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Poverty Reduction Approaches in Thailand

6th ASEAN+3 Village Leaders Exchange Program

4-10 March, 2018

Yunnan, China





Community Development Department Thailand

Thailand 4.0 (innovation-driven economy)

- Thailand's vision [2015-2020] to be with SPS(Stability-Prosperity-Sustainability)
- "Work a little but make big gains" approach
- from simple commodities \rightarrow innovations
- Tools : 1. Competitive Growth Engine : More for Less \rightarrow Less for More
 - 2. Inclusive Growth Engine : Concentration of \rightarrow Distribution of Wealth

-Stronger together + Leave no one behind

3. Green Growth Engine : Imbalanced \rightarrow Balanced Development

-Economy, Social, Environment, HR









- Pracharat mechanism : "The future of competition is collaboration"; Prof.CK Pahalad

Collaborating



THAILAND



Sectors

5 Guidelines in working with community businesses

* Public policies and infrastructure Financial assistance through public sector financial institutions within banking prudential guidelines

 Business management advice Linkages to markets & distribution channels Business plan development Funding through commercial banks "Big brother" program

> Research & development Technology for agriculture and production

> > Building awareness Linkages among multiple communities

 Learning new ways of working Operating business production & services

Sharing know-hows and creating synergizes in 5 capabilities

Fectors of production

- Expertise & funding
- Raw materials at right. quality & price

Knowledge

- Product standards
- Production efficiency
- Agricultural techniques & research
- Intellectual property, patents, geographical indication (GI)

Marketing

- New product development
 New distribution
- Packaging

channels Brand building

Production

equipment

Communication & awareness

- Unity and pride in communities
- Management system Business plan Financial management
- Understanding of Pracharath concept and Philosophy of Sufficiency Economy
 - Environmental sustainability





Community Development Department Thailand





Civil Society Sector Strengthens

Public Sector

Private Sector

Supports

- Citizen & Community Business

Thailand 4.0

- What will be changed ?

traditional farming \rightarrow Smart farming

traditional SMEs \rightarrow Smart SMEs

traditional services \rightarrow High-value services

Low-skill labor \rightarrow High-skill labor











CDD in poverty alleviation

 One Tambol One Product –OTOP is one tool we use to promote Thai products and demonstration activities which will always be a part of promoting Thai tourism in order to gain visitors' experience and exchange knowledge of Thai products.

(entrepreneurs : 39,844

products : >80,000

value : **109,000** MB) – as 2017

projection to 200,000 MB in 3 years

 Excellently, We can adapt OTOP to every aspect of poverty reduction through Tourism management(<u>OVC</u>)
 -Agricultural value chains(<u>OTOP Trader</u>)
 -Community Financial Institution(<u>CFIs</u>)



Creative OTOP village (Nawatvithi)



Creative OTOP village (Nawatvithi) (2)



- -Tourists purchase OTOP products in village
- -OTOP Product Distribution in local tourism areas
- -OTOP Tourism Village (total 3,273 villages)
- (MUST-SEE 111 areas and CAN'T-MISS 12 cities)
- -Thai OTOP authentic cuisine (77 provinces)
 - + 5 main dishes and 1 dessert





Agricultural Value Chains and Community Development

Supporting factors to be Smart Farming

Smart Farming	Information (for decision-making)	 The Basic Minimum Need (BMN) is a household information (household members' quality of life)
		- The Basic Minimum Need for village is a village information including geographic information
	Value added & Value creation	-Sufficiency Economy Philosophy Village
		-Pracharat Sukjai Market
		- Occupational promoting
		- OTOP
	Management	- Village Funds
		- Saving Groups
AND		- Women Empowerment Funds

Agricultural 4.0

Collaborative Farming \rightarrow Grouping/Working together

From "Producting" to "Providing" strategy

Objectives : - Reduce cost : - increase more output and competitiveness

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Support agent : Pracharat [ G+C+P ]
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Value Chain :



Upstream > : Farmer	Midstream >	Downstream : Markets
Gain technical knowledge via	- Quality development	- Private sector help farmers

- operations and management
- Latest technology usage

OUTCOME : reduce cost / gain more output





Thailand

seek valued customers

Expand to industrial sector

OTOP Village from Thailand







Community Development Department Thailand

Miss.Nareruch Uthaisangsakul • Manager Director, OTOP Complex Saraburi



Otop complex management model

1.Centralize Saraburi's OTOP activities in OTOP complex
2.Do R&D and monitor within entrepreneur network
3.Act as Contribution center
4.Be marketing agent for community entrepreneurs
5.Involve with 5P marketing mix
6.Implement business action plan
7.Government Supporting

8.Good governance of board members





Tourism village (Saraburi Trip)



- Utilize natural resources (Waterfall, River, Dam) in village to be tourism attraction
- Also, cultural resources (art and culture, customs, traditions, temples)
- Promote agricultural farming to be tourism attraction
- Establish inspired tourism site via knowledge sharing by demonstrating OTOP, Handicraft, Handmade, Herbal products, Healthy food and drink producing activities
- Create village's unique valuation

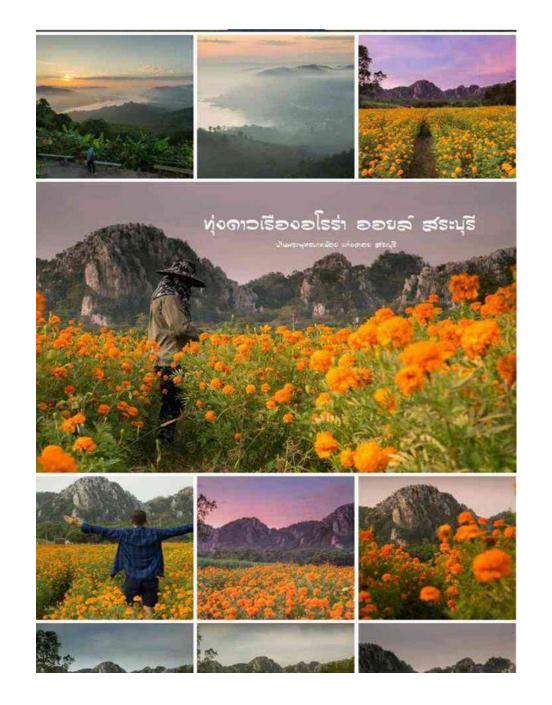


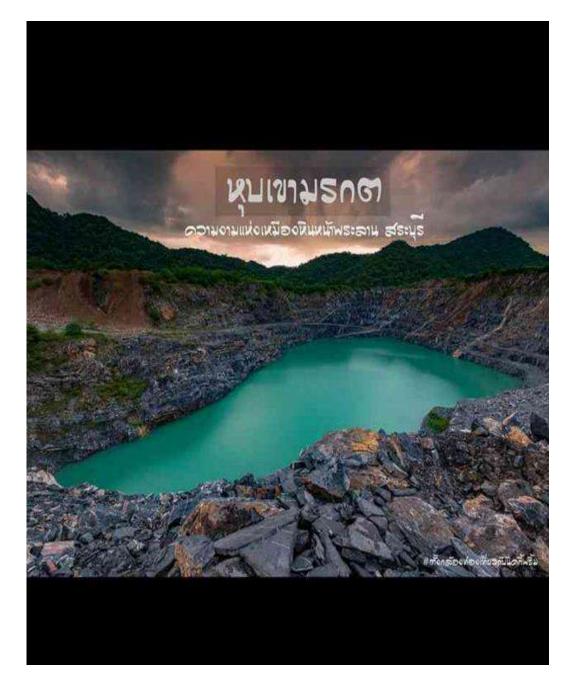






























เชิญชม ร่วนเบญจมาฝ Big Tae Garden เชื่อมโยมแหล่มท่อมเที่ยวเชิมเกษตร ต.หนอมย่ามเสือ อ.มวกเหล็ก จ.สระบุรี

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Thank you for your kind attention







