

United Nations Economic and Social Commission for Asia and the Pacific

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Excellencies,
Distinguished Delegates,
Ladies and Gentlemen,

- It is a great pleasure for Thailand to update about the economic situation, macroeconomic policies, poverty reduction, and financing for development.
- After the pandemic has been relieved, a recovery in economic activities resulted in robust recovery in domestic demand as well as the tourism sector. The Thai economy expanded by 2.6 percent in 2022, improving from a contraction of 6.1 percent in 2020 and 1.5 percent growth in 2021 respectively. In 2023, NESDC forecasted that the Thai economy is expected to recover within a range of 2.7 – 3.7 percent.
- Regarding economic stability, the Thai economy remains in a sound position. Inflation tends to be softened in line with declining energy price. Unemployment rate declined to the pre-COVID level. Current account return to a surplus following a tourism recovery. On the fiscal front, the government give most priority on fiscal sustainability as observed by the public debts to GDP that decline from its peak to remain at 61.2 percent by the end the first quarter of 2023. Also, other indicators remained in the fiscal sustainability threshold.
- In addition, Thailand’s financial system remains strong amid volatile global financial markets. Banking system is resilient while international reserves stood as high as almost 3 times of short-term external debts. In addition, Thailand’s financial ecosystem has been conducive to both foreign and domestic businesses, with rapidly rising digital payment adoption and digital infrastructure development.
- For social development, poverty rate declined significantly from 65.2 percent in 1988 to be at 6.32 percent in 2021. Meanwhile, the income GINI index stood at 0.430. This has been a result of a continual implementation for alleviating the impact of COVID-19 especially on the venerable and low-income groups.
- While such measures may have helped to alleviate the impact and to boost the economy in the short run, long-term resilience for the Thai economy lies in effective structural reform to steer the economy towards a sustainable and green economic growth.
- Over the medium term, the government has laid down foundations to support the economic recovery as stated in the 5-Year National Development Plan (13th Plan) covering the period of 2023-2027 which aims to transform the economy under five main development targets including:

Firstly, Restructuring the manufacturing and service sectors towards an innovation-based economy that aims for sustainable development: by stimulating value-added enhancement through innovation, technology and creativity. The Thai government has worked hard to improve the country's future competitiveness on six priority sectors including Electric Vehicles, Smart Electronics and Digital, Food industries, Sustainable tourism, Trade and investment gateway, and Medical and healthcare service.

Secondly, Developing human capital for the new global era: by expediting workforce enhancement to achieve quality that meets the needs of the labor market as well as to accommodate economic restructuring towards the higher-potential manufacturing and service sectors.

Thirdly, Creating a society of opportunities and fairness: by reducing economic and social disparity in terms of income, geography, wealth, and the business sector's competition.

Fourthly, Ensuring the transition of production and consumption towards sustainability: by reducing pollution together with improving natural resource utilization in line with ecosystem capacity. Together with pushing for a reduction of greenhouse gas emissions for Thailand to achieve carbon neutrality by 2050 and net zero greenhouse gas emissions by 2065. Above all, the BCG Economic Model has been the government's main guideline for sustainable development in areas that have strong business growth potentials.

Lasty, Enhancing Thailand's capability to cope with changes and risks in the new global context: by promoting preparedness for coping with and seizing opportunities arising from an ageing society, climate change, new epidemics, and cyber threats. As well as restructuring the public administrative system to be able to respond to changes in socioeconomic and technological contexts in a timely and efficient manner and with good governance.

- Under these 5 development targets, it will be crucial moment for Thailand to maintain economic recovery along with structural transformation in order to achieve the goal to become the high-income country by 2037 as targeted in the 20-year National Strategy.

Thank you.