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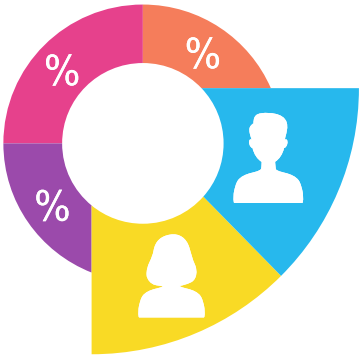
Package of Thailand's Expertise in Population Change, Data, and Innovation



Phakpoom Tippakoon, Ph.D.
Tatchalerm Sudhipongpracha, Ph.D.
College of Interdisciplinary Studies
Thammasat University

All research findings in this report reflect only the authors' personal opinion, which does not necessarily agree with the official position of the United Nations Population Fund (UNFPA) on the same topic.

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Prepared by

Phakpoom Tippakoon, Ph.D.
Tatchalerm Sudhipongpracha, Ph.D.
College of Interdisciplinary Studies
Thammasat University

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Executive Summary

This report presents a menu of potential South-South and Triangular Cooperation (SS/TC) programmes that Thailand International Cooperation Agency (TICA) and its partner agencies can use to empower other developing countries in managing population change, data, and innovation. We collected and reviewed national and international good practices done by the Thai government agencies in partnership with international organizations, civil society, and the academia. The final list of six potential programs that can be further developed into a package of SS/TC programs by TICA are explained in detail. The salient features of each of these six program can be summarized as follows:

1. National Health Insurance System. Contrary to the popular belief, the key feature of Thailand's National Health Insurance system or the universal health coverage (UHC) is not a national health insurance program for the entire population. In fact, it has been designed to extend free healthcare services to the populations not covered by the civil servants' medical benefit scheme and the social security scheme. Healthcare providers in the Thai UHC system have predominately been government hospitals and primary care centers. In recent years, private clinics have formed the backbone of UHC-financed primary care services in Bangkok and the urban areas in the provinces. These networks of hospitals and primary care centers—called contracting units for primary care (CUPs)—have helped expand healthcare coverage to rural population. CUPs receive capitation payments and personnel expenses from NHSO based on their contractual agreements to provide primary care services.

2. Sin Tax for Health Promotion and Disease Prevention. Thailand is one of the few countries where "sin taxes" (i.e., tobacco and alcohol taxes) are earmarked for health promotion and disease prevention. This earmarked fund is administered by Thailand Health Foundation (ThaiHealth), which adopts three approaches to leverage its fund: research, advocacy, and social empowerment. The foundation acts as catalyst to accelerate the formulation of innovative ideas with proactive and flexible grants and empowerment of diverse networks with government, public and private sectors, and civil societies.

3. National Transfer Account (NTA). Established in 2002, NTA is a collaborative database to support Thailand's macroeconomic policy-making process. The

NTA database consists of socio-economic data (e.g., income, consumption, saving, investment, and transfers) and categorizes data into population age groups to track inter-generational economic flows. It is expected that the government will use NTA to guide its budget allocation process, so that the use of government resources reflects the needs of specific age groups in the forms of pensions, health care, education, and reproductive health.

4. National Savings Fund (NSF). The Office of National Saving Fund (NSF) was established in 2015 based on the National Saving Fund Act 2011. The objective of the establishment of NSF is to set up a pension system for informal workers who are not covered by any pension schemes with the government's contribution, based on workers' voluntary savings. NSF began its operation in July 2015 by calling for membership registration and savings from members. NSF receives deposits from members with a minimum of 50 baht and a maximum of 13,200 baht per year. The government also copays for each member's savings, and the level of copayment varies with members' ages.

5. Institute of Population and Social Research (IPSR). IPSR was established based on the international development cooperation ideology during the 1960s which aimed to improve population health and well-being in developing countries, instead of focusing solely on national economic and income growth. Its core mission is to promote research and education on population health. In terms of training, the IPSR focuses on short-course training in the areas in which it has a strong knowledge stock and expertise. Over a decade, a variety of training courses have been provided, focusing on population and social development and research issues, such as reproductive health and other health-related issues.

6. Social Security Fund (SSF). Thailand's SSF provides a feasible social welfare system for developing countries with limited fiscal resources. The contribution follows the shared responsibility rule between employees, employers, and the government, who contribute 3%, 3%, and 1% of employees' salaries, respectively. The insured persons are entitled to subsidies for health services and post-retirement benefits.

Based on these six potential programs, we have developed the following recommendations for TICA, UNFPA Thailand Country Office, and other partner agencies:

1. To promote Thailand's UHC as a health-financing model for other developing countries, TICA and its partner agencies need to focus on the technical aspects, including methods of calculating and managing catchment populations, supply-side financing, evidence-based and participatory budgeting, and strategic purchasing in closed-ended provider payment.

2. Similarly, Tax earmarks alone do not guarantee effective health promotion and disease prevention. The sin tax model heavily relies on effective fund management, innovation management, and network development and management. These skills and knowledge should be included in a TICA training package for officials from other developing countries that wish to emulate the sin tax model.

3. The National Transfer Account (NTA) can fit well into TICA's SS/TC program. Firstly, NTA is an appropriate tool to be used for long-term population planning for strengthening human capital and promoting long-term economic growth and development, which is in the need of most developing economies. Secondly, experience in using NTA for population policy formulation can be shared with other developing countries that are experiencing ageing population. Thirdly, though NTA is not widely used by Thai authorities in their policy formulation, the National Economic and Social Development Board (NESDB) has already applied NTA in several population-related policy studies. Thus, based on NESDB's experience in developing and managing the NTA database and in using NTA for policy analysis, TICA can draw lessons learned from these experiences and share them with development partners through its SSC's technical cooperation program.

4. TICA can use lessons learned from the National Savings Fund (NSF) to develop as a training curriculum for other developing countries that seek to design a long-term welfare policy for informal workers. The program's key feature is how to mobilize savings from informal workers and provide pensions for this population segment.

5. The Institute of Population and Social Research (IPSR) at Mahidol University offers a model of an effective and sustainable research and training institute that specifically addresses population change and social development. It has a good stock of knowledge that can be used for promoting sustainable development goals (SDGs), especially regarding Goal-3 (good health and well-being) and Goal-5 (gender equality). This knowledge stock can be utilized by TICA, using its technical cooperation scheme, for

assisting other developing countries to achieve their SDG goals related to population and social development (e.g., Goal-3 and Goal-5). Additionally, IPSR can also provide knowledge on research methods and techniques necessary for studying, monitoring, and assessing the progress of population and social development.

6. TICA and its partner agencies should use the lessons learned from the Social Security Office (SSO) and Social Security Fund (SSF) to design a capacity building program that will help developing countries develop their welfare policy measures and social safety net schemes.

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Chapter 1
Introduction

1.1 Rationale and Background

Thailand has been actively engaged in the South-South Cooperation (SSC) scheme of international development assistance for about two decades. Under the SSC framework, Thailand has provided development assistance in the forms of loans, grants, and technical cooperation for its development partners in the developing world to achieve their development goals based on the principles of ownership and partnership for development.

The Thailand International Cooperation Agency (TICA) is the key agency of Thailand that provides various grant and technical cooperation programmes for the development of partner countries. Programmes provided by TICA are mainly based on the knowledge and expertise held by Thai public, semi-public, civil society, and private organizations with national and international good practices in various areas of development (e.g., agriculture, health, education, and public administration). This is aimed to disseminate knowledge and lessons learned from the development experiences of Thailand to other developing partner countries.

As a developing country, Thailand has faced various development challenges. Policies, initiatives, institutions, and management systems have been established to overcome those challenges. Some of them have proven to be successful and can be regarded as good practices at the international or national level. Lessons learned from such good practices can be integrated into the TICA's technical cooperation programmes to share with partner countries that may need information and knowledge to cope with similar challenges of their own.

Population issue has been one of the key development challenges facing Thailand for many decades. Such issues as demographic change, gender-based violence, maternal deaths, and unmet need for family planning among young people are among the challenging population issues that Thailand has been facing.

To deal with these issues, policies, initiatives, and management systems have been set up and implemented by both public and non-public actors in Thailand. Some of these

practices are regarded as national and international good practices, which can be used by TICA to share with the international development community through its development cooperation programmes.

Therefore, the current study aims to review and collect national and international good practices in population change, data and innovations (or initiatives) possessed by Thai public and non-public organizations. Moreover, it will discuss good practices and resources related to population change and data, including policies and plans that address demographic challenges and opportunities, life-cycle approach, social protection, gender equality, civil registration, vital statistics, and availability and use of data for development among the most vulnerable groups of people. The output of this project is a profile of Thailand's diverse development experiences, state-of-the-art knowledge, and good practices to solidify its South-South and Triangular Cooperation capacity. The outcome will potentially respond to demands from other countries to connect, learn, and collaborate with the networks and experts in the field of population change, data, and innovation from Thailand.

1.2 Objective (s)

(1) Review and collect national and international good practices in population change, data, and innovations (or initiatives) possessed by Thai public and non-public organizations.

(2) Build up a profile of Thailand's experiences, knowledge, expertise, good practices, and institutions related to population development that can be used by TICA to integrate into its development assistance programmes operated under the South-South and Triangular Cooperation schemes.

1.3 Scope of Work

(1) Overall scope of work:

- Work in alignment with the 12th UNFPA Thailand Country Programme Document, UNFPA SSTC and TICA strategic guidelines to review and update good practices and resources on the issues of population change, data, and innovations;

- Conduct a desk review and gather information from sites and/or websites;
- Review, assess and ensure the accuracy and update of the information;
- Work closely with SSC managers at TICA and UNFPA (Thailand Country Office); and
- Write a report in English according to the required and agreed writing structure with UNFPA Thailand.

(2) Specific scope of work:

- Review and classify the type of resources and knowledge, including population change and data, including policies and plans that address demographic challenges and opportunities, life-cycle approach, social protection, gender equality, civil registration, vital statistics, and availability and use of data for development among the most vulnerable groups of people.
- Assess the capacity of Thai institutions and their requirements, including the tools for policy planning and demographic analysis, such as the National Transfer Account, and Social Return on Investments, as well as good practices and platforms to deliver the three transformative results that aim to empower women and girls in Thailand, including programmes to reduce preventable maternal deaths, unmet need for family planning among young people, gender-based violence and all harmful practices.

1.4 Conceptual Framework

This study will identify and discuss Thailand's expertise in population change, data, and innovation based on a simple cross-interaction between populations between key population issues and systems, mechanisms, and practices related to population issues (see Figure 1). Four population issues that are the focus of this study include 1) demographic change 2) reduced maternal death 3) reduced unmet need for family planning, and 4) reduced gender-based violence. Systems, mechanisms, and practices include policy and initiatives, capacity-building programmes, data platforms, research operations, and public research systems related to each population issue. This cross-interaction results in a 4×5 matrix.

Systems, Mechanisms, or Practices	Population Issue (s)			
	Demographic change	Reduced maternal death	Reduced unmet need for family planning	Reduced gender-based violence
Policies and initiatives				
Capacity building				
Data Platform				
Research operation				
Public service systems				

Figure 1-1. Conceptual framework for review

To be identified as good practices and included in this study, systems, mechanisms or practices in population issues must meet one or more criteria.

1. **Establishment**: Systems, mechanisms or practices in population issues have to be well-established in terms of organizational setting and reputation (i.e., they must be well-known among Thai development scholars, policymakers, and practitioners).
2. **Impact and effectiveness**: There is some evidence that the systems, mechanisms or practices reviewed have considerable impacts on population development in Thailand.
3. I**nnovativeness**: The systems, mechanisms or practices are innovative in the sense that they offer new, alternative, or more efficient ways to cope with population issues.
4. **Demonstrability or transferability**: There is a stock of knowledge and expertise embedded in persons or organizational routines that can be codified and duplicated.

1.5 Data Collection and Presentation

This study is based mainly on a desk review of relevant documents available on websites or in hard-copy forms. We will identify sources of information to cover public and non-public organizations engaged in population development issues, including the UNFPA's three transformative results (reduced preventable maternal deaths, unmet need for family planning among young people, and reduced gender-based violence and all harmful practices).

(1) Step 1: Identifying systems, mechanisms, or practices related to population change, data, and innovation. We will consult with TICA and UNFPA (Thailand) and conduct a preliminary survey with the following organizations to identify systems, mechanisms, or practices that are good practices in population change, data and innovation.

- National Economic and Social Development Board (NESDB)
- Ministry of Health
- Ministry of Social Development and Human Security
- Ministry of Higher Education, Science, Research and Innovation
- Ministry of Interior
- National Health Commission Office
- Thai Health Promotion Foundation
- Local government organizations

(2) Step 2: Online/onsite data collection. After good practices are identified, we will conduct online and/or onsite data collection to collect data about good practices that are published on websites or in hard copy format. Data on good practices will be compiled, focusing on policies and plans that address demographic challenges and opportunities, life-cycle approach, social protection, gender equality, civil registration, vital statistics, and availability and use of data for development among the most vulnerable groups of people.

(3) Step 3: In-depth interviews. If necessary, in-depth interviews will be conducted with senior managers or directors of organizations that are in charge of

systems, mechanisms, or practices that are identified as good practices in population change, data and innovation.

(4) Step 4: Writing the report. In the report writing for each case of good practices in population change, data, and innovation, we will present and discuss the following issues:

- General characteristics of the systems, mechanisms, and practices identified as good practices in population change, data, and innovation (e.g., organizational structure, objectives, focus, implementation system and processes);
- Institutional and organizational settings of the systems, mechanisms, and practices;
- What are the impacts and effects on demographic changes, reduced maternal death, reduced unmet need for family planning, and reduced gender-based violence?;
- How do the systems, mechanisms or practices offer new, alternative, or more efficient ways to cope with population issues?;
- What knowledge, expertise, and lessons can be used for other developing countries?; and
- How can these good practices be integrated into TICA's SSC and Triangular cooperation programs?

Chapter 2

Good practices in population change, data, and innovation

2.1 National Health Insurance System

2.1.1 Origin of Thailand's National Health Insurance System

Before 2002, Thailand's healthcare system was a patchwork of arrangements for different population groups: (1) the tax-financed civil servants' medical benefit scheme for public employees, (2) the contributory social security scheme for private employees, (3) the tax-financed medical welfare scheme for people in poverty, and (4) the contributory voluntary health card scheme for households. Taken together, the four schemes should have covered the entire population (Suraratdecha et al., 2005). However, difficulties assessing the incomes of those informally employed caused the medical welfare scheme to miss its target groups, while a positive association was found between the presence of illness and the purchase and utilization of the voluntary health card scheme (Pannarunothai et al., 2000).

The Universal Health Coverage scheme (UHC) was established in 2002. Initially referred to as "the 30-Baht Scheme," UHC integrates the medical welfare system for people in poverty and the voluntary health care scheme for households and now covers approximately 75% of the Thai population (Antos, 2007). With UHC, the Thai government offers a comprehensive benefit package for curative and rehabilitative services, as well as annual health check-ups, screening, and promotion/prevention. The UHC beneficiaries are required to receive health services from their designated facilities, including primary care facilities and hospitals (Sakunphanit, 2006). In this system, the primary care facilities, commonly known as the "subdistrict health promotion hospitals," are the gatekeeper to hospital care (Limwattananon et al., 2007).

Capitation or a lump-sum payment per beneficiary is the main provider payment method for outpatient, promotional, and preventive services, while a global budget with diagnosis-related groups (DRGs) is the main payment method for inpatient services. Financing for UHC is predominantly non-contributory. The government uses general tax revenue to implement the scheme without contributions from beneficiaries (Antos, 2007). When the policy was initially implemented in 2002, it required a 30-Baht

copayment (approximately US$.90) for both outpatient and inpatient services, except among vulnerable groups (i.e., the previous MWS beneficiaries included the poor, the elderly, and children under the age of 12). Later, in 2006, the 30-Baht copayment requirement was abolished (Limwattananon et al., 2007).

2.1.2 Administrative Mechanism

Thailand's UHC is not a unified risk-pooling arrangement that provides compulsory or automatic coverage for the entire population. On the contrary, the purpose of Thailand's UHC is to extend an explicit healthcare coverage scheme to the poor and the entire population outside of the civil servants' medical benefit scheme and the social security scheme. UHC pools together revenues from the previous compulsory medical welfare scheme for people in poverty and the voluntary health care scheme for households, as well as the increased annual budget allocations.

UHC is administered by the National Health Security Office (NHSO)—an autonomous agency established by the National Health Security Act of 2002 AD (2545 BE). The 2002 legislation also creates two national-level committees to guide and support UHC, including:

- The National Health Security Board – a policymaking body responsible for determining the regulations, guidelines, and financing mechanisms; and
- The Standard and Quality Control Board – an auditing committee charged with monitoring and ensuring the quality and standard of care provided through UHC.

Healthcare providers in the UHC system have predominately been government hospitals and primary care centers. In recent years, private clinics have formed the backbone of UHC-financed primary care services in Bangkok and urban areas in the provinces. In the provinces, networks of hospitals and primary care centers—called contracting units for primary care (CUPs)—have helped expand healthcare coverage to rural population. CUPs receive capitation payments and personnel expenses from NHSO based on their contractual agreements to provide primary care services.

2.1.3 Outcome and Impact on Population Health

The achievement of UHC in Thailand is remarkable in terms of health service utilization outcome and economic merit (Tangcharoensathien et al., 2019). The availability and extensive geographical coverage of service delivery, health professional's ethos in serving the public, and a comprehensive benefit package where there is no copayment at point of service contribute to the country's favorable UHC outcomes (Tangcharoensathien et al., 2018). The success can be measured by improved access to health services, low levels of unmet healthcare needs (Thammatacharee, et al., 2012), and a high level of financial risk protection (Tangcharoensathien et al., 2019). Household out-of-pocket payment for health has been low (11.8 percent in 2015), and the prevalence of catastrophic health expenditure measured by more than 10 percent of household expenditure reduced from 7.1 percent in 1990 to 2.1 percent in 2016. Tangcharoensathien et al. (2019) also demonstrated that health service utilization and benefit incidence have been pro-poor due to increased health service utilization at the CUP level. Geographical proximity, relatively flexible resource allocation at the CUP level, and citizen trust in the quality of CUP services contribute to these pro-poor outcomes.

2.1.4 Challenges and Ways forward

(1) Thailand's UHC system has led to a tension between the Ministry of Public Health and a newly created independent agency (NHSO). The Ministry of Public Health only maintains service provision and other regulatory functions, while its budget holder function for health service provision has been transferred to NHSO except for major capital outlays. This loss of budget control was perceived as a major loss in the status of the organization.

(2) The annual UHC per-capita budget process was a major shift from the traditional bilateral negotiation with the Bureau of Budget that the Ministry of Public Health and all other ministries had previously used. For example, where the Disease Control Program was the responsibility of the Department of Communicable Diseases Control, while the provincial, district, and sub-district health service programs were the responsibility of the Permanent Secretary Office. Under each program, there were budget line items, such as salary and wages, operations, public utilities, subsidies, and capital investment. The long process of bilateral negotiation for each budget line in each project opened space for the Bureau of Budget to exercise its discretionary power creating an

unequal footing between the two negotiators. To address the problems with the prior budget-setting process, reform proposals were made to create an annual budget request system based on utilization rates of different benefit packages and their related unit cost. All stakeholders were included to make this budget request process transparent process. The three parameters that are used to estimate the per-capita budget (use rate, unit cost, and target population) are peer reviewed and agreed based on consensus, by a multi-stakeholder Budgeting Sub-committee appointed by the National Health Security Board. This process was instrumental in enabling transparent budgeting, where the Bureau of Budget of the Ministry of Finance became one among numerous other members such as representative of public hospitals, private hospital associations, academia, and NGOs, who together were required to verify the evidence and approve the estimates.

2.1.5 Lessons that can be drawn from Thailand's Universal Health Coverage Scheme and Implications of TICA

Thailand's UHC is a product of incremental changes. Key UHC designs represent an accumulation of successes, failures, modifications, and learning processes, including various administrative and governance issues, population coverage and service package expansion, and service and financing mechanism improvement. However, these reforms could not have been achieved without lengthy negotiations and political leadership in the light of disagreements across different actors. A few major breakthroughs are evidence-based and participatory budgeting processes, the termination of supply-side financing, strategic purchasing in particular closed-ended provider payment, and purchaser–provider splits.

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2.2 Sin Tax for Health Promotion and Disease Prevention

2.2.1 Origin of Thailand's Health Promotion Foundation

Providing sustainable financial resources is one of the most important challenges in the health system. This challenge is increasing due to the growing needs for public health services and constraints of financial countries' resources (McQuestion et al., 2011; Dain, 2015). Moreover, people's health care costs have risen dramatically that have imposed additional pressures on insurer organizations, policy makers, and people. The share of health expenditure from the budget in different countries is an indicator of the development and governments' attention to people's health and their well-being. To sustain the health system, its financing must be sustained.

Before 2001, the Ministry of Public Health in Thailand was the main provider of health promotion and prevention services. In 2002, the Thai government instituted the universal health coverage scheme (UHC) to fill the healthcare service gap for vulnerable populations not covered by the civil servants' medical benefit scheme and the social security scheme (Hanvoravongchai, 2013). In 2001, the Thai Health Promotion Foundation (ThaiHealth) was also established in accordance with the Thai Health Promotion Foundation Act 2001. It was designed to empower civil society and promote the well-being of citizens, by providing financial support for projects that change social values, lifestyle, and environment conducive to improving health (Siwaraksa, 2011).

2.2.2 Administrative Mechanism

Thailand's Health Promotion Foundation has been designed to finance population-wide promotion and prevention activities. The law regulates revenue for the foundation to be directly transferred from a 2-percent surcharge on tobacco and alcohol taxes and pooled in an independent public fund governed by the prime minister. The fiscal cycle of the foundation's project grants varies from 1 month to 3 years. The foundation's budget trend shows a remarkable increase to secure the population-wide activities since it was launched in 2011, from 47 million US$ in 2001 to 128 million US$ in 2011 (Galbally et al., 2012).

2.2.3 Challenges and Ways forward

The Thailand Health Foundation is problematic in terms of transparency because it receives the amount of budget without requiring annual negotiation with the Bureau of Budget and approval by the parliament. Addressing these challenges, this fund is regulated by law and strict internal policies in conflicts of interests (Carroll et al., 2007). The Foundation adopts three approaches to leverage its fund; power of knowledge where activities create evidence in health promotion; power of politics where activities develop laws, policies, and regulations in health promotion; and power of social movements where activities empower civil societies to promote health (Carroll et al., 2007). As such, the Foundation seeks to act as catalyst to accelerate innovative ideas with proactive and flexible grants and diverse network with government, public and private sectors, and civil societies, which contributes multi-sectoral approach in health promotion and prevention. In the power of knowledge approach, the foundation finances a number of semi-autonomous institutes under the Ministry of Public Health, which produce evidence around health policies and economics. As for power of politics, ThaiHealth funds government committees to accelerate their policy development process, such as the national health assembly, an alternative mechanism to discuss and recommend health issues directly from civil societies to the cabinet. In the area of social movement, ThaiHealth provides grants to civil societies and mass media, such as the Stop Drink Network, which connects around 1,000 local leaders and 300 NGOs for alcohol control programmes. In addition to the grant scheme, the foundation owns 30 resource centers that assist civil societies in applying, using and accounting for its funds efficiently and appropriately.

2.2.4 Lessons that can be drawn from Thailand's Sin Tax and Implications for TICA

Countries that seek to introduce health financing reforms need to find adequate and sustainable revenue sources for health promotion and prevention if the 2030 Agenda for Sustainable Development is to be realized. Thailand's health financing system, for health promotion and disease prevention in particular, is strategic and innovative, particularly the country's Health Promotion Foundation funded by sin tax. Government line-item budgets, such as those employed by the Ministry of Public Health, are usually rigid and not easy to increase, especially for new challenges, such as NCDs.

However, the Health Promotion Foundation financed by earmarked taxes has been able to provide additional revenue for such needs. The complementary relationship of the Health Promotion Foundation and the National Health Security Office enhances synergistic effects on prevention services. While the National Health Security Office prioritizes equity in access to service-based approaches for all, the Health Promotion Foundation focuses on high-performance investments for population-wide approaches. The role of the Health Promotion Foundation is rather catalytic and leverages innovative ideas with flexible funding to a wide range of multi-sectoral networks.

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2.3 National Transfer Account (NTA)

2.3.1 Background

With a significant drop in the fertility rate and longer life expectancy over the past three decades, Thailand has been facing a continuous increase in the share of the old population. In 2020, the percentage of the elderly population, aged 60 and older, was about 18% of the total population. By the end of 2022, Thailand will become an ageing society with a proportion of the elderly population of more than 20%. Such a changing demographic age structure poses many challenges. Economically, an increase in the share of the aged population will be associated with a reduction of productive labour, hampering aggregate saving, consumption, and investment, which may negatively impact economic growth in the long run.

To cope with such challenges, various policy tools must be in place. The Office of National Economic and Social Development Council (NESDC), a national development planning agency and key public think-tank, has developed macro-economic policies and policy tools to cope with the aged society-related challenges. One of those is the National Transfer Account (NTA).

Originally, the National Transfer Account Project was set up in 2002 as a collaborative project among education and research institutions in various countries, led by the Center for the Economics and Demography of Aging, University of California at Berkeley and The Population and Health Studies Program of the East-West Center. The aims of the project were to develop the national transfer account and to carry out research on population-related issues using the national transfer account as an analytical framework. With strong support from the United Nations Population Fund (UNFPA), this NTA network has then expanded to include academics and policymakers/practitioners all over the world, forming a well-established area of the so-called generational economy.

Thailand has engaged in this network since 2006, but studies and development of NTA were yet confined to the academic community. In 2007, there was a shift of interest in NTA from the academic sector to the policy sector when NESDC and Thailand Development Research Institute (TDRI) launched the first collaborative study on NTA. Then, in collaboration with United Nations Population Fund (UNFPA), the NTA

was developed by NESCD to serve as a tool for implementing the NESDC's National Population Plan (2010-2030).

The development of the NTA is based on the idea that the Thai government needs to incorporate the changing demographic age structure into its macroeconomic policy formulation process to set up short-term, medium-term, and long-term development policies that reflect the reality of Thai society. The NTA is thus created in a way that socio-economic data (e.g., income, consumption, saving, investment, and transfers) are categorized according to population age groups to depict inter-generational economic flows. With the NTA, the government will have information on how these socioeconomic data are changed with respect to each age group. This information can assist the government in allocating national resources to respond to the needs of specific age groups in the forms of pensions, health care, education, reproductive health, etc.

2.3.2 NTA and long-term population plan

The construction of NTA is based on similar procedures to the System of National Account (SNA). However, although the SNA covers major activities and economic transactions of the whole national economic system, its data is not segregated by population age. Thus, it is not appropriate to use for national population planning. On the contrary, NTA modifies data in the system of national accounts to reflect activities and transactions undertaken by each age group, resulting in a data system that shows the generational characteristics of economic activities and transactions. Thus, it is more appropriate than the SNA to use for long-term population planning. For instance, in population planning, it is necessary to know whether (or how much) income-consumption gaps exist for each age group. NTA has this information and thus it enables the government to provide an appropriate amount of public transfers that each generation needs, increasing the effectiveness and efficiency of government budgeting.

Arguably, NTA has many advantages in that it can serve as a vital tool for long-term population planning and development.

(1) NTA can depict the quantitative impacts of changing demographic age structure, monetary/capital transfer patterns, and intergenerational deficits, which enables the government to make investments in the right areas and right direction.

(2) NTA sheds light on the inter-generational differences in public monetary transfers. With this information, it can help the government to reallocate its resources in more efficient and equitable ways.

(3) NTA can be used for policy research focusing on the dynamics of demographic age structure and public and private resource allocations, which can improve policymakers' understanding of some vital issues like how economic flows (e.g., tax and non-tax transfer) vary by age and how government's intervention impact forward and backward family transfers, and how public finances can fill deficits (between income and consumption) and improve the well-being of particular age groups.

With these advantages, increasing numbers of countries have integrated the NTA as part of their economic development and population planning.

2.3.3 How is NTA developed?

(1) Data for constructing NTA

NTA relies on various data sources which can be categorized into three groups – data that show the total amount of economic activities and transactions, data to be categorized by age, and demographic data categorized by age.

a. Data that show the total amount of economic activities and transactions in the whole economy is derived from the national income account which is compiled by the NESDC. This data source provides necessary information on incomes from labour, assets, and freelance or self-employment. Additionally, it gives information on household consumption and government income and expenditure in a specific time period.

b. Data that can be categorized by age includes socio-economic data reported at the micro level (individuals or households). The major source of this data stems from the household socio-economic survey (SES) carried out every two years by the National Statistical Office (NSO) of Thailand. This source of data consists of relevant information such as income, consumption, debt, social benefits, and tax burdens categorized by age groups. Additionally, there are two complementary data sources that can be used – one source is the Health and Welfare Surveys (WHS) which provides information on public health expenditures categorized by age of beneficiaries, and

another source is the education data providing information on public expenditure on education categorized by age groups.

c. Demographic data categorized by age is derived from the NESDC's population projection (2010-2040) using information from the NSO's population and household census as a basis for estimation.

As can be seen, the construction of NTA relies heavily on complete and high-quality data. Therefore, to come up with a comprehensive NTA, a good data generation and storage system must be in place.

(2) Components of NTA

NTA categorizes economic institutions into five sectors including 1) the government sector; 2) the household sector; 3) the business sector; 4) non-profit institutions serving households (NPISHs), and 5) the rest of the world. It assumes that individuals are the focal point of all monetary flows and these five institutions are intermediaries for the exchanges that take place among individuals. It also assumes further that income and expenditure in the whole economy must be equal. Thus, the total inflow and total outflow of the population of all ages must also be equal.

The construction of NTA is based on the two components in the NTA flow identity – the life cycle deficit (LCD) and age reallocation. The LCD is defined as the difference between households and the government's consumption/expenditure and income from labour. Age allocation is defined by the sum of asset-based allocation and net transfers from the public and business sectors.

(3) Construction and reporting

The mechanism for producing and reporting NTA has been set up as a unit in the Division of Social Development Indicators and Database of the NESDC. This unit consists of five NTA specialists who have been well-trained on academic and technical issues related to NTA. They also have a good understanding and experience in producing the national income account, which is the foundation for the development of NTA. NTA has been produced and published every two years since 2013. Reports are in the Thai version and are available on the NESDC website.

2.3.4 NESDB and the promotion of NTA

For NTA to be effective in national social and economic development, there are two important aspects to consider – one is database development, and the other is utilization in the policy cycle. For the first aspect, the NTA unit under NESDC has sufficient experience and established the NTA construction and operation system for more than a decade. Also, related data from various sources are sufficient to produce comprehensive and high-quality NTA.

However, the utilization of NTA in the policy cycle has still been rather limited in recent years. Most of the utilization of NTA is still done by NESDC, but the utilization by other ministries and public agencies is still not widespread. One of the reasons for this limited utilization is a lack of deep understanding of NTA by other agencies. Currently, NESDC, in collaboration with UNFPA (Thailand Country Office), has attempted to promote a widespread utilization of NTA in the policy cycles. For instance, the informal network of NTA has been set up to engage core ministries in social and economic development policies such as the ministry of finance. Also, training courses and knowledge-sharing sessions have been occasionally provided by NESDC and UNFPA.

2.3.5 Utilization of NTA in the policy process

Although NTA has not yet been used widely by Thai public agencies for policy formulation, there have been some attempts to utilize NTA to analyze the impact of policy options and lay out policy direction. For instance, in long-term national population planning, NTA data was used to depict the future budget deficits under various scenarios of demographic age structure changes and an ageing society. Results from the analysis show the share of public debt in GDP, fiscal support rate, sources of financing the public debt, etc. Also, one study attempts to find the relationship between long-term demographic age structure change and streams of income and consumption between 2009 and 2040 in Thailand. The result shows that a Thai ageing society with an increasing elderly population and a declining labour force during this period will result in a compensation gap as the surplus generated by the productive population cannot compensate for the deficit generated by the old population. Moreover, there was an application of NTA in the analysis of the newborn allowance in Thailand. The analysis result shows that the government's subsidy for children aged 0-4 years is relatively small compared to children in other age ranges. Another related study shows that investing in

children aged 0-4 years yields a return on investment (ROI) of at least seven times. Therefore, it is recommended that the government should provide more subsidies for children aged 0-4 years.

Currently, many countries that encounter an ageing society have already adopted the NTA for policy analysis and policy formulation such as China, Japan, South Korea, and Taiwan. Some countries in ASEAN (e.g., the Philippines, Vietnam, Indonesia, and Cambodia) have also begun to develop NTA and apply it for policy analysis. However, the degree of utilization still varies from country to country. In some countries, NTA is already widely used in the policy process, while in other countries, it is still at the development stage and is used limitedly in a few areas.

2.3.6 NTA and South-South Cooperation – Implications for TICA

Thailand International Cooperation Agency (TICA), under the Ministry of Foreign Affairs, has the mandate to promote international development cooperation based on Thailand's good practices in social and economic development. TICA mainly relies on the South-South Cooperation (SSC) scheme to provide development assistance to other developing countries using technical cooperation as the key mechanism for cooperation.

To share Thailand's experience in coping with the challenging issue of an ageing society, NTA can fit well into TICA's SSC program. Firstly, NTA is an appropriate tool to be used for long-term population planning for strengthening human capital and promoting long-term economic growth and development, which is in the need of most developing economies. Secondly, experience in using NTA for population policy formulation can be shared with other developing countries that are becoming ageing societies (especially those industrialized developing economies). Even for some developing countries where ageing societies are not yet of great concern, NTA can still be used for population planning and is useful for those countries' governments to consider allocating public resources to enhance human capital and promote social equitability. Thirdly, though NTA is not widely used by Thai authorities in their policy formulation, NESDC has already applied NTA in several population-related policy studies. Thus, based on NESDC's experience in developing and managing the NTA database and in using NTA for policy analysis, TICA can draw lessons learned from these experiences and share them with development partners through its SSC's technical cooperation program.

2.2.7 Data sources

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Interview

Interview with a staff of NESDC. December 15th, 2022

2.4 National Savings Fund (NSF)

2.4.1 Background

The Office of National Saving Fund (NSF) was established in 2015 based on the National Saving Fund Act 2011. The objective of the establishment of NSF is to set up a pension system for informal workers who are not covered by any pension schemes with the government's contribution, based on workers' voluntary savings.

The establishment of NSF is to respond to two critical challenges that Thailand encounters. The first challenge is that a large share of the Thai labour force is informal workers who do not have sufficient savings to use as a pension upon their retirement. In fact, out of the 37 million labour force in Thailand, about 20 million are informal workers (e.g., freelance and self-employed workers). Due to the informal nature of their work and the uncertain inflow of income, their long-term saving options are limited. Although they have choices to save with the government's social security fund (based on Article 40 of the Social Security Act, 1990) and private financial institutions, the saving rate of these workers is relatively limited. For instance, out of 20 million workers, only 2 million of them save with the social security fund.

The second challenge is the rate of population ageing in Thailand will be more immense in the coming decades, posing serious issues for the social security system and national budget to support the elderly population. In 2020, the share of the elderly population (aged 60+) was 18.1% of the Thai population. It is projected that in 2040, the share will increase to 31.4% or almost two-thirds of the Thai population. Although the government currently provides an old-age allowance of at least 600 baht per month for the elderly population, this amount is considered to be insufficient for the old people to live a good life.

Based on these challenges, the NSF was established as a long-term saving option for informal workers to provide them with an alternative pension scheme upon which they can draw when they become old.

2.4.2 The operation of NSF

Following the promulgation of the national saving fund act in 2011, the office of the national saving fund (NSF) was established in 2015. While the national saving fund act sets up institutional and legal frameworks for the working of the long-term saving system for informal workers, the NSF functions as an operating mechanism to make the legal framework effective and achieve its goals.

Based on its establishment law, the NSF is a state autonomous agency. It consists of two main bodies – the NSF board and its managerial committee. The NSF board consists of representatives from related ministries and authorities (e.g., Ministry of Interior, Ministry of Social Development and Social Security, Ministry of Labour, Fiscal Policy Office, Bank of Thailand) and some specialists in related fields. The NSF board play an important role in setting policies and regulations for the functioning of the NSF. The NSF managerial committee, led by the NSF secretary, oversees the NSF office and serves as an implementing body. Currently, the NSF office consists of around 90 staff who take care of the day-to-day operations of the NSF.

2.4.3 Conditions for saving and benefits

NSF began its operation in July 2015 by calling for membership registration and savings from members. NSF receives deposits from members with a minimum of 50 baht and a maximum of 13,200 baht per year. The government also copays for each member's savings, and the level of copayment varies with members' ages.

(1) Age15-30 years: government copays 50% of the cumulative saving but not more than 600 baht per year.

(2) Age 30-50 years: government copays 80% of the cumulative saving but not more than 960 baht.

(3) Age 50-60 years: government copays 100% of the cumulative saving but not more than 1,200 baht.

After members turn 60 they will receive a pension every month old based on the level of their total savings until death.

The government will also guarantee the return rate of savings to be not lower than the average interest rates of 12-month fixed-term deposits of two state-

owned banks and five private commercial banks. Since savings will be used as members' pensions, NSF will focus on low-risk investments. As stipulated by law, low-risk investments must not be less than 60% of the total fund. Other conditions and benefits are summarized and displayed in Table 2-1.

Table 2-1. Conditions and benefits of National Savings Fund (NSF)

Conditions	Benefits
Membership	• Thai citizens, aged 15-60 years • Not being insured persons and beneficiaries of pension funds with the government's copayment
Minimum & maximum savings	• Minimum saving = 50 baht • Maximum saving = 13,200 baht per year (the government will consider extending the ceiling of maximum saving every five years)
Reception of pension	• If the total money in members' accounts at the age of 60 (cumulative saving + copayment by the government + interest) is not sufficient for being pension (e.g., less than 600 baht per month), then members will be paid equal monthly instalments until the there is no more money in an account. • If the total money in an account is sufficient to receive a pension, then NSF will continue to provide members with a pension in fixed equal monthly instalments until death although there is no more money left in the account. • Members who receive a pension from NSF are still eligible to receive the government's old-age allowance • In case of resignment from membership, members will receive all cumulative savings and returns from saving by the time of resignment • In case of death, all cumulative savings and returns will be given to a beneficiary
Other benefits	• Condition for membership and saving is flexible to labour mobility. Members who then receive formal employment and become members of the government-subsidized funds can still save with NSF but without the government's copayment. Whenever they become informal workers again, their savings with NSF will be copaid by the government again. • NSF's core objective is only to provide a pension for the elderly population (aged 60+) based on their saving and the government's copayment. NSF will not provide any other welfare benefits (such as health insurance or low-interest loans) to its members.

2.4.4 Lessons learned

Six years after its establishment, NSF has made some progress in mobilizing savings from members. As shown in Table 2-2, the number of members increased from 391,738 at the outset of NSF in 2018 to 2,458,916 by the end of 2021, accounting for 527.69% growth (or 175.89% per year) during this period. Although members of NSF account for only about 12% of informal workers, NSF has made quite impressive progress regarding membership expansion. Also, in parallel with the increase in members, the NSF capital fund increased by almost ten times during the same period.

Table 2-2. NSF's members and capital fund

Member (s) and Amount of Capital Fund	2018	2021
• Members (persons)	391,738	2,458,916
• Capital fund (including government's copayment) (million baht)	1,176.29	10,661.01

Source: NSF (2021)

However, there are some challenges that the NSF has to overcome to increase the effectiveness of its operation. Firstly, the ceiling of maximum savings of 13,200 baht is quite restrictive and limits the ability of members who may want to increase their savings with NSF. This limitation also affects the pension benefit that members will receive. For example, if a member saves 13,200 baht (at maximum) every year from 15 to 60 years of age (45 years), they will receive 10,795 baht per month as a pension. This means that members who start saving with NSF in later years will receive a smaller amount of pension, which may not be sufficient to cover all expenses when they become old. Although this condition is set for restricting the government's copayment burdens, the condition needs to be reconsidered in order to offer incentives to members who may want to save more.

Secondly, currently, informal workers who are self-insurance by saving with the state-owned social security fund (SSF) with pension benefits are not eligible to be members of NSF and receive a pension NSF. In other words, regarding saving for a pension, informal workers have to choose between SSF or NSF. Consequently, this condition limits the choices of workers to save money and increase their pensions after retirement. This condition also may need to be revised in order to provide informal workers with more choices for saving and to increase the effectiveness of the public pension system in response to a more severe ageing situation in the coming decades.

Thirdly, although NSF has been able to rapidly increase its members over the past five years, it has covered only a small proportion of informal workers. In recent years, there are about 4.5 million informal workers who save for pension with NSF and SSF. There are more than 15 million workers who are not covered by any pension system. These people are the target of the NSF. However, accessing these people and increasing their awareness of long-term saving are challenging. Currently, NSF sets up collaborative networks and seeks cooperation from various public agencies for attracting more members. However, more efforts are yet to be made in order to disseminate information and enlarge the membership of NSF.

To overcome those challenges, NSF currently prepares a proposal for the government to reconsider revising NSF's conditions to increase the number of members as well as their benefits, such as:

(1) Extension of the age of membership from 15-60 years old to 15-65 years old to allow for a longer saving period as the life expectancy of Thai people increases.

(2) For those who already receive a pension but later are diagnosed to be seriously ill, they should be allowed to receive a lump sum payment instead of a pension paid in fixed equal instalments.

(3) Relaxation of membership conditions so that members of SSF with government's copayment can be members of NSF simultaneously.

2.4.5 Implications for TICA

The NSF's attempt to provide pensions for informal workers based on their long-term savings is a good case to share with the international development community. As widely known, the informal economy is one of the key socio-economic characteristics of developing countries. As shown in Figure 1, informal employment constitutes a major component of the labour market in developing countries. For instance, in developing countries in Africa, Arab States, and Asia-Pacific regions, informal employment accounts for more than 50% of total employment. One of the well-known disadvantages of informal workers is that they are not sufficiently covered by social security protections, especially the pension system. Therefore, the operation and experience of NSF in mobilizing long-term savings of informal workers to use as their pension upon their retirement can be

regarded as good lessons learned to be shared with other developing countries having a large share of informal employment.

Thus, we suggest that TICA, as a key development assistance agency of Thailand, can draw some lessons learned from NSF and share them with development partners via its south-south technical cooperation program. These lessons may attract the interest of many developing countries whose informal employment is the may caveat of their economy.

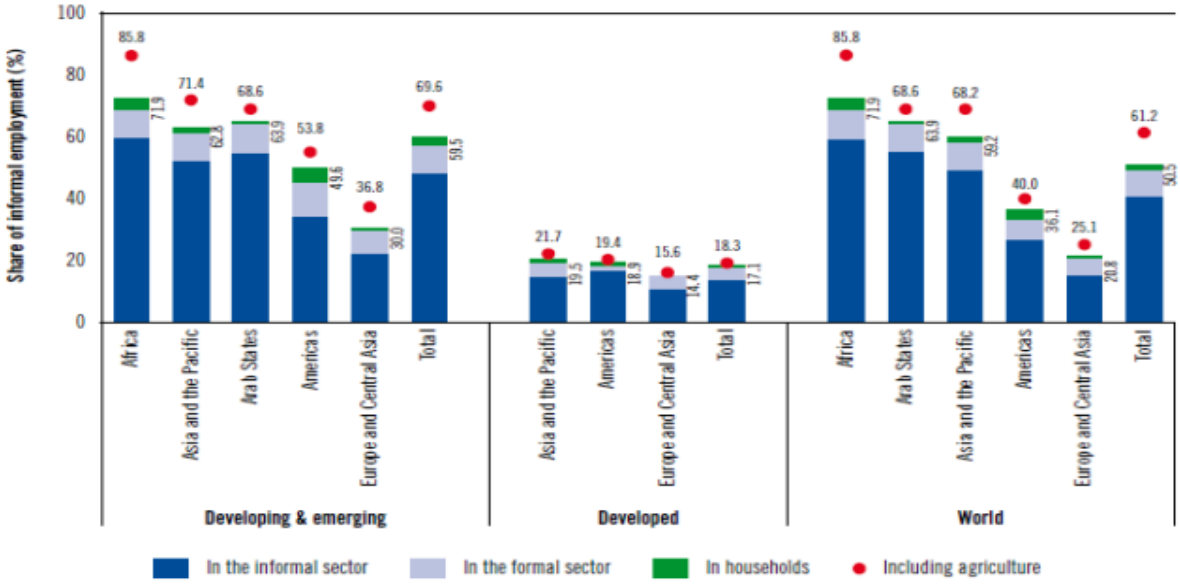

Figure 2-1. Share of informal employment (including agriculture)
Source: ILO (2018)

2.4.6 Data sources

Documents

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%E0%B9%84%E0%B8%97%E0%B8%A2%E0%B8%A1%E0%B8%B5%E0%B9%81%E0%B8%A3%E0%B8%87%E0%B8%87%E0%B8%B2%E0%B8%99%E0%B8%99%E0%B8%AD%E0%B8%81%E0%B8%A3%E0%B8%B0%E0%B8%9A%E0%B8%9A,(%E0%B8%AA%E0%B8%AA%E0%”8%8A’%202564)

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Interview

Interview with the Secretary of The Office of National Saving Fund (NSF). December 27th, 2022.

2.5 Institute of Population and Social Research (IPSR) Mahidol University

2.5.1 Background

The Institute of Population and Social Research (hereafter, IPSR) was established in 1966 under the Faculty of Public Health, Mahidol University, with financial support from the Rockefeller Foundation and technical support from Carolina Population Center. The establishment of IPSR was based on the international development cooperation ideology during the 1960s which aimed to improve population health and well-being in developing countries, instead of focusing solely on national economic and income growth. The IPSR was thus established accordingly to serve as a centre to promote population and social development in Thailand by means of education, research, and knowledge dissemination.

Currently, the IPSR has 36 teaching staff, 12 researchers, and 150 supporting staff. Last year. IPSR staff had published more than 70 papers in well-known international academic journals in various areas such as population studies, public health, area studies, business administration, economic development, environmental science, political economy, sociology, and anthropology.

The IPSR has set its vision to be a globally leading institution in population and social research and education to promote sustainable development.

It has key missions that cover research, education, and social services as follows.

(1) Conducting high-quality research mainly in the areas of population studies and social science for understanding social problems and offering policy recommendations and solutions to community problems.

(2) Providing graduate education and capacity building for the general public.

(3) Producing and disseminating up-to-date knowledge on the population and social issues for the benefit of the public.

(4) Strengthening academic, research, and policy networks at the national and international levels.

The ultimate goal of the IPSR is to move Thailand to achieve sustainable development goals, particularly in the areas of population and social development. To attain this goal, the IPSR has established partnerships with many organizations both domestic and international. Key domestic partners include the Ministry of Health, the Ministry of Social Development and Human Security, the Ministry of Labor, the National Economic and Social Development Council, the National Statistical Office, and some private firms (e.g., Cheroen Pokphand or CP Group and Bumrungrad Hospital). Main overseas partner organizations involve the University of Sussex, the University of California, (Berkeley), Johns Hopkins University, the University of Tampere; the University of Bonn, Kobe University, the International Union for the Scientific Study of Population, Asian Population Association, and IN-DEPTH Network. It is expected that collaboration with such diverse partners, both domestic and international, will lead to integrated efforts and synergies to advance knowledge in population and social development as well as to promote population and social development policies and practices.

2.5.2 Operation and management

To achieve the missions indicated above, the IPSR focuses on the following activities.

(1) Producing knowledge and information on population and social science by means of research;

(2) Producing knowledgeable and high caliber human resources by means of education and training;

(3) Constructing and updating a population and social development database as well as disseminating knowledge to the public; and

(4) Networking with local communities for conducting research and promoting research knowledge utilization by local residents.

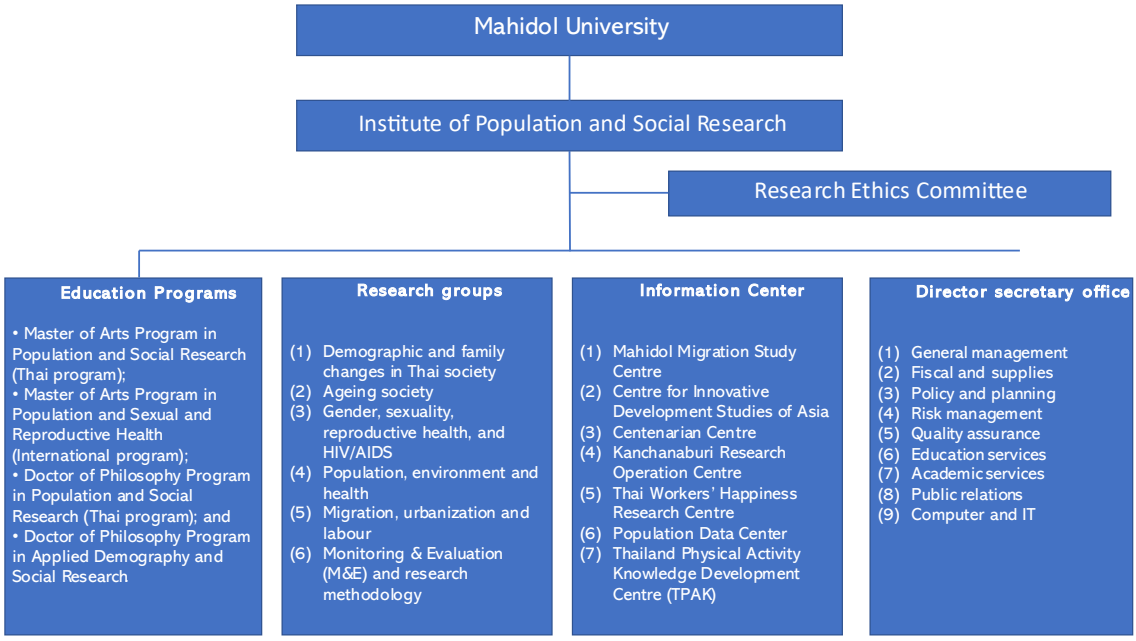

Figure 2-2. IPSR's organizational structure
Source: IPSR Annual Report 2021

As shown in Figure 2-2, the IPSR is one of departments under Mahidol University. It has four main functions – education, research, information management, and general management. One of its key missions – training and capacity building – is under the academic service function. The management of the IPSR is carried out by the administrative committee consisting of the director, vice director, assistant director, and secretary. IPSR staff can be divided into three types – teaching staff, research staff, and supporting staff.

As mentioned in the mission statement, the key areas of operation of the IPSR are research, education, and training (capacity building). Regarding the research, the IPSR focuses on six research areas: (1) demographic and family changes in Thai society; (2) ageing society; (3) gender, sexuality, reproductive health, and HIV/AIDS; (4) population, environment and health; (5) migration, urbanization and labour; and (6) Monitoring & Evaluation (M&E) and research methodology. The annual research budget of the IPSR is almost 100 million baht. The major part of research finance comes from the Thai Health Promotion Foundation (ThaiHealth). The IPSR has approximately 20 research projects each year and publishes more than 70 research papers in international journals. This information indicates that the IPSR not only produces knowledge for domestic utilization but also contributes to the advancement of global knowledge in

population and social development areas. Examples of high-impact research products include:

(1) Assessing how identification of oral antibiotics impacts appropriate community based antibiotic use in low ? and middle-income countries (ABACUS II study);

(2) Research on strengthening systems to deliver effective multi-tiered mental health services for children and adolescents;

(3) Social protection response to covid-19 in Southeast Asia;

(4) The working conditions of elderly informal workers in Thailand;

(5) Assessment of living conditions and impacts of Covid-19 on migrant children in Thailand;

(6) The development of the monitoring system of physical activities of Thai population.

(7) Expectation, planning, and self-preparation after retirement of different age groups of working population.

Regarding the education arrangement, the IPSR currently runs four graduate programmes, two Thai and two international programmes, including:

(1) Master of Arts Programme in Population and Social Research (Thai programme);

(2) Master of Arts Programme in Population and Sexual and Reproductive Health (International programme);

(3) Doctor of Philosophy Programme in Population and Social Research (Thai programme); and

(4) Doctor of Philosophy Programme in Applied Demography and Social Research.

In terms of training, the IPSR focuses on short-course training in the areas in which it has a strong knowledge stock and expertise. Over a decade, a variety of training courses have been provided, focusing on population and social development and research issues. Areas of training in which the IPSR has expertise are as follows.

(1) Social science research methods

(2) Qualitative and quantitative research methods

(3) Participatory operation research

(4) Project monitoring and evaluation, outcome mapping

(5) Regional Workshop on Monitoring and Evaluation of HIV/AIDS Programmes

(6) Qualitative Methods in Evaluation of Public Health Programmes

(7) Impact Assessment of Population, Health and Nutrition Programmes

Based on IPSR's experience in training and capacity building for many decades, it has a high potential to serve as a training centre in the area of population and social research.

IPSR has partnered with many organizations to promote policies and practices regarding population health and well-being, based on IPSR's knowledge stock. Recently, it partners with some local administration organizations to conduct community-based action research aiming improve the elderly care system at the local community levels. IPSR expects that, with community participation, research knowledge will be effectively utilized and will help to improve the living conditions of local people.

2.5.3 IPSR in the context of South-South technical cooperation

One of IPSR's key missions is to produce knowledgeable and high caliber human resources by means of education and training based on its expertise and knowledge stock. For several decades, IPSR has provided education and training for both Thai and foreigners. So far, IPSR has trained many foreign students, mainly from developing countries (e.g., Vietnam, Indonesia, Myanmar, Lao PDR, Bangladesh, India, and African countries). Short-term training programmes were occasionally provided for foreign academic staffs before Covid-19 pandemic. Therefore, it can be said that IPSR has a wide alumni network covering many countries around the world.

IPSR can be fit well into TICA's SSC program. Firstly, it has accumulated knowledge and expertise in population and social development for many decades.

Moreover, it has capable academic staff who regularly conduct research on current issues in population and social development. Therefore, IPSR has a good stock of knowledge that can be used for promoting sustainable development goals (SDGs), especially regarding Goal-3 (good health and well-being) and Goal-5 (gender equality). This knowledge stock can be utilized by TICA, using its technical cooperation scheme, for assisting other developing countries to achieve their SDG goals related to population and social development (e.g., Goal-3 and Goal-5).

Secondly, as IPSR has a long-experience of providing education and training for foreign students and trainees, it can be a suitable training centre for TICA's SSC programme. IPSR can deliver knowledge and skills related to best practices in population and social development in Thailand, as it has carried out research on this issue for a long time. This can be fit with TICA's SSC agenda which aims to share knowledge and expertise possessed by Thai institutions with development partners all over the world. Additionally, IPSR can also provide knowledge on research methods and techniques necessary for studying, monitoring, and assessing the progress of population and social development, which is in need of TICA's partners.

2.5.4 Data sources

Documents

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Interview

Interview with the director of IPSR. December 27th, 2022.

2.6 Social Security Fund (SSF)

2.6.1 Background

The social security system first appeared in Thailand in 1951 when the government of Thailand at that time began to use of national budget to subsidize some groups of disadvantageous populations such as the elderly and the poor. In 1954, the Social Security Act was enacted and, consequently, the Department of Social Security (DSS) was established on March 9th, 1954. However, this law then was suspended because employees and employees were not ready to make their contributions to the social security fund.

Later, in 1958, the government decided to dissolve the DSS and promoted the academic division under the DSS into the National Social Security Division (NSSD). The NSSD had only one function which was to carry out research and studies on social security systems operated in various countries and propose the social security system that would be appropriate for Thailand. Since then, the social security law had been amended occasionally until 1990 when the Thai parliament passed proposed the Social Security Act of 1990, resulting in the establishment of the social security fund and the social security office (SSO). The SSO was first established as a department under the Ministry of Interior (MoI). However, it was transferred to the Ministry of Labour (MoL) in 1993 and continued to operate under the supervision of the MoL since then.

At its outset, the SSO managed the social security fund with technical assistance and information support from the International Labour Organization (ILO) and the World Bank (WB). In 1992, the SSO initiated the program that allowed insured persons to choose the hospital to receive health care services by themselves. In 1993, the government stipulated that establishments with ten or more employees must be registered with the social security fund and the compensation fund. In 1999, the SSO required insured persons to pay contributions to the social security fund at a progressive rate, paying at the minimum rate in the first year and increasing every year until it reaches the maximum rate. Since 2010, the contribution has been shifted toward the shared responsibility rule – employees, employers, and the government contribute 3%, 3%, and 1% of employees' salaries, respectively.

2.6.2 Conditions, requirements, and benefits

Under the Social Security Act of 1990, the social security system can be divided, based on conditions and requirements, into three schemes – compulsory scheme(Article 33), voluntary scheme(Article 39), and informal workers scheme(Article 40). Table 2-3 highlights the conditions/requirements and benefits of each type.

Table 2-3. Conditions/requirements and benefits of different schemes of social security system

Issue (s)	Compulsory scheme[1]	Voluntary scheme[2]	Informal worker scheme[3]
Insured persons	Employees, aged 15-60, who work in the formal establishment with one or more workers.	• Insured persons who are previously under the compulsory scheme(Article 33) • Insured persons who pay contributions not less than 12 months before quitting their job • Insured persons who resign from work, not more than six months	• Informal or freelance workers, aged 15-60, who are not covered by the compulsory (Article 33) and voluntary scheme(Article 39)
Coverage and benefits	Coverage: 1. Illness; 2. Disability; 3. Death; 4. Childbearing; 5. Childrearing; 6. Retirement; and 7. Unemployment Benefits: 1. Illness: • Insured persons can receive medical treatment in case of illness without advance payment in public hospitals or private hospitals that are parts of the social security programme 2. Disability: • In case of non-severe disability, insured persons can receive compensation for the loss of income for 30% of their wage, but not more than 180 days. • In case of severe disability, insured persons can receive compensation for 50% of their wage for the rest of their life.	Coverage: 1. Illness; 2. Disability; 3. Death; 4. Childbearing; 5. Childrearing; and 6. Retirement. Benefits: 1. Illness: • Insured persons can receive medical treatment in case of illness without advance payment in public hospitals or private hospitals that are parts of the social security programme 2. Disability: • In case of non-severe disability, insured persons can receive compensation for the loss of income for 30% of their wage, but not more than 180 days. • In case of severe disability, insured persons can receive compensation for 50% of their wage for the rest of their life.	Coverage: 1. Illness; 2. Disability; 3. Death; 4. Childrearing; and 5. Retirement (lump sum) Note: the coverage and benefits depend on the amount of their contribution to the social security fund

Table 2-3. Conditions/requirements and benefits of different schemes of social security system

Issue (s)	Compulsory scheme[1]	Voluntary scheme[2]	Informal worker scheme[3]
	3. Death: • Receiving 50% of the four-month average salary and 50,000 for funeral expenses (for insured persons who pay contributions to the social security fund between 36 and 120 months). • Receiving 50% of the twelve-month average salary and 50,000 baht for funeral expenses (for insured persons who pay contributions for more than 120 months). 4. Childrearing: • Insured persons can receive payments for childrearing of 800 baht per month for each child until six years of age, but not more than three children. 5. Childbearing: • A woman who gives birth can receive 15,000 baht for childbearing and receive compensation for maternity leave for 50% of the three-month average salary. • A man who is a husband of a woman who gives birth can also receive 15,000 baht.	3. Death: • Receiving 50% of the four-month average salary and 50,000 for funeral expenses (for insured persons who pay contributions to the social security fund between 36 and 120 months). • Receiving 50% of the twelve-month average salary and 50,000 baht for funeral expenses (for insured persons who pay contributions for more than 120 months). 4. Childrearing: • Insured persons can receive payments for childrearing of 800 baht per month for each child until six years of age, but not more than three children. 5. Childbearing: • A woman who gives birth can receive 15,000 baht for childbearing and receive compensation for maternity leave for 50% of the three-month average salary. • A man who is a husband of a woman who gives birth can also receive 15,000 baht.	

Table 2-3. Conditions/requirements and benefits of different schemes of social security system

Issue (s)	Compulsory scheme[1]	Voluntary scheme[2]	Informal worker scheme[3]
	6. Retirement: • Pension: (1) Receiving 20% of the last sixty-month average salary on a monthly basis (for insured persons who pay contributions for not less than 180 months) (2) Receiving 1.5% on top of 20% of the last sixty-month average salary every 12 months (for insured persons who pay contributions for more than 180 months) • Lump sum: On top of pension, which is paid on a monthly basis, insured persons will also receive the lump sum based on the duration of their payment of contributions to the social security fund. 7. Unemployment: • Receiving 70% of the wage during the period of unemployment but not longer than 200 days (in case of being laid off) • Receiving 45% of the wage during the period of unemployment but not longer than 90 days (in case of	6. Retirement: • Pension: (3) Receiving 20% of the last sixty-month average salary on a monthly basis (for insured persons who pay contributions for not less than 180 months) (4) Receiving 1.5% on top of 20% of the last sixty-month average salary every 12 months (for insured persons who pay contributions for more than 180 months) • Lump sum: On top of pension, which is paid on a monthly basis, insured persons will also receive the lump sum based on the duration of their payment of contributions to the social security fund.	

Table 2-3. Conditions/requirements and benefits of different schemes of social security system

Issue (s)	Compulsory scheme[1]	Voluntary scheme[2]	Informal worker scheme[3]
	resignment or end of the employment contract) • Receiving 50% of the wage during the period of unemployment but not longer than 90 days (in case of force majeure)		

Note: [1] Based on Article 33 of the Social Security Act 1990
[2] Based on Article 39 of the Social Security Act 1990
[3] Based on Article 40 of the social security act 1990

Since the establishment of SSF and SSO, the number of insured persons has increased steadily. By 2022, the numbers of insured persons are 11.57 million, 1.89 million, and 10.87 million for the compulsory social security scheme, voluntary social security scheme, and informal workers' social security scheme, respectively (Figure 2-3). This information shows that the public social security system provided by the government is in the need of Thai workers. It also implies that the public social security system can be crucial for developing countries which are similar to Thailand in terms of workforce and labour market characteristics.

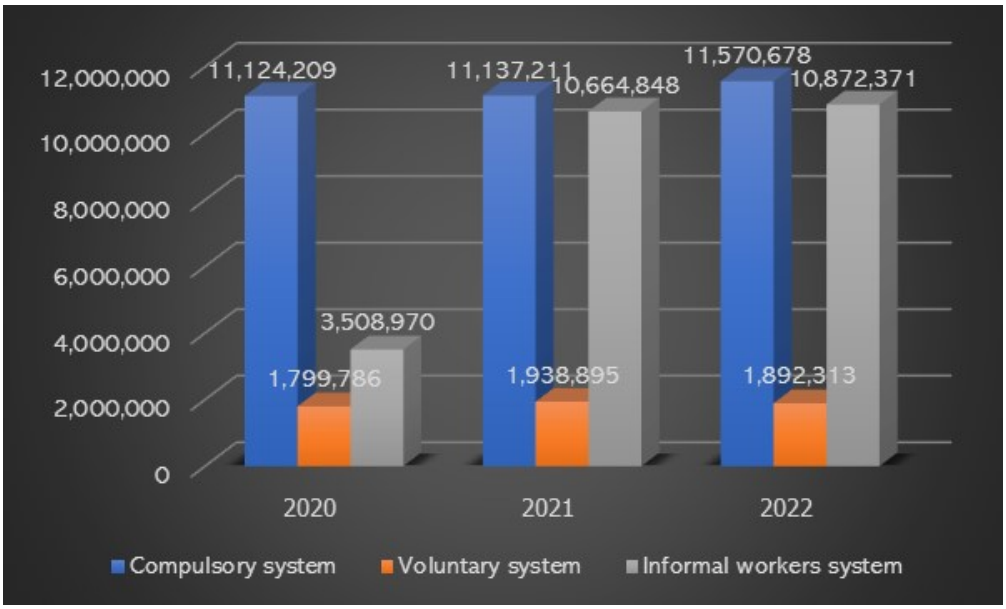

Figure 2-3. Numbers of insured persons by category
Note: For 2022, the numbers are by the end of November 2022
Source: SSO (2020, 2021, 2022)

2.6.3 Social security fund and ageing society

Thailand is now an ageing society. The percentage of the elderly population is now approximately 18.8% of the total population (66.7 million), and it is projected to steadily increase to 31.4% in 2040. To cope with an increase in the population ageing, Thailand needs to have an effective social security system. Social security fund is one of the necessary means to deal with population ageing.

One of the seven types of benefits for those who pay contributions to the social security fund is the benefit that they will receive after their retirement in terms of

pension and/or lump sum. This is one of the public social security types to deal with the ageing society[1]

There are some conditions for receiving a pension and/or lump sum upon retirement for insured persons of compulsory (Article 33) and voluntary (Article 39) schemes as follows.

(1) For those who pay contributions for 180 months (15 years), they can receive, on a monthly basis, 20% of the average salary of the last 60 months;

(2) For those who pay contributions for more than 180 months, they can receive 1.5% on top of 20% of the last sixty-month average salary every 12 months.

The conditions for receiving a lump sum include:

(1) For those who pay contributions less than 12 months, they can receive the total cumulative amount of money that they contribute;

(2) For those who pay contributions for more than 12 months, they can receive the amounts of money that they contribute and that their employer contributes, and returns on their saving based on conditions stipulated by the SSO.

However, a large proportion of the Thai elderly population is still out of the pension scheme provided by SSF. For instance, of 12.5 million elderly people in Thailand, only 1,744,511 (about 13.6%) are insured under the social security fund system (The National Commission on Older Persons, 2021). This poses a big challenge for the Thai government to find ways to provide sufficient welfare for the elderly population as the number of elderly people will keep increasing over the next two decades.

[1] The government also provides the elderly allowance for all elderly population – 600 baht per month for those aged 60-69 and 700 baht per month for those aged 70 or more. For more details about other types of public social security for the elderly population, see http://agingthai.dms.go.th/agingthai/public_service/%E0%B8%AA%E0%B8%B4%E0%B8%97%E0%B8%98%E0%B8%B4%E0%B9%81%E0%B8%A5%E0%B8%B0%E0%B8%AA%E0%B8%A7%E0%B8%B1%E0%B8%AA%E0%B8%94%E0%B8%B4%E0%B8%81%E0%B8%B2%E0%B8%A3%E0%B8%9C%E0%B8%B9%E0%B9%89%E0%B8%AA%E0%B8%B9/

2.6.4 Social security fund and TICA's South-South Cooperation (SSC) Programme

The SSO's operation, performance, and experience in managing SSF for social welfare and population development in Thailand can serve as good lessons to share with other developing countries through TICA's SSC programme due to some reasons. Firstly, the labour market of developing countries is characterized by a considerable size of informal workers (see Figure 2-4). These workers are likely to be excluded from many social protection schemes provided by the government or the market such as health care, sickness, maternity, and work injury (The ASEAN Secretariat, 2022). The experience of the SSO in providing social protection to informal workers in Thailand through the informal worker scheme of the SSF (based on Article 40 of the Social Security Act) can be fruitful for other developing economies to learn.

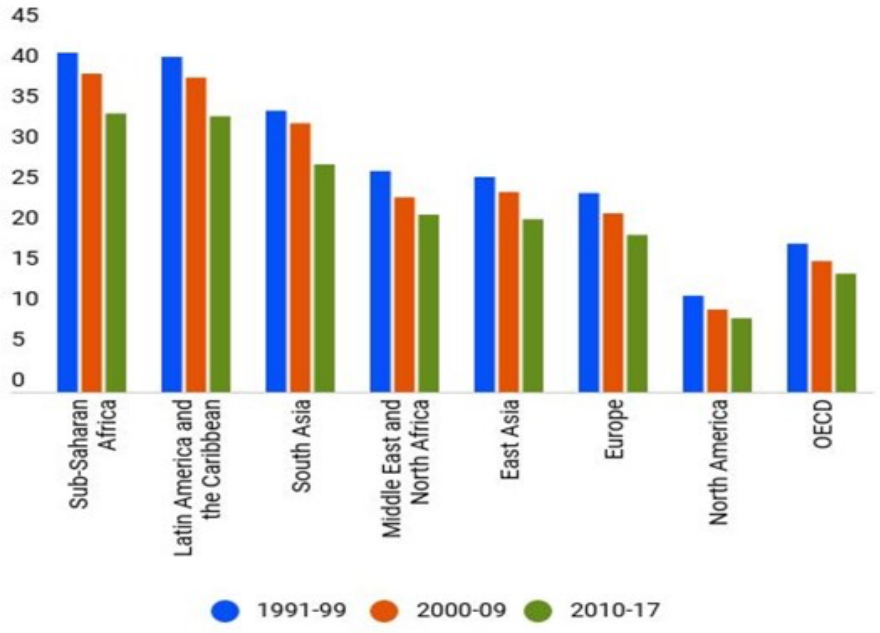

Figure 2-4. Informal economy (% of GDI) by regions

Secondly, rapid industrialization in Thailand over the last four decades has led to a significant drop in the birth rate and an increase in population ageing. This phenomenon is similar to some developing countries that are now ageing society is in concern of policymakers [2]. In this regard, lessons learned drawn from the SSO's

[2] See the list of the top 50 countries with the largest number of older adults in https://www.prb.org/resources/countries-with-the-oldest-populations-in-the-world/

experience in managing the SSF and providing social protection to the elderly population in Thailand via compulsory and voluntary schemes (based on Articles 33 and 39) can also be valuable for developing countries with similar characteristics.

Therefore, in the context of international development and cooperation, TICA can play a vital role in sharing the SSO's knowledge and experience in managing the SSF for the welfare of the Thai population with other developing countries through its SSC programme.

2.6.5 Data sources

Documents:

The ASEAN Secretariat. (2002). *The ASEAN: Promoting decent work and protecting informal workers*. ASEAN Socio-Cultural Community (ASCC) Department. The ASEAN Secretariat. Available in https://asean.org/wp-content/uploads/2022/05/The-ASEAN-Magazine-Issue-21-2022-Informal-Economy.pdf

The National Commission on Older Persons. (2021). *The Situation of the Thai Elderly 2021*. Nakhon Pathom: Institute for Population and Social Research, Mahidol University. (in Thai).

Weblinks

http://www.ratchakitcha.soc.go.th/DATA/PDF/2561/A/020/12.PDF

http://www.oic.go.th/FILEWEB/CABINFOCENTER2/DRAWER065/GENERAL/DATA0000/00000170.PDF

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Chapter 3
Conclusion and Recommendations

3.1 Summary of Good Practices in population change, data, and innovation

In Figure 3-1, six programs from the previous chapter were classified according to the program delivery mechanisms and population issues. Overall, the Thai government's strength is in its programs on demographic change, maternal health, and family planning. Nonetheless, gender-related programs and reproductive health data platforms are needed.

Mechanism (s)	Population Issue (s)			
	Demographic change	**Reduced maternal death**	**Reduced unmet need for family planning**	**Reduced gender-based violence**
Policies and initiatives	• National Savings Fund	• National Health Insurance • Sin Tax	• National Health Insurance • Sin Tax	-
Capacity building	• Institute of Population and Social Research	• Institute of Population and Social Research	• Institute of Population and Social Research	-
Data Platform	• National Transfer Account	-	-	-
Research operation	• Institute of Population and Social Research	• Institute of Population and Social Research	• Institute of Population and Social Research	-
Public service systems	-	• National Health Insurance	• National Health Insurance	-

Figure 3-1. Classification of good practices according to the program delivery mechanisms and population issues

The salient features of each program can be summarized as follows:

3.1.1 National Health Insurance System. Contrary to the popular belief, the key feature of Thailand's National Health Insurance system or the universal health coverage (UHC) is not a national health insurance program for the entire population. In fact, it has

been designed to extend free healthcare services to the populations not covered by the civil servants' medical benefit scheme and the social security scheme. Healthcare providers in the Thai UHC system have predominately been government hospitals and primary care centers. In recent years, private clinics have formed the backbone of UHC-financed primary care services in Bangkok and the urban areas in the provinces. These networks of hospitals and primary care centers—called contracting units for primary care (CUPs)—have helped expand healthcare coverage to rural population. CUPs receive capitation payments and personnel expenses from NHSO based on their contractual agreements to provide primary care services.

3.1.2 Sin Tax for Health Promotion and Disease Prevention. Thailand is one of the few countries where "sin taxes" (i.e., tobacco and alcohol taxes) are earmarked for health promotion and disease prevention. This earmarked fund is administered by Thailand Health Foundation (ThaiHealth), which adopts three approaches to leverage its fund: research, advocacy, and social empowerment. The foundation acts as catalyst to accelerate the formulation of innovative ideas with proactive and flexible grants and empowerment of diverse networks with government, public and private sectors, and civil societies.

3.1.3 National Transfer Account (NTA). Established in 2002, NTA is a collaborative database to support Thailand's macroeconomic policy-making process. The NTA database consists of socio-economic data (e.g., income, consumption, saving, investment, and transfers) and categorizes data into population age groups to track inter-generational economic flows. It is expected that the government will use NTA to guide its budget allocation process, so that the use of government resources reflects the needs of specific age groups in the forms of pensions, health care, education, and reproductive health.

3.1.4 National Savings Fund (NSF). The Office of National Saving Fund (NSF) was established in 2015 based on the National Saving Fund Act 2011. The objective of the establishment of NSF is to set up a pension system for informal workers who are not covered by any pension schemes with the government's contribution, based on workers' voluntary savings. NSF began its operation in July 2015 by calling for membership registration and savings from members. NSF receives deposits from members with a

minimum of 50 baht and a maximum of 13,200 baht per year. The government also copays for each member's savings, and the level of copayment varies with members' ages.

3.1.5 Institute of Population and Social Research (IPSR). IPSR was established based on the international development cooperation ideology during the 1960s which aimed to improve population health and well-being in developing countries, instead of focusing solely on national economic and income growth. Its core mission is to promote research and education on population health. In terms of training, the IPSR focuses on short-course training in the areas in which it has a strong knowledge stock and expertise. Over a decade, a variety of training courses have been provided, focusing on population and social development and research issues, such as reproductive health and other health-related issues.

3.1.6 Social Security Fund (SSF). Thailand's SSF provides a feasible social welfare system for developing countries with limited fiscal resources. The contribution follows the shared responsibility rule between employees, employers, and the government, who contribute 3%, 3%, and 1% of employees' salaries, respectively. The insured persons are entitled to subsidies for health services and post-retirement benefits.

3.2 Recommendations

3.2.1 To promote Thailand's UHC as a health-financing model for other developing countries, TICA and its partner agencies need to focus on the technical aspects, including methods of calculating and managing catchment populations, supply-side financing, evidence-based and participatory budgeting, and strategic purchasing in closed-ended provider payment.

3.2.2 Similarly, Tax earmarks alone do not guarantee effective health promotion and disease prevention. The sin tax model heavily relies on effective fund management, innovation management, and network development and management. These skills and knowledge should be included in a TICA training package for officials from other developing countries that wish to emulate the sin tax model.

3.2.3 NTA can fit well into TICA's SS/TC program. Firstly, NTA is an appropriate tool to be used for long-term population planning for strengthening human capital and promoting long-term economic growth and development, which is in the need of most

developing economies. Secondly, experience in using NTA for population policy formulation can be shared with other developing countries that are experiencing ageing population. Thirdly, though NTA is not widely used by Thai authorities in their policy formulation, NESDC has already applied NTA in several population-related policy studies. Thus, based on NESDC's experience in developing and managing the NTA database and in using NTA for policy analysis, TICA can draw lessons learned from these experiences and share them with development partners through its SSC's technical cooperation program.

3.2.4 TICA can use lessons learned from NSF to develop as a training curriculum for other developing countries that seek to design a long-term welfare policy for informal workers. The program's key feature is how to mobilize savings from informal workers and provide pensions for this population segment.

3.2.5 IPSR offers a model of an effective and sustainable research and training institute that specifically addresses population change and social development. It has a good stock of knowledge that can be used for promoting sustainable development goals (SDGs), especially regarding Goal-3 (good health and well-being) and Goal-5 (gender equality). This knowledge stock can be utilized by TICA, using its technical cooperation scheme, for assisting other developing countries to achieve their SDG goals related to population and social development (e.g., Goal-3 and Goal-5). Additionally, IPSR can also provide knowledge on research methods and techniques necessary for studying, monitoring, and assessing the progress of population and social development.

3.2.6 TICA and its partner agencies should use the lessons learned from SSO and SSF to design a capacity building program that will help developing countries develop their welfare policy measures and social safety net schemes.

College of Interdisciplinary Studies
Thammasat University
https://cis.tu.ac.th/