



Country Operations Business Plan

June 2008

Thailand
2008–2010

Asian Development Bank

CURRENCY EQUIVALENTS

(as of 18 June 2008)

Currency Unit	–	baht (B)
B1.00	=	\$0.0302
\$1.00	=	B33.110

ABBREVIATIONS

ADB	–	Asian Development Bank
COBP	–	country operations business plan
CPS	–	country partnership strategy
GMS	–	Greater Mekong Subregion
MRT	–	mass rapid transit
PCG	–	partial credit guarantee
TA	–	technical assistance

NOTE

In this report, "\$" refers to US dollars.

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CONTENTS

	Page
I. CONSISTENCY OF THE BUSINESS PLAN WITH THE CURRENT COUNTRY PARTNERSHIP STRATEGY	1
II. INDICATIVE LENDING AND NONLENDING PROGRAMS	1
A. Indicative Lending Program for 2008–2010	
B. Indicative Nonlending Program for 2008–2009	
III. SUMMARY OF CHANGES TO LENDING AND NONLENDING PROGRAMS	2
IV. INDICATIVE INTERNAL RESOURCE REQUIREMENTS	3
V. RESULTS-BASED MONITORING	3
VI. COUNTRY PARTNERSHIP STRATEGY RESULTS FRAMEWORK	3
TABLES	
1. Indicative Assistance Pipeline for Lending Products, 2008–2010	4
2. Indicative Assistance Pipeline for Nonlending Products and Services, 2008–2009	5
3. Summary Information on Proposed Indicative Lending Products and Services for 2008	7
4. Summary Information on Proposed Indicative Nonlending Products and Services for 2008	8
5. Indicative Assistance Pipeline for Regional Nonlending Products and Services that Include Thailand, 2008–2010	11
6. Updated Priority Sectors and Themes	13

I. CONSISTENCY OF THE BUSINESS PLAN WITH THE CURRENT COUNTRY PARTNERSHIP STRATEGY

1. Preparation of the Thailand country operations business plan (COBP) 2008–2010 commenced less than 1 year after the endorsement of the Thailand country partnership strategy (CPS) 2007–2011.¹ Midway through the first year of CPS implementation, Thailand held general elections on 23 December 2007, signaling a restoration of democracy in the wake of the peaceful military coup on 19 September 2006. The People Power Party won a majority of seats in the House of Representatives and proceeded to form a coalition government. The party's leader, Samak Sundaravej, became the 25th Prime Minister of Thailand on 29 January 2008.

2. Notwithstanding this period of political uncertainty and transition, the CPS remains aligned with the Government's policies and action plans to promote long-term, sustainable economic growth and social development. This continuity derives from the CPS being firmly anchored in the development strategies outlined in Thailand's 10th National Economic and Social Development Plan.² The CPS includes three core strategic areas of partnership at the national level, each of which is cited as a priority development challenge in the Government's Policy Statement.³ At the regional level of partnership, the Government and the Asian Development Bank (ADB) continue to work together to expand and deepen subregional cooperation, as reaffirmed at the Third Greater Mekong Subregion (GMS) Summit in March 2008.

3. The Government considers the first full year of CPS implementation to be successful based on the design and execution of a selective technical assistance (TA) program that centers on the three core strategic areas of partnership at the national level. The past year also included advisory and capacity building support to strengthen Thailand's role, capacity, and effectiveness as a regional development partner. Looking forward, ADB's indicative program of operations in Thailand for 2008–2010 remains fully consistent with the CPS, both at the national and regional levels of partnership.

II. INDICATIVE LENDING AND NONLENDING PROGRAMS

4. Because the CPS was the first formal document since 2001 to define the development partnership between Thailand and ADB, and recognizing that Thailand's middle-income country status would require greater emphasis on knowledge sharing rather than on lending, the CPS only presented a 1-year pipeline of advisory TA projects for 2007. Therefore, the indicative lending and nonlending programs for 2008–2010 represent new activities, all of which are consistent with the CPS.⁴

A. Indicative Lending Program for 2008–2010

5. ADB's indicative lending program for 2008 includes one private sector operation involving a \$5 million loan and an \$83 million partial credit guarantee (PCG) for the Biomass

¹ The *Country Partnership Strategy 2007–2011: Thailand* was endorsed by the Asian Development Bank's Board of Directors on 24 May 2007 and formally acknowledged by the Cabinet of the Government of Thailand on 11 September 2007.

² The 10th National Plan (2007–2011) was finalized by the National Economic and Social Development Board in September 2006.

³ The three core strategic areas of partnership at the national level are infrastructure development, capital market development, and environmentally sustainable development.

⁴ The one exception is Capacity Building and School Networking for Educational Services (e-learning) Project in Thailand, an advisory TA project for \$500,000 to be processed in 2008. This TA project was discussed prior to the preparation of the CPS and approved for processing by ADB's management on an exceptional basis.

Power Project. The 2009 lending pipeline consists of: (i) a \$20 million public sector loan for the Bangkok Mass Rapid Transit (MRT) Integrated Ticketing Project; (ii) an \$80 million loan for the GMS Highway Expansion Project; and (iii) one private sector transaction for the Gas-Fired Power Project that includes a \$50 million direct loan, a \$150 million B-loan, and a \$250 million PCG. Contingent upon the Government's request for ADB to provide financing for the new MRT lines, \$500 million is included as a standby public sector loan for 2010 to finance the Bangkok Urban MRT Project. The indicative lending program for 2008–2010 is summarized in Table 1.

B. Indicative Nonlending Program for 2008–2009

6. ADB's indicative pipeline for nonlending products and services for 2008 includes three advisory TA projects: (i) Capacity Building and School Networking for Educational Services (e-learning) in Thailand for \$500,000; (ii) Mainstreaming Energy Efficiency Measures for Thai Municipalities for \$500,000; and (iii) Capital Market Development, Phase II for \$1 million. ADB will also support two staff consultancies in 2008: (i) assessment of Thailand's railway sector for \$45,000; and (ii) assessment of Thailand's water and sanitation sector for \$30,000. Finally, the 2008 program includes \$150,000 for Preparing the GMS Highway Expansion Project.

7. The nonlending program for 2009 includes four advisory TA projects that build upon prior and ongoing ADB support at the national level: (i) Pension System Implementation for \$400,000; (ii) Strengthening Thai Financial Markets for \$400,000; (iii) Planning for the Sustainable Development of Southern Thailand, Phase II for \$800,000; and (iv) Implementation Plan for the Strategic Intercity Motorway Network for \$1,000,000. Two project preparatory TAs are also programmed for 2009: (i) Preparing the Bangkok Urban MRT Project for \$900,000; and (ii) Preparing the Municipal Infrastructure Development Project for \$900,000. The indicative nonlending program for 2008 to 2009 is presented in Table 2.

III. SUMMARY OF CHANGES TO LENDING AND NONLENDING PROGRAMS

8. Because there were no public or private sector lending operations under consideration 1 year ago, the CPS did not include an indicative lending program. For the 2008–2010 period, the lending pipeline now includes three public sector loans and two private sector transactions; summary information for the private sector loan to be processed in 2008 is in Table 3. Public sector lending in Thailand is expected to resume on a selective basis, especially when ADB financing helps to catalyze cofinancing, mobilize private sector participation, and contribute specialized expertise needed to structure complex projects. Similarly, the scaling up of private sector operations in Thailand will largely be driven by demand for ADB's innovative financial products such as credit guarantees and syndicated loans.

9. Since the CPS only presented TA projects for processing in 2007, the nonlending program for 2008–2009 is also new; summary information for the TA projects to be processed in 2008 is in Table 4. While the proposed advisory TAs, project preparatory TAs, and economic and sector work focus on the national level of partnership, nonlending activities at the regional level are expected to increase as the two-way development partnership between Thailand and ADB matures. In this regard, ADB and Thailand will continue to pursue joint capacity-building activities in neighboring countries and explore opportunities to cofinance cross-border development projects.⁵ The GMS Program and other subregional cooperation initiatives serve as essential building blocks for Thailand to expand and deepen its contributions as a regional

⁵ Joint capacity-building and financing activities are being pursued with the Export-Import Bank of Thailand, the Neighboring Countries Economic Development Cooperation Agency, and the Thailand International Development Cooperation Agency.

development partner. The indicative pipeline of ADB-supported regional TA projects that include Thailand is in Table 5.

10. ADB's forward-looking lending and nonlending programs in Thailand remain concentrated in five priority sectors: (i) energy; (ii) finance; (iii) transport and communications; (iv) water supply, sanitation, and waste management; and (v) multisector. Additionally, ADB's operations encompass four priority themes: (i) environmental sustainability, (ii) private sector development, (iii) governance, and (iv) regional cooperation. A summary of developments in each of the priority sectors and themes since adoption of the CPS is in Table 6. In addition, since adoption of the CPS, ADB launched a new long-term strategic framework that focuses operations on three development agendas—inclusive economic growth, environmentally sustainable development, and regional integration.⁶ The priority sectors and themes of the Thailand CPS and COBP are consistent with, and support, ADB's new long-term strategy for an Asia and Pacific region free of poverty.

IV. INDICATIVE INTERNAL RESOURCE REQUIREMENTS

11. Existing Thailand Resident Mission staff members responsible for implementing ADB's operations in Thailand are limited to the country director, one professional officer, and two national officers. The resident mission also relies on staff from the Southeast Asia Department and the Private Sector Operations Department to process and manage specific lending and nonlending activities. The resident mission's existing staff complement is considered sufficient to deliver the firm lending and nonlending program for 2008. To deliver the lending and nonlending program indicated for 2009–2010, the resident mission will require one additional professional officer as well as additional administrative staff support.⁷

V. RESULTS-BASED MONITORING

12. The results framework prepared for the CPS serves as the principal tool for managing, monitoring, and assessing the effectiveness of ADB's operations in Thailand. In the formulation of ADB's forward program, the results framework has provided a means to ensure that lending and nonlending activities are demand-driven, selective, and consistent with the core strategic areas of partnership. At the project level, results-based monitoring involves the active management of ongoing TA projects as well as the timely preparation of project completion reports. To monitor and measure results in priority sectors, the resident mission will be preparing road maps for the transport and finance sectors in 2008. These road maps will ensure that specific lending and nonlending operations collectively contribute to longer-term outcomes and impacts at the sector level.

VI. COUNTRY PARTNERSHIP STRATEGY RESULTS FRAMEWORK

13. There have been no substantive changes to the CPS results framework contained in the CPS 2008–2011.⁸

⁶ ADB. 2008. *Strategy 2020: The Long-Term Strategic Framework of the Asian Development Bank 2008–2020*. Manila.

⁷ The CPS highlighted the need to redeploy an infrastructure development specialist from headquarters to the resident mission in 2007. The resident mission's loss of a private sector officer in early 2008 limits ADB's ability to expand its private sector operations in Thailand and to pursue complex public–private partnerships.

⁸ ADB. 2007. *Country Partnership Strategy 2007–2011: Thailand*. Manila.

Table 1: Indicative Assistance Pipeline for Lending Products, 2008–2010

Sector Project/Program Name	Targeting Classifi- cation	Thematic Priority	Division	Year of Project Preparatory Assistance	Total	Cost (\$ million)			Co- financing	
						OCR	Loans			Total
							ADF	Grants		
2008 Firm Loans										
Energy										
1. Biomass Power Project	GI	PSD/ENV	PSOD	2008	288.00	88.00 ^a	0.00	0.00	88.00	200.00 ^b
2009 Firm Loans										
Energy										
1. Gas-Fired Power Project	GI	PSD/ENV	PSOD	2008	1,550.00	450.00 ^c	0.00	0.00	450.00	1,100.00 ^d
Transport and Communications										
1. Bangkok MRT Integrated Ticketing Project	GI	ECO/CD	TRM	2008	TBD	20.00	0.00	0.00	20.00	TBD
2. GMS Highway Expansion Project	GI	RC/ECO	SEID	2008	310.00	80.00	0.00	0.00	80.00	80.00 ^e
Total					TBD	550.00	0.00	0.00	550.00	TBD
2010 Standby Loans										
Transport and Communications										
1. Bangkok Urban MRT Project	GI	ECO/PSD	TBD	2009	TBD	500.00	0.00	0.00	500.00	TBD

ADB = Asian Development Bank, ADF = Asian Development Fund, CD = capacity development, ECO = sustainable economic growth, ENV = environmental sustainability, GI = general intervention, GMS = Greater Mekong Subregion, MRT = mass rapid transit, OCR = ordinary capital resources, PSD = private sector development, PSOD = Private Sector Operations Department, RC = regional cooperation, SEID = Southeast Asia Infrastructure Division, TBD = to be determined, TRM = Thailand Resident Mission.

^a OCR loan of \$5 million and partial credit guarantee of \$83 million.

^b Cofinancing from financial institutions purchasing bonds.

^c OCR direct loan of \$50 million, OCR B-loan of \$150 million, and partial credit guarantee of \$250 million.

^d Cofinancing from financial institutions in the form of loans.

^e Cofinancing from World Bank.

Source: Asian Development Bank.

Table 2: Indicative Assistance Pipeline for Nonlending Products and Services, 2008–2009

Sector Assistance Name	Responsible Division	Assistance Type	Sources of Funding			Total (\$'000)
			ADB		Others	
			Source	Amount (\$'000)		
Firm 2008						
Education						
1. Capacity Building and School Networking for Educational Services (e-learning) in Thailand	TRM	ADTA	e-Asia	500.00		500.00
Energy						
1. Mainstreaming Energy Efficiency Measures for Thai Municipalities	TRM	ADTA	CEF	500.00	0.00	500.00
Finance						
1. Capital Market Development, Phase II	SEGF	ADTA	TASF	1,000.00	0.00	1,000.00
Transport and Communications						
1. Assessment of Thailand's Railway Sector	TRM	ESW	SCF	45.00	0.00	45.00
2. Preparing the GMS Highway Expansion Project	SEID	PPTA	TASF	150.00	0.00	150.00
Water Supply, Sanitation, and Waste Management						
1. Assessment of Thailand's Water and Sanitation Sector	TRM	ESW	SCF	30.00	0.00	30.00
Total				2,225.00	0.00	2,225.00

Sector Assistance Name	Responsible Division	Assistance Type	Sources of Funding				Total (\$'000)
			ADB		Others		
			Source	Amount (\$'000)	Source	Amount (\$'000)	
2009							
Finance							
1. Pension System Implementation	SEGF	ADTA	JSF	400.00		0.00	400.00
2. Strengthening Thai Financial Markets	SEGF	ADTA	TBD	400.00		0.00	400.00
Multisector							
1. Planning for the Sustainable Development of Southern Thailand, Phase II	TRM	ADTA	TBD	800.00		0.00	800.00
Transport and Communication							
1. Implementation Plan for the Strategic Intercity Motorway Network	SEID	ADTA	TBD	1,000.00		0.00	1,000.00
2. Preparing the Bangkok Urban MRT Project	TRM	PPTA	JSF	900.00		0.00	900.00
Water Supply, Sanitation, and Waste Management							
1. Preparing the Municipal Infrastructure Development	TRM	PPTA	TBD	900.00		0.00	900.00
Total				4,400.00		0.00	4,400.00

ADTA = advisory technical assistance; CEF = Clean Energy Financing Partnership Facility; e-Asia = e-Asia and Knowledge Partnership Fund; ESW = economic and sector work; GMS = Greater Mekong Subregion; JSF = Japan Special Fund; PPTA = project preparatory technical assistance; SCF = staff consultant fund; SEFG = Southeast Asia Governance, Finance, and Trade Division; SEID = Southeast Asia Infrastructure Division; TASF = Technical Assistance Special Fund; TBD = to be determined; TRM = Thailand Resident Mission.

Source: Asian Development Bank.

Table 3: Summary Information on Proposed Indicative Lending Products and Services for 2008

Project Name	Description
Biomass Power Project	<p>Goal The project aims to increase Thailand's renewable energy production and to catalyze private sector investment in energy generation by a small power producer through the use of innovative financial products.</p> <p>Major Components The major component is a partial credit guarantee for a project bond issue financing the construction of a 120 MW biomass-fired power plant. The project will supply energy to the grid as well as to the industries located in the 304 Industrial Park in the province of Prachinburi. The project will use waste wood from the nearby pulp and paper industry as fuel.</p> <p>Expected Outputs and Outcomes The expected output is increased renewable energy capacity of 120 MW produced from a waste by-product. In addition to supplying energy to the grid, the project will contribute to the development of the industries in the area by satisfying their increasing demand for power. The project will also demonstrate to the local financial community that long-dated project bonds in local currency are a viable source of finance for medium-sized power generation projects.</p>

MW = megawatt.

Source: Asian Development Bank.

Table 4: Summary Information on Proposed Indicative Nonlending Products and Services for 2008

Project Name	Description
Assessment of Thailand's Railway Sector	<p>Goal The objective of this staff consultancy is to provide ADB with a more detailed and comprehensive understanding of the Government's investment plans to expand and upgrade the national railway network; the scope and prioritization of individual projects; and the Government's willingness and commitment to undertake needed policy, regulatory, and institutional reforms.</p> <p>Major Components The first major component is a rapid assessment of the railway sector and the identification of strategic approaches to improve its performance by way of: (i) infrastructure modernization, upgrade, and extension; (ii) structural reform and reorganization of the sector; and (iii) strengthening SRT's operations and management. The second component involves the identification of possible ADB interventions to support the planning and implementation of the Government's railway investment program and improving the operational and financial performance of SRT.</p> <p>Expected Outputs and Outcomes The outputs will consist of: (i) an assessment of the issues facing the railway sector, strategies for improvement, and preconditions for successful implementation; (ii) a catalogue of possible ADB interventions in the sector; and (iii) a summary of the Government's investment plan and its envisaged funding. The outcome for the Government will be an independent assessment of strategic options for improving railway operations. For ADB, the assessment will help define a road map of possible TA projects and lending operations that would help the Government in implementing its railway strategy, including establishing regional linkages with neighboring countries in the GMS.</p>
Assessment of Thailand's Water and Sanitation Sector	<p>Goal This staff consultancy will assess the key financial, institutional, operational, and regulatory issues associated with the provision of clean water and sanitation services to households in urban and rural areas as well as to consumers in the industrial and service sectors. The study will include an evaluation of priority action plans and policy initiatives to improve the efficiency and cost effectiveness of providing clean water and sanitation services to end users.</p> <p>Major Components The assessment will include five components: (i) a financial analysis that examines recent water tariff policy reforms and their implications for improving cost recovery, O&M, capital investment, and financial sustainability; (ii) a review of institutional issues that pertain to the decentralization of water service provision; (iii) a stocktaking of operational challenges to address O&M, nonrevenue water, service area expansion, new technologies, links with sanitation services, and internal capacities; (iv) an examination of regulatory issues facing the sector, particularly the potential need for an overarching regulatory body; and (v) an evaluation of the Government's willingness and commitment to implement needed policy, regulatory, and institutional reforms in the sector.</p>

Project Name	Description
	<p>Expected Outputs and Outcomes</p> <p>The expected outputs include (i) a rapid sector assessment that addresses the five major components outlined previously, (ii) the dissemination of international best practices to provide guidance on appropriate policy responses, and (iii) a recommended approach for ADB to consider in determining possible future TA projects and capacity-building support in the sector. An important outcome will be a solid analytical foundation for ADB to design and implement a focused, results-oriented road map for sustained engagement in the sector.</p>
Capacity Building and School Networking for Educational Services (e-learning) in Thailand	<p>Goal</p> <p>The purpose of this project is to assist Chulalongkorn University Demonstration Elementary School in developing an Internet-based distance learning education curriculum for elementary school levels. The selected foundation learning modules include science, mathematics, and English, which are required for grades 3 and 6 national tests.</p> <p>Major Components</p> <p>There are three components: (i) an e-learning course will be formulated based on issues and problems related to the contents of the existing curriculum in remote rural areas' elementary schools; (ii) the educational modules will be developed, tested, and made available in various multimedia formats and transferred to databases; and (iii) the Demonstration School Network will be established to enhance collaboration in e-learning and teaching development. Seminars and conferences will be organized through the network to exchange information and disseminate research outputs on e-learning and teaching development.</p> <p>Expected Outputs and Outcomes</p> <p>The output will consist of: (i) e-learning courses in science, mathematics, and English; (ii) a database accessible through the Internet for teachers and students at different education levels; and (iii) the Demonstration School Network. The key outcome will be an enhancement of curriculum, improved teaching methods, and higher test scores for students in rural areas. Moreover, the Chulalongkorn University Demonstration School Information Learning Center will serve as a hub for distributing the e-learning modules to affiliated schools in remote rural areas.</p>
Capital Market Development, Phase II	<p>Goal</p> <p>The objective of this TA project is to help support a balanced approach to develop the capital market and to establish a functioning financial system that is internationally competitive and supports basic capital and investment needs as well as Thailand's longer-term economic objectives.</p> <p>Major Components</p> <p>The TA project will (i) improve the structure of the bond market development fund as well as the bond issuance program, (ii) establish procedures for government onlending and guarantees, (iii) carry out a holistic evaluation of the Secondary Mortgage Company, (iv) conduct an assessment of the feasibility of introducing mortgage insurance in Thailand, and (v) assist the Capital Market Development Committee to draft the new capital market development master plan.</p> <p>Expected Outputs and Outcomes</p> <p>Outputs will be (i) an enhanced bond issuance program, (ii) appropriate mechanisms for onlending, (iii) clearly defined roles and responsibilities</p>

Project Name	Description
	for the Secondary Mortgage Company, (iv) a draft capital market development master plan, (v) a blueprint for an efficient mortgage insurance system, and (vi) a study on taxation of financial instruments. This TA project will help enhance the capacity and size of the capital market, increase the range and sophistication of financial products, and strengthen the institutional and policy framework.
Mainstreaming Energy Efficiency Measures for Thai Municipalities	<p>Goal The objective of the TA project is to support the PEA to promote energy conservation through efficient use of energy in Thai municipalities.</p> <p>Major Components The major component will be to encourage the widespread application of best practices for energy efficiency and conservation in public buildings and facilities under the jurisdiction of Thai municipalities.</p> <p>Expected Outputs and Outcomes The expected outputs include (i) a training program and methodology for PEA staff in energy auditing, measures to reduce energy consumption, and project monitoring; (ii) clear understanding of energy use and saving patterns in selected municipalities; (iii) best practices in energy management for conservation and savings; and (iv) upgraded skills and capacities of PEA staff to operate in line with the principles and practices of an energy services company. The expected outcome includes the enhancement of PEA's role and capability in providing energy efficiency services and the achievement of the Government's energy conservation policies and measures.</p>
Preparing the GMS Highway Expansion Project	<p>Goal The project will contribute to more efficient transport of goods and people along the GMS East–West and Southern Economic Corridors through the upgrading and widening of priority sections of national highways.</p> <p>Major Components The principal components under the proposed TA project include: (i) the preparation of standard contract documents for highway construction as applicable to Thailand, (ii) bills of quantities and engineers' construction cost estimates, (iii) terms of reference and cost estimates for construction supervision services, and (iv) a detailed implementation schedule.</p> <p>Expected Outputs and Outcomes The principal outputs include technical assessments such as economic and technical feasibility studies, social and environmental impact analyses, and necessary contract and procurement documents for improving the selected sections of the GMS East–West and Southern Economic Corridors. The expected outcome will be a project design and feasibility study agreed on by the Government and ADB for a project to improve critical sections of the GMS transport network in Thailand.</p>

ADB = Asian Development Bank, GMS = Greater Mekong Subregion, km = kilometer, MRT = mass rapid transit, O&M = operation and maintenance, PEA = provincial electricity authority, SRT = State Railway of Thailand, TA = technical assistance.

Source: Asian Development Bank.

Table 5: Indicative Assistance Pipeline for Regional Nonlending Products and Services that Include Thailand, 2008–2010

Sector Assistance Name	Responsible Division	Assistance Type	Sources of Funding				Total Amount (\$'000)
			ADB		Others		
			Source	Amount (\$'000)	Source	Amount (\$'000)	
2008							
Agriculture and Natural Resources							
1. Core Environment Program and Biodiversity Conservation Corridors Initiative in the GMS (Supplementary)	SEAE	RETA	TASF	400.00	FIN, PRC, and NET	6,200.00	6,600.00
2. Implementing the Core Agricultural Support Program in the GMS	SEAE	RETA	TASF	1,500.00	PRC and others	1,000.00	2,500.00
Education							
1. GMS Phnom Penh Plan for Development Management, Phase III (Supplementary)	SESS	RETA			PRC	500.00	500.00
Multisector							
1. Enhancement of Subregional Cooperation in the BIMP-EAGA and IMT-GT	SEOC	RETA	TASF	121.00			121.00
2. Enhancing Transport and Trade Facilitation in the GMS	TRM/SEOC	RETA			PRC, AUS, and RCIF	1,750.00	1,750.00
3. Implementing the GMS HRD Strategic Framework and Action Plan	SESS	RETA	TASF	700.00			700.00
4. Institutional Development for Enhanced Subregional Cooperation in the aSEA Region	SEOC	RETA	TASF	3,800.00			3,800.00
5. Support for Bay of Bengal Initiative for Multisectoral Technical and Economic Cooperation, Phase II	SAOC	RETA	TASF	700.00			700.00
Total				7,221.00		9,450.00	16,671.00

Sector Assistance Name	Responsible Division	Assistance Type	Sources of Funding				Total Amount (\$'000)
			ADB		Others		
			Source	Amount (\$'000)	Source	Amount (\$'000)	
2009							
Education							
1. GMS Phnom Penh Plan for Development Management, Phase IV	SEOD	RETA	TASF	500.00	PRC	500.00	1,000.00
Industry and Trade							
1. Investment and Trade Promotion in IMT-GT	SEOC	RETA	TASF	1,000.00			1,000.00
Law, Economic Management, and Public Policy							
1. IMT-GT Capacity Building and Strengthening Effective Local Government Participation for Subregional Cooperation	SEOC	RETA	TASF	1,000.00			1,000.00
Total				2,500.00		500.00	3,000.00
2010							
Agriculture and Natural Resources							
1. Implementing the Core Agricultural Support Program in the GMS, Phase II	SEAE	RETA	TASF	1,000.00			1,000.00
Energy							
1. Developing the GMS Regional Transmission and Regulatory Authority	SEID	RETA			FRA	1,000.00	1,000.00
Multisector							
1. Strengthening the Coordination of the GMS Program	SEOC	RETA			PRC and RCIF	3,000.00	3,000.00
Total				1,000.00		4,000.00	5,000.00

aSEA = archipelagic Southeast Asia; AUS = Australia; BIMP-EAGA = Brunei Darussalam-Indonesia-Malaysia-Philippines East ASEAN Growth Area; FRA = France; FIN = Finland; GMS = Greater Mekong Subregion; HRD = human resource development; IMT-GT = Indonesia-Malaysia-Thailand Growth Triangle; NET = Netherlands; PRC = People's Republic of China; RCIF = Regional Cooperation and Integration Fund; RETA = regional technical assistance; SAOC = South Asia Country Coordination and Regional Cooperation Division; SEAE = Southeast Asia Agriculture, Environment, and Natural Resources Division; SEID = Southeast Asia Infrastructure Division, SEOC = Southeast Asia Country Coordination and Regional Cooperation Division; SEOD = Office of the Director General, Southeast Asia Division; SESS = Southeast Asia Social Sector Division; TASF = Technical Assistance Special Fund; TRM = Thailand Resident Mission.

Source: Asian Development Bank.

Table 6: Updated Priority Sectors and Themes

Priority Sectors	Developments Since CPS Adoption
Energy	One advisory TA project in the energy sector will be processed in 2008, and two private sector transactions are planned for 2008 and 2009, respectively.
Finance	An advisory TA project for capital market development will continue to be a core activity, with new TA projects scheduled for processing in 2008 and 2009.
Multisector	The primary multisector project is ongoing advisory TA on planning for the sustainable development of southern Thailand, with additional TA planned for 2009.
Transport and Communications	Two project preparatory TAs are underway, one on integrated ticketing for the Bangkok MRT system and another for the GMS highway expansion project. A rapid assessment of the railway sector will also be undertaken in 2008. A project preparatory TA for the Bangkok urban MRT project is planned for 2009.
Water Supply, Sanitation, and Waste Management	A rapid assessment of the water and sanitation sector in 2008 will be followed by a project preparatory TA in 2009.
Priority Themes	
Environmental sustainability	An advisory TA project to mainstream energy efficiency measures in Thai municipalities will be processed in 2008.
Private sector development	Promoting private sector participation and investment continues to be a principal objective in the infrastructure sector.
Governance	Good governance remains a cornerstone of all lending and nonlending activities in Thailand.
Regional cooperation	A TA project to enhance Thailand's role, capacity, and effectiveness as a regional development partner remains under implementation. Thailand also continues to be an active participant in the GMS Program and other subregional cooperation initiatives.

CPS = country partnership strategy, GMS = Greater Mekong Subregion, MRT = mass rapid transit, TA = technical assistance.

Source: Asian Development Bank.