Budgeting in Thailand

8th OECD Asian Senior Budget Officials Meeting
Bangkok, Thailand
2 – 3 February 2012
Budget Preparation for Fiscal Year 2012

Government

- Government Policies
- Strategic Plan 2012-2015

SPBB

- Mobilize Gov. Policies
- Maintain fiscal discipline
- FY 2012: Deficit budget policy

3 Rs implementation*

Review

Replace

Redeploy

* Initiated by current Budget Director
**3 Rs in the Budgeting Process**

- **Consolidate previous year budget information**
- **Review last year performance**
- **Budget ceiling**
- **Government policy VS government administrative plan**
- **Evaluate for government policy linkage**
- **Annual Budget**
## Annual Budget for Fiscal Year 2012

as proposed to the cabinet on October 11, 2011

<table>
<thead>
<tr>
<th></th>
<th>FY 2011</th>
<th>FY 2012</th>
<th>Changes</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Million USD</td>
<td>Million USD</td>
<td>Million USD</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>72,332.25</td>
<td>77,666.67</td>
<td>5,334.42</td>
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<tr>
<td>1. Baseline expenditures</td>
<td>25,674.26</td>
<td>28,073.45</td>
<td>2,399.19</td>
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<tr>
<td>2. Expenditures for replenishment of treasury account balance</td>
<td>3,816.29</td>
<td>1,800.27</td>
<td>-2,016.02</td>
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<tr>
<td>3. Debt repayment</td>
<td>7,217.51</td>
<td>7,720.06</td>
<td>502.55</td>
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<tr>
<td>4. Expenditure connected with government policies</td>
<td>35,624.20</td>
<td>40,072.89</td>
<td>4,448.69</td>
</tr>
<tr>
<td><strong>Budget deficit</strong></td>
<td>13,334</td>
<td>13,334</td>
<td>0</td>
</tr>
<tr>
<td><strong>% of GDP</strong></td>
<td>3.7</td>
<td>3.4</td>
<td>0</td>
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2011 Flood Disaster in Thailand
**2011 Flood Disaster in Thailand**

**Budget**
- Contingency Funds = ~4 Billion USD
- Flood Relief, Rehabilitation and Prevention Fund

**3 Sectors**
- Economy, Industry and Livelihood
- Quality of life
- Infrastructure

**Process**

1. Agencies
   - Economy, Industry and Livelihood
   - Quality of life
   - Infrastructure

2. Flood Recovery and Restoration Committee

3. Cabinet

4. Monitoring & Evaluation

**Criterions**
- Non duplication works
- Appropriate amount of budget
- Ready to implement
16 Urgent Government Policies

1. Foster reconciliation and **harmony among people** in the nation and **restore democracy**

2. **Prevention of** and define solutions to **drug problems** as a “national agenda”

3. Earnestly **prevent and fight against corruption** in the public sector

4. Promote **integrated water management** and promptly expand irrigation areas

5. Expeditiously **return peace and security to people’s life and property** in the southern border provinces

6. Expeditiously **restore relations and develop cooperation with neighboring countries** and other **foreign countries**

7. **Alleviate difficulties** of people and entrepreneurs as a result of **inflationary pressure** and high oil prices

8. **Raising people’s standard of living** by enhancing domestic purchasing power and creating balance and strength with quality in the macroeconomic system
16 Urgent Government Policies

9. Reduce corporate income tax
10. Improve people’s access to sources of funding
11. Raise the price of agricultural products and enable farmers to gain access to sources of investment
12. Expeditiously increase income generation from domestic and inbound tourism
13. Support development of folk arts and crafts in order to promote and create local identity and local products
14. Further develop the health insurance system
15. Procure tablet PCs for schools
16. Expedite political reforms with broad based public participation