

Third Party Evaluation Report FY2023
Ministry of Foreign Affairs of Japan

Evaluation of Japan's ODA to the Kingdom of Thailand

January 2024

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Preface

This report is an Evaluation of Japan's ODA to the Kingdom of Thailand (Thailand), and was commissioned to International Development Centre of Japan, Inc. by the Ministry of Foreign Affairs of Japan (MOFA) in fiscal year 2023.

Since its commencement in 1954, Japan's Official Development Assistance (ODA) has contributed to the development of partner countries while tackling global issues. Today, the international community acknowledges the necessity to improve the effectiveness and efficiency of ODA. MOFA regularly conducts ODA evaluations, of which most are conducted at the policy-level with two main objectives: to improve the management of ODA, and to ensure its accountability. These evaluations are commissioned to external third parties to enhance transparency and objectivity.

The objective of this Evaluation was to review Japan's ODA policies for Thailand, and to produce recommendations and lessons learned based on the review to improve policy planning for the effective and efficient implementation of future assistance by the Government of Japan. For accountability purposes, the results in their entirety are available to the general public.

The Evaluation Team in charge of this study consisted of a chief evaluator (MINATO Naonobu, Visiting Fellow, Institute for International Monetary Affairs), an advisor (FUJIMURA Manabu, Professor, Aoyama Gakuin University) and International Development Centre of Japan. Professor Minato supervised the entire evaluation process and Professor Fujimura provided advice and input on analytical and evaluation processes. In addition, to complete this study, we have received support from MOFA, the Japan International Cooperation Agency (JICA), non-governmental organizations (NGOs) and local ODA Task Forces, as well as government agencies, project implementation agencies, and other donors in Thailand. We would like to take this opportunity to express our sincere gratitude to all those who supported this study.

Finally, the Evaluation Team wishes to note that the opinions expressed in this report do not necessarily reflect the views or positions of the Government of Japan.

January 2024

International Development Center of Japan, Inc.

Note: This English version is a translation of the Japanese Evaluation Report of Evaluation of Japan's ODA to the Kingdom of Thailand.

Evaluation of Japan's ODA to Thailand (Brief Summary)

Evaluators (Evaluation Team)

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- Advisor: FUJIMURA Manabu, Professor, Aoyama Gakuin University
- Consultant : International Development Center of Japan, Inc.

Evaluation Period: FY2018- FY2022

Period of the Evaluation Study: May 2023- February 2024

Field Survey Country: Thailand



Bang Sue Grand Station, built with Japanese assistance. There is a plaque inside the station indicating that it was constructed with Japan's ODA.

Background, Objectives and Scope of the Evaluation

Thailand located in the center of the Indo-China Peninsula and facing both the South China Sea and the Indian Ocean, occupies an important geopolitical position. Japan and Thailand have close ties in several areas, including politics, economics and culture. In particular, the two countries have strong economic ties. In 2022, the prime ministers of both countries agreed to upgrade the bilateral relations to a 'Comprehensive Strategic Partnership' based on the progress of bilateral ties in several areas. They confirmed their intention to further strengthen cooperation. Meanwhile, although Thailand has become an upper-middle-income countries, there are issues to be addressed for sustainable development, such as human resource development in the industrial sector, capacity building in research and development with a view to increasing the added value of industry, high-quality infrastructure development, promotion of flood control and disaster prevention measures, and measures for energy, the environment, and climate change. In addition, cooperation with Thailand, which is an aid donor country, as a development partner, utilizing the strengths of both countries, will be effective in building a model for development cooperation with upper-middle-income countries.

The purpose of this evaluation is to assess Japan's recent Official Development Assistance (ODA) policies and assistance to Thailand based on priority areas, to obtain recommendations and lessons learned for the formulation and implementation of the country development cooperation policy toward Thailand, which is scheduled to be revised in Japanese Fiscal Year 2024, and to fulfill accountability to the public by publicizing the evaluation results.

Brief Summary of the Evaluation Results

●Development Viewpoints

(1) Relevance of Policies

Japan's ODA policy towards Thailand is consistent with Thailand's development policies and needs, Japan's higher-level policies, and international priorities, respectively. Japan and major donors and agencies have positioned Thailand as a strategic partner. They have formulated assistance policies in line with Thailand's Five-Year National Economic and Social Development Plan being implemented in accordance with 20-Year National Strategy (2018-2037) and been working together to achieve Thailand's vision of 'a developed country with security, prosperity and

sustainability in accordance with the Sufficiency Economy Philosophy'. Furthermore, the planned assistance in Thailand, which plays a central role in the Association of Southeast Asian Nations (ASEAN) and the Mekong region, is highly consistent with Japan's regional policies in that it is related to improving ASEAN connectivity and reducing disparities within the region. In addition, based on Japan's long track record of providing assistance from soft to hard aspects and the mutual trust with Thailand that Japan built as a top donor, Japan's ODA policy leverages its comparative advantage in terms of planning and implementing projects in areas where Japan has knowledge and experience, such as infrastructure development, industrial human resource development, research capacity building, environment and climate change, and social security, as well as in the use of diverse cooperation modality and actors (ODA loan, grant aid, technical cooperation projects, dispatching JICA experts, Japan Overseas Cooperation Volunteers, science and technology, training programs, private partnership programs, Grant Assistance for Japanese NGO Projects, JICA Partnership Program, etc.). Accordingly, the relevance of policies is evaluated as 'Highly Satisfactory'.

(Rating : Highly Satisfactory)

(2) Effectiveness of Results

It was confirmed that the aid results (inputs) and outputs (results of activities such as the number of people trained and infrastructure) were realized as planned. Once planned, the projects under Japan's ODA have been implemented as planned. This experience can be positively evaluated as contributing to the 'high level of trust in Japan' that was often heard from local aid agencies. As a concrete outcome, the staff of those agencies commented people are very satisfied with the quantitative and qualitative expansion of transportation capacity through hard and soft support for railway stations and subways, and the development of industrial human resources focused on science and technology personnel. Additionally, support is being provided to address new challenges such as digitalization, and Third Country Training Program (training for neighboring countries supported by Japan and implemented by Thai aid agencies) is expected to become increasingly important in the future. Although there are some issues with monitoring and evaluation, it is generally satisfactory. Comprehensively evaluating these results and their importance, the effectiveness of the results can be evaluated as 'Highly Satisfactory'.

(Rating : Highly Satisfactory)

(3) Appropriateness of Process

At the time of this evaluation, Japan's ODA policy is consistent with the needs of Thailand, and the relationship between Thai and Japanese relevant agencies and ministries is well established. Based on these points, it can be judged that the policy formulation process was appropriate. Regarding the aid implementation process, it is appropriate that Japan and Thailand work together to manage the projects, for example, improving procedures to increase the efficiency of ODA request surveys, establishing a Joint Coordination Committee (JCC) during project implementation, and conducting periodic monitoring and evaluation by the JCC. It is appropriate that public relations activities are actively conducted by selecting and utilizing social media with high visibility in the local community. There are some cases where ODA projects have become joint projects with Japanese private companies or local governments, which is a characteristic of Thailand as an upper-middle-income country. The new bilateral initiatives, such as Thailand and Japan working together to implement loan project for neighboring country, could be a model for ODA for other upper-middle-income countries. Therefore, the appropriateness of process can be judged as 'Highly Satisfactory'.

(Rating : Highly Satisfactory)

*(note) Rating : Highly Satisfactory/ Satisfactory/ Partially Satisfactory/ Unsatisfactory

●Diplomatic Viewpoints

(1) Diplomatic Importance

From the perspective of diplomatic importance, Thailand plays a central role in the stability and development of the ASEAN / Mekong region, and in the realization of the 'Free and Open Indo-Pacific (FOIP)' promoted by the Government of Japan. It is in a geopolitically important position. Japan and Thailand have long had a friendly relationship. Japan's development cooperation has been praised by the Thai government and other aid agencies. The development cooperation implemented in Thailand contributes to Thailand's economic and social development and Japanese private companies operating in Thailand and, by extension, to Japan's economic development. Thus, maintaining and developing the mutual cooperative relationship between Japan and Thailand is extremely important for Japan's national interest.

(2) Diplomatic Impact

From the perspective of diplomatic impact, Japan aid to neighboring countries in Thailand through the Third Country Training Program, in which participants from ASEAN countries receive technical training in Thailand and acquire Japanese knowledge and experiences. It can be said that it is an impact through learning experience. Furthermore, in terms of bilateral relations, many high-level officials and representatives have visited Japan and expressed their gratitude for Japan's development cooperation, which can be said to have contributed to a certain extent to strengthening mutual trust between the two countries. Although Thailand has adopted a diplomatic stance that maintains a balance by avoiding excessive dependence on any particular country, it has been pointed out that the country tends to rely on Japan in important situations. Hence, Japan's development cooperation has an impact on Thailand and neighboring countries, contributing to the maintenance of good bilateral relationship between Thailand and Japan.

Recommendations

- (1) Considering new ways of development cooperation for upper-middle-income countries that will become emerging donors.
- (2) Improving the public relations approach.
- (3) Improving monitoring and evaluation of Third Country Training Programs.
- (4) Direction of future development cooperation for Thailand: Strengthening support for better governance.

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Map



Map No. 3853 Rev. 2 UNITED NATIONS
July 2009

Department of Field Support
Cartographic Section

Source: United Nations. Thailand-Map No.3853 Rev.2, 2009, <https://www.un.org/geospatial/content/thailand>,
(Accessed on 2023/10/24)

Chapter 1 Background, Objectives and Evaluation Framework

1 Evaluation Background and Objectives

The Kingdom of Thailand ('Thailand'), located in the center of the Indo-China Peninsula and facing both the South China Sea and the Indian Ocean, occupies an important geopolitical position. Japan and Thailand have close ties in several areas, including politics, economics and culture. In particular, the two countries have very strong economic ties. In 2022, the prime ministers of both countries agreed to upgrade the bilateral relations to a 'Comprehensive Strategic Partnership' based on the progress of the bilateral ties in several areas. They confirmed their intention to further strengthen cooperation. Meanwhile, although Thailand has joined the ranks of upper-middle-income countries, there are issues to be addressed for sustainable development in line with the Sustainable Development Goals (SDGs), such as human resource development in the industrial sector, capacity building in research and development to increase the added value of industry, high-quality infrastructure development, promotion of flood control and disaster prevention measures, and measures for energy, the environment, and climate change. In addition, cooperation with Thailand (an aid donor country) as a development partner, utilizing the strengths of both countries, will be effective in building a model for development cooperation with upper-middle-income countries.

The previous country evaluation (third-party evaluation) of Thailand was conducted in 2011, and Japan's Country Development Cooperation Policy for Thailand is scheduled to be revised in the Japanese Fiscal Year (JFY) 2024. The purpose of this evaluation is to assess Japan's assistance policy for Thailand over the past five years (2018-2022), make recommendations and draw lessons for the formulation and implementation of Japan's future Official Development Assistance (ODA) policy towards Thailand. The evaluation results will also be made public to ensure accountability to the public.

2 Scope of Evaluation

This evaluation covers five years, from JFY 2018 to JFY 2022, and focuses on Japan's ODA policy and assistance to Thailand. The ODA policy for Thailand was revised in 2020. The figure below shows the 2012 and 2020 aid policies, which are the subject of this evaluation. Since these two aid policies basically cover the same areas on an ongoing basis, this evaluation will be based on the latest 2020 version.

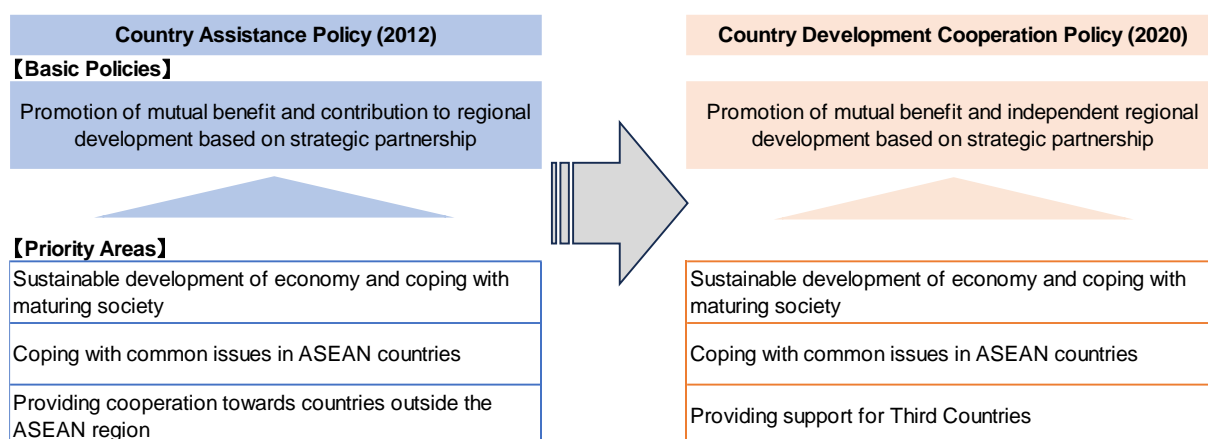


Figure 1-1 Japan's Assistance Policy for Thailand

Source: Prepared by the evaluation team based on Japan's assistance policies for Thailand (2012, 2020)

3 Evaluation Methodology

(1) Evaluation Viewpoints

Based on the ODA Evaluation Guidelines (June 2021) and ODA Evaluation Handbook (February 2023) by the Ministry of Foreign Affairs of Japan (MOFA), this evaluation was conducted for a comprehensive review from development viewpoints. In addition, the evaluation was conducted from diplomatic viewpoints, considering Japan's national interests. Table 1-1 lists the main verification criteria and contents.

Table 1-1 Evaluation Viewpoints

Evaluation viewpoint	Evaluation criteria	Main verification criteria
Development viewpoints	Relevance of policies	<ul style="list-style-type: none"> Consistency with Japan's high-level ODA policies Consistency with the development policies and needs of Thailand Consistency with the international priority issues Relevance with assistance policies of other donors Japan's comparative advantage
	Effectiveness of results	<ul style="list-style-type: none"> Inputs to Thailand (inputs) Goods and services produced by the inputs (outputs) Short-, medium-, and long-term effects of assistance (outcome/impact)
	Appropriateness of processes	<ul style="list-style-type: none"> Appropriateness of the process for formulating Country Development Cooperation Policies Appropriateness of policy implementation process Appropriateness of aid implementation structure Effective collaboration with other actors (companies, NGOs, etc.) Consideration and ingenuity based on the characteristics and features of Thailand
Diplomatic viewpoints	Diplomatic importance	<ul style="list-style-type: none"> Significance and Importance of Assistance to Thailand
	Diplomatic impact	<ul style="list-style-type: none"> Impact in bilateral and international relations, contribution to national interests

Source: Prepared by the evaluation team based on the ODA Evaluation Handbook (2023)

For the three evaluation criteria from the development viewpoint, that is, ‘the relevance of policy, effectiveness of results, and ‘appropriateness of process, a four-level rating (‘highly satisfactory’, ‘satisfactory’, ‘partially satisfactory’, and ‘unsatisfactory’) was assigned based on the ODA Evaluation Handbook (February 2023).

(2) Implementation Procedures of the Evaluation

The evaluation implementation period of this evaluation is from April 2023 to February 2024. As shown in Figure 1-2, the evaluation team formulated an implementation plan, including the evaluation scope, evaluation criteria, and work schedule, which was discussed at the first study meeting. Based on the implementation plan, in-country and field surveys were conducted. The field survey in Thailand was conducted from August 20–September 1, 2023. At the second study meeting held after the field survey, the tentative evaluation results, based on the in-country and field survey information, were discussed. Thereafter, the evaluation team prepared an evaluation report draft, revised the report based on stakeholders’ comments obtained at the third study meeting, and submitted the final report after confirmation by the ODA Evaluation Division of MOFA.

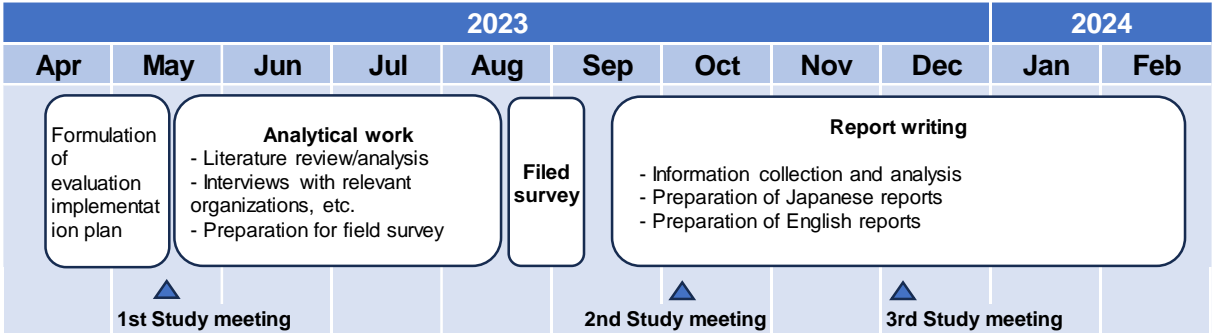


Figure 1-2 Implementation Procedures of the Evaluation

(3) Limitations of the Evaluation

This evaluation is a comprehensive review of Japan’s ODA policy and assistance to Thailand over the past five years. However, the evaluation results are based on information collected and confirmed during the limited period of in-country and field surveys. In addition, there were certain limitations to obtaining information, especially in confirming the previous implementation process, such as the inability to interview the persons in charge at that time due to personnel transfer or retirements, and the lack of documents explaining the details at that time.

4 Implementation Structure of the Evaluation

Under the guidance of the chief evaluator and the advisor, the consultant collected, summarized, and analyzed the information necessary for the evaluation. Table 1-2 shows the team members involved in the evaluation. The field survey in Thailand was conducted by all the members, except for the Evaluation Analysis 3, and Ms. KONNO Kyoko from the ODA Evaluation Division of MOFA, who participated as an observer.

Table 1-2 Members of the Evaluation Team

Responsibility	Name	Affiliation
Chief Evaluator	MINATO Naonobu	Visiting Fellow, Institute for International Monetary Affairs
Advisor	FUJIMURA Manabu	Professor, Aoyama Gakuin University
Chief Consultant / Evaluation Analysis 1	SASAKI Ryo	Senior Researcher, International Development Center of Japan, Inc
Deputy Chief Consultant / Evaluation Analysis 2	SUEYOSHI Yukiko	Senior Researcher, International Development Center of Japan, Inc
Evaluation Analysis 3	ONozATO Hiroyo	Researcher, International Development Center of Japan, Inc

Chapter 2 Overview of Thailand and Trends in ODA for Thailand

1 Overview of Thailand

(1) Political System

Since the 'Constitutional Revolution' of 1932, Thailand has been a constitutional monarchy. During the 1980s and 1990s, the democracy movement was active in Thailand and the political conflict continued for long between the Thaksin group, led by the 'Thai Rak Thai Party', which rapidly expanded its power, and its opposition groups.

The 'Pheu Thai Party' (Thaksin group) won the largest number of seats in the April 2017 general election for the House of Representatives (March 2019) under the current constitution. However, the 'Palang Pracharath Party' (a pro-military group) formed a coalition with 17 other parties to become the ruling party, and forming the Prayut government. Even after this government was formed, internal power struggles continued. In May 2023, a general election was held for the House of Representatives. The ruling conservative party, with a strong military influence, was defeated and the 'Move Forward Party', which appealed for reform of Thailand's old structure, became the leading party. However, the party's leader was not elected as the prime minister due to constitutional violations related to his media shareholdings. On August 22, 2023, Mr. Seter of the 'Pheu Thai Party' was elected prime minister, having dissolved his coalition with the 'Move Forward Party' and announced a coalition with conservative and pro-military parties.

(2) Diplomacy

Traditionally, Thailand has adopted an omnidirectional foreign policy that adjusts its distance from major countries according to the situation. This has not changed recently, making cooperation with ASEAN countries and coordination with major countries such as Japan, the U.S., and China as basic diplomatic policy.. In recent years, Thailand has expressed its position on international affairs and global issues, aiming to strengthen relationships with the Middle East and European Union (EU) countries. As a central player in the Mekong region, Thailand is actively involved in regional affairs, promoting the Ayeyarwady-Chao Phraya-Mekong Economic Cooperation Strategy Council (ACMECS) and providing development cooperation to neighboring countries through the Thai International Cooperation Agency (TICA). In addition, Thailand has been the ASEAN coordinating country for Japan for three years since 2021, and is in charge of liaison and coordination between the ASEAN and Japan.

(3) Economic Status

Thailand's gross domestic product (GDP) growth rate for the last 20 years (2002 - 2022) is presented in Figure 2-1. From 2002-2007, Thailand's economy maintained an average annual growth rate of over 4%. However, in 2008, the economy was affected

by the global financial crisis (Lehman's collapse) and turned to minus growth in 2009. In 2011, growth rates declined temporarily due to large-scale flooding and, in 2014, due to a military coup. The growth rate stabilized in the range of about 3%-4%, however, the coronavirus pandemic hit several sectors, including tourism, in 2020, and the growth rate fell to -6%. Nonetheless, by 2022, Thailand's economy began recovering due to growth in the tourism sector.

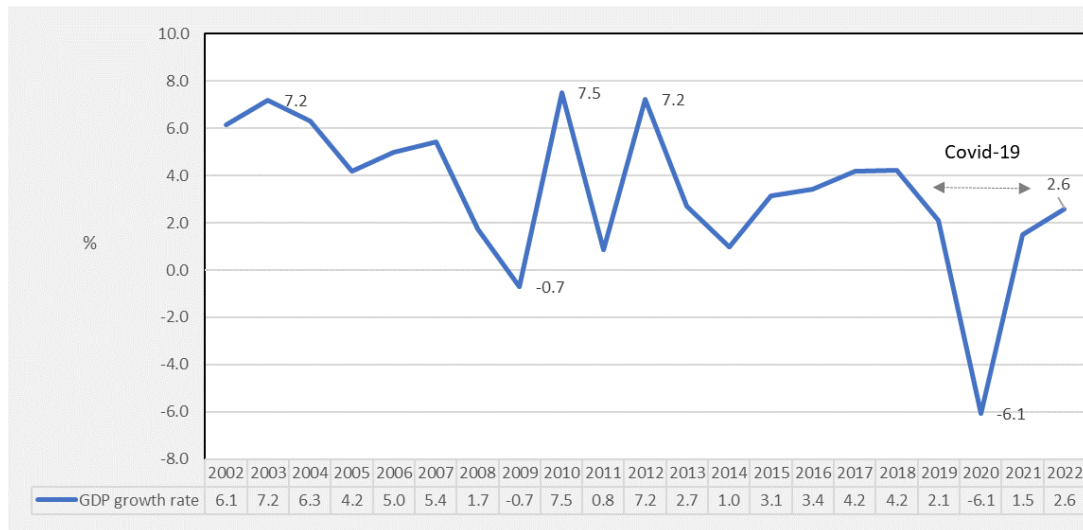


Figure 2 - 1 Trend of Thailand's GDP Growth Rate 2002-2022

Source: WB,

[https://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG?end=2022&locations=TH&name_desc=false&start=200](https://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG?end=2022&locations=TH&name_desc=false&start=2002)

2, (Accessed on 2023/9/12)

2 Development Policies of Thailand

(1) 20-Year National Strategy (2018-2037)

The 20-Year National Strategy (2018-2037)¹ is the country's first long-term strategy formulated in accordance with the Constitution. To ensure the achievement of the national vision (Thailand's Vision 2037), 'Thailand becomes a developed country with security, prosperity and sustainability in accordance with the Sufficiency Economy Philosophy²', the main goals are 'a secure nation, contented people, continued economic growth, an equal society, and sustainable natural resources'. The six key indicators established to achieve these goals are as follows.

¹ Source: National Strategy Secretariat Office, Office of the National Economic and Social Development Board. 20-Year National Strategy (2018-2037), https://www.sme.go.th/upload/mod_download/download-20201012111719.pdf; Summary, https://www.sme.go.th/upload/mod_download/download-20201012114016.pdf, (Accessed on 2023/9/30)

² (Reference) Setthakit Phoophiang (sufficiency economy) is a philosophy that His Majesty King Bhumibol Adulyadej advocated. He emphasised the need for Thai society to become sustainable and flexible in accordance with this concept, especially after the economic crisis of 1997, in the hope that the Thai economy would recover. Source: Takao Tsuneishi. Setthakit Phoophiang (sufficiency economy). IDE-JETRO, 2007, (https://www.ide.go.jp/Japanese/IDEsquare/Overseas/2007/ROR200710_001.html) (in Japanese) (Accessed on 2023/10/31)

1. Well-being of Thai people and society	4. Social equality and equity
2. National competitiveness, economic growth, and income distribution	5. Sustainability of national biodiversity environmental quality, and natural resources
3. Development of human capital	6. Government efficiency and better access to public services

(2) Thailand 4.0

The long-term vision 'Thailand 4.0' based on the 20-year National Strategy, divides the past economic development into three stages (1.0 agriculture, 2.0 light industry, and 3.0 heavy industry), and presents an economic development model in which the future goal is the fourth stage (4.0 innovative/value-based industry). The model aims to free Thailand from economic challenges (e.g., the middle-income country trap, the inequality trap, and the imbalance trap) and make it a high-income country through four objectives (economic prosperity, social well-being, raising human values, and environmental protection)³.

(3) National Economic and Social Development Plan (5 Year Plan)

The 12th National Economic and Social Development Plan (2017-2021) is the first five-year implementation plan of the 20-year national strategy. It sets targets and indicators in line with the strategy goals, and includes the SDGs targets. The development guidelines of the 12th Plan incorporate the major development goals of the policy, including Thailand 4.0⁴. The following 10 strategic objectives have been established as specific measures.

1. Strengthening and realizing the potential of human capital	6. Public administration, corruption prevention, and good governance
2. Creating a just society and reducing inequality	7. Advancing infrastructure and logistics
3. Strengthening the economy, and understanding sustainable competitiveness	8. Development of science, technology, research, and innovation
4. Environmentally-friendly growth for sustainable development	9. Regional, urban, and economic zone development
5. Reinforcing national security for the country's progress towards prosperity and sustainability	10. International cooperation for development

In October 2022, the second five-year implementation plan, the 13th National Economic and Social Development Plan (2023-2027), was issued. Its four principles are sufficiency economy philosophy, resilience, SDGs and Bio-Circular-Green Economy Model (BCG Model). The following 13 strategic objectives have been established as specific measures⁵.

³ Source: Royal Thai Embassy. Thailand 4.0 What is Thailand 4.0?, <https://thaiembdc.org/thailand-4-0-2/>, (Accessed on 2023/9/30)

⁴ Source: Office of National Economic and Social Development Board. Office of the Prime Minister. The 12th National Economic and Social Development Plan (2017-2021), 2017

⁵ Source: Office of National Economic and Social Development Council, Office of the Prime Minister. The 13th National Economic and Social Development Plan (2023-2027), 2023, https://www.nesdc.go.th/article_attach/article_file_20230615134223.pdf, (Accessed on 2023/10/31)

1. Being a leading country in high-value agricultural produce and processed agricultural products	8. Promoting smart cities as well as safe and livable regions with sustainable growth
2. Being a sustainable quality-oriented tourist destination	9. Reducing intergenerational poverty and promoting adequate and appropriate social protection
3. Being the world's important electric vehicle manufacturing base	10. A circular economy and low-carbon society
4. Being a high-value medical and wellness hub	11. Mitigating risks and impacts of natural disaster and climate change
5. Being the region's key strategic trade, investment, and logistics gateway	12. Promoting a high-capability workforce committed to lifelong learning and responsive to future developments
6. Being the ASEAN's hub for digital and smart electronics industry	13. Promoting a modern, efficient, and responsive public sector
7. Promoting strong, high-potential, and competitive Small and Medium-sized Enterprises	

(4) Thailand's Foreign Development Assistance

There are two main aid implementing agencies in Thailand: the Neighbouring Countries Economic Development Cooperation Agency (NEDA), established in 2005 under the Ministry of Finance to provide loans, and TICA, established in 2004 under the Ministry of Foreign Affairs to provide technical cooperation. NEDA's vision is to become a 'leading organization that cooperates with the neighboring countries in economic and social development to expand trade and investment opportunities among Thailand and its neighboring countries'. As of August 2023 ⁶, NEDA has implemented 51 loan projects worth 22,286 million baht, mainly in Laos, Cambodia, Myanmar, and Vietnam. In addition, TICA's vision is 'to promote efficiency and creativity in Thailand's development cooperation, to foster good relations and sustainable development in the international arena and to contribute to the wellbeing of the global community'. As of August 2023, TICA had invested 345 million baht in bilateral technical cooperation projects. Cooperation is not limited to Laos, Cambodia, Myanmar, and Vietnam and has recently expanded to South Asia, Central Asia, Africa, and South America.

3 Trends in ODA for Thailand

(1) Overview

The total amount of ODA provided to Thailand over the past decade is presented in Figure 2-2. In 2013, a total of US\$862.2 million ODA was provided to support reconstruction after the large-scale 2011 floods. After the military coup in 2015, ODA decreased significantly. In recent years, the total amount of ODA has been about US\$400 million. ODA donors can be divided into three categories: DAC countries, non-DAC countries, and multilateral aid agencies. Of the total, bilateral ODA from DAC countries accounts for the majority.

⁶Source: NEDA. ODA Project Overview, [\[EN\] Collaboration Overview with Neighbors > ODA Project Overview \(google.com\)](#), (Accessed on 2023/10/31)

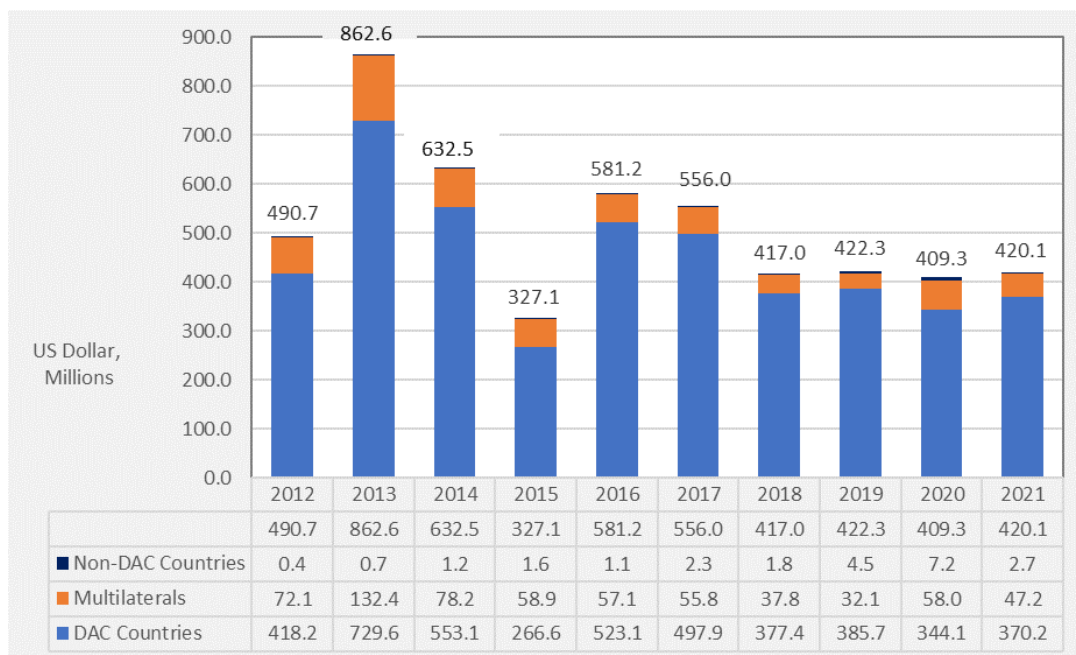


Figure 2 - 2 Trend of Total Amount of ODA to Thailand 2012-2021

Source : OECD. GeoBook, Geographical flows to developing countries, <https://stats.oecd.org>, (Accessed on 2023/9/12)

(2) Trends in Bilateral Cooperation

Bilateral assistance trends toward Thailand (total of DAC and non-DAC countries) is presented in Figure 2-3. Japan is the largest bilateral donor, with a share of more than 50%. U.S. and Germany account for about 10% of each country's total. As Thailand has become an upper-middle-income country, several donors and agencies are shifting from bilateral aid to regional aid, in which projects are implemented in partnership with Thailand and its neighboring countries. In the past 10 years, Japan's aid was particularly large in 2013 (US\$607.2 million), 2016 (US\$414.1 million) and 2017 (US\$388.6 million), which are the periods when Thailand experienced large-scale floods and ODA loan projects for urban transportation and human resource development projects were in progress.

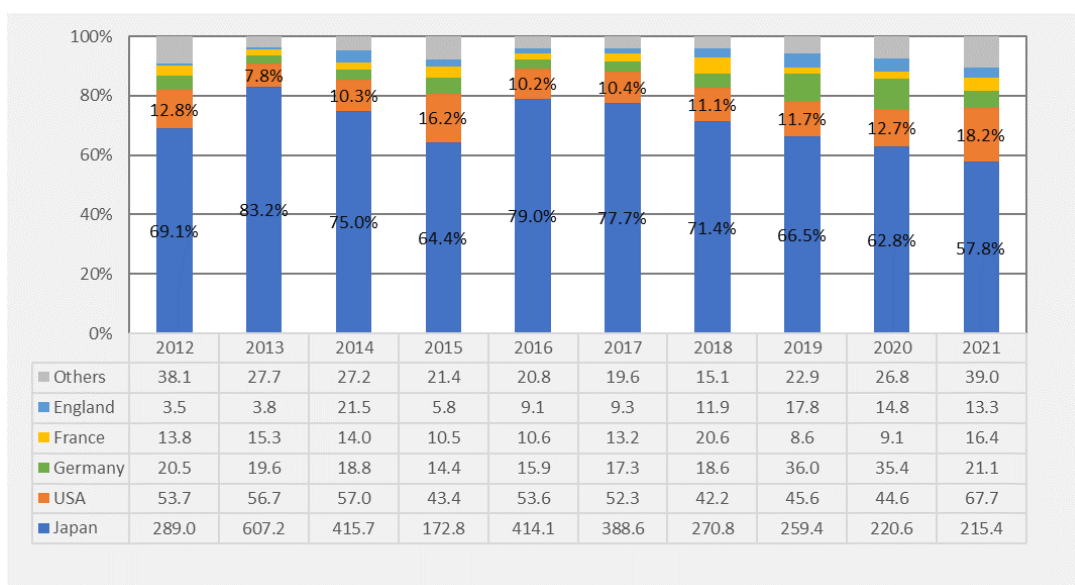


Figure 2 - 3 Total Amount of ODA from Major Bilateral Donors to Thailand
(Total expenditures in millions of U.S. dollars)

Source: OECD. GeoBook: Geographical flows to developing countries, <https://stats.oecd.org>, (Accessed on 2023/9/12)

(3) Trends in Multilateral Cooperation

The major multilateral donors to Thailand are the Global Fund to Fight AIDS, Tuberculosis and Malaria (Global Fund) and the EU. The Global Fund supports the Thai government's goal of eliminating three major infectious diseases (malaria by 2024, AIDS by 2030, and tuberculosis by 2035) Its initiatives also include migrant workers from Myanmar, Laos , and Cambodia⁷. The EU has the goal 'to address inequalities and promote democracy, human rights and the rule of law by building inclusive and sustainable societies' and, based on the SDGs and the Paris Agreement on Climate Change, it will work with Thailand in five key areas (1. Environmental sustainability and climate change resilience; 2. Technology, innovation and digitalization; 3. Sustainable growth and employment; 4. Sustainable solutions for migration and refugees; and 5. Governance, peace and security and human development) ⁸.

4 Trends in Japan's ODA for Thailand

(1) Japan's ODA Policies for Thailand

Japan's ODA to Thailand began with the acceptance of 21 Thai technical training participants to Japan in 1954 as technical cooperation, followed by ODA loan in 1969

⁷Source: Global Fund. 30th TERG Meeting: Outcome Report. Sept. 2016, https://www.theglobalfund.org/media/6387/terg_30meeting_report_en.pdf, (Accessed on 2023/9/30)

⁸Source: EU. The European Union and Thailand, https://www.eeas.europa.eu/thailand/european-union-and-thailand_en?s=181, (Accessed on 2023/9/30)

and grant aid in 1970⁹. In the 1970s, Japan's ODA was extended to the development of industrial infrastructure such as highways, bridges, and ports, irrigation facilities, rural development, and water supply and sewage systems, and the training of technicians and leaders. After experiencing rapid economic growth in the 1980s, Thailand graduated from the grant aid list in 1993.

In 1994, Thailand and Japan concluded the Japan-Thailand Partnership Program (JTPP), under which Thailand and Japan jointly assist third countries¹⁰. In 1997, in response to the economic crisis in Thailand, grant aid was provided on an exceptional basis in addition to support for economic structural reforms through ODA loans, infrastructure development, and human resource development through technical cooperation. In 2022, grant aid was provided for the 'Program for COVID-19 crisis response emergency support'¹¹.

For development cooperation from a geopolitical perspective, Thailand is the key to the development of the Mekong region in the Free and Open Indo-Pacific region, and plays a central role in ASEAN. It is essential for Japan to work with Thailand to proactively address common regional issues such as strengthening ASEAN connectivity, deepening economic integration, and reducing disparities. In addition, as a development partner, developing cooperation that leverages the strengths of both countries will be effective from the perspective of building a 'development cooperation model for upper-middle-income countries'. The current ODA policy for Thailand is the 'Country Development Cooperation Policy', which was revised in 2020 and consists of four priority areas and nine development issues, with the basic policy of 'promotion of mutual benefit and independent regional development based on strategic partnership', as shown in the figure below.

⁹ Source : JICA. Economic and Development Cooperation between Japan and Thailand (in Japanese), <https://www.jica.go.jp/thailand/office/others/ku57pq00001vdlv6-att/ODA-JP01.pdf> (Accessed on 2023/9/30)

¹⁰ Currently, third country cooperation is taking place within the framework of JTPP Phase 3 (signed in November 2019).

¹¹ Source : JICA. Grant Agreement for Thailand: Contributing to building a resilient health system by strengthening measures near the border, https://www.jica.go.jp/Resource/press/2022/20220520_11.html (Accessed on 2023/11/27)

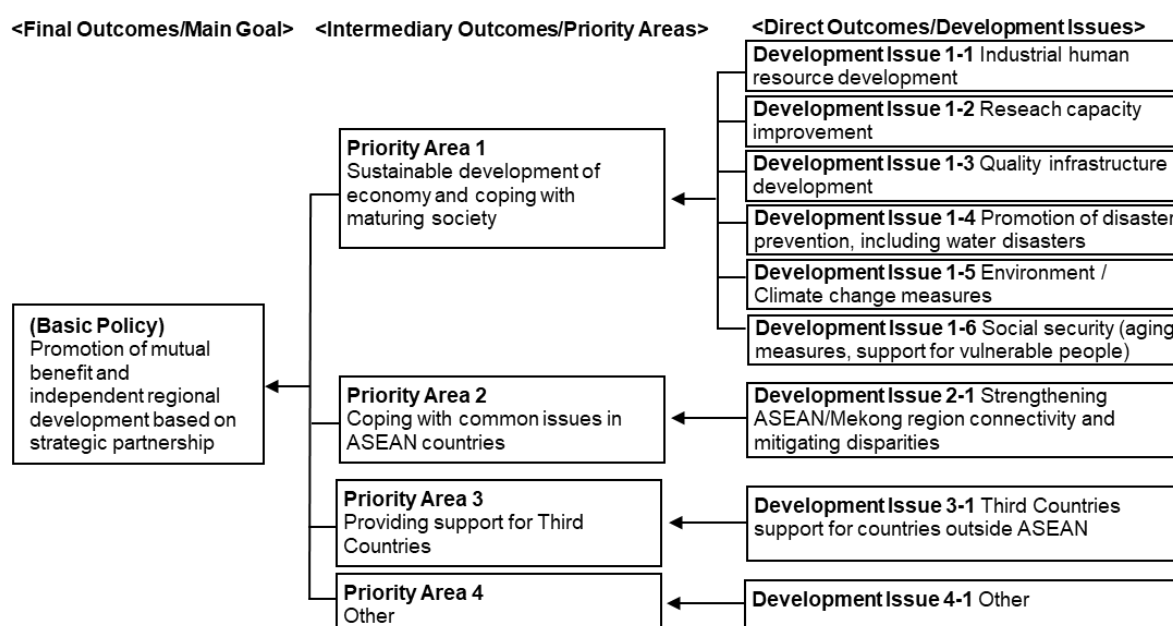


Figure 2-4 System Diagram of the Country Development Cooperation Policy for Thailand (2020)

Source: Prepared by the evaluation team based on the Country Development Cooperation Policy for Thailand (2020)

(2) Achievement of Japan's ODA to Thailand

Japan is the largest donor to Thailand (on a cumulative basis). The total amount of ODA over the past 10 years included 13.96 billion yen in 2012, 41.048 billion yen in 2016, and 12.275 billion yen in 2019. These aid amounts include reconstruction assistance (grant aid) for large-scale flood damage in 2011, industrial human resources projects, and urban transportation rail development (ODA loans).

Table 2 - 1 Japan's Aid to Thailand by Aid Modalities JFY2011-JFY2020

(Unit: Hundred million Japanese yen)

Fiscal Year	Loan	Grant	TC*	Total
2011	—	3.06	51.62	54.68
2012	—	89.86	49.80	139.66
2013	—	1.78	44.85	46.63
2014	—	2.31	34.86	37.17
2015	382.03	11.68	23.95	417.60
2016	1,668.60	2.38	25.62	1,696.60
2017	-	4.30	26.92	31.22
2018	-	1.57	26.78	28.35
2019	94.34	0.14	28.27	122.75
2020	-	1.74	16.74	18.48

Source: Prepared by the evaluation team based on 'ODA Country Data Collection'

(<https://www.mofa.go.jp/mofaj/gaiko/oda/shiryo/kuni.html>)

Note: The classification of fiscal years and amounts are based on the exchange of official documents for ODA loans and grant aid, and on actual expenses in the budget year for technical cooperation. Due to rounding, the total amounts may not match.

* Technical Cooperation

Japanese assistance by sector over the past 10 years is presented in Figure 2-5. Economic infrastructure (transportation, telecommunications, and energy) account for about 80% of the total and includes the construction of a terminal station in Bangkok and urban rail development projects. This is followed by social infrastructure services (education and water supply), humanitarian assistance and multi-sector development.

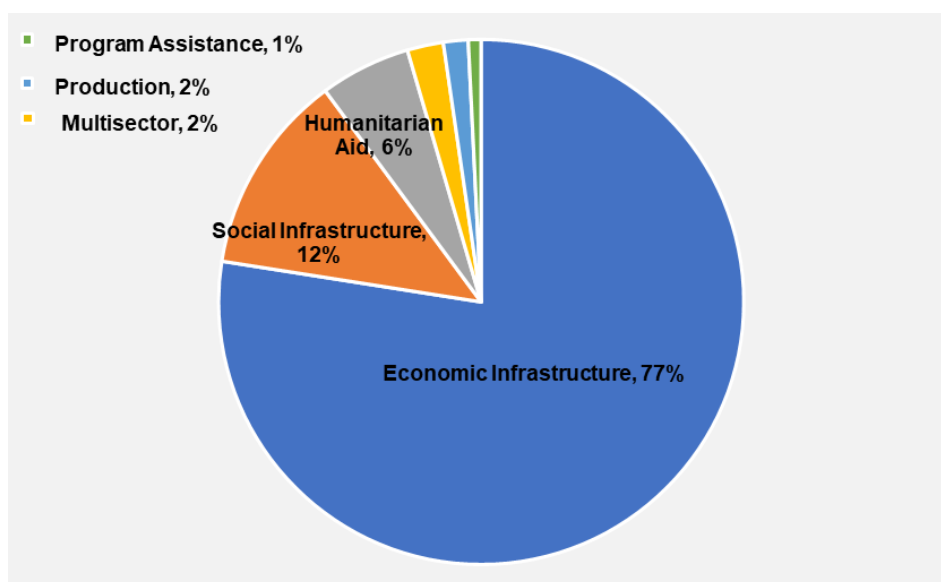


Figure 2 - 5 Ratio of Thailand ODA Expenditures by Sector 2012-2021

Source: OECD. GeoBook: Geographical flows to developing countries, <https://stats.oecd.org> (Accessed on 2023/9/12)

Chapter 3 Evaluation Results

1 Evaluation from Development Viewpoints

This section describes the results of the evaluation of the ‘relevance of policies’, ‘effectiveness of results’, and ‘appropriateness of processes’ from the development viewpoint regarding Japan’s ODA to Thailand.

(1) Relevance of Policies

The ‘Relevance of Policies’ section reviews whether Japan’s ODA policy for Thailand was appropriate during the evaluation period of JFY2018-2022. ODA policies here refer to the ‘Country Assistance Policy for Thailand (2012)’ and the ‘Country Development Cooperation Policy for Thailand (2020)’. The following items were verified in this evaluation: ‘consistency with the development policies/needs’, ‘consistency with Japan’s high-level policies’, ‘consistency with international priority issues’, ‘relevance to assistance from other donors’, and ‘Japan’s comparative advantages’. Figure 3-1 summarizes the key development policies covered in this evaluation.

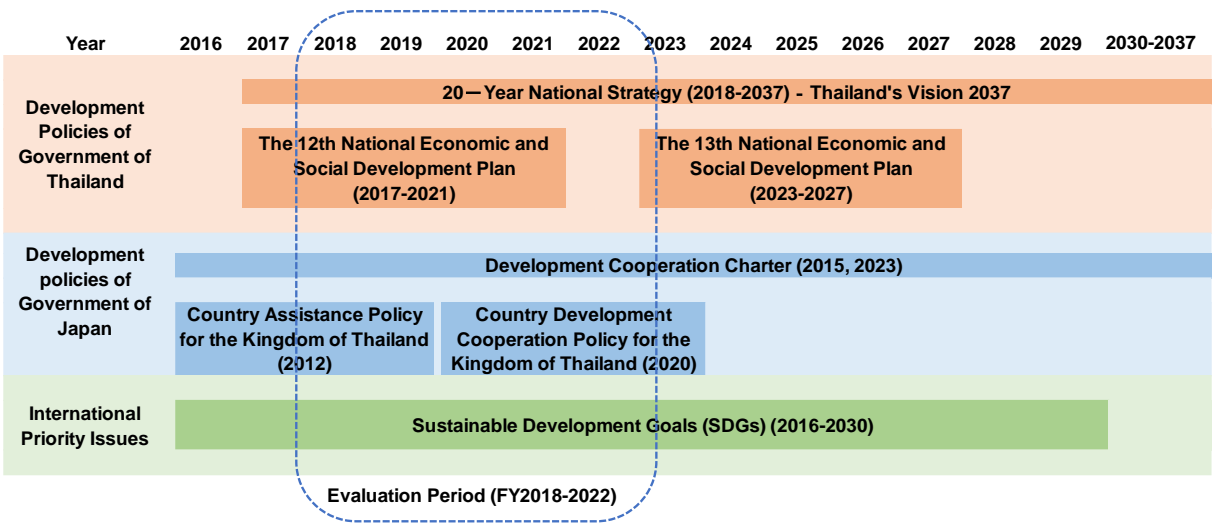


Figure 3-1 Major Development Policies During the Evaluation Period

A Consistency with the Development Policies and Needs of Thailand

The 12th and 13th National Economic and Social Development Plans formulated and implemented during the evaluation period are the subject of this review. Both National Economic and Social Development Plans are positioned to implement the six strategies (competitiveness enhancement, environmentally friendly development, public sector development, human capital, social equity, and national security) established to realize the vision set forth in the 20-year National Strategy (2018-2037); that is, becoming ‘a developed country with security, prosperity and sustainability in accordance with the Sufficiency Economy Philosophy’. In contrast, the ‘Country

Assistance Policy of the Kingdom of Thailand (2012)' and the 'Country Development Cooperation Policy of the Kingdom of Thailand (2020)' set forth the basic ODA policy based on a strategic partnership that takes into account the political, economic and social ties between Japan and Thailand, and promotes cooperation for the enhancement of mutual benefits, while contributing to the balanced development of the ASEAN and Mekong regions. Thus, consistency with Thailand's development policy is ensured.

In addition, with regard to specific areas of assistance (needs), Japan has indicated a plan to develop several cooperation programs, including: hard and soft infrastructure development (transportation and distribution, water supply, agriculture, fisheries, urban environment development, private sector promotion, etc.), industrial human resource development, research capacity development, disaster prevention promotion, environmental and climate change measures, social security, and third country assistance. All the above are stated as outputs within the National Economic and Social Development Plans and are consistent with Thailand's needs. Furthermore, officials from the Thai implementing agencies, which the evaluation team visited, indicated that the projects are consistent with the outputs of the 12th and 13th National Economic and Social Development Plans and are contributing to these plans¹².

However, a point that could be reviewed in the next revision is that the priority areas and development issues of the Country Development Cooperation Policy (2020) should be revised to show that they are consistent with Thailand's needs. Specifically, compared to other development issues, more projects were included and implemented in 'Development Issue 1-3 High-Quality Infrastructure'. For example, areas with a small number of projects, such as disaster management, could be integrated with other items and the projects could be organized into cooperation programs that address the major issues facing Thailand, as set forth in the 13th National Economic and Social Development Plan.

B Consistency with Japan's High-level Policies

The Development Cooperation Charter (2015) is Japan's high-level policy for the evaluation period. It identifies three priority issues: 'poverty eradication through quality growth', 'realization of a peaceful and secure society with shared universal values', and 'building a sustainable and resilient international society through addressing global challenges'. The priority areas of the ODA policy for Thailand correspond to and are consistent with the above mentioned priority issues.

¹² Interviews with counterparts at State Railway of Thailand, Phanat Nikhom Town Municipality, Royal Thai Survey Department, Saraphi Borvon Pattana Hospital, Institute for the Promotion of Teaching Science and Technology, National Institute for Emergency Medicine (2023/8)

In June 2023, a new Development Cooperation Charter was approved by the Cabinet¹³. The main changes in the priority policies are as follows: in addition to the pressing issues of climate change, health, and humanitarian crises in developing countries, economic resilience in areas such as digital transformation and food and energy security are emphasized as 'Quality growth', and efforts to realize a Free and Open Indo-Pacific (FOIP) region are clearly stated. Furthermore, a new Development Cooperation Charter addresses three evolved approaches to implementation: 1. co-creation with various entities; 2. strengthening strategic use of ODA through proactive cooperation such as new 'offer-type' cooperation leveraging Japan's strengths; and 3. further improvement of ODA institutional design, with 'flexibility and efficiency' and 'speed' as keywords. The priority areas of the ODA policy for Thailand are also consistent with the priority policies of the new Development Cooperation Charter. Based on the above reviewed points, in the next revision of the Country Development Cooperation Policy, there is room for more concrete consideration of the promotion of offer-type cooperation in terms of implementation, as well as the promotion of efforts to realize the FOIP.

The Country Development Cooperation Policy for Thailand (2020) outlines the relevance of cooperation with Thailand in supporting ASEAN and the Mekong region. The policy's focus areas are consistent with the areas and contents of cooperation as outlined in Japan's regional policies, including Tokyo Strategy 2018 for Mekong-Japan Cooperation, the ASEAN Outlook on the Indo-Pacific (AOIP) (2019), the ASEAN-Japan Connectivity Initiative (2020), and the New Plan for FOIP (2023), and in the bilateral agreements, including the Joint Press Statement of the Japan-Thailand High Level Joint Committee (2021) and the Five-Year Joint Action Plan on Japan-Thailand Strategic Economic Partnership (2022)¹⁴.

C Consistency with International Priority Issues

The consistency with the SDGs, which were adopted at the 2015 UN Summit as international priorities is verified. The SDGs are 17 goals set forth to be achieved over a 15-year period from 2016 to 2030, and it was confirmed that the focus areas of Japan's development cooperation policy towards Thailand are consistent with any of the SDG targets. Of particular relevance are Goal 3 (good health and well-being), Goal

¹³ Development Cooperation Charter (2023/6). Basic Policies (1. Contributing to peace and prosperity, 2. Human security in the new era, 3. Co-creation of social values through dialogue and cooperation with developing countries, 4. Leading the dissemination and implementation of international rules and guidelines based on inclusiveness, transparency and fairness.) Priority Policies (1. 'Quality growth' and poverty eradication in the new era, 2. Realization of peaceful, secure, and stable societies, and maintenance and strengthening of a free and open international order, 3. Addressing increasingly complex and serious global issues)

¹⁴ MOFA, Japan. Tokyo Strategy 2018 for Mekong-Japan Cooperation, <https://www.mofa.go.jp/files/000406731.pdf> (Accessed on 2023/10/31)

MOFA, Japan. Japan's cooperation on AOIP, <https://www.mofa.go.jp/files/100420035.pdf> (Accessed on 2023/10/31)

MOFA, Japan. Joint Press Statement of the Fifth Meeting of the Japan-Thailand High Level Joint Committee (2021) <https://www.mofa.go.jp/mofaj/files/100221398.pdf> (Accessed on 2023/10/31)

9 (industry, innovation and infrastructure), Goal 11 (sustainable cities and communities), Goal 13 (climate action), and Goal 17 (partnerships for the goals)¹⁵.

D Relevance to the Assistance from Other Donors

Japan's ODA policy for Thailand has much in common with the aid policies of major donors and aid agencies (e.g., the U.S., the EU, Global Fund, World Bank (WB) and Asian Development Bank (ADB))¹⁶ in that Japan positions Thailand as an equal development partner in its core role in the ASEAN-Mekong region and cooperates with Thailand in consistence with the National Economic and Social Development Plans to realize the country's 20-year National Strategy (2018-2037). Furthermore, JICA is highly relevant in the field of human rights, working with the US, Australia, the EU, the UN High Commissioner for Refugees (UNHCR), and with the WB, the ADB, and the Agence Française de Développement (AFD) in the field of climate change and energy and environment.

E Japan's Comparative Advantages

From the perspective of Japan's comparative advantage, the appropriateness of Japan's ODA policy towards Thailand is verified. In interviews with aid officials and others in both countries, Japan's comparative advantage was cited as 'mutual trust with the Thai government, built over many years as a top donor, and a broad network of related organizations in both countries,¹⁷ including JICA', 'Issues where Japan has advanced technology, knowledge, and experience (infrastructure development, industrial human resource development, research capacity development, disaster reduction, environment/climate change, social security, etc.)', 'various cooperation modality (ODA loan, grant aid, technical cooperation project, dispatch of JICA experts, Japan Overseas Cooperation Volunteers, science and technology, training programs, private partnership programs, Grant Assistance for Japanese NGO Projects and JICA Partnership Program, etc.), and cooperation, utilizing a variety of actors.

During the field survey, several development partners and related Thai organizations expressed the opinion that Japan's strength lies in its strong relationship of trust with Thailand. The Ministry of Foreign Affairs of Thailand emphasized that the background of Thailand's request for cooperation from Japan is that projects are formed

¹⁵ Interview with JICA (2023/6)

¹⁶ EU. https://www.eeas.europa.eu/thailand/european-union-and-thailand_en?s=181 (2023/10/31);

Global Fund. 30th TERG Meeting: Outcome Report. 2016,

https://www.theglobalfund.org/media/6387/terg_30meeting_report_en.pdf (2023/10/31);

WB. The Country Partnership Framework (2019-2022), <https://www.worldbank.org/en/news/press-release/2018/11/27/thailand-cpf>, (2023/9);

ADB. 2021. Country Partnership Strategy: Thailand 2021-2025 – Prosperity and Sustainability through Knowledge and Private-Sector-Led Growth

¹⁷ As shown in Figure 3-2, ASEAN University Network / Southeast Asia Engineering Education Development Network (AUN/SEED-Net) has established a research network of universities in Japan and ASEAN countries. In addition, when cooperating with third countries such as ASEAN, cooperation is being promoted by utilizing the network with related institutions in Thailand, which has been cultivated through past cooperation with Thailand. Source: Interview with JICA (2023/6)

based on ‘a sense of security and trust towards Japan’. TICA and NEDA, the Thai implementing agencies for third country cooperation, have developed projects in collaboration with development partners other than Japan. Their experience of working with Japan has become one of their strengths as a donor. Regarding support utilizing Japan’s advanced technology, knowledge, and experience, for example, Thailand and Japan face similar challenges in terms of industrial human resource development, low birthrate and aging population, and climate change. Since Japan has abundant experience in terms of technology and systems, projects that can utilize related systems and knowledge that have been developed with Thailand are considered to have a comparative advantage¹⁸. Furthermore, another comparative advantage of Japan is that in Thailand, cooperation has been conducted through a various cooperation modality and utilizing diverse actors. However, in response to the challenges of poverty reduction and disparity reduction faced by Thai society, which hosts workers, migrants, and displaced persons from neighboring countries, some interviewees suggested that Japan needs to further enhance its support for various activities such as social development, human security, anti-trafficking, and health and medical care, in cooperation with counterpart organizations in various fields with whom Japan has established relationships through long-standing bilateral cooperation¹⁹.

From the above, it was confirmed that Japan’s ODA policy is consistent with Thailand’s development policies and needs, Japan’s high-level policies and international priorities. Furthermore, since Japan’s ODA policy toward Thailand reflects Japan’s comparative advantage, the policy adequacy is judged to be **‘Highly Satisfactory’**.

(2) Effectiveness of Results

The ‘effectiveness of results’ is verified in terms of ‘Japan’s aid performance to Thailand (inputs),’ ‘effectiveness of Japan’s aid to Thailand (outputs),’ and ‘effectiveness of Japan’s aid to Thailand in priority areas (outcome)’.

A Japan’s Aid Performance to Thailand (Inputs)

The trends in the total amount of aid (inputs) are as described in the previous chapter. Details for the five-year period are shown in Table 2-1 (Japan’s aid to Thailand by aid modalities) and Figure 2-5 (Ratio of Thailand ODA expenditures by sector). The results of the assistance were generally in line with the plan, and can be evaluated positively. This is largely due to the high planning capacity and careful management of the Japanese aid supervisory agency (MOFA) and aid implementing agency (JICA). In some aid organizations of other countries, there seems to be a considerable gap

¹⁸ Interviews with MOFA, Japan (2023/5), JICA (2023/6), experts (2023/6)

¹⁹ Interview with a Japanese NGO (2023/7)

between promises or plans and their actual implementation. **In the case of Japan, once a promise is made, it is carried out as promised**, and such comments are often heard from local aid implementing agencies. This is one of the reasons for the **‘high level of trust in Japan’**.

B Effectiveness of Japan’s Aid to Thailand (Outputs)

Outputs (activity results) (number of people trained, infrastructure, etc.) were achieved as planned. As with the above inputs, the outputs were confirmed to have been realized almost as planned, and can be evaluated positively. This is due in large part to **JICA’s high planning capacity and careful management and the high capacity of the Japanese implementing agency (development consultants and other implementing companies)**, which, like above, has led to a reputation in Thailand for **‘high trust in Japan’**. In addition, another factor in the achievement of outputs was the high capacity of the Thai recipient institutions. This can be attributed in large part to Japan’s longstanding support for capacity building of human resources and organizations. Thailand, however, expressed the need to improve advanced management skills in conjunction with new technologies such as ICT and traffic management, and the desire for Japan to provide advanced human resource development support to Thailand, without making it an aid-graduating country.

C Specific Results (Outcomes) for Each Priority Area

Outcomes (results or impacts) have been achieved to a significant degree, as expected for those that have been completed for several years. The only exception is the Purple Line, which has not reached its operational performance target for subway maintenance due to a lack of customer attraction and delays in the maintenance of other lines. In addition, third country training (human resources training supported by Japan and implemented by Thai aid agencies) is carried out via Japan-Thailand collaboration and will be the core of future support for upper-middle-income countries. However, there are issues to be addressed in terms of follow-up for participants from third countries and the division of roles in ex-post evaluation.

The evaluation results of the effectiveness of each priority area of the Country Development Cooperation Policy are described below.

(a) Priority Area 1: Sustainable Development of Economy and Coping with Maturing Society

Development Issue 1-1: Industrial Human Resource Development – Industrial Human Resource Development Program

(i) ‘ASEAN University Network / Southeast Asia Engineering Education Development Network (AUN/SEED-Net) Project Phase 4’ (Technical Cooperation)

A network of Japanese and Thai researchers was established for technological and personal exchanges, and this network continues to this day, producing excellent results. This is a model of cooperation between Thailand, which has become an upper-middle-income country and a donor country, and Japan, which has become a developed country earlier, achieving a win-win relationship. This network is an asset to Japan, and along with maintaining this network, some expressed hope for the expansion of the network beyond traditional research areas (e.g., medicine, agriculture, disaster prevention, etc.).

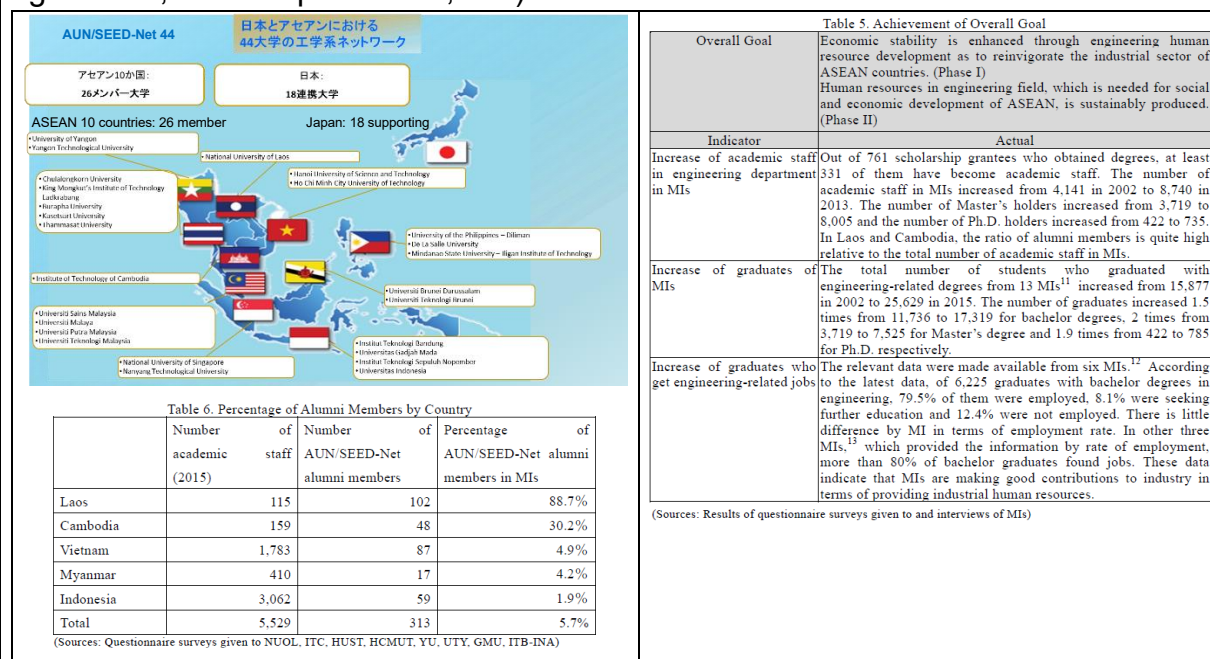


Figure 3-2 ASEAN University Network / Southeast Asia Engineering Education Development Network Results of Each Phase

Source: JICA. 2015 External Ex-post Evaluation Report Technical Cooperation Project ASEAN University Network / Southeast Asia Engineering Education Development Network Project Phase 1&2, 2015, p. 2, 18 – 19

(ii) ‘Industrial Human Resources Development Project’ (ODA Loan)

This project introduces the Japanese technical college (KOSEN) education system to Thailand. In addition to the establishment and operation of two Thai technical colleges, it provides opportunities to study at Japanese technical colleges. It will be producing its first graduates in March 2024. It was confirmed that the sincere and enthusiastic activities of the experts (faculty members of national technical colleges)

dispatched from Japan were a contributing factor to the project's outcomes. The presence of KOSEN in 42 prefectures similar to Japan, contributed to the development and high value addition of industrial human resources in Thailand. Since all the classes are conducted in English, it may be beneficial in the future for students from Japan to study at KOSEN in Thailand. Specifically, it would be beneficial for Japanese students to be able to take classes and receive practical training in English in Japan for international technical exchange and business development.

Development Issue 1-2: Research Capacity Improvement – Research Capacity Improvement Program

(iii) 'The Project for Utilization of Thailand Local Genetic Resources to Develop Novel Farmed Fish for Global Market' (Science and Technology Research Partnership for Sustainable Development: SATREPS)

Various institutions, ministries and universities in Japan and Thailand are combining their expertise to develop aquaculture technology for fish and shellfish native to Thailand. This aquaculture technology is expected to be further developed and applied to the market. If the technology proves to be effective and Thai-origin seafood is exported to the global market, both Thailand and Japan could benefit from the application of aquaculture technology and the acquisition of new markets.

(iv) 'The Project of Smart Transport Strategy for Thailand 4.0' (SATREPS)

The project goal is to build 'smart city', a new urban plan that is environmentally friendly and improves the quality of people's livelihood by utilizing advanced technologies, especially artificial intelligence (AI). The project is in the demonstration stage in pilot areas and has not yet reached the practical stage. To move to actual social operation, a 'connecting' function is essential. This issue is considered to be common to all SATREPS schemes. To address this issue, JICA has launched a scheme called 'Science and Technology Implementation-Type Technical Cooperation Project'. By developing this system, the process of implementing research results into actual society can be strengthened.

Development Issue 1-3: Quality Infrastructure Development – Quality Infrastructure Development Program

<Railway Infrastructure>

(v) 'Mass Transit System Project in Bangkok (Red Line) III' (ODA Loan)

One of the largest transportation infrastructure projects supported by Japan is the construction of a railway line called the Red Line and Bang Sue Grand Station. This project significantly increased Bangkok's rail transportation capacity. However, there is room for improvement in the 'soft' side of convenience, for example, introducing a card like Suica in Japan to provide a seamless public transportation card that can be used on all routes and buses. This will increase the likelihood of people shifting from cars to

rail. This has been proposed by Japan to Thailand and a decision is expected soon.

Table 3-1 Actual Values of Outcome Indicators (as of September 2023. Stage before full opening)

(as of Sep.2023)			
Indicator↓ / Route→	Bang Sue - Rangsit (6-Car)	Bang Sue - Taling Chan (4-Car)	Total
1. Vehicle utilization rate (%)	53.33	20.00	43.08
(Calculation)	8÷15 trains	4÷10 trains	-
2. Number of trains in operation (Trains/day)	178	116	294
3. Passenger traffic (passengers/day in thousands of kilometers) *	244.27	26.50	270.77

* ข้อมูลระยะเดินทางเดินทางของผู้โดยสารเฉลี่ยต่อวัน (หน่วย x1,000 กิโลเมตร) ช่วงวันที่ 15-20 สิงหาคม 2566

(Source) SRT

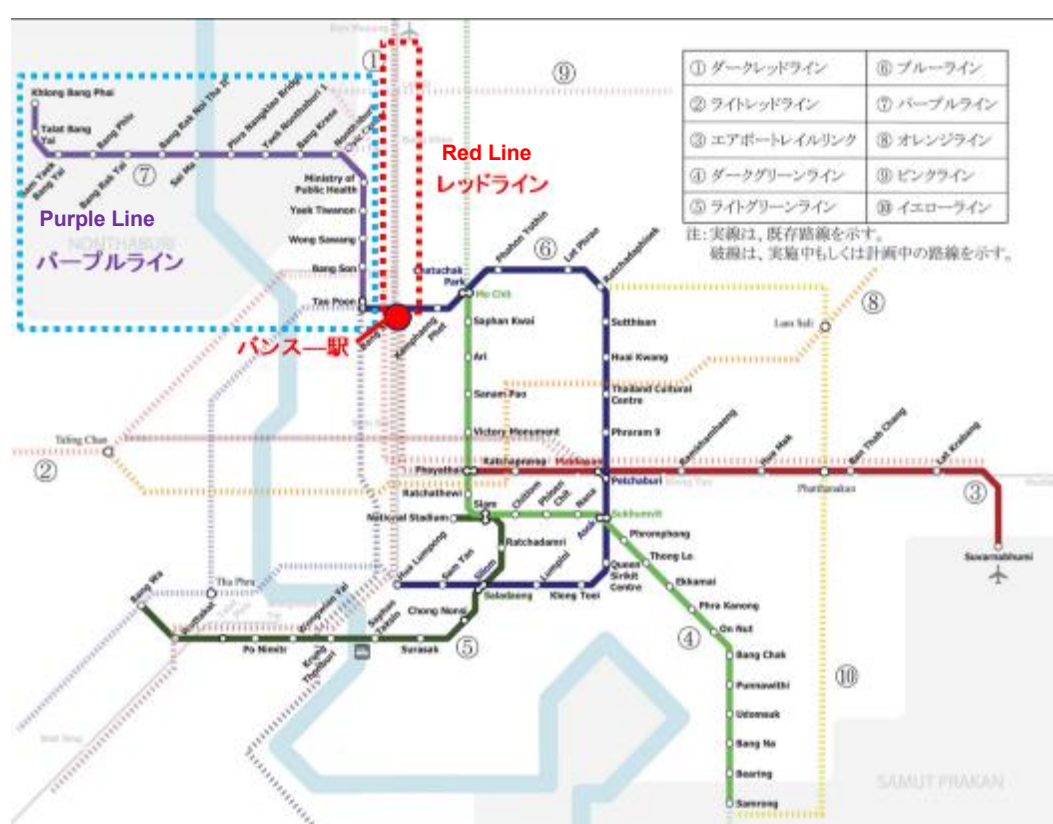


Figure 3-3 10 Routes of Mass Rapid Transit Network

(vi) 'Mass Transit System Project in Bangkok (Purple Line) II' (ODA Loan)

The number of passengers has not reached the planned value because of the delays in the construction of the connecting lines. There does not appear to be much development around the various stations on the line. As in Japan, there is a possibility of further expansion of support for urban planning around stations and real estate development led by railway companies. Public relations are excellent, with each station displaying a plaque indicating Japan's ODA cooperation.

Table 3-2 Actual Values of Outcome Indicators (As of September 2023)

Outcome indicators	Data / information					
	2018	2019	2020	2021	2022	2023*
Vehicle utilization rate (%) (Calculation, out of total 21 trains)	73.68% =14÷21	73.68% =14÷21	95.24% =20÷21	95.24% =20÷21	90.47% =19÷20	90.47% =19÷20
Number of trains in operation (week days)	Mon-Fri 14	Mon-Fri 14	Mon-Fri 20	Mon-Fri 20	Mon-Fri 19	Mon-Fri 19
(trains/day) (weekend)	Sat-Sun 10	Sat-Sun 10	Sat-Sun 10	Sat-Sun 10	Sat-Sun 10	Sat-Sun 10
Volume of Passenger Transport (Passenger-Km/Day)	134,953.64	543,969.24	480,690.52	270,131.84	449,032.91	564,486.63
Passenger traffic (passengers day in thousands of kilometers)	9,318.40	10,445.22	8,250.85	4,329.87	7,416.78	9,300.67

(source) MRTA

*Jan – July
2023

(Impact period of self-restraint due to COVID-19 (2 years))

<Urban Transportation System>

(vii) 'Project for Improving Traffic Congestions in Bangkok through the Establishment of Model Area Traffic Control (ATC) System' (Technical Cooperation)

The Automatic Traffic Control (ATC) technology in Japan has been transferred. Cameras were installed at six intersections in Bangkok to control traffic. The system proved to be effective, increasing intersection passing speeds by 6% on average and reducing transit times by 7.5% on average. In addition, a total of 13 intersections have been optimized for signal operation. Sophisticated systems are in operation, confirming the effectiveness of the technology in providing soft support for traffic congestion.

<Urban Planning>

(viii) 'Sustainable Urban Development' (Long-Term Training) (Interview with a returned student)

During his studies at a Japanese university, he acquired knowledge of urban planning around train stations. Since then, he has been involved in community development work around the Bang Sue Central Station, which was constructed with Japan's ODA. He commented that it is regrettable that there are no successor students. To achieve results in human resource development, it is important to implement study abroad programs focusing on the field. Since JICA's quota for accepting foreign students is limited, it is possible to establish a quota for study abroad programs for 'upper-middle-income countries or emerging donor countries' separate from those for developing countries.

(ix) 'The Project for Promoting Sustainability in Future Cities of Thailand' (Technical Cooperation)

This project supported sustainable urban development in regional cities facing issues such as depopulation and was completed in 2019. The evaluation team visited a local city near Bangkok that served as a pilot site. The community park constructed during the project functioned as a gathering place for everyone, including the elderly, children and people with disabilities. It was confirmed that the city is continuing and

expanding urban development projects that respond to the aging society, utilizing the JICA citizen participatory grassroots technical cooperation scheme and collaborating with local governments in Japan.

<Multi-Sector Global Navigation Satellite System (GNSS) Use>

(x) ‘The Project for Capacity Development and Promotion of Utilization of National CORS Data Center’ (Technical Cooperation)

Pilot projects using the latest technology are proceeding as planned in four areas: survey, construction, agriculture and autonomous driving. A total of seven private companies are participating in this project: three from Thailand and four from Japan. Japan and Thailand are collaborating to conduct demonstration experiments and sharing the results between the two countries. What is feasible in Thailand, such as the operation of agricultural machinery using GNSS, may not be permitted under Japanese law. However, the results in Thailand could be used to persuade Japan to change its laws and regulations. Such success stories are valuable information for Japanese ministries and agencies, and should be actively introduced as good practices outside Japan.

Development Issue 1-4: Promotion of Disaster Prevention, Including Water Disasters – Disaster Prevention Promotion Program

In the field of disaster reduction, only one project was planned and implemented during the evaluation period. If there are any continuing projects in this field, it would be appropriate to integrate them into other ‘development issues’ in the next Country Development Cooperation Policy, considering their relative scale with other areas of cooperation.

Development Issue 1-5: Environment / Climate Change Measures – Environment / Climate Change Program

(xi) ‘Project for Strengthening Institutional Capacity for the Implementation of Bangkok Master Plan on Climate Change 2013-2023’ (Cooperation)

As this project has just been completed, the field survey of this evaluation focused mainly on the activity details²⁰. The Bangkok Metropolitan Government, the project’s counterpart organization, has decided to introduce electric vehicles (EVs), but it is unfortunate that Chinese and European automakers dominate this field, limiting opportunities for Japanese automakers to enter the market.

Development Issue 1-6: Social Security (Aging Measures, Support for Vulnerable People) – Social Security Program

(xii) ‘Project on Seamless Health and Social Services Provision for Elderly

²⁰ In order to implement the action plan set out in the Climate Change Master Plan, JICA is working with other donors (IFC) to prepare for support (dispatch of experts) to the Bangkok Metropolitan Government. Source: Information provided by JICA (October 2023)

Persons' (Technical Cooperation)

Japanese society, with its aging population, can learn from the social situation in Thailand, where temples build hospital facilities, residents work as volunteers, and discharged patients donate rehabilitation equipment to hospitals. These examples of hospitals and communities working together to support the elderly provide insight into the isolation of the elderly and other vulnerable groups in Japan.

The care system developed in this project has spread across the country. Through JICA's policy advocacy, hospitals that have introduced this care have been able to receive government subsidies (National Health Care Security Agency). In addition, government subsidies were applied to private rehabilitation hospitals and other facilities to accept stroke patients, reducing the cost borne by the patient. This is a major achievement.

(b) Priority Area 2: Coping with Common Issues in ASEAN Countries

Development Issue 2-1: Strengthening ASEAN / Mekong Region Connectivity and Mitigating Disparities - ASEAN / Mekong Regional Connectivity Strengthening and Gap Reduction Program

(i) Project for Strengthening the ASEAN Regional Capacity on Disaster Health Management (Third Country Training Program) (Technical Cooperation)

Six international workshops were held with financial support from Japan. Five participants each attended the five-day workshop from Bangkok, Phuket, Vietnam (Da Nang), Indonesia (Bali), and Malaysia. As a result, the capacity of human resources involved in disaster medicine was strengthened throughout Southeast Asia. The cooperative framework in which Japan supports Thailand's role as an ASEAN hub for disaster medicine is a model approach that can be used in other sectors as well. Thai officials explained that Japan has gained the trust of its counterparts through 'mutual respect' and 'sincere attitude'.

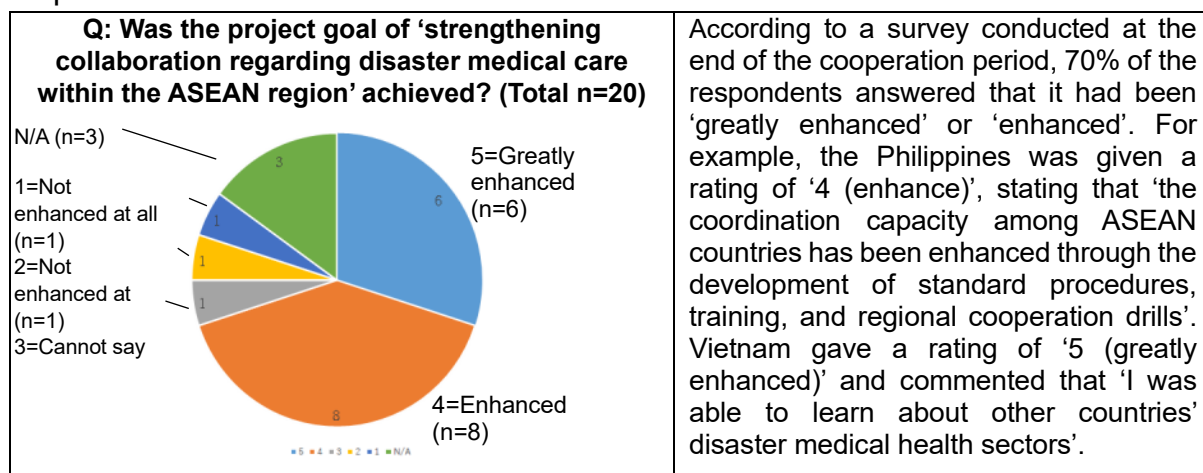


Figure 3-4 Survey Results at the End of the Project for Strengthening the ASEAN Regional Capacity on Disaster Health Management

(Note) Terms 5 to 1 were added by the evaluation team.

Source: JICA. Thailand 'Project for Strengthening the ASEAN Regional Capacity on Disaster Health Management'
Final Report. July 2019, 2019, p.58

(c) Priority Area 3: Providing Support for Third Countries

Development Issue 3-1: Third Country Support for Countries Outside ASEAN – Third Country Support Program

(i) 'Inclusive Development Through Disability-Inclusive Sports' (Third Country Training Program)

The Asia Pacific Development Centre on Disability (APCD) has been supported by JICA for many years and both have built strong mutual trust. Using this as an asset, the organization is strengthening its capacity as an implementing organization for training programs in third countries and JICA's cooperation teams and experts are providing appropriate input. This is a growth model from an assisted institution to an assisting institution.

(ii) 'International Road Infrastructure Development for ASEAN and BIMSTEC Networks' (Third Country Training Program)

The result was the development of human resources for road infrastructure development for improving connectivity between Thailand and neighboring countries. Since Thailand is geographically closer to ASEAN countries than Japan and has several socioeconomic similarities with them, it is more efficient for JICA to conduct training in cooperation with TICA and Thai ministries and institutions conduct it alone. However, a follow-up survey and ex-post evaluation of how the participants are applying the skills they have learned after returning home should be conducted, with both countries sharing the responsibility. A confirmation of the effectiveness of similar third country training programs in the future is necessary to realize high-quality cooperation. This is an important point for Japan to support or collaborate with upper-middle-income countries like Thailand (i.e., new donor countries) in the future.

D Effectiveness of Japan's Aid to Thailand (Impact)

The ultimate effect (impact) of Japan's aid (referred to as 'development cooperation') appears in several aspects, however its overall impact can be described as a change and evolution of Thailand's macroeconomic situation. Another important impact is the quantitative expansion and qualitative deepening of activities as an emerging donor.

(a) Macroeconomic Changes

Macroeconomic changes were assessed in terms of the sophistication of the GDP composition, the export composition and external debt management.

Thailand's GDP has recorded a steady growth rate over the past decade and the

five years of this evaluation, overcoming the impact of COVID-19. The total GDP was US\$341.1 billion in 2010, and US\$506 billion in 2021, a decade later. Although the inflation rate must be taken into account, a simple calculation shows that the total GDP has increased by about 1.5 times, which can be evaluated as a steady increase. However, there have been no major changes in the GDP and export/import composition over the past decade. Thailand is working on the digitalization of its industries under the Thailand 4.0 initiative, yet it is too early to assess the impact of such efforts.

Regarding external debt management, Thailand's view was that the external debt/GDP ratio has been on the rise in recent years, however, it is within manageable limits. The PDMO and NEDA officials in Thailand expressed hope that Japan will continue to provide intellectual support for external debt management. without making Thailand an aid-graduating country. Other donors such as WB, indicated that the external debt/GDP ratio is not a problem as it remains below 50%. The fact that there has been almost no change in the GDP composition is not a problem at this stage of transition.

**BOX 1: Impact of Japan's Aid on Thailand's Macro Economy
– Examples of Past Estimates –**

During this field survey, Thai government officials expressed their gratitude for Japan's assistance over the years. Specifically, the comprehensive regional development of the Eastern Seaboard Industrial Park (Laem Chabang Industrial Park) was mentioned. It is understood that these contributions have also led to favorable public sentiment towards Japan. For example, the results of a quantitative analysis of Japanese ODA on Thailand's macroeconomy are indicated as below. This is the cumulative aid effect over 20 years, from 1972 to 1991, and is the result of estimating the upward effect of each item as of 1991.

Table 3-3 Effects of Japan's Aid in Thailand (boosting effects)
(Target period: 1972-1991)

	GDP	Employment	Capital Stock	Export	Import	Foreign Exchange Reserves
Thailand	5.3%	2.3%	6.3%	9.5%	7.2%	11.3%
(Reference: Indonesia)	3.3%	1.6%	4.7%	2.9%	5.0%	7.4%
(Reference: Malaysia)	1.4%	0.9%	3.4%	2.1%	2.6%	4.0%

Source: International Development Center of Japan. Quantitative Evaluation of Japan's ODA in the Economic Development of East Asia, 1995

Note that this estimate does not apply today (as of 2023), as the industrial structure and international environment are different. Hence, a broad quantitative evaluation of the aid impact over the quarter of a century (25 years) from 1998 (the year after the Asian currency crisis) to 2023 could be conducted.

(b) Thailand's Activities as an Emerging Donor

Thailand has been providing aid to neighboring countries such as Laos, Cambodia and Myanmar. Its technical cooperation has expanded to South and Central Asia, Africa and Latin America. The local interviews conducted by this evaluation team showed confidence in Thailand as an emerging donor. A cooperative support scheme called the 'Third Country Training Program' is well established. However, there was the opinion that continued support from Japan is needed to address issues represented by the middle-income trap and manage the repayment of Thai baht loans.

According to the PDCA cycle of aid, technical support for monitoring and evaluation of individual aid projects is also essential. Furthermore, technical support for planning and implementation of policy-level evaluations such as law-based policy evaluations could be considered. In addition, as no ex-post evaluation of Third Country Training Program, jointly implemented by Japan's aid implementing agency (JICA) and Thailand's aid implementing agency (TICA), is to be conducted, it is important to obtain technical assistance from Japan. This is a precedent for win-win cooperation. (See the description of 'Development Issue 3-1: Third Country Assistance to Countries Outside the ASEAN Region – Third Country Assistance Program' on p. 32)

The quantitative and qualitative results of the transportation capacity expansion through hard- and soft-support for railroad stations and subways are satisfactory. The quantitative and qualitative results of the development of industrial human resources, particularly science and engineering personnel, are also highly satisfactory. In addition, support is being provided to address new issues such as digitalization. While Third Country Training Program will become increasingly important in the future, it is mostly satisfactory, although there are some issues with monitoring and evaluation. No major problems have been observed in macroeconomic management. Judging from the overall results and importance of these achievements, the effectiveness of the results can be evaluated as **'Highly Satisfactory'**.

(3) Appropriateness of Processes

Appropriateness of the processes is examined based on four perspectives: appropriateness of the ODA policy formulation process, appropriateness of the aid implementation process, appropriateness of the aid implementation mechanism, and efforts to take into account the characteristics of Thailand as an upper-medium-income country. In this manner, the processes were evaluated whether they have ensured the relevance of the policy and the effectiveness of the results.

A Appropriateness of the ODA Policy Formulation Process

The process to revise the current 'Country Development Cooperation Policy for Thailand' (February 2020) started in July 2017. The ODA Task Force held discussions with the Thai Ministry of Foreign Affairs to confirm local development needs and

expectations and prepared a draft based on this information. Thereafter, discussions on the draft were held within the Japanese Ministry of Foreign Affairs. The main focus of the discussions was how Japan should support Thailand, a medium-developed country, to play a central role in the ASEAN and Mekong region. The final version was published in February 2020. Consultations with relevant ministries and public comments by the public were made on the final version, however no significant changes were made.

B Appropriateness of the Aid Implementation Process

For major ODA projects to be implemented in Thailand, an annual ODA request survey is conducted to ensure that the projects are consistent with the country's development cooperation policy and reflect the new development needs of the local community. In Thailand, before the formal ODA request survey begins, a briefing session is held by JICA and TICA to ensure that Thai ministries and agencies understand the content of Japan's cooperation policy and prepare a proposal to meet this policy. Thailand recognizes that this ODA request survey process is effective and efficient. However, SATREPS has a different process and Thailand expects the process of project formation and approval to be improved.

For the implementation processes, JICA's major ODA projects have established a Joint Coordination Committee (JCC) between the Japanese and Thai agencies to jointly manage the projects, including monitoring and evaluation. According to the relevant Thai ministries and agencies, systematic and rigorous monitoring and evaluation are being conducted, and they receive appropriate feedback from Japanese experts to improve their projects. For effective use of the evaluation results, it was commented that 'it would be useful to involve not only the project stakeholders but also other actors, such as private companies and central government ministries and agencies (policy makers), in the evaluation survey, so that the project results can be sustained and expanded after the completion of the project.

For public relations (PR) activities, the Embassy of Japan in Thailand, JICA Thailand Office, and JICA projects and counterpart ministries and agencies are actively conducting activities using social media, which are highly appealing to the local. However, there are several opinions that further improvement is needed to make Thai citizens aware of Japan's ODA. While some projects have included PR activities in their project plans by assigning a PR staff member, it is necessary to formulate PR activities and outcome indicators for all the projects at an early stage. It would also be useful to formulate a PR strategy not only for Thailand but for Japan's ODA as a whole, and to increase the staff in charge of PR at JICA's field offices.

C Appropriateness of Assistance Implementation Structure

Japan's assistance implementation structure is as follows: MOFA is in charge of policy formulation. JICA, the implementing agency, implements technical cooperation, grant aid and loan aid under the MOFA's supervision. In Thailand, general grant aid ended in 1993 and today grant aid is mainly provided by the MOFA to meet the needs at the emergency and grass-root levels. At the local level, information is exchanged between the JICA Office and the Embassy of Japan during the ODA request surveys, and quarterly briefings are held by the Director of the JICA Office to the Embassy of Japan. Nonetheless, it was pointed out that in some cases, there is a short of information sharing among Japanese ministries and agencies except for the MOFA, regarding ODA and non-ODA projects implemented in Thailand. Therefore, it would be helpful to have information-sharing mechanisms among Japanese ministries implementing ODA projects.

Regarding Thailand's aid coordination system, at the policy level, a Japan-Thailand High-Level Joint Committee meeting has been held since 2015 to strengthen the strategic partnership between the two countries and exchange views on assistance projects, mainly in the economic field. At the project level, TICA and JICA, the main aid implementing agencies, formulate and supervise projects through annual conferences and regular meetings with relevant agencies. The JCCs are established for individual projects, and JICA frequently participates in these meetings to monitor progress.

Regarding coordination with other development partners, there is no fixed aid coordination mechanism in Thailand, however rather ad hoc meetings and discussions with other bilateral donors and international organizations are held. Currently, there are meetings among donors in the humanitarian assistance field (JICA, the U.S., Australia, the EU, and the UNHCR) and financial cooperation donors (JICA, WB, ADB and AFD). Collaboration is being promoted by taking advantage of each partner's strengths. For example, in the area of humanitarian assistance, the U.S. and Australia launched regional programs at the ASEAN or Asian level with the base in Thailand, while JICA has been supporting institutional and human resource development to counter human trafficking in Thailand and neighboring countries since 2009. The U.S. is working on 'Protection' and 'Prevention' mainly through NGOs, Australia is working on 'Prosecution', and JICA is working on 'Protection' based on its strong network with government agencies. In this way, each actor is leveraging its strengths to address the 5Ps (Protection, Prevention, Prosecution, Policy, and Partnership) necessary to combat human trafficking

D Efforts Based on the Characteristics of Thailand as an Upper-Middle-Income Country

Among the several projects visited during this survey, there were cases where one project was connected to other aid schemes, Japanese local governments, and private companies. Hence, there were efforts to maintain and expand the results and networks

born from the project. For example, one of the pilot sites of a Technical Cooperation Project joined JICA's Partnership Program project (community revitalization type) and collaborated with a Japanese local government. An institution established through cooperation between Thailand and Japan is conducting a cooperative project with a Japanese company; Japanese private companies are demonstrating systems supported by technical cooperation projects. The ODA budget for Thailand, as an upper-middle-income country, is generally declining. This is why collaboration between existing ODA and non-ODA sectors will be more important in Thailand.

The JTTP Phase 3, signed in 2022 will expand Thailand's role as a donor country. Under the program, a variety of third country training programs are being implemented. However, although it is a symbolic initiative of the partner relationship between the two countries, the information available in Japanese is limited. To review the results and discuss ways to strengthen future strategies, it is necessary to improve information dissemination by such measures as conducting joint impact surveys. New projects have been created between the two countries and the partnership has been further strengthened. For example, Thailand and Japan are working together to implement a loan project in Cambodia and TICA's volunteer program is being implemented in Japanese local governments. Such new partnerships and initiatives are a characteristic of Thailand's ODA and will become more important in the future.

At the time of this evaluation, Japan's ODA policy is consistent with the needs of Thailand and the relationship between Thai and Japanese relevant agencies and ministries is well established. Based on these points, it can be judged that the policy formulation process was appropriate. Regarding the aid implementation process, it is appropriate that Japan and Thailand are working together to manage the projects, for example, improving procedures to increase the efficiency of ODA request studies, establishing JCC during project implementation, and conducting periodic monitoring and evaluation by the JCC. It is appropriate that PR activities are actively conducted by selecting and utilizing social media with high visibility in the local community. Regarding the aid implementation mechanism, Thailand and Japan have been regularly exchanging views on economic cooperation areas at the Japan-Thailand High-Level Joint Committee since 2015. It is also appropriate that JICA and TICA regularly review Japan's aid policies and Thailand's new development needs during the annual ODA request survey. There are some cases where ODA projects have become joint projects with Japanese private companies or local governments, which is a characteristic of Thailand as an upper-middle-income country. Moreover, from the viewpoint of strengthening Thailand's role as a donor, it was significant that the Thai implementing agencies were newly involved in the training programs jointly implemented between Japan and Thailand, and the cost-sharing was reviewed. The new bilateral initiatives, such as Thailand and Japan working together to implement loan project for neighboring

country, could be a model for ODA for other upper-middle-income countries. Therefore, the appropriateness of processes can be judged as **‘Highly Satisfactory’**.

2 Evaluation from Diplomatic Viewpoints

Following the evaluation from the development perspective, in this section, the evaluation is made from the perspective, including ‘diplomatic importance’ and ‘diplomatic impact’.

(1) Diplomatic Importance

A Importance for Solving International and Regional Priorities/Global Issues

Japan and Thailand have traditionally been friendly countries. Thailand is an important country for Japan as a base for development cooperation in the ASEAN/Mekong region. Furthermore, regarding FOIP, which Japan has advocated as its new foreign policy, Thailand is geopolitically important as it is located between the Indian Ocean and the South China Sea. It is important from the Japan’s perspective of collaborating with Thailand as a base for development cooperation in the ASEAN/Mekong region. Thai government agencies have expressed the opinion, ‘We would like to deepen our cooperation with Japan. We would like to cooperate, including through Japan’s ODA’. The USAID Thailand Office commented ‘We recognize that Japan’s aid is excellent at the A-plus level’, and based on this, the opinion was expressed that ‘Japan needs to consider a further strategic relationship with Thailand in the present situation when Thailand’s neighboring countries are increasing their presence’.

B Importance for Bilateral Relations with Thailand

Relations between Thailand and Japan have a long history, including comprehensive partnerships and exchanges between the imperial and royal families. The two countries celebrated the 135th anniversary of diplomatic relations in 2022. In 2022, while attending the Asia-Pacific Economic Cooperation (APEC) Summit, the leaders of both countries held talks and agreed to ‘upgrade their relationship to Comprehensive Strategic Partnership (CSP)’. Hence, cooperation based on bilateral relations that benefits both countries will become increasingly important in the future.

Although Thailand has shown its understanding of Japan’s FOIP, it does not support any one particular country, instead, it maintains balanced diplomacy with neighboring powers such as the U.S., China, and Japan as a traditional diplomatic stance. Under these circumstances, some Japanese officials expressed concern that ‘Japan may no longer be seen as one of the essential partners that Thailand should weigh on balance. Thus, it is important to continue to maintain and enhance the relationship between the two countries in a way that does not deviate from the current balance, rather than withdrawing support because Thailand has grown’. However, the

Thai government said, 'We don't want Japan to end its foreign aid to Thailand just because Thailand has economically grown. In order to break away from the middle-income country trap and achieve further growth, as well as to fulfil Thailand's role as a new donor, we want Japan to keep supporting Thailand'.

C Importance for Japan's National Interests (1. Japan's Existence, 2. Japan's Prosperity, 3. Maintenance of International Order)

Thailand is important for securing and realizing the three elements defined as Japan's 'national interests' in the National Security Strategy (Japan's existence, prosperity, and maintenance of international order). The following is the evaluation team's opinion based on the information obtained from this evaluation.

(a) Japan's Existence

First, regarding the relevance of Japan's foreign economic cooperation concerning 'Japan's existence', assistance for Thailand, which has significant economic ties with Japan, is particularly important. If Thailand's economy declines, it will affect several Japanese companies operating in Thailand, and the domestic economy of Japan. For example, during the 2011 floods in Ayutthaya of Thailand, the supply chain was disrupted and it affected the economic connections with Japan. Dating back to 1960, Japan's ODA has supported Thailand's infrastructure development. It Japan's ODA contributed greatly to Thailand's economic development as infrastructure developed in the 1980s and 1990s. though it is outside the period covered by this evaluation, Japanese companies invested in Thailand and their operations and economic ties exist to date.

(b) Prosperity of Japan

Second, regarding Japan's prosperity, business connections with Thailand are significant. Nearly 6,000 Japanese companies are operating in Thailand. Most of them are automobile-related industries. A total of 80% of the cars (passenger and commercial vehicles) in Thailand are Japanese cars. In addition, automobiles made by Japanese manufacturers (particularly Toyota pickup trucks) are exported from Thailand to surrounding countries, such as Southeast Asian countries. Furthermore, in the field of railway infrastructure, Japan's ODA loans have been invested in urban railways such as the Red Line, Purple Line, and Blue Line subway, and several Japanese companies have been involved in related businesses. In this way, in terms of economic ties, those Japan's ODA have been contributing to Japan's prosperity.

(c) Maintenance of International Order

Finally, concerning the 'maintenance and protection of international order', the urban railways developed with Japanese support have become an indispensable means of transportation for Thailand, and the Thai people recognize Japan's support. It fosters positive feelings towards Japan among the Thai people, which has led to the

maintenance of an international order based on law. For example, the support in urban rail infrastructure is disseminating Japanese technology and systems. Furthermore, through the technical colleges that Thailand has begun to introduce, an industrial human resource education system that meets the needs of Japanese industry is spreading. Hence, through ODA, Japanese way of thinking is permeating the Thai people, leading to the maintenance and protection of the international order.

(2) Diplomatic Impact

A Impact in the International Community

It was confirmed that through Thailand, which has become one of the donor countries, the impact of aid to Thailand's neighboring countries is being realized, such as the training for neighboring countries (officially called the 'Third Country Training Program') jointly conducted by JICA and TICA. As mentioned in the evaluation of 'Effectiveness' in this report, technical training is conducted with participants from ASEAN countries, including Cambodia, Laos, Vietnam, and Myanmar, and JICA provides human resource and financial support for those trainings. These trainings widely disseminate Japan's knowledge and experience in the ASEAN region and can be evaluated as having impact.

During the field survey, the Thai government and development partners made the following comments. Based on these facts, the impacts of Japan's international cooperation to date can be confirmed.

First, the Ministry of Foreign Affairs of Thailand expressed its gratitude for Japan's assistance over the years, 'we are grateful for Japan's cooperation to date including ODA. Since Thailand's BCG and Japan's Green Growth Strategy are in the same direction, both sides should deepen their collaboration'. For Japan, strengthening cooperation with Thailand as an emerging donor will lead to the dissemination of Japan's knowledge and experience to ASEAN countries.

The WB Thailand official said, 'I think Japan and JICA are doing an excellent job of development cooperation in Thailand, so much so that I have no further suggestion to give'. They further mentioned, 'Since the dispatch of experts is a scheme that multilateral aid agencies, such as WB, cannot enter and is beneficial to Thailand. This special scheme is a strength of Japan, which has built a strong relationship of trust with the Thai side'. Furthermore, the advice was made that 'In the future, in order to realize Thailand 4.0 and a carbon-neutral society, it is essential to make efforts for governance enhancement, such as building central and local administrative capacity, and cross-sectoral initiatives'. Based on the above, Japan could strengthen its support for governance, such as improving administrative capacity in various sectors, based on a relationship of trust with Thailand, as in the case of the Bangkok Metropolitan Administration and the Traffic Police, which aim to reduce traffic congestion by improving operational efficiency.

The Asia Regional Office of USAID, the American aid agency that is the largest donor of bilateral aid with a track record of 76 years, commented on Japan's ODA, 'It is so effective that Japanese assistance in Thailand is given an 'A-plus' grade. Other donors are satisfied with Japan's aid effectiveness and respect Japan. I think Thai people have a positive opinion about the effectiveness of Japan's aid'. In addition, they referred to the 'Indo-Pacific initiative proposed by Japan'. This confirmed that Japan's initiatives have been incorporated into the U.S. foreign policy.

B Impacts on Bilateral Relations (Government Level)

The following items can be observed as impacts on bilateral relations (at the government level). The Thai government's 'trust' towards Japan can be evaluated positively. However, Thailand's foreign policy is a kind of 'balanced diplomacy', and Japan needs to understand that Thailand maintains a stance of not relying too heavily on any one country. Officials from both countries said that if Thailand faces a critical situation, the country will rely on Japan which has experiences in Asia and can be trusted. Therefore, Japan cannot afford to ignore Thailand's trust and it is hoped that this trust will be maintained in the future.

The following are the facts and opinions ascertained by this evaluation team.

In the second half of 2022, when the COVID-19 pandemic ended, several minister-level dignitaries (Deputy Prime Minister, Minister of Transport, Minister of Finance, etc.) visited Japan and exchanged opinions, and many of them mentioned their experiences of being involved in cooperation with JICA and coming to Japan for training. A JICA official said, 'We strongly feel that the long-term implementation of JICA projects is contributing to human resource development in various situations'.

In 2022, in response to Russia's invasion of Ukraine, Thailand voted in favor of a resolution condemning Russia, however subsequently abstained²¹ from a resolution calling for the suspension of Russia's membership in the UN Human Rights Council. Hence, it takes a stance of 'balanced diplomacy'. A Japanese government official said, 'Thailand attaches importance to FOIP but what remains to be seen in the future is how to give Japan's policies a comparative advantage in the context of China's One Belt, One Road policy and its relationship with Europe and the U.S.' There were the comments in a series of interviews that although Thailand would not have the same attitude as Japan, Japan is getting positive responses. 'One contributing factor to this is that, in recent years, Japan has supported Bangkok's high-speed railway, KOSEN and others and these are highly valued by the Thai government.

C Impacts on Bilateral Relations (Private /Citizen Level)

²¹ JETRO. Reactions to the UN General Assembly resolution against Russia are divided among ASEAN member states , April 18, 2022 , <https://www.jetro.go.jp/biznews/2022/04/73c1f53321cda975.html> (Accessed October 31 , 2023)

Some examples related to impacts on bilateral relations (at the private sector level) were confirmed, including examples that may not belong to this evaluation period.

(a) Support from Thailand to Japan during Disasters

- (i) In response to the Great East Japan Earthquake in 2011, the Thai government sent relief money to Japan.
- (ii) During the 2016 Kumamoto Earthquake, Thailand donated 10 million yen in relief funds.

(b) Cooperation Between the Two Countries During the COVID-19 Pandemic

- (i) Japan was the first country to provide vaccines and medical equipment to Thailand, free of charge, in May 2020, ahead of other countries. The Prime Minister of Thailand attended the donation ceremony.
- (ii) During the spread of the coronavirus infection, the Thai government offered Japanese residents in Thailand the opportunity to be vaccinated.
- (iii) When all international travelers were banned from entering the country and all international flights were suspended, as an exception, the Thai government granted special flights to Japanese businessmen and students working in Thailand to enter Thailand. This allowed Japanese people to continue their business and studies in Thailand and showed the importance of Japan's presence in Thailand.

(c) For Thai People, Japan is a 'Country They Want to Visit'

- (i) Japan is ranked at the top of Thai people's list of countries to visit²². Although there has been a temporary decline due to the COVID-19 pandemic, visitor numbers from Thailand are increasing, as shown in statistics.
- (ii) Japanese people are concerned about the decline in the number of pro-Japanese supporters. Although currently, students returning from Japan hold corporate executive and senior government positions and the number of Thai students studying in Japan has been increasing, studying in English-speaking countries remains a preference. Furthermore, as Thailand becomes an upper-middle-income country, the number of government employees accepted for training in Japan through ODA is declining (although it has slightly recovered in recent years). In response, Japan²³ is conducting JICA chair lectures at universities in Thailand aiming at increasing interest among young people. There is a training facility for private companies, government officials and young leaders in Thailand and JICA is cooperating with this facility to foster future intellectuals and pro-Japanese people. If, through a recent ODA loan project, the 'Industrial Human Resources

²² (Reference) Thailand ranks Japan as number one country/region to visit when overseas travel resumes | Press release from Intersect Communications, Inc.

<https://prtimes.jp/main/html/rd/p/000000077.000032118.html> (Accessed on 2023/10/31); Opinion poll on Japan overseas (MOFA)

²³ (Reference) JICA Chair (JICA Japanese Studies Course Establishment Support Project) <https://www.jica.go.jp/activities/schemes/dsp-chair/chair/index.html> (Accessed on 2023/10/31)

Development Project', talented Thai students studying at KOSEN in Thailand and Japan can find employment at Thai and Japanese companies after graduation, it would have a positive impact on Japanese businesses.

In addition, the ASEAN Disaster Health Collaboration Strengthening Project (ARCH Project) is organizing a framework for dispatching emergency medical teams during disasters in ASEAN countries. By continuing to work together steadily, a group of people can be developed in ASEAN, similar to Japan, with a certain level of medical care expertise. This could develop into a framework for Japan to receive assistance during disasters.

D Impacts on Economic Relations (including 'Pump-Priming Effects')

From a long-term perspective, Japan's ODA can be positively evaluated as having a large economic impact, however it was found that there are issues to be solved to continue to obtain similar effects in the future. The following points should be kept in mind based on the explanations of researchers in the Japan-Thai economic relationship interviewed by this evaluation team.

During the 1980s and 1990s, Japan's ODA was used to develop the infrastructure of Laem Chabang Port and the Eastern Seaboard in eastern Bangkok. Since then, a number of Japanese companies have expanded into the country, and a supply chain has now been well established. Although it does not fall within the evaluation period, the outcomes of Japan's long-term support, such as the impact that the development of the Eastern Seaboard Area had on the subsequent expansion of Japanese companies, should be mentioned as it is a good way to explain to the general public.

Currently, 6,000 Japanese companies are operating in Thailand. The way of collaboration with existing or newly expanding Japanese companies will continue to be an important perspective for Japan's economic cooperation with Thailand. Furthermore, the menu of efforts that Japan has supported in the past has been expanded, such as streamlining and modernizing customs procedures and strengthening enforcement capabilities and practical systems based on competition laws, etc. (Japan has dispatched experts from the Fair Trade Commission). In short, it can be evaluated as contributing to improving the business environment for overseas companies expanding into Thailand. Looking at recent trends, the influx of Chinese capital into the country has been rapidly increasing, however Japan remains the largest investor of cumulative amounts. Furthermore, in recent years, rather than receiving an order for large-scale infrastructure projects, Japanese companies have collaborated on a part of the infrastructure by introducing Japanese management systems. There is a 'pump-priming' effect in the urban railway sector where Japanese technology is highly trusted, leading to the expansion of Japanese railway related companies.

Nonetheless, some points should be improved in the future. One is regarding public-private partnership (PPP). Along with the current development of Thailand's private sector, the expectation for PPP has been increasing. Thailand has a well-developed domestic financial market, with external borrowing accounting for only 1 % of public borrowing and the remaining debt being raised domestically. Hence, Japanese companies have not made much progress in participating in the anticipated PPP, although the same lack of progress in PPP is seen in neighboring ASEAN countries as well. The reasons for this are: (1) Thailand's domestic political situation continues to be unstable, (2) Priority areas are unknown and (3) The decision-making process within the Thai government is also slow. Regarding PPP, there are high expectations for Japan's experience and cooperation, and its support is needed to help improve efficiency and transparency in PPP financing.

Concerns were heard from various quarters about Japan's delay in adapting to EVs. The presence of Chinese EV manufacturers in Thailand is increasing and three to four companies have moved into Thailand and built factories in the past few years. Thailand has set out a policy to convert 30 % of its vehicles to EVs by 2030. Since the former Prayuth government had provided generous EV sales subsidies, the proportion of EVs in the Thai car market has increased to 10%. The majority are manufactured by Chinese manufacturers or Tesla (the U.S.) Therefore, it is time for the Japanese government to discuss what can be done within Japan's economic cooperation framework.

<Comprehensive Evaluation Results from the Diplomatic Perspective>

From the perspective of diplomatic importance, Thailand plays a central role in the stability and development of the ASEAN / Mekong region and is in a geopolitically important position for realizing Japan's FOIP. Japan and Thailand have long had a friendly relationship and Japan's development cooperation has been praised by the Thai government and other aid agencies. The development cooperation carried out in Thailand contributes to Thailand's economic and social development and Japanese companies operating in Thailand and, by extension, to Japan's economic development. Thus, maintaining and developing the mutual cooperative relationship between Japan and Thailand is extremely important for Japan's national interest.

From the perspective of diplomatic impacts, Japan assists neighboring countries through Thailand by a scheme called the 'Third Country Training Program', in which participants from ASEAN countries receive technical training in Thailand and acquire Japanese knowledge and experience. Furthermore, in terms of bilateral relations, the trust between the two countries is strong as a number of dignitaries visit Japan for bilateral training and express their gratitude for Japan's development cooperation. This has contributed to a certain extent to the strengthening of the relationship of trust between the two countries. Although Thailand takes a balanced diplomatic stance by

avoiding excessive dependence on any particular country, it has been pointed out that it tends to rely on Japan in important situations such as policy decisions related to external debt management. Hence, Japan's development cooperation has impacted Thailand and neighboring countries, contributing to the maintenance of friendly relationships between Thailand and Japan.

BOX 2: Trust in Japan from Southeast Asian Countries Including Thailand

According to *The State of Southeast Asia: 2022 Survey Report*, published by a research institute in Singapore, Japan is 'the most trusted country' in Southeast Asia to 'do the right thing' and provide international public goods. Such 'trust' is an asset for Japan, and it is hoped that Japan will develop its diplomacy, including development cooperation.



Source: Seah, S. et al., *The State of Southeast Asia: 2022*, ISEAS-Yusof Ishak Institute, 2022, <https://www.iseas.edu.sg/articles-commentaries/state-of-southeast-asia-survey/the-state-of-southeast-asia-2022-survey-report/>

Chapter 4 Recommendations

Based on the findings of the evaluation described in the previous section, the following recommendations are made regarding the future development of cooperation with Thailand:

Recommendation 1: Considering New Ways of Development Cooperation for Upper-Middle-Income Countries that will Become Emerging Donor Countries

It is recommended that instead of unilateral assistance from Japan to Thailand, the two countries should enhance cooperation by leveraging each other's strengths as they have done in the past, while taking into account the New Charter for Development Cooperation and the FOIP. Cooperation for Thailand should be implemented in the following two ways. First is 'support to encourage the growth of Thailand as an emerging donor', which will involve enhancing wide area assistance (e.g., Third Country Training Program) that Japan and Thailand currently provide in cooperation. In the process, it is desirable that the relevance of supporting Thailand's neighboring countries through Thailand be organized and pursued further.

The second is 'support for solving issues unique to upper-middle-income countries', which is to expand bilateral cooperation using 'special quotas for emerging countries' and other measures to resolve bottlenecks to sustainable growth, as typified by the middle-income trap. For example, in Thailand, there is a need for support for high value-added industries (human resources), for an ageing society and for digitalization. These are areas in which there is a high need in Japan as well. Therefore, while contributing to solving social issues in Thailand, it is desirable to increase the number of win-win projects in which Japan can utilize its experience and lessons learned in Thailand.

Furthermore, Thailand is a successful example of Japan's development cooperation. The human resources, infrastructure and institutions developed through Japan's ODA are 'assets' that can be utilized in the future. Instead of considering the termination of aid to Thailand as a graduating country, Japan, as a pioneer, should support Thailand, an emerging donor, with intellectual support (know-how) related to providing aid to neighboring countries. For example, assistance could include the formulation of country-specific aid policies, project management structure and evaluation mechanisms (country-specific and thematic evaluation, ex-post evaluation and impact evaluation).

Recommendation 2: Improving the Public Relations Approach

The importance of PR through social media is increasing, and influencers are becoming more important. The Embassy of Japan in Thailand utilized local influencers with hundreds of thousands of followers. Using this as a good example, the Ministry of Foreign Affairs of Japan should further improve its PR in Thailand to contribute to raising

ODA awareness, and consider collecting good practices from other countries and formulating PR guidelines to improve Japan's development cooperation publicity. PR guidelines should include recommendations to incorporate PR activities, budgets and expert PR personnel at the planning stage of each project and set PR effectiveness indicators.

Recommendation 3: Improving Monitoring and Evaluation of Third Country Training Program

During this evaluation study, it was pointed out that Third Country Training Program (human resource training in neighboring countries supported by Japan and implemented mainly by Thailand) is not highly recognized, even though it is an excellent initiative that symbolizes the longstanding partnership between the two countries. As far as the evaluation team could tell from the JICA and TICA websites, it was difficult to obtain publicly available documents summarizing the achievements and results of Third Country Training Programs in either Japanese or English. It would be desirable to conduct a long-term survey and tabulation of questionnaires regarding changes in participants' positions after their return to home countries and the degree to which they utilized the acquired knowledge. There is room for further consideration of an impact evaluation to rigorously identify the differences between participants and non-participants. Since the training program has accumulated a certain amount of results, there is room for consideration for information disclosure.

Recommendation 4: Direction of Future Development Cooperation to Thailand: Strengthening Support for Better Governance

Thailand is a leader in the Mekong region. However, Singapore, Malaysia, and Vietnam have shown high economic growth and are increasing their presence in the region. For Japan to support the entire region together with Thailand, as well as to contribute to the stable growth of Thailand, it is necessary to increase the number of projects, such as Third Country Training Programs, on the 'rule of law' for public officials from Thailand's neighboring countries and enhance support for improving governance.

In addition to the above suggested directions towards a model of improved governance, the following points should be noted in the new Country Development Cooperation Policy for Thailand.

- (1) Third country assistance should be prioritized because it is the axis of international cooperation for Thailand, an emerging donor. It is recommended to change the name of 'third country assistance' to 'wide area assistance', etc., as it is the name from Japan's perspective.
- (2) Since the item 'High-quality infrastructure (Development Issue 1-3)' used in the current Country Development Cooperation Policy (2020) includes projects in various sectors compared to other categories, the cooperation program should be

reorganized to more clearly show that it addresses the issues and needs of Thailand. In addition, items that have a few projects, such as ‘disaster prevention’, should be integrated into other items.

- (3) As the total ODA budget declines, it is recommended to implement a strategic concept of increasing focus and budget allocations. To achieve maximum outcomes, MOFA and JICA should continue to work with a variety of actors (people and institutions), value the approach of maintaining a network in a wide range of sectors and develop bilateral relationships, including the promotion of public-private partnerships, while JICA continues to play a catalytic role.

Table 4-1 Recommendations of This Evaluation and Corresponding Organizations, Timeframe, and Importance

Recommendation	Organization	Timeframe	Importance
Considering new ways of development cooperation for upper-middle-income countries that will become emerging donor countries	MOFA of Japan, JICA	Short term	Extremely important
Improving the public relations approach	MOFA of Japan, Embassies of Japan in various countries	Short term	Extremely important
Improving monitoring and evaluation of Third Country Training Programs	JICA	Short term	Important
Direction of future development cooperation to Thailand: strengthening support for better governance	MOFA of Japan, JICA	Middle term	Important