, there has been a fairly constant pressure for the creation of local government in Thailand. In part this pressure may be attributed to the adoption of a democratic ideology by those involved in the revolution who saw local government as a concomitant of a democratic system, and as a means of instilling democratic values in the populace.

More recently, local government has been examined in terms of its potential contribution to urban and rural development. It has been argued that local governments, because of their proximity to problems of development, are in an advantageous position to define problems accurately, to prescribe appropriate solutions, and to monitor the progress of development programs. For these reasons, local governments have been incorporated in the PPDP as the principal operating agents. Formally, the line agencies are to provide technical support to the local governments.

There are several types of local government in Thailand: municipalities, sanitation districts, and Provincial Administrative Organizations. Municipalities are urban entities established by statute and charged with providing the basic amenities required for urban life. They have some degree of local autonomy and a modest capacity to generate revenue by means of taxes and fees. They are, nevertheless, extremely dependent on grants-in-aid from the central government. Sanitation districts have some urban characteristics but are not considered large enough to warrant the status and autonomy of a municipality. For example, most district centers are located in sanitation districts. Sanitation districts have very modest powers to generate revenue themselves and must rely on central government assistance for most of their activities. Recently, there have been discussions within the Thai Government concerning the abolition of sanitation districts.

A third type of local government is the Provincial Administrative Organization (PAO). Each province has a PAO which is responsible for providing a number of services to the residents of rural areas who live outside of the boundaries of either a municipality or a sanitation district. These services have included elementary education, road construction, health services, and the promotion of occupations. At the present time, the rural elementary teachers under the PAO are in the process of being transferred back to the Ministry of Education. This loss will greatly diminish the stature of the PAO, since for some time education has been its largest function in terms of personnel and budget.

The PAO has a very limited capacity to generate its own revenue which it obtains through land and property taxes, a local development tax, and various fees and rents. In addition, some revenue sources such as motor vehicle and liquor taxes are collected by central government agencies and distributed among the PAOs on a formula basis. The bulk of the PAO budget (as much as 90 percent) comes from block grants by the Department of Local Administration, the Ministry of Education, and from the Office of Accelerated Rural Development (ARD). Though the ARD budget may be included as part of the PAO budget, the provincial ARD offices operate independently of the PAO for the most part.

Though formally a type of local government, the PAO has little discretionary power. Most of its budget is earmarked for specific purposes by the central government. Moreover, central government officials supervise its operations closely. The provincial governor serves as the chief executive of the PAO. A deputy governor for ARD matters may be appointed as the deputy chief executive of the PAO. The head of the finance section of the PAO is likely to be the provincial clerk.

A Provincial Assembly serves as the legislative arm of the PAO. Though the members of the assembly are currently chosen by popular election, they have little autonomy. They serve principally as advisory panels for the provincial administration and as a way to manifest the views of the local populace.

Below the PAO is a unit called the tambon. Tambons are aggregations of villages and possess some of the characteristics of a local government. The tambon headman, nominally elected from among the headmen of villages in the tambon, has the status of a semigovernmental agent. The headman is responsible for peace and order in the tambon, for maintaining vital statistics on the tambon's population, and functions as the conduit for information between the central government and the population. The headman also collects the land development tax for the PAO and is given a portion of the amount collected as compensation for this work. Each tambon has an elected council which makes decisions on local questions and serves to represent the tambon residents to the central government. The tambon is not yet an autonomous entity. However, the Thai Government is now considering raising the status of the tambon to that of a corporate entity to permit it to take greater responsibility for local development initiatives.

From their inception following the overthrow of the absolute monarchy, the major purpose of these nominal governmental entities has not been to permit local people to control some of the circumstances that immediately affect their lives. Rather, their primary purpose has been to instruct local people in the operation of a democratic political system. Thus they are designed to play an educative role rather than a self-governing role. The central government, and particularly the administrative officials at the provincial and district levels, serve as tutors to the civil servants and elected officials of these local governments. While local government officials frequently complain about the constraints on their scope of action, central government officials often express their concern that these local officials will make inappropriate decisions.

#### D. THE PROVINCIAL PLANNING AND DEVELOPMENT PROGRAM (PPDP)

There has been growing pressure for the creation of a mechanism that would facilitate the coordination of line agency activities along the horizontal axis. One proposal that has been made is to appoint officials with Cabinet rank for each region of the country and give them authority to reconcile conflicts among agencies and to integrate their programs into a coherent package. This proposal, however, has not received support. Another has been to enhance substantially the ability of the provincial governor to identify local needs and to mobilize resources to meet these needs.

In 1975, the Ministry of Interior provided the provincial governor with a personal staff, which has at least increased the provincial governor's ability to monitor more effectively the affairs of the province. Subsequently, in 1977, an attempt was begun to increase the provincial governor's ability to coordinate the actions of governmental agencies operating in the province. This took the form of providing the governor's staff with the authority to undertake planning for local (urban and rural) development. The Provincial Planning and Development Program operated from 1978 to 1980. The program has been undergoing substantive and procedural changes; this report is based on the program as it evolved through fiscal year 1980.

## II. RECENT EFFORTS TOWARD DECENTRALIZATION OF PLANNING AND DEVELOPMENT ACTIVITIES

### A. TRADITIONAL APPROACHES TO RURAL DEVELOPMENT

Rural development has been a prominent concern of the Thai Government since the end of World War II. A variety of approaches and emphases have been employed, with mixed results. Among the earliest programs was the Thailand-UNESCO Fundamental Education Project (TUFEC). TUFEC was initiated in the early 1950s and was based on a cadre of field agents who were to transmit various skills to the rural population and serve as catalysts for self-help projects. Due to a lack of commitment and poor performance, the TUFEC program atrophied after only a few years.

The second major rural development effort in the post-war period was Community Development (CD). CD began as a program in the Department of

Local Administration of the Ministry of Interior. In 1962, responsibility for this program was vested in the newly created Community Development Department. The philosophy behind CD was to promote self-help activities at the village level, with technical and financial assistance provided by the department where required.

The government also sought to build an integrated rural development program around CD. A program to establish a number of regional technical assistance centers was begun in the early 1960s. These centers were to be staffed by representatives of various line agencies, with the Community Development Department serving as the lead agency. Only one of these multi-agency centers was established--the Thai-SEATO Technical Assistance Center in Ubon. When SEATO funds ended in 1969, all the line agencies, except for CD, withdrew their personnel. This center reverted to the Community Development Department and although a series of regional CD centers was subsequently created, no other departments were directly involved.

Shortly after the Community Development program was inaugurated, the Accelerated Rural Development (ARD) Program was created in the Office of the Prime Minister. Heavily funded by USAID during the middle and late 1960s, ARD initially concentrated on providing provincial and district administrations with a capacity to undertake the planning and implementation of infrastructural projects. Since its inception, however, ARD has acquired many other functions and now closely resembles the Community Development Department in the scope of its activities. After USAID funding was terminated in the early 1970s, the Office of Accelerated Rural Development was transferred to the Ministry of Interior. Subsequently, several attempts to integrate CD and ARD in a single organization have failed.

While the Community Development Department was coming into being, a program to secure certain areas in the North and Northeast against intrusion by communist insurgents was undertaken by the National Security Command. This initiative was called the Mobile Development Unit Program and focused on creating model villages in remote areas with the expectation that innovations would spread to neighboring villages.

The Mobile Development Unit Program joined in fiscal 1980 with the Community Development Department to undertake the New Village Development Program (NVDP), which is receiving major financial support from the Japanese Government. Although the program is principally under the direction of the Community Development Department, the National Economic and Social Development Board (NESDP) was involved in selecting villages to be included in the program and in screening proposed projects.

Smaller integrated development programs are also being undertaken by the Land Development Department, the Office of Land Reform of the Ministry of Agriculture and Cooperatives, and by the Land Settlement Division of the Department of Public Welfare.

The Provincial Planning and Development Program (PPDP) was one of the more innovative attempts to institutionalize a mechanism for the provincial and local planning and implementation of development programs. Created by a regulation of the Office of the Prime Minister in 1977, the PPDP evolved over several years. Until recently, the Thai Government had indicated that this program would be an important element of a coordinated development strategy in the forthcoming Fifth National Economic and Social Development Plan (1982-1986). The future status of the PPDP is unclear. However, both the World Bank and USAID are maintaining interest in promoting greater planning capacity at the province level.

The PPDP was preceded and greatly influenced by a number of local development programs. In order to put the PPDP in better perspective and to highlight its potential contribution to local development, it will be necessary to examine these earlier programs briefly, before turning to a detailed discussion of the PPDP itself.

## B. LOCAL DEVELOPMENT PROGRAMS 1975, 1976, 1977

### 1. The 1975 Program

The government of Prime Minister Kukrit Pramoj assumed office in March 1975 and immediately initiated a major rural development program. Called the Local Development and Dry Season Employment Assistance Program, this program was intended to by-pass the ponderous administrative apparatus and channel a large amount of funds directly to the people at the local level. The government provided 2.5 billion baht (฿) (US \$125 million) for local development projects to be chosen by the Tambon Councils in each of the approximately 5,000 tambons in the country. The 1975 Kukrit program was an ad hoc reaction to the particularly critical problem of widespread unemployment in the rural areas more than it was an attempt to decentralize the rural development program. Nevertheless, it did serve as a benchmark by which subsequent local development programs would be measured.

The Kukrit program reflects a tendency that is common in administrative systems; that is, to add a new program to deal with a pressing problem rather than reform the existing administrative system in order to deal with the problem. The Kukrit program did not supplant any existing rural development initiatives, but neither did it directly support them.

Although very popular, the program suffered from many problems associated with the effort to minimize the restraining effect of administrative regulations. Many difficulties arose over the disbursement of funds and the procurement of materials--procedures with which few local leaders were familiar. These problems were compounded by haste in implementing the program. Projects implemented under this program had to be chosen, designed, and completed during the two-month period of June and July 1975.

## 2. The 1976 Program

A similar program, titled the Local Development and Rural Employment Program, was undertaken in 1976. The government allotted B3.5 billion (US\$175 million) for this program, and sought to lessen the deficiencies of the previous year's program, particularly with regard to project selection and the disbursement of funds.

The organization of the Local Development and Rural Employment Program was specified in a regulation of the Office of the Prime Minister, dated December 23, 1975. It consisted of a series of committees extending from the national level downward to the tambon level. At the apex of this structure was a Central Committee chaired by the prime minister. In addition, the committee included the Minister of Interior, several directors general of major departments, and representatives of other agencies.

A provincial subcommittee was formed below the Central Committee. The provincial governor was designated chairman of this subcommittee with the chairman of the provincial assembly serving as deputy chairman. The heads of various provincial sections and the provincial planning officer were appointed as ex-officio members of the subcommittee. The Provincial Assembly appointed three additional members. The provincial community development officer served as the secretary of the subcommittee, in addition to being a member.

There were two agencies concerned with the program at the tambon level. One was the Tambon Council. The other was the Tambon Local Development and Rural Employment Operations Committee, the members of which were the kamnan (tambon headman), the tambon sanitarian, five village headmen designated by the Tambon Council, three qualified residents of the tambon also designated by the Tambon Council, and the tambon community development worker. In cases where a community development worker had not yet been assigned to the tambon, the secretary of the Tambon Council was to serve on the committee in his place.

Projects for the 1976 program were to be selected by the Tambon Council in accordance with criteria specified in the December 1975 regulation. The council was required to note the benefits to be realized by the programs it proposed together with the estimated cost of each project. Once the projects were chosen, the chairman of the Tambon Council referred these to the district officer. The district officer then examined the projects and, if they were found to be correctly prepared, forwarded them to the provincial subcommittee. Seven days were allotted for this examination.

Once it had received all of the projects from the districts, the provincial subcommittee had fifteen days to review and approve those that were found acceptable. The subcommittee then notified the district officers of the province and the provincial treasury. The provincial committee also notified the Central Committee and the National Audit Council.

Implementation of the tambon projects was the responsibility of the Tambon Operations Committee described earlier. This committee had authority to approve the expenditure of funds and to incur debts within the limits of the budgetary allocation for the tambon. Changes in the types of expenditure for a given program had to be approved by the provincial subcommittee.

In order to receive funds to cover its contractual obligations and debts, the Tambon Operations Committee had to submit a request for disbursement of funds to their district officer. The district officer then drew the necessary funds from the provincial treasury. The chairman of the committee and at least three other committee members jointly had to receive these funds from the district officer.

The district officer was charged with the responsibility of supervising the financial activities of the Tambon Operations Committee in order to prevent embezzlement and deviations from the approved project. If such cases were found, the district officer was to notify the provincial governor.

According to the regulation, the Central Committee made allocations to each tambon without examining the projects which were submitted by the tambons. While the Central Committee issued specific guidelines and determined the level of funding, the decision on the appropriateness of a project rested with the provincial subcommittee. In the case of the municipalities and the sukhaphibans (sanitation districts), the decision on projects rested with the provincial assembly.

### 3. The 1977 Program

During the dry season of 1977, the government of Prime Minister Thanin Kraiwichien inaugurated a new approach to rural development called the Voluntary Self-Help Local Development Program. The character of this program differed in several respects from its predecessors. First, it was not intended to transfer resources to the poorer elements of the population in the rural areas, but rather to mobilize the resources already available to the rural population. Second, while the 1975-1976 programs implied a show of concern by the society for its poor, the 1977 self-help program explicitly offered the rural population an opportunity to volunteer their efforts to demonstrate their "love of their country," as well as to better their situation and that of their children.

A Central Operations Committee was created consisting of the prime minister as chairman, the director general of the Department of Local Administration as secretary, and sixteen other members. This committee was responsible for general policy and coordination, as well as monitoring and evaluating the progress of the program.

Several national subcommittees were also formed. There was an Operations Subcommittee, chaired by the Minister of Interior; a Public Relations Subcommittee, chaired by a minister assigned to the Office of the Prime

Minister; and a Monitoring and Evaluation Subcommittee, chaired by a deputy prime minister.

The previous local development program of 1976 had an elaborate pattern of subnational committees responsible for project planning, approval, and implementation. In contrast, the 1977 self-help program was organized and managed at the subnational level by the Department of Local Administration of the Ministry of Interior.

The government's policy was that projects were to be chosen by the people, but the range of choice was limited to twelve types of projects--mostly infrastructure. Moreover, the general structure of the project preparation process indicated that the participation of the villagers was not a critical element. The limited extent of this participation is indicated by the following series of steps in the project preparation and approval process:

- (1) General preparation and authorization of the program by the Council of Ministers.
- (2) Ministry of Interior issues instructions to provinces, municipalities, and the Greater Bangkok Municipality to prepare to undertake the program.
- (3) Provinces begin a public information campaign and formation of a provincial fact-finding committee.
- (4) Provinces hold meetings for district officers, heads of section in the provincial office, and other government agencies operating at the local level.
- (5) Districts hold meetings to give instructions to local officials, tambon and village headmen, and representatives of various farming groups.
- (6) Districts prepare projects and forward these to the province for approval. While waiting for approval, districts prepare implementation plans.
- (7) After receiving approval from the province and implementation having begun, reports are sent to the Ministry of Interior every seven days.

Even though popular participation in project identification and preparation was indirect, control over project approval was vested in the province rather than at a higher level. There was no national-level review of projects prior to their implementation. This suggests that when accountability for the expenditure of funds is located at the national level, there also will be a tendency to retain formal project approval at this level. Despite the decentralization of control to the provinces, inspectors from the Ministry of Interior, the Department of

Local Administration, and the Monitoring and Evaluation Subcommittee visited projects during and after the implementation phase.

The government of Thanin Kraiwichien substantially revised the character of the local development program in July 1977. During the implementation phase of the 1977 self-help program, the NESDB drafted a regulation on provincial planning for submission to the Office of the Prime Minister. The Council of Ministers accepted the NESDB draft on June 29, 1977, and it was subsequently issued as a regulation of the Office of the Prime Minister on July 2, 1977.

### C. FUNDING OF LOCAL DEVELOPMENT PROGRAMS

Funding for these programs is accomplished in several ways. Established agencies such as the Community Development Department and the Office of Accelerated Rural Development now finance many of their developmental activities through their internal operating budgets.

Special projects such as the NVDP and the Thai-Australia Land Development Project are funded by internal funds in conjunction with external assistance. Though the total level of funding over the life of the project is specified in a contract, the timing of disbursements tends to be flexible. Hence, rates of disbursement may fluctuate from year to year. Budgets for these projects are in addition to regular operating budgets of the participating government agencies.

A third pattern for funding local development initiatives is the use of special appropriations by the National Assembly. This was done under the tambon development programs of 1975 and 1976, the drought relief program of 1977, the PPDP, and the NVDP.

#### 1. Comparison of Funding Under the PPDP and the NVDP

The level of funding for the PPDP was relatively low in both 1979 and 1980. The policy of the Thai Government was to allocate approximately one percent of the national budget to the program. In fact, much less than this amount was provided. Moreover, for various reasons, a substantial amount of the funds allocated did not reach the Provincial Planning and Development Committees. In 1980, of the approximately \$900 million allocated, only 50 percent reached the provincial committee.

Funding of the New Village Development Program (NVDP) was substantially higher than for the PPDP. A total of \$2,900 million was allocated for the NVDP to be expended over a period of two and one-half years. However this money was to be spent in only twenty-eight provinces, and usually in only a few districts of each province. Consequently, the local impact under the NVDP should be considerably greater than under the PPDP.

Funding for individual projects under the NVDP does not seem to differ much from that of the PPDP. However, the total allocations for each tambon in the NVDP are much higher (see Appendix A). In Ubon Ratchathani province, for example, the average allocation in the first year of the program (NVDP) for each of the fifty-nine tambons in the program was \$1,208,474. In the neighboring province of Yasothon, each tambon was allotted an average of \$1,522,222. In many cases the funding per tambon under the NVDP was six to eight times greater than that under the PPDP. In the northeastern province of Surin, for example, the average investment per tambon in one district under the 1979 PPDP was \$183,507.

#### D. OVERLAPPING DEVELOPMENT COMMITTEES

Concomitant with the proliferation of programs has been an emergence of a confusing array of committees with overlapping memberships. These committees exist at the village, tambon, district, provincial, and national levels.

##### 1. Village Level

There are Village Development Committees that function as part of the regular Community Development program, and as part of the NVDP in those villages where it is operating. In addition, there are special purpose groups for men, women, boys, and girls set up under the auspices of the Community Development Department and the Accelerated Rural Development Program. These may indirectly serve as channels for the articulation of demands to the government. The PPDP did not have a committee at this level.

##### 2. Tambon Level

There are two major development committees operating in the tambon. In tambons under the NVDP or the regular CD program, there are Tambon Development Committees to advise village committees and to assist them in project preparation. The PPDP used the Tambon Council as one of the means for initiating development projects. Under the legislation for provincial development planning, the Tambon Council was considered along with other local governmental units (i.e., Provincial Administrative Organizations, sanitation districts, and municipalities) as an "operating agency."

The Tambon Council also was responsible for generating projects to be funded by the Local Development Tax fund. Given this dual responsibility, it would be possible for the Tambon Council to coordinate projects under each program. Interviews conducted at the district level, however, suggest that this integration did not occur. The membership of the Tambon Council and the Village Development Committee are virtually identical.

### 3. District Level

Under the NVDP, a District Development Committee has been established headed by the district officer with the district CD officer as secretary. It transmits projects to the provincial NVDP committee for approval.

There is also a District Community Development Executive and Rural Development Coordinating Committee composed of the district officer and his deputies and the heads of functional sections at the district. Its membership is identical to the NVDP District Development Committee. A third committee is the District Executive Committee (kromakan amphoe), which has responsibility for the general affairs of the district. The membership is largely the same as the two previous committees.

### 4. Provincial Level

At the provincial level there are at least four committees with almost identical memberships. These are the Provincial Rural Development Committee (in provinces where the NVDP is operating), the Provincial Community Development Executive and Coordinating Committee, the Provincial Development Committee, and the Provincial Executive Committee (kromakan changwat). The provincial governor is chairman of all these committees. As noted earlier, the Provincial Development Planning Committees were meant to establish a system for project monitoring and evaluation. Similar monitoring and evaluation committees were to be created under the NVDP.

### 5. National Level

There are at least three committees with overlapping memberships dealing with local development at the national level. The oldest is the National Development Policy and Planning Committee, which is chaired by the Minister of Interior. The secretary of this committee is the Director of the Regional Planning Division of NESDB. The newest committee is the National Rural Development Committee, responsible for supervising the NVDP. The Prime Minister serves as the chairman, and the Secretary General of the NESDB serves as the secretary. The principal secretariat functions, however, appear to be provided by the Regional Planning Division of the NESDB.

The contribution of the various national committees to their respective programs is not significant. Their primary purpose is to provide an institutional identity to each program and to serve as the mechanism by which funds are released to implement projects. By including representatives of all major participants on each committee, the government anticipates that a degree of coordination will emerge that is not possible to achieve through authoritative means. The operations of these national

committees tend to be perfunctory, with work of a substantive nature being done either by the Ministry of Interior or the Regional Planning Division of the NESDB.

#### E. INTER- AND INTRA-AGENCY CONFLICT OVER PLANNING

Planning--whether it be central planning, integrated area development planning, local project planning, or some other variety--incorporates a combination of analytical, policy-making, and implementation dimensions. Planning is frequently seen as a process of resolving conflicting objectives or behavior between agencies, or as a means by which agencies can communicate effectively with one another and coordinate their activities. Planning, particularly central and comprehensive planning, also has a control dimension. That is, inherent in the idea of planning is the influence of one agency over another. Planning necessarily restricts the scope of discretionary action of those required to adhere to a plan and puts them in a position of dependency with respect to the planning authority.

For an agency to accommodate itself to the conditions of planning, one, or both, of two conditions must exist. First, planning must be of significant benefit to the organizations carrying out the plan. That the plan will contribute to development in general is, in itself, an insufficient inducement. Second, the planning agency must have sufficient power to enforce its will on those agencies necessary for implementation of the plan. Frequently, neither of these conditions is met.

From its inception, the Provincial Planning and Development Program has been plagued by considerable tension between the NESDB and the Ministry of Interior over their respective roles. In part this tension has its genesis in the desire in the Ministry of Interior to enhance the ability of provincial governors to coordinate the activities of line agencies operating in their provinces. The insistence by the NESDB on playing an active role in the provincial planning process was perceived by the Ministry of Interior as an intrusion into its area of expertise. The Ministry of Interior also felt that it was provided with sufficient technical expertise through its Office of Policy and Planning and the Division of Town and Country Planning of the Department of Local Administration so that it need not depend on the NESDB.

This situation is not unique to the relationship between the Ministry of Interior and the NESDB. It has characterized virtually all attempts to introduce an integrated approach to rural development. In Thailand, the refusal of line agencies to follow the lead of another agency ultimately led to the failure of the Community Development Technical Assistance Center Program, the Regional Agricultural Development Center Program, and the Northeast Rainfed Agricultural Development Project.

The following chapter will examine in detail the Provincial Planning and Development Program. After an analysis of its genesis, organizational structure, funding, and performance, the concluding chapter will outline the requirements for successfully introducing a subnational area planning mechanism in the Thai context.

### III. THE PROVINCIAL PLANNING AND DEVELOPMENT PROGRAM (PPDP)

#### A. PPDP STRUCTURE AND PROCESS

The Fourth National Economic and Social Development Plan (1977-1981) showed explicit concern with the spatial distribution of development to a greater extent than its three predecessors. In a summary of the plan, the Office of the Prime Minister noted that the plan emphasized "the 'decentralization' of public investments to rural areas and less developed region [sic] in order to upgrade rural productivity and the standard of life." In keeping with this objective, it was noted that "community development planning and the role of local authorities will be strengthened and local government finance will be developed."

The Provincial Planning and Development Program (PPDP) was formally inaugurated in July 1977 as one response to the policy of decentralizing the planning and implementation of development programs. However, the organizational structure and the operational procedures established by the 1977 Regulation on Provincial Economic and Social Development Planning differ only slightly from those in effect under the local development programs of 1975 and 1976. The PPDP was viewed, therefore, as a modification of an existing pattern rather than a radical departure from traditional administrative practices in Thailand.

In 1975, the Ministry of Interior established the Office of the Provincial Governor. For the first time, the governor was provided with a personal staff rather than one borrowed from other agencies. This staff was intended to improve the information flow in the governor's office and to permit the governor to monitor and coordinate more effectively the activities of other government agencies operating in the province. One or more officers from this staff were designated planning officers and given the responsibility to produce a provincial five-year development plan as mandated by the central government. The PPDP sought to build on the foundation established by the Ministry of Interior, and to transform provincial planning into a mechanism that would integrate the "top-down" and "bottom-up" streams of development initiatives in a mutually supportive way.

The agencies most directly involved in the PPDP were the Ministry of Interior and the NESDB through its Regional Planning Division and Regional Planning Centers. Many other ministries and departments were peripherally associated with the PPDP through their participation on the Central Provincial Planning and Development Committee (the policy-making and resource-allocation body for the PPDP) and on the various Provincial Planning and Development Committees. These latter committees were responsible for preparing annual operating plans, approving projects, and supervising their implementation. Actual implementation was made the task of several types of local governments. These were municipalities, provincial administrative organizations, sanitation districts, and tambons (for some purposes viewed as a type of local government).

The 1977 regulation exhorted line agencies to coordinate their activities with the provincial plans. However, no means for effecting this coordination was provided, except giving provincial representatives of line agencies membership on the Central Provincial Planning and Development Committee.

Despite the creation of the PPDP in 1977, it did not become operational until FY 1979. The program received no funding in FY 1978 because the Kriangsak government diverted to drought relief a great deal of the resources which otherwise might have been available for the provincial planning program.

The Regulation of the Office of the Prime Minister Concerning Expenditures Under the Provincial Plan, 1979 was issued in response to the

decision of the government to fund projects prepared in the provincial plans. It specifies the procedures for the disbursement of money and for the accounting of expenditures under the program. However, appropriation of funds for the PPDP is made by separate legislation.

There are three types of operating units noted in the 1979 regulation. These are the Provincial Administrative Organizations, the sanitation districts, and the municipalities. For the purposes of this regulation, line agencies are not considered operating agencies, even though projects that they undertake were to be included in the provincial plan. There is no specific reference to the tambons as operating agencies in the 1979 regulation. However, a supplement to this regulation was issued in early FY 1980, designating the tambon as an operating agency.

The PPDP for fiscal 1980 was carried out in accordance with the two regulations just discussed. On November 2, 1978, the Central Provincial Planning and Development Committee issued a statement of its policies and resolutions for FY 1980. This statement specified the criteria on which allocations of funds would be based and noted the distribution of funds among the Provincial Administrative Organizations, sanitation districts, and municipalities.

The policy statement also addressed the role of the tambon in the provincial development program. Article 3.3 reads, "The Central Provincial Planning Committee has specified the Tambon Council as an additional operating unit, and assigns it specific responsibility for planning and implementing small projects which will have a developmental impact within that particular tambon." This statement, as well as those from the two regulations on provincial planning, indicate that the Thai Government did not see the tambon as the basic building block of the provincial planning effort, but rather envisaged a more comprehensive type of planning at the provincial and district level. The character of this planning process has yet to be clearly articulated. The prominence of tambon level projects in the provincial development program resulted from the inability of the Central Provincial Planning and Development Committee and provincial development committees to influence the allocative priorities of the line ministries.

The future of the PPDP has now been put into doubt. Several developments occurred during deliberations on the FY 1981 national budget. First, the appropriation for the PPDP was omitted from the budget. The funds which would have gone to the program were initially transferred to a local development fund in the Office of the Undersecretary of State of the Ministry of Interior. Subsequently, these funds were transferred again to the Office of the Prime Minister to facilitate, it was claimed, the distribution of these funds among various agencies. The Ministry of Interior withdrew from a project, which it had under-

taken in conjunction with the NESDB, to upgrade the PPDP. However, this does not indicate a complete cessation of the provincial planning program. Senior officials of the Thai Government subsequently have expressed a desire to revive the suspended project. The World Bank is funding an experimental provincial planning project in four provinces and USAID has indicated its continued interest in cooperating in local development planning efforts at both the provincial and district levels.

1. PPDP Committee Structure

The policy-making and supervisory body for the PPDP was the Central Provincial Planning and Development Committee.\*

It coordinated the plans of the provinces in each region to insure that they conformed with the purposes and policy of the national planning program, and considered and approved the planning procedures of the provincial planning committees. The Central Committee was also respon-

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\*The members of the Central Provincial Planning Committee were:

Minister of Interior	Chairman
Undersecretary of State, Ministry of Interior	Member
Undersecretary of State, Ministry of Finance	Member
Undersecretary of State, Ministry of Agriculture and Cooperatives	Member
Undersecretary of State, Ministry of Industry	Member
Undersecretary of State, Ministry of Communications	Member
Undersecretary of State, Ministry of Commerce	Member
Undersecretary of State, Ministry of Education	Member
Undersecretary of State, Ministry of Public Health	Member
Secretary General, NESDB	Member
Director, Bureau of the Budget	Member
Secretary General, Civil Service Commission	Member
Director, Office of Policy and Planning, Ministry of Interior	Member
Director, Regional Planning Division, NESDB	Member & Secretary
Policy and Planning Analyst, Office of Policy and Planning, Ministry of Interior	Member & Assistant Secretary
Head, Personnel Division, Office of the Undersecretary of State, Ministry of Interior	Member & Assistant Secretary

sible for allocating funds to provinces in cases where there were requests for special subsidies. These allocations then had to be approved by the Cabinet. Requests by provincial committees to change details of their plans had to be submitted to the Central Committee for approval. The Central Committee could consider terminating the implementation of a provincial plan in cases where problems had arisen. However, it could not order the termination itself, but only refer the matter to the Prime Minister for disposition.

The Ministry of Interior created an Office of the Provincial Governor in 1975 in order to assist the governor in monitoring and coordinating affairs in the province. Within this office, Provincial Planning Units were established and were given responsibility for preparing five-year provincial development plans for implementation in conjunction with the Fourth National Economic and Social Development Plan (1976-1981). The 1977 Regulation on Provincial Economic and Social Development Planning complemented the initiative of the Ministry of Interior by creating a Provincial Planning and Development Committee.\*

Several differences between the composition of the Provincial Planning and Development Committee and the Provincial Development Subcommittee under the 1976 Tambon Development Program should be noted. First, the speaker of the provincial assembly is merely a committee member, whereas in the previous program the speaker was designated "deputy chairman" of the committee. Second, the appointment of persons outside of the provincial administration (especially "qualified local residents") was the responsibility of the provincial governor. Under the Local Development and Rural Employment Program of 1976, these members were appointed by the provincial assembly. Third, the PPDP assigned a planning officer from the Office of the Governor to be the secretary of the committee. The 1976 program included the planning officer as a member of the provincial subcommittee but designated the provincial community development officer as the secretary. The composition of Provincial Planning and Development Committee enhanced the role of the provincial governor in the local planning process. However, as the PPDP evolved it became evident that the increased formal centrality of the governor was not accompanied by any improvement in his

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\* The regulation called for each province to establish a committee with the following composition:

Provincial Governor	Chairman
Speaker of the Provincial Assembly	Member
Mayors of all municipalities in the province	Members
Chairmen of all sanitation districts	Members
Heads of provincial sections to be appointed by the governor (limited to seven officials)	Members
Representatives of government agencies or qualified local residents to be appointed by the governor (limited to seven persons)	Members
Policy and planning analyst from the Office of the Governor to be appointed by the governor	Member and Secretary

capacity to manage local development. Planning unit staffs remained untrained and continued to lack equipment and proper facilities so they could not provide credible leadership for local planning.

The Provincial Planning and Development Committee was given five major responsibilities:

- (1) Preparation of a Provincial Economic and Social Development Plan.
- (2) Preparation of an annual plan of operations which was to coincide with the fiscal year.
- (3) Allocation of special central government grants to government agencies in the province and to the Provincial Administrative Organizations, municipalities, and sanitation districts in accordance with the provincial development plan.
- (4) Supervision and monitoring of activities under the provincial plan, and the reporting of the results of these activities to the Central Provincial Planning and Development Committee.
- (5) Approval of changes in the specially funded provincial development projects of government agencies in the provinces.

The initial provincial planning regulation of July 2, 1977, suggested two options regarding the method for preparing the annual provincial operating plan. The first option entailed surveying local problems and wants by requesting the views of tambon councils, sanitation district committees, and municipal councils. The second option rested on development plans prepared by Provincial Administrative Organizations, sanitation districts, and municipalities. Other methods might also be employed, if approved by the Central Committee. The regulation did not specifically require that the tambons prepare local plans or even that they identify projects. Rather it stated that "once the data and wants of the people have been obtained. . . the Provincial Development Planning Committee will prepare the provincial plan and submit it to the Central Provincial Planning Committee for approval."

The formal pattern of the provincial planning structure was quite simple. Local governmental entities--Provincial Administrative Organizations, municipalities, and sanitation districts--submitted projects for review by the Provincial Planning Committee. After completing its review and making any modifications or deletions that it deemed necessary, the committee forwards the set of projects--at this point called the "annual operations plan"--to the Central Provincial Planning and Development Committee. The Central Committee was then to review the provincial plans and, after making any alterations, authorize the Department of the Comptroller General of the Ministry of Finance to release the funds allocated

on a formula basis to the province. On receipt of these funds, the Provincial Planning and Development Committee would proceed to implement the projects in its annual plan. During and after the implementation of projects under the PPDP, Regional Monitoring and Evaluation Subcommittees conducted project examinations. These committees and the monitoring and evaluation process are discussed further in Section E.

## 2. PPDP Process

The actual process was more complicated than this and differed substantially from what the formal structure suggests. As noted above, the initial 1979 regulation specified the Provincial Administrative Organization as one of the operating agencies in addition to the municipalities and sanitation districts. The Ministry of Interior, which supervises the local governments, specified that projects for the Provincial Administrative Organization component of the provincial plan were to be proposed by the Tambon Council. Under the provisions of the Provincial Planning Regulation of 1977, the reliance on the Tambon Council was offered merely as an option. However, this role was formally recognized by the Central Committee in a policy statement on November 2, 1979. Despite this assignment of responsibility, the district officer or a deputy was frequently the actual proponent of projects.

The tambon project proposals are forwarded through the district office to the Provincial Administrative Organization and then to the Provincial Development Planning Committee. This committee receives advice and technical support from the Regional Planning Centers of the NESDB in project preparation, selection, and evaluation. In fact, during 1979 and 1980 the regional planning centers frequently formulated projects for the provincial committees on the basis of data provided by these committees. For the FY 1980 program the Regional Planning Centers even typed the lists of projects for each province before forwarding the lists to the NESDB and the Central Provincial Planning and Development Committee for scrutiny.

After a preliminary screening by the Regional Planning Centers, the provincial plans were supposed to be sent to the Central Committee for review and funding. However, the Central Committee did not examine the plans from all of the provinces. Rather, it looked only at a sample of these plans in an attempt to identify potentially serious problems. For the FY 1980 planning period, the committee reviewed one provincial plan from each of the six regions that NESDB uses to divide the country. The provinces chosen were Khonkaen, Lamphun, Nakorn Si Thammarat, Chanthaburi, Chainat, and Kanchanaburi. It should be stressed that the only projects reviewed by the Central Committee were those that came from local governments. Line agency projects were not reviewed, even though provincial committees were supposed to include such projects in the provincial plans. The approval of the provincial plans by the Central Committee does not imply that the projects contained in these plans will be implemented, for project implementation is subject to the amount of funds provided to each province. Funding is independent of plan preparation.

The fact that funds were allocated after the Central Committee had reviewed the provincial plans affected the character of the projects submitted to the Central Committee for review. The projects at the Central Committee review stage were little more than project titles with some explanation. They were not accompanied by detailed project designs and cost estimates.

Once a province received its allocation, the Provincial Development Planning Committee selected those projects that could be implemented with the funds provided. These projects were then designed in more specific terms and detailed cost estimates were prepared. The 1979 regulation on expenditures required that "operating units must prepare details and cost estimates of projects for those selected from the list of projects which the Central Provincial Planning Committee has already approved." It would appear from this statement that there never was any intention for the Central Committee to become involved with the analysis of projects prior to implementation, but only to approve various types of projects in principle. Thus, from both formal and practical perspectives, the PPDP was quite decentralized.

In principle, the Provincial Development Planning Committee should screen the projects proposed by local governments to insure that there not be any duplication or incompatibility with projects of line agencies. In practice this was not possible because some representatives of line agencies did not inform the committee and others were unaware of the projects that their departments were contemplating. Even those line agency projects that might be made known to the provincial committee would not be assured funding. Consequently, cutting a local government project to avoid duplication with a line agency project could result in a locality having no project at all, should the line agency project subsequently not be funded.

The general tendency in the project review and approval process was for virtually all projects to be approved initially. Since the amount of funds to be allocated to a province could not be known during the first phase, there really was no reason to reject a project other than for being seriously inappropriate. The Regional Planning Centers rejected a few projects for this reason, but tried to avoid this responsibility by passing it on to the Central Committee. Given the volume of projects, it was impossible for the Central Committee to examine individual projects. The responsibility for project selection thus returned to the provincial committee at the time funds were allocated to the provinces. Even at this second phase of the review process, the provincial committee might mitigate its responsibility by claiming that cuts in projects were required because the budget was insufficient to fund all of them, rather than rejecting a project for being substandard or inappropriate. Projects that could not be funded were generally not permanently eliminated, but merely postponed until a more propitious time.

The 1979 provincial planning effort has been faulted in reports by Monitoring and Evaluation Subcommittees for allowing insufficient time for the preparation of plans by local authorities. This, it was claimed, resulted in poor project designs and inaccurate cost estimates.

Preparation of the provincial plans for 1980, however, began more than a year in advance of the time projects were to commence. In September 1978 the Regional Planning Division of the NESDB (the Secretariat of the Central Provincial Planning and Development Committee) issued the following schedule for plan preparation:

Stage 1. During September and October 1978, the Provincial Development Planning Committees were to gather economic and social data, identify problems, and consult with the population in order to determine the development priorities of the province.

Stage 2. During the same period, the Provincial Development Planning Committees were to propose to the Regional Planning Centers plans and projects that might be undertaken by line agencies.

Stage 3. The Regional Planning Centers would hold meetings with relevant regional agencies to consider these proposals. These meetings would be held between the beginning of November and the middle of December 1978.

Stage 4. Between the beginning of December through the middle of January (1979), the Regional Planning Centers would make recommendations to the Central Provincial Planning Committee and the line agencies. These deliberations would provide the basis for making budgetary requests for fiscal 1980.

Stage 5. The Provincial Planning Committees would submit to the Regional Planning Centers for coordination local government projects that have been approved (after having been examined and assigned priorities). These projects were to be sent to the Regional Planning Centers between the beginning of June and the end of November.

Stage 6. Preparation of the 1980 provincial plans.

The actual preparation of provincial plans differed sharply from this schedule. In the northern region, for example, the Regional Planning Center requested the provinces in the region to submit their plans to the Regional Planning Center by December 1978, and definitely not later than February 1979. However, provinces continued to request alterations in their plans up to August 1979.

Similarly, the provincial-level representatives of line agencies were requested to submit projects to the Regional Planning Center by January

1979. Many of these representatives either refused or neglected to comply with this request. Whether a line agency representative submitted projects to the Regional Planning Center was reported to depend on the individual representative, rather than on the policy of the parent agency. It was also noted in interviews that some of these representatives waited for their agency to assign projects before submitting projects for inclusion in the provincial plan. The plans were finally completed in August 1979 and were approved by mid-October. Funds were allocated in November of that year.

As noted above, the Regional Planning Centers played a very direct role in the provincial planning process. Starting with the 1981 plans, the role of the centers was to be modified substantially. The Regional Planning Division of NESDB, in order to permit the limited staff resources of the center to be used more effectively, decided to limit its direct participation to advising the provincial committees and to monitoring the results of project implementation.

Within the context of the PPDP, the Regional Planning Centers of the NESDB were to become a major mechanism for coordinating the plans prepared by the provinces with those of the line agencies in order to avoid duplication and conflicting objectives. Although the Regional Planning Centers attempted to accomplish this task during the preparation of the 1979 and 1980 provincial plans, they were not very successful, largely due to the inability of provincial line agency representatives and provincial planning committees to specify their annual projects in advance of their budgetary allocations.

The NESDB also proposed in 1979 the establishment of a national-level subcommittee to deal with coordinating the plans of provinces and line agencies. This subcommittee was to be composed of the directors general of the major departments in the ministries concerned with development issues. The subcommittee was to have responsibility for reviewing the projects submitted by provincial development planning committees and for encouraging the various departments to allocate their budgets in ways that complemented or were compatible with the provincial plans. However, the subcommittee would not have the authority to order the allocations itself. A subcommittee of this type could be of some benefit in reconciling the plans of various agencies. However, to be effective it would have to consider provincial plans after budgetary allocations have been made and after concrete projects have been chosen.\*

A better alternative to the subcommittee proposed by the NESDB would be for the provincial planning committee to be given some ability to screen line agency projects and to reject those that might be incompatible with

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\* It should be kept in mind that in the 1960s many of the departments concerned directly with economic and rural development were combined into the Ministry of National Development. Despite this, little in the way of coordination ensued and the ministry was disbanded in 1972.

provincial priorities, or perhaps to redirect such projects from one tambon to another in order to enhance the overall benefit to the province. Even if the obvious jurisdictional questions of this procedure were resolved, many practical problems would remain. The most important of these would be obtaining knowledge of line agency projects early enough to permit provincial planners to make a timely response.

### 3. PPDP Project Cycle

As noted earlier, the PPDP had a two-stage approval process. The first stage consisted of the approval by the Central Committee of lists of projects proposed by the provincial committees. Once this approval had been received and funds had been allocated to the provinces, the operating agencies (local governmental bodies) prepared details and cost estimations for projects chosen from the list of approved projects. Each operating unit had to provide the provincial committees with a breakdown on estimated wages, materials, and equipment. Along with this information, operating units submitted blueprints and other supporting materials to the provincial committee for scrutiny. In cases where a project cost less than one million baht (principally projects under the PAOs), regulations stipulated that materials and labor were to be procured locally. Labor intensiveness was required to the maximum extent consistent with project requirements. However, where machinery, tools, or other aids were needed, operating units were to obtain them on the local market or from local government agencies. The detailed costs of projects estimated to cost less than one million baht were determined by means of comparative pricing on the local market. Projects estimated to cost more than one million baht required the same design and cost estimates. However, in this case prices could be determined by competitive bidding.

Once a project was accepted by the Provincial Development Planning Committee for implementation, the responsibility for approving disbursements fell to the heads or designated representatives of the local governments serving as operating agencies. These are the provincial governor in the case of the PAO, the mayor in the case of municipalities, or the chairman in the case of a sanitation district.

Funds were disbursed from approved allocations on the basis of requests to the Office of the Deputy Governor, who was responsible for withdrawing money from the provincial treasury and for turning it over to the appropriate officers of the operating agency making a request for funds. The deputy governor was responsible for supervising the payments to the operating agencies, and the governor bore responsibility for project monitoring and evaluation. Monitoring of expenditures has tended to be rigorous, but provincial monitoring and evaluation of projects has been weak, as elaborated below.

## B. PPDP FINANCIAL ASPECTS

### 1. Funding Formulas

Once the National Assembly approved the annual level of funding for the PPDP, a three-step approach was applied to determine the allocation of these funds. The first step divided the allocation into a fund for approved projects included in the provincial plans and a reserve fund for emergencies and/or especially urgent projects. The next step was to allocate the provincial planning fund to different provinces based on a formula in which different weights are given to needs and resources variables. The third step was then for each provincial planning and development committee to allot the funds for municipal, sanitation district, and provincial assembly projects. During 1979 and 1980, approximately 20 percent of the allocation was earmarked for municipal and sanitation district projects and the remaining 80 percent for provincial assembly projects.

In 1979, ฿959 million was approved for the PPDP. Of this amount, ฿125 million or 13 percent was diverted to drought relief, the tambon development program, and administrative costs. In 1980, a policy statement by the secretary of the Central Provincial Planning and Development Committee specified that 17 percent of the total allocation for FY 1980 was to be set aside as a reserve fund, leaving 83 percent for regular projects under the program. Subsequently, the government announced a new distribution of the ฿900 million approved for FY 1980. In FY 1980, ฿100 million (approximately 11 percent) of the total was allotted to the reserve fund. Another ฿300 million was set aside for projects designated by members of the National Assembly. An important consequence of this development was the diversion of at least ฿31 million from the rural areas to Bangkok from which the largest contingent of legislators comes. Each legislator received approximately ฿1 million for projects in his district. The remaining ฿500 million was available to the Provincial Planning and Development Committees for projects contained in the provincial plans.

The details of the breakdown of appropriations for FY 1979 and FY 1980 are shown in Table 1.

Table 1

PPDP Appropriations and Allocations for  
FY 1979-1980 (Amount in ฿ millions)

Year	Projects Under Provincial Planning Committees		Funds Set Aside for Reserve and/or Special Projects		Total	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total
1979	834	87	125	13	959	100
1980	500	56	400*	44	900	100

\* Of the ฿400 million, ฿100 million was earmarked for reserve, and the balance, ฿300 million, allotted for discretionary projects proposed by the members of the National Assembly.

Source: Jamlong Atikul, "A Study of Provincial Development Program--PDP--Projects, FY 1979," report prepared under USAID/Thailand Contract No. AID-493-9031-T, December 1979. Slightly different figures were obtained from the NESDB, which reported in November 1979 that ฿831.97 million was expended by the provincial planning committees. See also Appendices B and C.

In FY 1979, allocations to the individual provinces were based on a formula consisting of the following six variables and corresponding weights:\*

<u>Variable</u>	<u>Weight (percent)</u>
1. Population	40
2. Irrigated Area	5
3. Unirrigated Area	25
4. Per Capita Income	10
5. Special Problem Area	10
6. Security Considerations	10

\* The total to be allocated to the provinces is first divided into six (or four in FY 1980) parts according to weights assigned to the variables. Each part is then distributed among the provinces based on relative ratios.

This formula was modified by the 1979 policy statement from the Secretariat of the Central Provincial Planning and Development Committee for FY 1980. The revised formula consisted of four variables and corresponding weights:

<u>Variable</u>	<u>Weight (percent)</u>
1. Population	20
2. Per Capita Income	15
3. Level of Development	45
4. Other Factors	20

There are superficial differences between this formula and its predecessor. For the most part, however, the emphasis remains the same. The most obvious changes are the halving of the weight given to population and the increase in the weight of per capita income from 10 to 15 percent. The variable "Level of Development" incorporates the earlier variables concerning irrigation and adds weightings for roads, electrification, and potable water supply in rural areas. This provides a more comprehensive picture of infrastructure investment than did the previous formula. The variable "other factors" is merely an umbrella term incorporating weightings for security considerations and natural disasters. In fact, the weightings for these component variables are the same in both formulas. Given the increased emphasis on level of development under the new criteria, one would expect the Northeast to have achieved a proportionately greater allocation in 1980 than it received in 1979. In fact, the share of the Northeast declined substantially while the proportion to all other regions rose (Table 2).

**Table 2**  
**Population and Funding by Regions 1979-80\* (Amount in ₪ million)**

Region	Population 1976**		PPDP Funding***					
	Number	Percent of Total	Amount	1979 Percent of Total	Per Capita	Amount	1980 Percent of Total	Per Capita
Center	9,680,000	25	168	20	17	117	23	12
Northeast	15,048,000	38	330	40	22	166	33	11
North	9,196,000	23	210	25	23	133	27	14
South	5,456,000	14	124	15	23	83	17	15
<b>Total</b>	<b>39,380,000</b>	<b>100</b>	<b>832</b>	<b>100</b>	<b>21</b>	<b>500</b>	<b>100</b>	<b>13</b>

\* Does not include Bangkok (4,620,000).

\*\* World Bank, Toward a Development Strategy for Full Participation (1978).

\*\*\* Regional Planning Division, NESDB. There is a slight discrepancy in the amounts for different regions. For 1979, these are actual expenditures and thus add up to ₪832 million and not ₪834 million which represents allocations.

For details of funding by each province in FY 1979 and FY 1980. See Appendix D.

Not only did the share of the Northeast as a whole decline, but also the shares of fourteen of the sixteen provinces in this region (see Appendix G). It would appear that the application of the new formula for FY 1980 worked to the clear disadvantage of the Northeast. However, in FY 1980 the Northeast was to receive a substantial infusion of resources from other sources, particularly the NVDP, in addition to those from the PPDP. This situation may have influenced the reallocation of PPDP funds.

The allocation formula for 1980 ostensibly lessened the emphasis given to population and increased the emphasis on the level of development as criteria. As the formula was applied for FY 1980, however, the result was to bring the regional allocations for the Northeast more in accord with the distribution of population than had been the case in 1979. At the same time, the ratio of funding to population for the other regions was increased.

Another way of analyzing the impact of the distribution formula(s) is the comparison of per capita shares of each region. Latest population data available are for 1976 and have been used to calculate the per capita for 1979 and 1980. Overall, this tends to overestimate the per capita figures. However, the per capita regional comparisons may be somewhat distorted because of varying rates of growth (change) for different regions from one period to another.

In 1979, the average per capita (PPDP funds allocated to the provinces) was ₱21. North and South had the highest allocation (₱23), followed by the Northeast and Central regions (₱22 and ₱17 respectively). During 1980, the average per capita was ₱13. The Southern region had the highest (₱15 per capita), followed by North (₱14), Central (₱12) and Northeast (₱11) respectively. On a per capita basis, Northeast fared the worst, whereas the relative position of the Center and South improved significantly during the 1979-1980 period. It may be pointed out that the central region is relatively more developed among the four regions, with the highest per capita income. However, the Northeast ranks below other regions in per capita income, level of poverty, etc.

The third step is to divide the funds received by each province among the local governments. Twenty percent of these funds are earmarked for projects proposed by municipalities and sanitation districts. Neither the regulations nor the 1979 policy statement specified how the allocation was to be apportioned among the municipalities and sanitation districts. Neither the regulations nor the 1979 policy statement specified how the allocation was to be apportioned among the municipalities and sanitation districts. The remaining 80 percent was for projects under the supervision of the Provincial Administrative Organization (PAO).

The distribution of funds among the local governmental units (Provincial Administrative Organizations, sanitation districts, and municipalities) is shown in Table 3.

Table 3

Distribution of PPDP Allocations Amongst  
Local Governmental Units - 1979

Amount in million bahts

Region	Provincial Administrative Organizations		Sanitation Districts		Municipalities		Total	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total
Center	139	82.7	16	9.5	13	7.7	168	100.0
Northeast	259	78.2	48	14.5	24	7.3	330	100.0
North	170	81.0	22	10.9	17	8.1	210	100.0
South	99	79.8	14	11.3	10	8.9	124	100.0
Whole Country	668	80.3	101	12.1	63	7.6	832	100.0

Total may not add up due to rounding of figures.

## 2. PPDP Funding Levels and the Provincial Plans

The National Assembly appropriated an amount of money to finance the program for each year of the PPDP. In 1979, the Assembly appropriated ₦959 million for this purpose and in FY 1980 it provided ₦900 million.\* The authorization of the expenditure of funds is made by the Central Provincial Planning and Development Committee, after the review of the sample provincial development plans. After being informed by the Bureau of the Budget of the amount of funds allocated to the PPDP, the Central Committee requests the Department of the Comptroller General of the Ministry of Finance to transfer funds to the provincial treasuries.

The government's authorization of ₦959 million for the PPDP in 1979 amounted to approximately one percent of the national budget for that year. By the end of FY 1979, a total of ₦831.97 million had reached the provincial development committees. During 1979 it had been reported that the government was considering increasing the PPDP fund for 1980 to two percent of the national budget. However, when the budget was announced, the amount of funds for the provincial planning program was only ₦900 million, or about 0.8 percent of the total budget for that year.

There are four principal actors in the provincial planning process. Overall responsibility for the program is vested in the Central Provincial Planning and Development Committee. The secretariat of this committee is the Regional Planning Division of the NESDB. It provides technical support to the Central Committee; much of the work in preparing provincial plans is actually done through its four Regional Planning Centers. Provincial Planning and Development Committees are formally charged with preparing provincial five-year plans and annual operating plans (AOPs).

Provincial five-year plans consist of a statement of developmental objectives for the province that correspond to each province's particular needs. In fact, the five-year plans that have been prepared so far are lists of project ideas lacking specific details. The annual operating plans through FY 1980 consisted of lists of projects to be undertaken in a province. They are more specific in terms of project siting and estimated costs, but are still rather vague. Detailed project design and cost estimation, however, were made only after provincial development committees have been notified of their allocation. The AOPs, which are made prior to funding, have often been referred to as "wish-lists." This point may be underscored by pointing out that in the FY 1979, the total number of projects initially approved by the Central Provincial Planning and Development Committee was more than twice the number actually implemented. The corresponding capital costs associated with the approved projects was ₦4.1 billion compared to the ₦832 million allocation (for details see Table 4).

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\* In 1978, funds which would have gone to the PPDP were diverted to an emergency drought relief program.

Table 4

Projects Proposed, Funded, and Executed in 1979

Region	Initially Proposed and Approved Projects			Funded and Executed Projects		
	Number	Estimated Cost (\$ million)	Average Cost (\$ '000)	Number*	Expenditure (\$ millions)	Average Expenditure (\$ '000)
Center	2,576	789	306	1,129 (44)	168 (21)	149
Northeast	3,920	1,267	323	2,332 (59)	330 (26)	142
North	3,063	1,101	359	1,360 (44)	210 (19)	154
South	1,991	911	458	695 (35)	124 (14)	178
<b>Total</b>	<b>11,550</b>	<b>4,068</b>	<b>352</b>	<b>5,516 (48)</b>	<b>832 (20)</b>	<b>151</b>

\* Figures in parentheses indicate actuals as percent initially approved projects/costs.

Source: Regional Planning Division, NESDB.

### C. PRIORITIES IN PROVINCIAL PLANNING

The PPDP had several important objectives: (1) improving the standard of living of the rural population; (2) raising the economic productivity of the people; (3) encouraging the people and their local government institutions to assume a part of the burden for achieving the first two objectives. In pursuing these objectives, the government decided to focus on infrastructure projects and the generation of employment.

The Central Provincial Planning and Development Committee specified five types of projects that would be acceptable under the project. The categories were agriculture-irrigation, communications, electricity and energy, water systems and potable water, social welfare, and a miscellaneous category which was intended to include project promoting occupational alternatives to farming.

The Central Committee prescribed the percentage distribution of funds between the urban and rural areas. However, the priorities of different categories of projects were to be set by the provincial planning and development committees in light of their perception of local needs.

Provincial priorities showed a strong bias toward two categories of projects. For the country as a whole, the number of project categories of agriculture-irrigation and communications accounted for 81 percent of all projects implemented in 1979.\* Communications alone made up 52 percent of the national project total. If the 850 potable water projects are included, the three types of projects accounted for 96 percent of all projects. Projects involving social welfare and occupational promotion projects were insignificant in number. On a regional basis, there was a greater variation in the priorities given to each of the project categories. However, the heaviest emphasis remained on agricultural and communications projects, as seen in Table 5. In terms of actual expenditures, the relative position of various categories remains about the same.

The variation among categories was still greater at the provincial level, suggesting that the priorities reflect to some degree actual differences in local officials' perceptions of development requirements. However, the predominance of the categories of agriculture-irrigation and communications remains obvious. Table 6 shows the percentages of provincial development budgets devoted to these two categories of projects in the province of Northeast Thailand.

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\* These categories may be somewhat misleading. In practice "agriculture-irrigation" refers to small-scale irrigation projects such as ditches and small diversion weirs. "Communications" refers almost exclusively to small road maintenance projects. "Social Welfare" might include training programs in village organization or midwifery clinics.

Table 5

**Priorities and Relative Importance of Different Category of Projects Funded in FY 1979\***  
(Amount in million bahts)

	CENTER			NORTHEAST			NORTH			SOUTH			WHOLE COUNTRY		
	No.	Amt.	% of Total	No.	Amt.	% of Total	No.	Amt.	% of Total	No.	Amt.	% of Total	No.	Amt.	% of Total
Agriculture & Irrigation	299	36	21	694	71	22	479	61	29	118	15	12	1,590	183	22
Communication	615	101	60	1,077	211	64	722	128	61	472	92	74	2,886	532	64
Electricity & Energy	29	8	5	14	4	1	18	4	2	11	3	2	72	19	2
Water Supply	163	18	11	511	38	12	113	11	5	63	8	6	850	75	9
Social Welfare	5	1	1	25	4	1	10	2	1	13	1	1	53	8	1
Other	18	4	2	11	2	1	18	4	2	17	5	4	64	15	2
<b>Total</b>	<b>1,129</b>	<b>168</b>	<b>100</b>	<b>2,332</b>	<b>330</b>	<b>100</b>	<b>1,360</b>	<b>210</b>	<b>100</b>	<b>694</b>	<b>124</b>	<b>100</b>	<b>5,515</b>	<b>832</b>	<b>100</b>

\* For relative importance of the projects initially approved by the Central Provincial Planning and Development Committee, see Appendix E.

Source: Regional Planning Division, NESDB.

Table 6

Funding for Agriculture-Irrigation and Communications  
Projects as Percentage of Provincial Allocation--Northeast Region, 1979

<u>PROVINCE</u>	<u>AGRICULTURE-IRRIGATION</u>	<u>COMMUNICATIONS</u>
Chon Buri	15	79
Nakhon Si Thammarat	22	54
Chon Buri	39	48
Chon Buri	16	77
Chon Buri	19	74
Chon Buri	26	49
Chon Buri	30	65
Chon Buri	8	71
Chon Buri	13	65
Chon Buri	24	43
Chon Buri	12	84
Chon Buri	5	72
Chon Buri	28	59
Chon Buri	13	80
Chon Buri	31	58
Chon Buri	56	28

(Source: Regional Planning Division, NESDB, 1979).

If one looks only at communications projects, it will be observed that the percentage of the northeastern regional budget for these projects is 64 percent, matching exactly the national percentage for this category. The reason for the emphasis on roads is not immediately clear. There is no correlation between roads as a percentage of the provincial development budget and other factors, such as size of population or the size of the provincial development budget. This suggests that convenience in terms of project selection and the high visibility and immediacy of benefit to villages may have been major selection criteria. The use of the program as a means of generating employment in the rural areas also contributed substantially to the emphasis on infrastructure.

The selection of projects for implementation was affected to a large extent by the level of funding that a province received. The plans that provinces initially transmitted to the Central Committee were actually only "wish-lists"--compilations of project ideas with guesstimates for costs and lacking any feasibility analyses. As noted above, these plans were approved in a perfunctory fashion at the national level, and did not influence the

amount or pattern of funding. It was only after provinces received their allocation that a realistic selection of projects was made. The choice of projects was affected by the overall planning process. The preliminary proposal of projects and the need for the Central Committee to receive the approval of annual operating plans did not determine the projects to be implemented. However, these steps took time--as much as several months after the start of the budgetary year. As a result, the time available to provincial committees to prepare and implement projects was curtailed, particularly in 1979. These committees thus were inclined to choose projects that could be finished in the remaining time rather than those projects that met the most pressing needs of their people. As noted earlier, more time was provided to plan projects for FY 1980. However, the massive reduction in funds for projects of the Provincial Planning and Development Committees again put pressure on them to opt for smaller projects.

The discrepancy between the number and estimated costs of projects initially proposed and of those actually implemented was great. The number and cost of projects undertaken was far below those proposed. Although both number and cost declined, the reduction in cost was much greater than the reduction in number of projects. On a national basis, only 5515 projects were undertaken--48 percent of the 11,550 projects proposed. Furthermore, only 831.97 million was spent--20 percent of the 4,068.3 million originally estimated. Details may be seen in Table 4.

The sharp decline in the cost of implemented projects in comparison with projects proposed was due in part to more accurate cost estimation just prior to the implementation period and to the choice of smaller projects. Cost estimating for proposed projects was not rigorous.

The greater decline in overall expenditure levels as opposed to the number of projects suggests that there may be a tendency toward the selection of smaller projects for implementation, especially for projects implemented by the Provincial Administrative Organizations. Table 7 provides a breakdown by region and type of local government. The pattern in the Northeast, where projects were implemented in approximately 78 percent of all tambons, supports this view. In the northeastern province of Srisaket, for example, the number of agriculture-irrigation projects implemented was 27 percent more than had been proposed (an increase from 99 to 127). At the same time, the allocation for this category was 44 percent below the amount originally proposed.

Table 7  
Average Project Cost, 1979

	Provincial Administrative Organization		Sanitation Districts		Municipalities	
	Number	Cost (฿ '000)	Number	Cost (฿ '000)	Number	Cost (฿ '000)
Center	930	150	141	114	58	210
Northeast	2,036	127	254	189	42	567
North	1,169	146	134	168	57	297
South	561	177	96	150	38	275
<b>Total</b>	<b>4,696</b>	<b>142</b>	<b>625</b>	<b>161</b>	<b>195</b>	<b>325</b>

Source: Regional Planning Division, NESDB. See also Appendices F and G.

The tendency toward smaller projects is clearly evident in the case of rural electrification. During 1979, provinces in the Northeast undertook 34 projects with an average clientele of 180 households. The North, on the other hand, had only ten projects but averaged 1582 households per project. On a nationwide basis, the Northeast accounted for 45.3 percent of all electrification projects and 33.3 percent of the total expenditures for this type of project, but accounted for only 17.55 percent of the total number of households reached. The North, with only 19.9 percent of the funds in this category, provided electrical service to 15,816 households--45.37 percent of the national total (see Appendix H).

The inclination toward smaller projects may have contributed to the redistributive goals of the PPDP, because it permitted projects to be spread over a greater number of tambons. However, this inclination might also work against furthering program development objectives--given the modest budgetary resources that were available. All studies of the 1979 PPDP have indicated that the majority of tambon projects (between 60 and 90 percent) were for the maintenance of existing infrastructure rather than for the fabrication of new facilities. The size of the budget constrains local planners to choose small maintenance projects, a fact that limits their potential to focus planning and implementation resources on interventions that break key constraints or have key linkages.

Evaluation reports by Regional Planning Centers of the NESDB for the 1979 program indicated that a significant portion of the infrastructure projects suffered from poor construction. Reports prepared by Regional Monitoring and Evaluation Committees concerning the 1975 and 1976 tambon development programs similarly noted that the strict reliance on a labor-intensive strategy frequently resulted in delayed projects and projects lacking

durability. These reports suggested that greater use of heavy machinery and private contractors should be permitted in order to insure timely completion of projects and the construction of infrastructure works in accordance with appropriate standards. Rural Thailand lacks a sufficient number of private contractors to assume the burden for much of the infrastructure construction. Even if the heavy equipment belonging to government agencies was mobilized to assist the PPDP, there would be insufficient capacity to do the job. Consequently, whatever the drawbacks, the extensive use of local labor will be required in any large-scale-level development program. However, since poor project design, inadequate time for implementation, and insufficient supervision contributed most to low quality of infrastructure projects in the 1979 PPDP, as well as its predecessors, there is considerable opportunity for raising the quality of projects by improvements in these areas, whether or not provision is made for greater use of machinery.

#### D. MONITORING AND EVALUATION STRUCTURE

An essential element of effective project implementation is a system of project monitoring and evaluation that helps to avoid wasting resources and facilitates the rectification of problems before undue damage is done. Such a system would involve an ongoing examination from initial project planning through the completion of projects. It also would involve attention to the technical and financial aspects of project implementation, as well as to the developmental impact of projects on their surrounding areas.

A number of agencies now engage in monitoring and evaluation. The various planning committees and the Regional Planning Centers, together with administrative and technical officials working in district offices, engage in some form of monitoring and evaluation. One study of the PPDP in late 1979 indicated that for that year emphasis was put on monitoring the financial aspects of project implementation, especially the disbursement of funds, rather than on project quality. This emphasis was also observed in the earlier tambon development program in 1976, where the government sought to impose stricter controls on the disbursement of funds to correct the abuses and mismanagement that occurred under the loosely structured program the preceding year.

The officers of the Regional Planning Centers provided a great deal of assistance to the provincial committees in the preparation of their 1979 and 1980 annual operations plans. Once the 1979 plans were completed, Regional Planning Center officials selectively examined projects throughout their regions. Interviews with officers of one Regional Planning Center revealed that they were able to check on only 10 percent of the projects in their region. Each of the subordinate staff of this regional center was responsible for two provinces and spent about fifteen days per month visiting them. A great deal of the regional center's staff time during the 1979 plan period, however, was taken up in actually preparing projects for provincial committees. During the 1980 plan period, the centers expected to devote a much greater portion of their efforts to the monitoring and evaluation of project implementation in conjunction with the planning staffs of the provincial offices.

## 1. Regional Monitoring and Evaluation Subcommittees

These committees were established by the 1979 regulation on provincial planning program expenditures. There was one committee for each of the four major geographic regions of the country. Their primary responsibilities were to report to the Central Provincial Planning and Development Committee on the progress and problems experienced during the implementation of projects under the provincial plan.

Each committee consisted of representatives of the following government agencies:

<u>Representatives</u>	<u>Position</u>
1. Inspector, Office of the Prime Minister	Chairman
2. Bureau of the Budget	Member
3. NESDB	Member
4. Accelerated Rural Development	Member
5. Department of Local Administration	Member
6. Royal Irrigation Department	Member
7. Head, Regional Development Center, NESDB	Member and Secretary
8. Office of the Undersecretary of State, Ministry of Interior	Member and Deputy Secretary
9. Office of Policy and Planning Ministry of Interior	Member and Deputy Secretary

After examining the reports of these committees for the first phase of the 1979 PPDP, it is clear that they were concerned with much more than merely determining whether funds were spent properly. The committees also examined difficulties in estimating project costs, problems arising from requirements to maximize the use of manual labor, the adequacy of the time allowed for districts to prepare project designs, and the capacity of district staff to properly design projects. In addition to these issues, the committees also addressed problems that arose from conflicting interpretations of the 1979 regulation on expenditures. The Central Provincial Planning and Development Committee instructed the regional subcommittees to select suitable provincial projects for funding during the second part of the program. Relying on funds remaining from the first phase, the second phase was brief and affected relatively few tambons.

## 2. Provincial Level Monitoring and Evaluation

Local level monitoring of project implementation is generally considered by Thai authorities to be inadequate--though there is substantial varia-

tion among the various provinces and districts. The inadequacy of local monitoring and evaluation stems from two sources. First, the monitoring and evaluation in many instances simply was not done. Discussions with Regional Planning Center officials revealed that it was common in their experience to encounter district officers who have not seen the projects in their districts and who were not even familiar with the area where a given project was undertaken. It was reported by officials at one Regional Planning Center that on one occasion a district officer was unable to give a team from their center directions to a project that they wanted to visit. Second, district officials tended to lack the skills needed for project design and evaluation. This point was emphasized in the reports of the Regional Monitoring and Evaluation Subcommittees following the first part of the 1979 program. This problem, however, is recognized by the government. The Department of Local Administration has been conducting a training program to improve the skills of Deputy District Officers for Development. The report by the Northeast Regional Monitoring and Evaluation Subcommittee noted that 226 deputy district officers in the region had completed this training by the end of June 1979. Training courses for provincial planning officials as well as district officials have also been undertaken by the Office of Policy and Planning of the Ministry of Interior and by the National Institute of Development Administration (NIDA). There seemed to be a strong bias in these programs toward lecture-based curricula, with limited field training.

Monitoring and evaluation at the provincial level also is not actively pursued; and practices vary from one province to another. The 1979 regulation on expenditures merely assigned the deputy governor the task of supervising the disbursement of funds and of reporting irregularities to the governor. The regulation gave the responsibility for project monitoring to the governor, and left the choice of the means to his discretion. Monitoring committees were appointed in several northeastern provinces to oversee project implementation and some of the northern provinces established budget review committees composed of officials and senior private citizens. Regional Planning Center officials, however felt that these committees were not very effective. Most of the northern provinces did not have well established procedures for project monitoring. An exception was the province of Petchabun, which was cited as having a conscientious monitoring program. This province required photographs to be taken of project sites before and after implementation to demonstrate that the work had been done according to project specifications. It was not determined, however, whether there was any monitoring done between project initiation and completion.

During 1979, the NESDB recommended the creation of pre-payment project review committees in the provinces. The Ministry of Interior objected to this proposal. The matter was referred to the Council of Ministers for resolution, and the council backed the Ministry of Interior's objection. In its policy statement for the 1980 PPDP, the Central Committee called on the Provincial Development Planning Committees to set

up a system for monitoring and evaluation. However, as in 1979, no guidelines for the monitoring system were provided.

### 3. Evaluation Standards

The PPDP regulations of 1977 and 1979, as well as the Central Committee policy statement for FY 1980, identify agencies responsible for monitoring and evaluating both projects and the program as a whole. These agencies are the Provincial Development Planning Committees, the Regional Monitoring and Evaluation Subcommittees operating out of the Regional Planning Centers, and the Regional Auditing Offices. Merely creating agencies to monitor and evaluate project implementation and the impact of projects on their surrounding areas is insufficient. In addition, there must also be a set of comprehensible and definite standards by which the implementation and value of projects can be measured.

Except for financial matters, there do not appear to be any clearly defined standards for evaluating projects. In estimating the beneficiaries of projects, during the 1979 PPDP district officials always counted the total number of people in a tambon as beneficiaries without attempting to estimate the degree of benefit to various segments of the tambon population. It should be kept in mind, however, that the process through which projects are funded may work against choosing projects on the basis of the benefits they offer. It appears that many projects are selected in light of the amount of funds provided and the time available for implementation. The provision of more adequate resources and better program scheduling would greatly enhance the opportunities for monitoring and evaluating implementation.

The lack of standards on appropriate costs for various project components means that it is difficult to determine whether a given project was worth the money invested in it. A report by one of the Regional Monitoring and Evaluating Subcommittees in June 1979 called on the Provincial Development Planning Committees to specify the appropriate local costs for various types of materials and equipment. Compliance with this recommendation may be difficult. Reports on the 1975 and 1976 rural development programs have indicated that shortly before the period when projects were to be implemented, prices for equipment and materials tended to rise. Thus a project might be evaluated as cost effective when it was designed, given the prevailing costs at that time, but might lose this cost effectiveness at the implementation stage because of increased prices for materials and services. Unless the provincial or national administrations are able to control prices, merely making specifications of appropriate costs will not be enough to ensure that project designs are compatible with available resources, and will mitigate against advance planning in which estimations of need and cost effectiveness are feasible.

#### E. EMPLOYMENT GENERATION VS. DEVELOPMENT: A PERSISTENT PROBLEM

One of the major issues raised in the course of carrying out the Provincial Planning and Development Program in 1979 and 1980 was the degree of emphasis to be placed on the use of manual labor, as opposed to the use of machines, in implementing projects. The policy of the Central Provincial Planning and Development Committee was that labor-intensive methods should be used as much as possible. This approach has also been a central principle of the tambon development program in 1975 and 1976. Since a major purpose of both programs was to infuse cash into the rural economy, such a policy was appropriate. The employment of local labor, rather than relying on construction and labor contractors, was also intended to be a way of involving the people in the development of their own communities, and thereby helping them to acquire a sense of responsibility for the improvement of their conditions.

Reports by Regional Monitoring and Evaluation Subcommittees for both the tambon development and provincial planning programs have noted that a rigid adherence to the principle of labor intensiveness often resulted in delays in project implementation and deficiencies in project quality. These reports observed that when problems arose or when labor shortages developed, those responsible for projects at the local level could not adapt in a timely fashion. Rather, they had to appeal to the Provincial Development Planning Committee for a revision in the project specifications. If the revision required increasing funding above that which was originally allotted, the appeal had to go to the Central Committee. The regional subcommittees recommended that greater flexibility be introduced into the project design and implementation process by permitting more local discretion over the use of heavy equipment.

The reports by Regional Monitoring and Evaluation Subcommittees for the 1979 PPDP indicated that labor was a small component of most projects, in some cases as low as 10 percent of total project costs. The purchase of materials and the hiring of heavy equipment consumed the largest share of project budgets in many instances. Thus, in terms of generating local employment, the 1979 PPDP was much less successful than it might have been.

Several factors help to account for this divergence from PPDP policy. The monitoring and evaluation subcommittees noted in mid-1970 that the time allotted for project completion was insufficient. In the case of the Northeast, the short period of time available to finish projects was curtailed by widespread flooding. Requirements to meet deadlines induced local officials to increase the use of heavy machinery and subcontractors. Large-scale interregional movements of labor for the purpose of securing work on PPDP projects can be ruled out because the net returns to the laborer would be small. Furthermore, there was no mechanism permitting the laborer to identify projects in another region or to know when projects would begin or what wages would be paid.

Intraregional migration, especially to provinces near where a worker lives, is more feasible. The extent to which this occurred during the 1979 and 1980 PPDP has not been determined. However, given the low level of funding in both years, not much migration could have been induced by the program.

Reports on the 1975 and 1976 tambon development programs (where the level of funding was three-to-four times higher than that of the PPDP) indicated that the programs actually lessened dry-season migration for purposes of employment. A report on the 1976 program noted that normally 77.7 percent of people who worked in the dry season did so in their own tambons, but that this figure rose to 81.5 percent as a result of the 1976 program. The report also noted that because of the program, in 1976 the number of people who went to work in neighboring villages decreased from 5.2 to 2.1 percent of the dry-season work force. The number of these workers who sought work far from their homes also fell from 2.2 to 1.3 percent of the dry-season work force. Since recommendations for permitting the use of contracting and machinery at the end of the 1979 PPDP were justified on the grounds of local labor shortages, it seems even more unlikely that migration occurred as a result of the PPDP. Reports on the 1979 PPDP indicate that labor shortages were in part due to the low wages paid for manual labor and the opportunity for rural residents to find alternative employment, such as harvesting sugar cane. In other words, the PPDP was not attractive even to many local residents, and could not have been so to potential migrants.

Recommendations to permit greater use of machines and contractors were based on the desire for good quality projects, as well as on time and labor constraints in project implementation. In fact, reports indicate that the use of machinery was very common, particularly in northern Thailand. Project quality in the 1979 PPDP, however, was frequently rated as poor. This suggests that machinery does not necessarily contribute to better project quality. Projects must first be well designed, and, second, implementation must be well supervised, whether a project is labor intensive or machinery intensive. The arguments for the greater use of machinery suggest that in the absence of serious time and labor shortages, projects could have been successfully undertaken relying largely on manual labor.

The effective use of labor-intensive techniques requires better advance planning, both in project design and the location of an adequate labor force. Approval of projects and allocation of funds for specific projects also has to be done well in advance. The large number of requests to amend projects during the 1979 PPDP indicates that these requirements were not met.

#### IV. CONCLUSION

Area development planning is intended to accomplish two major objectives: the integration of bottom-up and top-down streams of development initiatives and the coordination of development activities across economic sectors. The PPDP did not influence the allocative pattern of national resources, although it did reflect to a degree the needs of villagers as they themselves perceived these needs. Furthermore, the program had little appreciable effect on improving coordination among line agencies operating at the provincial and subprovincial levels.

A variety of factors combined to inhibit the success of the PPDP in 1979 and 1980. Three of the most important factors were the structure and processes of the PPDP itself, the administrative system of Thailand--including in particular its structural organization and its budgetary processes--and the level of resources available to the PPDP.

The PPDP had an unnecessarily cumbersome structure consisting of multiple levels of committees and other agencies responsible for supervising the preparation of plans, as well as for monitoring and evaluating their results. The Central Provincial Planning and Development Committee did not directly contribute to the selection of projects. However, the time required to pass sample plans up to the Central Committee, and to wait for its approval and the allocation of funds, reduced the time provincial and subprovincial participants had for project design and implementation. Consequently, these local authorities tended to choose smaller and more easily completed projects, instead of projects most appropriate to the needs of local communities.

In addition to the constraints of time, local authorities were severely handicapped by the lack of a technical planning capacity. District officials who were to provide technical assistance to the tambons in project selection, design, and follow-up did not have sufficient technical skills or staff resources for this task. Similarly, the Provincial Planning and Development Committee did not have access to sufficient technical or programmatic advice. The planning units in the Office of the Governor, which should have provided programmatic guidance, were unable to do so because of extremely limited staff capacity and information resources.

The provincial governor has a responsibility to coordinate the activities of all government agencies assigned to the provincial administration. He is greatly impeded in exercising this responsibility by a lack of direct authority over any but his immediate staff and by a lack of information about activities going on in the province. The planning unit was initially intended to provide this information to the governor. In the absence of authority and information the only coordinating tool available to the governor is his ability to persuade others. However, this tool is not reliable and in itself is not enough for major programmatic initiatives. The multiplicity of committees in the Thai administrative system has been attributed to an attempt to secure coordination by sharing responsibility. However, since often only one agency controls the resources for a program, coordination by committee tends to be a formality. In the case of the PPDP, it was obvious to all participants that the Ministry of Interior was the dominant partner.

The difficulty of achieving coordination does not derive solely from the limited authority of the governor. The national budgetary process creates major obstacles to effective coordination. The budgetary process interferes with the ability of line agencies to plan. Often these agencies are not informed of their annual allocations until well into the fiscal year. Even when funding levels are known, there are generally long delays

between the time an agency requests a disbursement of funds and the time when the funds are actually provided to the agency. Even where a willingness to coordinate exists, cumbersome disbursement procedures create scheduling problems. Consequently, depending on coordination for the success of an agency's programs may not be productive. Furthermore, the delays in allocating funds affect the projects that an agency attempts. As noted earlier, such delays contributed to the choice of smaller, more easily completed projects in the PPDP.

The third factor that inhibited the success of the PPDP was the low level of funding available to it. As a result of inadequate funding, the program had little developmental impact. Moreover, the PPDP lacked the resources to induce the cooperation of the various line agencies, or the reorientation of line agency programs in ways that would augment the initiatives of the PPDP. The paucity of central government grants to the PPDP was compounded by the inability of local governments to generate meaningful amounts of resources themselves. This inability is a result of constraints imposed on them by the central government. These local governments are thus totally dependent on the central government and unable to exercise the initiative required to permit the PPDP to operate effectively.

#### Recommendations:

- (1) The absolute level of funding for the PPDP must be substantially increased. Funds should not be diverted from the PPDP to other purposes. In addition to the funds specifically allocated for projects under the PPDP, the Provincial Planning and Development Committee, or alternatively the provincial governor, should be provided a significant budget to use for facilitating coordination among provincial agencies. In other words, the PPDP funding should in reality become a block grant for capital projects, giving the provincial governors some discretionary funds.
- (2) The provincial development planning superstructure must be simplified. In particular, the role of the national committee in the project review process should be eliminated. Instead, the national committee should focus on examining past performance of the program and on the basis of this evaluation define the priorities for future activities and specify budgetary requirements to achieve these priorities.
- (3) The capacity of provincial planning units must be greatly enhanced. They require technical expertise and extensive training in identifying and setting priorities for local needs. They also need the ability to gather and interpret information, and to develop strategies on the basis of this information. They must have the capacity to design, but more importantly, to monitor and evaluate local development projects. Staff and equipment resources for these units must be expanded substantially.

(4) The role of the regional centers of the Regional Planning Division of the NESDB should be modified. They should not be involved in provincial planning per se. Their primary responsibilities should be to gauge the provincial and interprovincial (intra-regional) impacts of PPDP and line agency projects through more effective monitoring and evaluation roles. Additionally, through training and additional staff resources, they should be in a position to undertake inter- and intra-regional analysis in their respective regions. The Director of the regional center must have the same or higher ranking as the representatives of the various national government agencies.

(5) The capacity of local governments to generate revenue must be increased. The formal power to raise revenue already exists, but its exercise is severely restricted by the central government. Provisions should also be introduced whereby tambons and villages might voluntarily impose surcharges on their contributions to the local development tax to generate additional revenue for projects they feel especially important to their welfare. However, recently there have been proposals within the Ministry of Interior to abolish provincial assemblies and Provincial Administrative Organizations. This suggests a lack of sympathy to such a change in the capacity of local governments.

(6) The proportion of government subsidy under the PPDP for villages and tambons should be based in part on their resource-generating capacity. Villages with greater capacity should generally receive lower subsidies than villages with less ability to generate revenues. This change would very likely be unpopular, and so would require strong resolve on the part of the central government.

(7) The multiplicity of overlapping development committees at the province level should be eliminated. This may be difficult to accomplish in the short term because of the heavy investment in programs such as the NVDP. However, a long-range plan to incorporate the local Community Development, NVDP, and Provincial Development Planning Committees should be adopted. The existing Provincial Executive Committee would be a logical place to vest responsibility for all local development activities. This committee consists of the provincial governor, any deputy or vice governors, and the heads of all departmental sections, and largely duplicates the membership of the other special purpose committees. This arrangement would also facilitate using the provincial planning unit as the secretariat for planning of this committee.

(8) There is a need to insure a substantial continuity of emphasis in local and area development planning. At present, this is difficult to achieve because personnel at the provincial and district levels are transferred frequently. A means must be found to maintain a core of personnel, with sufficient rank to be influential, in each province over an extended period of time. A minimum of five years would be desirable. To accomplish this would require modification of existing personnel practices and the provision of adequate inducements to the personnel involved. Present personnel rotation practices are intended in part to minimize identification with a particular locality and thereby insure

loyalty to the central administration. The change recommended here would not significantly reorient this loyalty, but would permit personnel enough time to perceive the results of their investments in time and effort. They would thus be in a position to improve their programs in the light of experience.

(9) The PPDP, as it was originally designed, called on line agencies to coordinate their programs with the PPDP, and implied the intention of the Ministry of Interior to coordinate line agency activities. The behavior of large established organizations was to be changed for the benefit of a new organization which had not yet demonstrated its value. Resistance by the line agencies to such a change was inevitable.

A more practical approach, and one less threatening to other organizations, would be for the provincial planning units to adopt the role of an entrepreneur. That is, to attempt to forge links among ongoing and proposed line agency programs, to attempt on a selective basis to fill in interstices left by line agency programs, and to undertake necessary activities that line agencies cannot or have not done. This posture would require that the planning unit be provided with major funding by the central government to be used at its own discretion and be able to take advantage of available local resources as well.

(10) In order to orient line agency programs to needs as perceived by the local population, line agencies should be required to consult with local governments and with provincial authorities. The provincial governor, the provincial assemblies, and local governments should have a shared voice in deciding whether a project is to be implemented, and where a project should be located.

(11) Local governments and agencies such as tambons should have a continuing and clearly specified role in the evaluation of line agency projects.

All of these recommendations can be implemented without a major upheaval in the current administrative structure. Rather than serving to undermine this structure, these recommendations would permit it to function much more effectively.

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VI. APPENDICES

APPENDIX A

NEW VILLAGE DEVELOPMENT PROGRAM NOV. 1979 - SEPT. 1980

AVERAGE INVESTMENT PER VILLAGE AND TAMBON IN TEN NORTHEASTERN PROVINCES

PROVINCE	#TAMBON	#VILLAGES	AVG. INVESTMENT/TAMBON (Bahts)	AVG. INVESTMENT/VILLAGE (Bahts)
1. Ubon	59	139	1,208,475	512,950
2. Yosothorn	27	53	1,522,222	775,472
3. Nokorn Rotchasima	34	94	1,920,588	694,681
4. Buriram	25	60	1,772,000	738,333
5. Surin	16	27	1,431,125	848,148
6. Srisaket	34	63	961,765	519,048
7. Nokorn Phanom	20	48	1,360,000	566,667
8. Kolosin	7	10	800,000	560,000
9. Sokon Nokorn	8	13	1,360,250	838,462
10. Loei	6	7	866,667	742,857

(Source: New Village Development Program: Annual Operations Plan 2522-2523.  
Book One, Volume Two: Northeast)

APPENDIX B

ALLOCATION OF FY 1979 PROVINCIAL DEVELOPMENT FUND

	<u>฿ million</u>	<u>% of Total</u>
Total Funds	959	
Allocation to Provinces		
Part 1	769	80.18
Part 2	190	
(Diverted to drought relief)	<u>-125</u>	
Available for Part 2	65	6.77
Total received by Provinces*	834	86.96
a) PAOs	667	69.55
b) Municipalities and Sanitation Districts	167	17.41

\*Figures provided by the Regional Planning Division, NESDB in November 1979 show a total allocation to the provinces of ฿831.97 million - a difference of ฿2.3 million from Jamlong's figures. NESDB figures probably represent actual expenditure whereas the ฿834 million was the allotment to the Provincial Planning Committees.

Source: Jamlong Atikul, op. cit.

APPENDIX C

ALLOCATION OF FY 1980 PROVINCIAL DEVELOPMENT FUND

	<u>Total</u>	<u>(฿ million)</u> <u>% of Total</u>
	900*	100.00
<u>Deduction</u>		
Reserve Fund	100	11.00
MP Discretionary Fund	300	33.33
Provincial Fund	500	55.55
a. Provincial Administrative Organization Fund (80%)	400	44.44
b. Municipal and Sanitation District Fund (20%)	100	11.11

\*(Source: Bangkok Bank Monthly Review  
20/11 [Oct.-Nov. 1979]: 410)

(The policy statement by the Central Provincial Development Committee for FY 1980 announced an allocation to the provinces for the first part of the 1980 program of ฿ 500 million.)

APPENDIX D

**PROVINCIAL PLANNING AND DEVELOPMENT PROGRAM  
FUNDING BY PROVINCE--1979 AND 1980  
(Baht millions)**

Region/Province	1979			1980			Percent Change in the National Share 1980 over 1979
	Amount	% National Total	% Regional Total	Amount	% National Total	% Regional Total	
<b><u>CENTRAL</u></b>	167.580	20.14	100.00	117.746	23.35	00.00	15.89
<b><u>West</u></b>							
Kanchanaburi	13.843	1.66	8.26	9.427	1.88	8.01	13.25
Prachuab Khirikhan	9.256	1.11	5.52	6.992	1.39	5.94	25.22
Ratburi	8.193	0.98	4.89	5.731	1.14	4.87	16.32
Samut Sakhon	3.030	0.36	1.81	3.384	0.67	2.87	86.11
Nakhon Pathom	7.658	0.92	4.57	3.560	0.71	3.02	- 22.82
Phetchaburi	7.999	0.96	4.77	5.094	1.01	4.33	5.20
Samut Songkhram	5.061	0.61	3.02	4.138	0.82	3.51	34.42
Suphan Buri	9.399	1.13	5.61	6.113	1.22	5.19	7.96
<b><u>East</u></b>							
Chantaburi	6.865	0.83	4.10	5.651	1.13	4.80	36.14
Chon Buri	10.027	1.21	5.98	4.498	0.90	3.82	- 25.61
Nakhon Nayok	5.376	0.65	3.21	3.874	0.77	3.29	18.46
Rayong	5.506	0.66	3.29	4.963	0.99	4.22	50.00
Chachoengsao	6.628	0.80	3.96	5.008	1.00	4.25	25.00
Trad	3.444	0.41	2.06	3.493	0.69	2.97	68.29
Prachin Buri	11.538	1.39	6.89	7.812	1.56	6.63	12.23
Samut Prakan	3.638	0.44	2.17	2.792	0.55	2.37	25.00

APPENDIX D (continued)

PROVINCIAL PLANNING AND DEVELOPMENT PROGRAM  
FUNDING BY PROVINCE—1979 AND 1980  
(Baht millions)

Region/Province	1979			1980			Percent Change in the National Share 1980 over 1979
	Amount	% National Total	% Regional Total	Amount	% National Total	% Regional Total	
<u>Central</u>							
Chai Nat	7.007	0.84	4.18	4.665	0.93	3.96	10.71
Pathum Thani	2.800	0.34	1.67	2.873	0.57	2.44	67.64
Lop Buri	14.485	1.74	8.64	9.540	1.90	8.10	9.19
Sing Buri	2.718	0.33	1.62	1.744	0.34	1.48	3.03
Nonthaburi	3.668	0.44	2.19	3.064	0.61	2.60	38.63
Ayutthaya	6.520	0.78	3.89	4.509	0.90	3.83	15.38
Sara Buri	8.310	1.00	4.96	5.115	1.02	4.34	2.20
Ang Thong	4.613	0.55	2.75	3.266	0.65	2.77	18.18
<b>NORTHEAST</b>	<b>330.469</b>	<b>39.72</b>	<b>100.00</b>	<b>166.429</b>	<b>33.28</b>	<b>100.00</b>	<b>- 16.21</b>
Udon Thani	29.845	3.59	9.03	14.231	2.80	8.55	- 22.00
Sakon Nakhon	17.923	2.15	5.42	9.458	1.80	5.68	- 16.27
Nong Khai	15.424	1.85	4.66	8.446	1.68	4.92	- 9.19
Loei	12.431	1.49	3.76	8.201	1.64	4.92	10.06
Khon Kaen	24.549	2.95	7.42	10.922	2.18	6.56	- 26.10
Roi Et	21.730	2.61	6.57	10.252	2.05	6.15	- 21.45
Maha Sarakham	17.874	2.15	5.40	8.937	1.78	5.36	- 17.21
Kalasin	15.791	1.90	4.77	8.245	1.64	4.95	- 13.68
Nakhon Ratchasima	31.883	3.83	9.64	13.885	2.70	8.34	- 29.50
Surin	21.426	2.58	6.48	10.716	2.14	6.43	- 24.11
Buri Ram	23.467	2.82	7.10	11.231	2.24	6.74	- 20.56

APPENDIX D (continued)

PROVINCIAL PLANNING AND DEVELOPMENT PROGRAM  
FUNDING BY PROVINCE--1979 AND 1980  
(Baht millions)

Region/Province	1979			1980			Percent Change in the National Share 1980 over 1979
	Amount	% National Total	% Regional Total	Amount	% National Total	% Regional Total	
Chaiyaphum	16.213	1.95	4.90	9.451	1.89	5.67	- 3.07
Ubon Ratchathani	32.490	3.91	9.83	15.645	3.12	9.40	- 20.20
Nakhon Phanom	15.916	1.91	4.81	9.446	1.88	5.67	1.57
Si Sa Ket	20.137	2.42	6.09	10.025	2.00	6.02	- 17.35
Ya So Thorn	13.374	1.61	4.04	7.338	1.46	4.40	- 9.31
<b><u>NORTH</u></b>	<b>209.834</b>	<b>25.22</b>	<b>100.00</b>	<b>132.824</b>	<b>26.56</b>	<b>100.00</b>	<b>5.31</b>
Chiang Rai	13.727	1.64	6.94	8.476	1.69	6.38	3.05
Chiang Mai	13.065	1.57	6.60	7.449	1.48	5.60	- 5.73
Nan	10.869	1.30	5.49	6.600	1.52	5.72	16.92
Pha Yao	10.569	1.27	5.34	8.203	1.64	6.17	29.13
Phrae	8.016	0.96	4.05	5.309	1.06	3.99	10.41
Mae Hong Son	5.120	0.61	2.58	5.500	1.10	4.14	80.32
Lampang	10.546	1.26	5.33	6.299	1.26	4.74	-
Lamphun	5.971	0.71	3.01	4.376	0.87	3.29	22.53
Kampang Phet	14.271	1.71	7.21	8.754	1.75	6.59	2.34
Tak	8.889	1.06	4.49	6.976	1.39	5.25	31.13
Nakhon Sawan	23.601	2.83	11.93	12.188	2.43	9.17	- 14.13
Phichit	13.650	1.65	6.90	7.871	1.57	5.92	- 4.85
Phitsanulok	14.388	1.72	7.27	7.953	1.59	5.98	- 7.56
	22.500	2.82	11.02	14.152	2.83	10.65	-

APPENDIX D (continued)

**PROVINCIAL PLANNING AND DEVELOPMENT PROGRAM  
FUNDING BY PROVINCE--1979 AND 1980  
(Baht millions)**

Region/Province	1979			1980			Percent Change in the National Share 1980 over 1979
	Amount	% National Total	% Regional Total	Amount	% National Total	% Regional Total	
Sukhothai	11.356	1.36	5.74	7.889	1.57	5.93	15.44
Uttaradit	10.215	1.23	5.16	6.634	1.32	4.99	7.31
Uthai Thani	11.089	1.33	5.60	7.195	1.43	5.41	7.52
<b>SOUTH</b>	<b>124.086</b>	<b>14.91</b>	<b>100.00</b>	<b>84.441</b>	<b>16.68</b>	<b>100.00</b>	<b>11.87</b>
Krabi	7.236	0.87	5.83	5.856	1.17	7.01	34.48
Trang	10.900	1.31	8.78	7.402	1.48	8.87	12.97
Narathiwat	11.325	1.36	9.13	6.039	1.20	7.23	- 11.76
Phang Nga	3.754	0.45	3.03	3.312	0.66	3.96	46.66
Phuket	2.186	0.26	1.76	2.780	0.55	3.33	109.92
Ranong	1.724	0.21	1.39	2.956	0.59	3.54	180.95
Satun	5.466	0.66	4.41	5.004	1.00	5.99	51.51
Chumphon	6.630	0.80	5.34	5.588	1.11	6.69	39.44
Nakhon Si Thammarat	22.160	2.66	17.86	10.855	2.17	13.00	- 18.42
Pattani	7.485	0.90	6.32	4.883	0.97	5.85	7.77
Phatthalung	8.513	1.02	6.86	6.542	1.30	7.84	27.45
Yala	7.605	0.91	6.13	5.625	1.12	6.74	23.07
Songkhla	14.795	1.78	11.92	7.127	1.42	8.54	- 17.44
Surat Thani	14.308	1.72	11.53	9.472	1.89	11.35	9.99

Source: Regional Planning Division, NESDB

APPENDIX E

DISTRIBUTION OF PROJECTS BY REGION,  
PROVINCIAL PLANNING AND DEVELOPMENT PROGRAM--1979

<u>Region</u>	<u>Number of Projects</u>	<u>Regional Projects as Percentage of Total</u>
CENTER (Central, East, West)	1129	20.5
NORTHEAST	2332	42.3
NORTH	1360	24.6
SOUTH	695	12.6

APPENDIX F

COST OF APPROVED PROJECTS VS. AMOUNT FUNDED BY REGION, 1979 PPDP  
(\$ millions)

	<u>Cost of Approved Projs.</u>	<u>Cost of Funded Projs.</u>	<u>% Reduc.</u>
Center	789	168	79
Northeast	1267	330	74
North	1101	210	81
South	911	124	86
<hr/>			
WHOLE COUNTRY	4068	832	80
<hr/>			

Source: Regional Planning Division, NESDB, 1979.

APPENDIX G

AVERAGE PROJECT COST - PPDP  
PRE-FUNDING AND POST-FUNDING, 1979

<u>Region</u>	<u>No. Proj. Approved</u>	<u>Avg. Cost</u>	<u>No. Proj. Funded</u>	<u>Avg. Cost</u>	<u>% Reduction in No. Projs.</u>	<u>% Reduction Avg. Proj. Cost</u>
Center	2,576	306,000	1,129	149,000	56	51
Northeast	3,920	323,000	2,332	142,000	41	46
North	3,063	359,000	1,360	154,000	56	57
South	1,991	458,000	695	124,000	65	63
Total Country	11,550	352,000	5,516	151,000	52	57

Source: Regional Planning Division: NESDB, 1979.

APPENDIX H

1979 PPDP  
ELECTRIFICATION PROJECTS BY REGION  
AND BY TYPE OF LOCAL GOVERNMENT

	Central	Center East	West	Northeast	North	South	Total
<u>PROVINCIAL ADMINISTRATIVE ORGANIZATION</u>							
No. Projs.	7	7	8	34	10	9	75
% Projs.	9.33	9.33	10.66	45.33	13.33	12.00	100.0
Vol. (houses)	4356	1265	3792	6128	15816	3556	34913
% Vol.	12.47	362.0	1086.0	17.55	45.30	10.18	100.0
Expenditure (P,000)	2840.6	851.7	2093.5	6138.9	3682.5	2814.1	18421.3
% Expenditure	15.42	4.62	11.36	33.32	19.99	15.27	100.0
<u>SANITATION DISTRICTS AND MUNICIPALITIES</u>							
No. Proj.	1	1	4	1	10	5	22
% Projs.	4.5	4.5	18.18	4.5	45.45	22.72	100.0
Vol. (houses)	329	250	1851	1364	10742	326	14862
% Vol.	2.21	1.68	12.45	9.17	72.28	2.19	100.0
Expenditure	32.4	100.0	450.4	66.4	1073.1	2585.0	4300.3
% Expenditure	.75	2.32	1047.0	1.54	2495.0	60.11	100.0
No. Projs.	8	8	12	35	20	14	97
% Projs.	8.24	8.24	12.37	36.11	20.61	14.43	100.0
Vol. (houses)	4685	1515	5643	7992	26558	3882	49775
% Vol.	9.41	30.43	11.33	15.05	53.35	7.79	100.0
Expenditure (P,000)	2873.0	951.7	2543.9	6205.3	4755.6	5399.1	22728.6
% Expenditure	12.64	4.18	11.19	27.30	20.92	23.75	100.0

Source: Regional Planning Division, NESDB - June 8, 1979