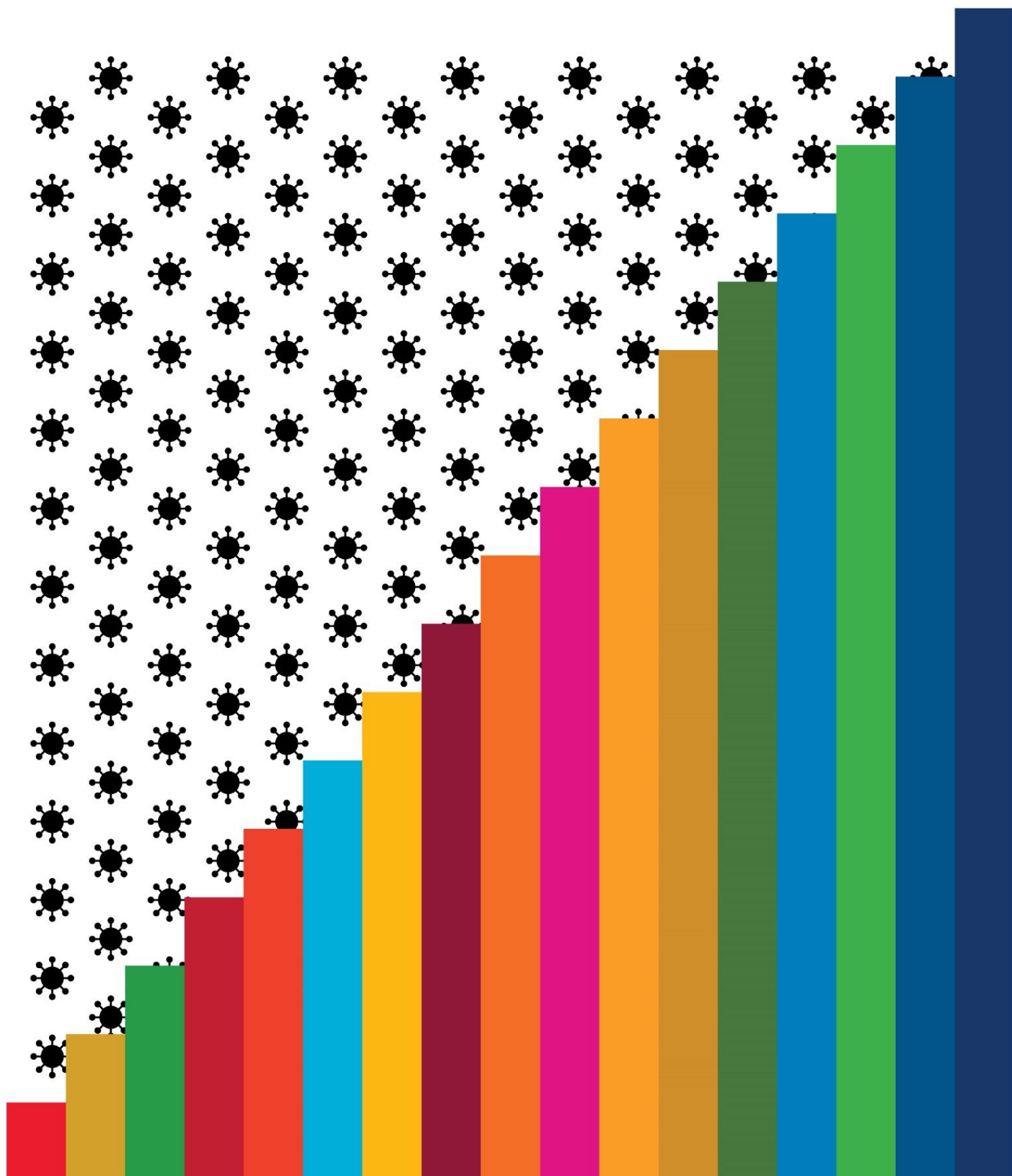




UNITED NATIONS
THAILAND



Socio-Economic Response to COVID-19



Introduction

This document builds on the UN Country Team (UNCT)'s Interim COVID-19 Response Plan which was endorsed by the Royal Thai Government (RTG) in April and consolidates feedback from consultations across the UN System to form a first draft of **UN Thailand's Socio-economic Response Plan to COVID-19**. This document is in line with the five pillars of the Secretary-General's *UN Framework for the Immediate Socio-Economic Response to COVID-19*. It forms the basis for the UNCT's continued discussion on the response plan with the RTG, Member States, the private sector, civil society, academia and international financial institutions (IFIs). The response plan includes an indicative budget of USD 22.8 million that has been redirected from other programming, newly raised and in the pipeline for the UN System response to COVID-19. It will be operationalised through a costed work plan (April 2020-October 2021) of UN System COVID-19 response activities. It is informed by a risk management matrix that identifies several high-level risks, their likelihood and impact, as well as mitigating measures. UN Thailand's Response Plan to COVID-19 will be finalised by early August 2020.

Background

COVID-19 is an unprecedented global health crisis with major social and economic impacts. The UN Framework for the Immediate Socio-Economic Response to COVID-19 (hereafter the Framework) puts into practice the recent report from the Secretary-General, "Shared Responsibility, Global Solidarity", and provides a blueprint for urgent socio-economic support of UN entities in five streams of work connected by environmental sustainability and gender equality imperative to build back better.

Under the Resident Coordinator's leadership, the UNCT communicates a clear, coherent, whole-of-system response and puts a spotlight on resource needs with the highest levels of the RTG. The UNCT works together to ensure that the socio-economic response moves forward decisively and complementary to the WHO coordination of the health response. The UN's response is focused on technical advice, policy advocacy, repurposing of existing funds and raising new funding in coordination with the RTG and Member States.

The comprehensive socio-economic impact assessment is co-led by UNDP and UNICEF in partnership with the RTG and IFIs alongside sector specific surveys from a cross-section of UN entities informs this response plan.

Consultation Process

The response plan was developed through consultations and bilateral discussions with the RTG, Member States, the private sector, civil society and IFIs. The UN has engaged with key government stakeholders nationally through the Ministry of Foreign Affairs and at the provincial level. The consultations prioritised sharing key findings from the socio-economic impact assessments and collectively agreeing on how best the UN could offer technical assistance to the RTG to build back better. The consultations included dialogue with the Governor of the Bank of Thailand to discuss policy options for macroeconomic stability and the National Economic and Social Development Council to strengthen monitoring of the fiscal stimulus package. The UN also engaged with the Ministries of Labor, Agriculture and Industry to explore policy measures that need to be prioritised to counter labour market disruptions, while leveraging technology to enhance industrial efficiencies and reduce carbon emissions. In addition, the UN has also consulted with Ministries tackling the social impacts of the pandemic, including Health, Education, and Social Development and Human Security to discuss policy measures to leave no one behind, specifically focusing on marginalised and vulnerable communities.

At the provincial level, the UN consulted with five governors from the North, Central and Western provinces to understand different response strategies as community-led processes are put in place.

The UN also consulted with the World Bank, International Monetary Fund and Asian Development Bank on the comprehensive socio-economic impact assessment that the UN is leading in close partnership with the RTG. The consultations focused on the key economic and social parameters that need to be prioritised to build back better and to jumpstart local economies.

The UN also held discussions with key stakeholders and civil society organisations from the Deep South. This has involved online webinars. The consultations have helped to inform the response plan with a focus on scaling up innovations and engagement with youth to build back better while strengthening social cohesion.

Situational Analysis

Epidemiological Context

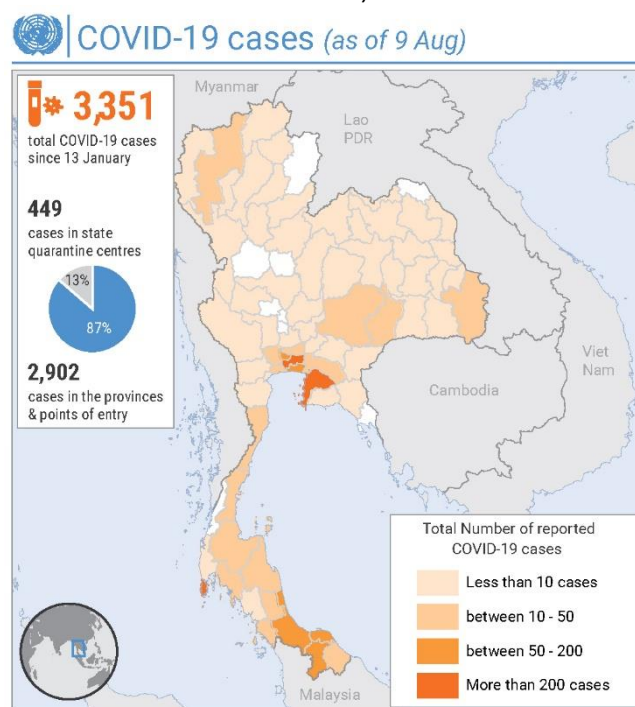
On January 13, Thailand became the second country in the world to confirm a case of COVID-19 infection. Since then, Thailand has managed sporadic cases and clusters of infection throughout the country. As of August, no cases of local transmission have been reported, though cases continue to be detected in returnees from abroad, who are quarantined in state-run facilities.

As of 9 August 2020, 84 per cent of the 3,351 cases had been in the population aged between 20-59 years old. The median age of cases is 38 years old, with the sex ratio being 56 per cent male and 44 per cent female. Sixty-nine out of 77 provinces reported cases, though 67 per cent of these reported fewer than 10. Since the beginning of June and early August (a total stretch of 77 days), all COVID-19 cases detected have been in people who were infected outside of and were diagnosed after arriving in-country. There have been no reported cases due to local transmission.

While the situation among refugees, stateless and urban asylum seekers remains stable, some positive cases and previously suspected cases in these communities reinforce the need for continued vigilance. In this regard, monitoring of the situation in nine temporary shelters along the Thai-Myanmar border continues to take place through the combined efforts of UN entities and partners.

Figure 1: COVID-19 Cases Outside of Quarantine (as of 9 August 2020)

Source: WHO/OCHA

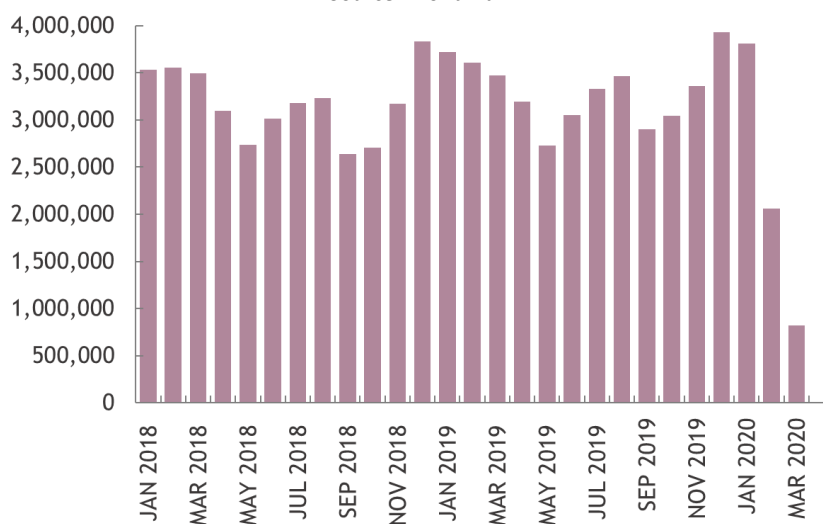


Macro-Economic Impact

The COVID-19 pandemic has had a significant impact on the Thai economy. Even assuming that the direct impact of the pandemic is over and there will not be a large sustained outbreak in Thailand in the near future, economic growth will likely be reduced in 2020 by the softness in traditional growth drivers such as international trade and tourism. Custom exports in May marked the deepest contraction since July 2009, as supply-chain disruptions negatively impacted industrial goods exports. The Ministry of Tourism and Sports reported that tourist arrivals had fallen to zero in May 2020 because of the international travel ban.

Figure 2: International Tourist Arrivals (Number of Persons)

Source: World Bank



Source: Haver Analytics / World Bank presentation

The tourism sector will remain severely impacted by the international recession, although domestic tourism could offset some of the impact. People who work in tourism are more likely to feel economic disruption lasting through 2021. As a result, the Bank of Thailand expects GDP to contract by 8.1 per cent this year. Should this happen, it would mark the deepest contraction on record, surpassing the Asian Financial Crisis of 1998.

As part of the joint UN economic impact assessment, the Economist Intelligence Unit predicts the country will probably start to recover in the third quarter with a return to healthy growth in the medium to long term. More specifically, economic growth will rebound averaging at just over 3 per cent for 2021-25, which is significantly lower than if the pandemic had not occurred.

The Economist Intelligence Unit expects the agriculture, automotive and tourism sectors to decline sharply this year, but recover in 2021. Those sectors including consumer goods, healthcare and telecommunications will remain relatively resilient. The automotive and tourism sectors will decline owing to their dependence on external demand. A small increase in overall healthcare spending is expected because of the pandemic and additional resource deployment through the fiscal stimulus package. However, the increase is expected to be moderate because the rise in COVID-19-related spending is most likely to be offset by a decline in non-essential healthcare expenditures.

Some direct effects include loss of employment due to the contraction of the economy, mobility restrictions and adverse health outcomes. These harm consumers through loss of income, which limits their ability to pay off existing debts and may result in severe financial stress. According to the poverty analysis under the joint social impact assessment, currently Thailand's household debt totals approximately 80 per cent of GDP, which is relatively high compared to the average of only 40 per cent among emerging market countries. On average, Thai households have more debt than financial assets, not including real estate or vehicles. The average household debt per person is USD 2,021, while the average household financial assets per person is USD 1,941.

Comparing the financial assets to consumption expenditure per person, an average household can nominally last for up to nine months without income. However, this is not the same situation for poor households. For these, average household debt per person is USD 430 and average household financial assets per person is USD 200. This means that, even with their lower consumption, poor households can only last up to three months on average without income, not accounting for debts. The World Bank Economic Monitor (June, 2020) also highlights the loss of remittances due to COVID-19 impacts for internal Thai migrants displaced from urban areas. At the same time, these effects are particularly exacerbated for the 6.7 million people considered to be below the poverty line, especially in the Central and Northeast region.

Social protection payments provided as part of the stimulus package complemented by household debt alleviation measures have helped to mitigate poverty, with small improvements for the worst affected groups and temporary poverty reduction in rural areas in the second quarter of 2020. Different population groups are affected in different ways according to the joint social impact assessment by Oxford Policy Management. Across rural areas, poverty decreased from 11 per cent to 9 per cent because of the relief package, negating the predicted loss in income in the short term and resulting in an increase in consumption and fall in poverty. Meanwhile, in urban areas poverty increased from 4 per cent to 6 per cent mostly because of a net change in income of negative 18 per cent. This situation is worst in Bangkok, where poverty increased from zero to 3 per cent because of an average net change in income of negative 23 per cent. Furthermore, the poverty rate is expected to increase through the third and fourth quarters, as emergency relief measures end before the economic recovery takes place.

World Bank analysis suggests that economic insecurity is projected to nearly double from 4.7 million in the beginning of the year to 7.8 million towards the end of 2020. This will impact household welfare and exacerbate vulnerabilities.

Social and Employment Impact

The COVID-19 pandemic has also affected the labour market in Thailand. One sector most at risk is the manufacturing sector, given its dependency on global supply chains. According to UNIDO's [Impact Assessment of COVID-19 on the Thai Industrial Sector](#), small-size and low-tech firms have suffered because of reduced orders and a shortage of inputs linked to disruptions of supply chains. Reduced orders have led to a fall in revenue, which has compounded cash flow shortages, leaving small firms struggling. If containment measures are extended for a longer period, it is projected that nearly half of small-size firms could be severely impacted.

SNAPSHOT: ECONOMIC IMPACT

- The economy contracted by over 8%
- Tourism and automotive industry most impacted constituting over one-quarter of GDP
- 7.5 million jobs are likely to face disruption with decreased working hours and wages or complete job loss
- The share of the working poor is expected to increase from 4.7% to at least 11% of total employment this year
- SMEs suffer extreme revenue loss of over 51%
- 82% of agricultural households see a drop in income and more than 50% challenged to service household loans
- Middle class contracts by 12%

Within the manufacturing sector, COVID-19 measures had the strongest negative impact on the automotive sector as indicated by the drop of the manufacturing performance index in April 2020, about 82 per cent year-on-year, showing the lowest production since 1987, despite Thailand being the sixth-largest automotive producer in the world and the largest among ASEAN countries.

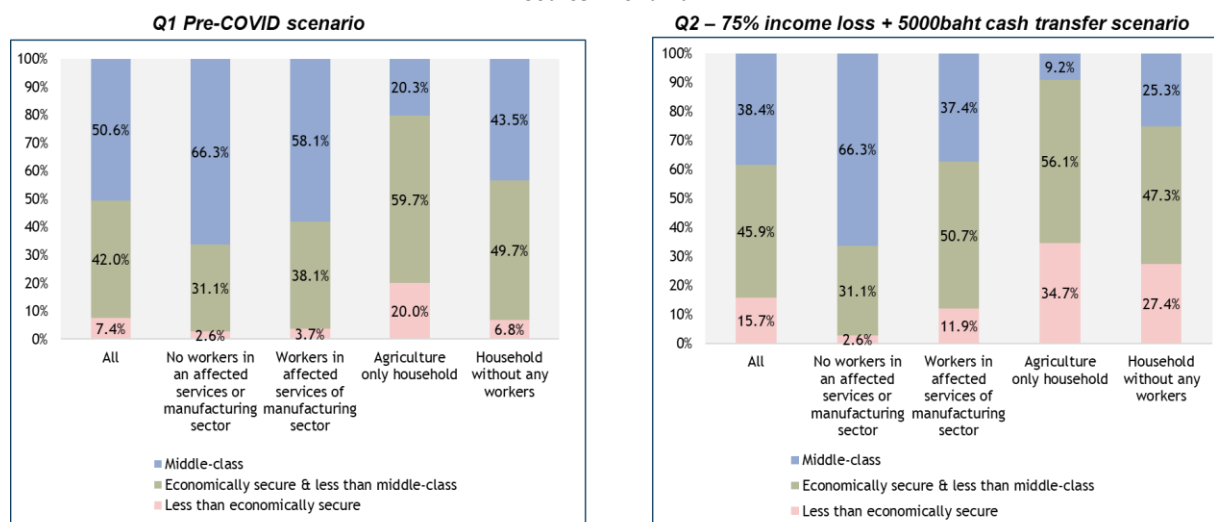
Firms do not report laying off employees as a primary coping measure. Cutting operational costs, accessing loans and using technology are preferred options to deal with the immediate impact. Deferment of tax payments, reductions of social contributions and operational costs, including rent and utility payments, and improved loan terms are among the most preferred RTG support measures.

Other at-risk areas include labour-intensive sectors that employ millions of often low-paid, low-skilled workers, particularly for accommodation, food services and retail trade. In the [COVID-19 employment and labour market impact assessment in Thailand](#), ILO estimates that between 6.6 million and 7.5 million jobs will probably face disruption in the current crisis, either with decreased working hours and wages or complete job loss. In total, 3.7 million jobs held by women (22 per cent of the 2019 female workforce) are estimated to be at risk in the higher impact scenario, compared to a nearly equal number of 3.7 million jobs for men (also 22 per cent of the 2019 male workforce). Farmers saw a drop in incomes of up to 40 per cent because of the loss of produce that did not reach market. Similarly, markets and over 80 per cent of farmers reported a drop in earnings, according to a rapid economic impact assessment conducted by FAO and Kasetsart University. The Economic Intelligence Unit also predicts much higher unemployment among women than men, as they are over-represented in the hardest hit sectors.

In the short term, income loss will result in an expansion of the economically insecure and a reduction of the middle class, leading to more vulnerable people in society.

Figures 4 and 5: Reduction in the Middle Class

Source: World Bank



Notes: Pre-scenario are based on existing conditions in 2017. The economically secure are those living above USD5.5/day 2011PPP per capita. The middle-class are those that live above USD15/day 2011PPP per capita
Source: WB staff calculations

Informal workers are those most severely affected because of their lack of income security. Already, the ten occupations with the highest shares of daily and hourly workers saw a reduction of 435,000 persons employed between first quarter 2019 and first quarter 2020. The occupations that saw the greatest decrease are in agriculture (which could be a seasonal effect), but also low-skilled labourers doing clerical work including in customer service, refuse handlers, assemblers, handicraft workers, and persons in the electrical and electronic trades. The COVID-19 outbreak significantly reduced access to informal employment for asylum seekers and refugees, with 82 per cent of respondents not working at the time of the survey.

One of the main COVID-19 impacts on the labour market in Thailand will be an increase in working poverty as the volume of work measured in terms of hours worked falls along with declining economic activities. The loss of income among informal workers will push many over the poverty threshold. The share of the working poor in Thailand is expected to increase from 4.7 per cent to at least 11 per cent of total employment this year. This in turn will in all likelihood lead to increased food insecurity in both urban and rural areas. Access to affordable and nutritious food, ensuring food security, and the recovery of livelihoods in food and agriculture that provide incomes to a large proportion of the population will be necessary.

Migrants are also among the most affected by the crisis. In IOM rapid assessments, 57 per cent of respondents reported insufficient income as the greatest challenge for non-Thai nationals, with many unable to access basic needs including adequate food, water, electricity, shelter, education and medical care, including personal protective equipment (PPE).

Migrant workers are frequently excluded from labour laws and social protection due to their sectors of employment, migration status, gender and other factors. ILO reported [additional barriers](#) for migrant workers including non-payment or underpayment of wages and a lack of occupational safety and health standards. Migrant workers who returned home lost the right to renew work permits in Thailand, while tight timelines and complex procedures to change employers place migrant workers who have lost their jobs and are unable to return home at high risk of becoming irregular.

The RTG has taken some positive steps to provide certainty for migrant workers, including work permit extensions and inclusion of a subset of regular migrant workers in compensation schemes. However, many more migrant workers, particularly women and those in informal employment, are excluded from those schemes. The Social Security Office reported 27,882 migrant workers applied for unemployment benefits from March to May 2020, of an estimated [3.9 million migrant workers](#) in Thailand. Employers are required to provide a certificate of unemployment due to force majeure. Reports suggest many employers have failed to promptly provide this certificate, leading to delays in receiving unemployment benefits.

Environmental Impact

There may be a perception that during the COVID-19 crisis, the environmental situation in Thailand and globally has improved. However, according to UNEP, these are only temporary situations and proof that human activity has enormous impact on the environment. There is a risk that economic activities will resume on a business-as-usual mode resulting in continued environmental degradation, or that more laxity on environmental measures may increase degradation.

COVID-19 disproportionately affects high-risk people such as the elderly and people with respiratory or cardiovascular conditions. These are the same groups that are most vulnerable to air pollution. A 2003 study

SNAPSHOT: SOCIAL IMPACT

- The emotional health of young women is taking a big toll as it's more challenging for women to access medical supplies and public transportation and to perform hygiene and health routines, coupled by an increased burden in household chores and care of the vulnerable
- 13 million students have been affected by the continued school closures and delay to the start of the new academic year
- Youth are entering the shrinking labour market, with unemployment of youth increasing faster than that of adults
- Over 4 million children have been affected by the disruption of preventive nutrition and counselling services
- The LGBTI community is impacted most by loss of income, lack of access to PPE supplies and unsafe living situations
- Increase in the working poor is leading to food insecurity in urban and rural areas
- Migrants are also among the most affected by the crisis due to insufficient income and lack of access to adequate food, water, electricity, shelter, education, medical expenses and PPE
- Plastic packaging increased during the crisis by 15% from 5,500 tonnes per day to 6,300 tonnes.

shows that patients affected by the Severe Acute Respiratory Syndrome in regions with moderate air pollution levels were 84 per cent more likely to die than those in regions with low air pollution. There have been many reports of localized air quality improvements during the COVID-19 period of lockdown and travel restrictions. In Bangkok and surrounding areas, average PM2.5 levels during lockdown reduced by 20 per cent. There is a need to consider how air quality gains can be sustained.

COVID-19 policies have drastically altered patterns of energy demand around the world, resulting in lowered global emissions, including in Thailand. RTG actions and economic incentives after the crisis will likely influence the emissions path for decades. With the reopening of economic activities, there is a need to look at a more efficient, low carbon, sustainable economy around the world. This is an opportunity for Thailand to build back better and introduce patterns of energy efficiency and decoupling of economic activities from emissions, resulting in a sustained reduction in greenhouse gases. A key message on energy for Thailand is to lower coal reliance.

Land and sea ecosystems have enjoyed a brief break during the suspension of economic activities in Thailand and around the world, with some signs of recuperation. Nevertheless, long-term past trends of ecosystem and wildlife habitat deterioration and depletion of biodiversity and ecosystem services, including buffering of pandemic zoonosis, require better efforts to achieve the SDGs and other internationally agreed environmental targets. There is a risk that the need to quickly reactivate the economy and support people's livelihoods will not provide time to implement an environmentally sustainable response and push the deterioration even further, with a negative effect on people's health and livelihoods.

During the COVID-19 pandemic, there has been an alarming increase in plastic waste and a substantial decrease in plastic recycling at the global level. Sources of increased plastic waste are related to the medical plastic packaging and the tripled demand for food delivery. The Thailand Pollution Control Department recently reported that the amount of plastic waste, especially plastic packaging, increased by 15 per cent from 5,500 tonnes per day to 6,300. The mismanagement of plastic puts enormous pressure on terrestrial and marine environments, with major consequences for communities whose livelihoods depend directly on these ecosystems and the services they provide.

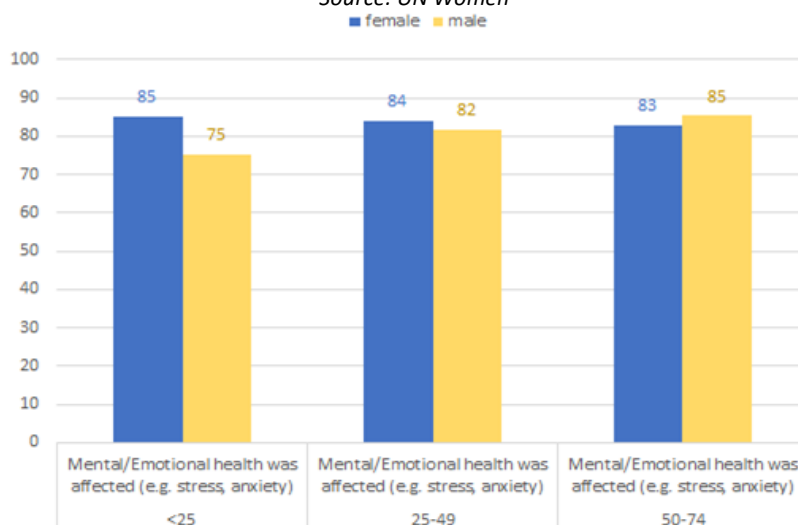
Gender Impact

According to UN Women, the pandemic is having devastating social and economic consequences for women and girls and increased risks of violence against them. Socio-economic impacts of the pandemic are affecting women the most and exacerbating existing social and economic inequalities. Although COVID-19 is non-discriminatory, vulnerable groups tend to suffer more so addressing their needs is urgent.

A rapid assessment survey in Thailand found that health is a major concern as the pandemic is disproportionately affecting young women's mental and emotional health. Despite health data showing that more men are contracting the virus, COVID-19 is taking a bigger toll on the emotional health of young women. Women are finding more challenges in accessing medical supplies and public transportation as well as performing hygiene and health routines. Coupled with difficulties of seeing a doctor, this is creating barriers to staying healthy.

Figure 6: Proportion of People whose Mental / Emotional Health has been Affected by COVID-19

Source: UN Women



Women are disproportionately carrying the burden of providing unpaid care and domestic work during the pandemic. The largest increases were reported for unpaid domestic work (cooking, cleaning, shopping for the family, repairing household items, etc.), with the gender gaps largest for the 25-49 population. Single mothers may be forced to spend less time with their children, as they cannot share the burden of domestic work. Both men and women are helping more at home, but men still receive the most help.

The survey shows that women are more likely to see their working hours reduced when engaged in formal employment. Women face financial stress as they lose income while household expenses and domestic care of vulnerable groups such as children, the elderly, the bedridden and others remain the same. Women are also disproportionately affected due to reduced access to food and increasing malnutrition. In a joint statement, UN agencies have called on governments in the Asia-Pacific region to continue essential nutrition services for pregnant and breastfeeding mothers, newborns and sick children.

Women make up the majority of informal sector labour. Women migrant workers in the informal sector are rarely covered by social protection despite playing a vital role in Thailand's economy. They may also face a higher risk of infection because they commonly work as cleaners, domestic workers, health-care workers and carers for at-risk patients.

Women from ethnic minorities, which are often in hard-to-reach communities, are unable to access services and support due to legal status, non-Thai nationality and language barriers in addition to economic stress because of business closures. Living in remote areas and closely packed housing units make them even more vulnerable to health risks and difficulties in complying with physical distancing and isolation.

An assessment of impact of COVID-19 on LGBTI people in Thailand surveyed people across the country and identified possible gaps in the RTG response and protection measures. The survey found that the LGBTI community is impacted most by loss of income/job (47 per cent), lack of access to PPE supplies (38 per cent) and unsafe living situations (36 per cent). People have been most affected by the lockdown and travel and movement restrictions (85 per cent) and some reported that restrictions and social distancing measures had led to increased stress and depression. While about 40 per cent of respondents have benefited from the government's assistance such as free COVID-19 testing and financial assistance, 60 per cent of respondents indicated that they had not received support. About 14 per cent of respondents also indicated they experience increased intimate, family, gender-based or economic violence.

This requires improved access to free testing and PPE, internet connections, access to stress /emotional /mental health care and regular health-care services. Many respondents stated that the response should be the same as for other groups as the crisis affects everyone regardless of gender, sexual identities or orientations. Many also emphasised the importance of access to specific needs such as continuous access to gender affirming care, hormone therapy, counselling and mental health support.

Impact on Children and Youth

The disease outbreak and the resulting socio-economic impacts and mitigation measures have had a major impact on the well-being, safety and the future of children, possibly for their lifetimes. An online survey conducted by the National Statistical Office revealed that caregivers of young children under 6 were more likely to face reduced incomes, increased expenditures and higher levels of household debt. Youth face economic shock differently as they enter the shrinking labour market, with unemployment of youth increasing faster than that of adults.

The social impact assessment highlights other factors that directly affect children and youth. Nearly 13 million students have been affected by school closures and delay to the start of the new academic year. Some are facing new policies such as alternate school days to ensure social distancing. Because the outbreak coincided with the main school holiday, the RTG and its partners had a window of time to facilitate remote learning and nutrition supply, and to assess these plans. This has revealed the importance of bridging the digital divide and how remote learning could accentuate existing learning inequalities. Although the current learning loss because of school closures is moderate, this may worsen if there are further closures or extended reliance on remote facilities. The anticipated economic recession is predicted to affect student dropouts, the private education market and government spending on education.

Preventive nutrition services and nutrition counselling services provided as part of the Universal Health Coverage have been disrupted or suspended because health workers are engaged in responding to COVID-19, affecting over 4 million children. Maternal and child malnutrition leads to poor growth in children and increased risk of infection and poor cognition, which affects learning outcomes and potential earnings later in life. There is a risk of the very youngest (in-utero children, newborns and infants) being the “COVID-19 generation”, for whom the shock has lifelong implications and inter-generational effects.

A recent impact assessment Impacts of COVID-19 on young people, conducted by the inter-agency UN sub-group on young people surveyed youth, including diverse ethnic groups, teen mothers, youth with disabilities, LGBT youth and youth from the south. The findings of the assessment found that generally youth are great advocates and willing to share information about preparedness and protection from the pandemic. Ethnic and stateless youth faced increased difficulties including indebtedness and youth with disabilities had increased difficulties to access shops and difficulty in traveling to work causing employment disruption. Youth in the south experienced a decrease in insurgent activities. Of those teenage mothers surveyed who had income before the pandemic, and overwhelming majority reported losing their employment due to the pandemic. LGBT youth reported increased discrimination and lack of acceptance by family members.

The economic shocks have significantly increased the risks of violence, exploitation, abuse and neglect as individuals, households and communities struggle to sustain livelihoods and cope with economic uncertainty within the short-term constraints imposed by measures to mitigate the spread of the virus.

National Response Strategies

According to WHO, responding to the pandemic depends on rapid and accurate case detection, isolation, treatment and tracing close contacts of cases in quarantine. This comprehensive package of interventions has been one of the RTG's major strengths. More than 40 years of investment in primary health care has contributed with hundreds of technical experts trained in disease outbreak investigation as part of Thailand's long-standing field-epidemiology training programme, to the 1 million village health volunteers who are able to detect outbreaks in communities and trace contacts. There is significant trust between the community and the health system across the country. Thailand's near universal health coverage has ensured that no Thai has to endure financial hardship for COVID-19 related health services. However some marginalised populations such as non-Thais and migrants may be left out of detection and trace contacts, due to difficulties in accessing documentation, language barriers or distrust among host communities.

The state of emergency announced on the 26 March led to a partial lockdown to contain the virus. More cases outside Bangkok were reported following a large exodus of workers to the countryside. Overall, the disease and its disruptive effects on the economy and social sectors are being mitigated with efforts ongoing. This has also been complemented by measures undertaken by local authorities, including setting up provincial COVID-19 operations centres.

The lockdown, curfew, school closures and physical distancing, however, are causing adverse economic impacts on poverty levels. Preventative measures such as handwashing, self-quarantine and isolation are often impossible in informal settlements. The first of four stages to relax containment measures started on 3 May by opening low-risk businesses. One of the social services most disrupted is education, because of the delayed reopening of the new school year for public schools and the closure of some private schools that follow an international calendar. Vulnerable populations such as migrant children are further at risk of being excluded from the education system, with learning centres unable to meet physical distancing criteria, exclusion of marginalised at-risk populations by school or financial difficulties to cover the costs of education.

The Ministry of Finance responded quickly to the virus outbreak by announcing three fiscal stimulus packages worth USD 76.2 billion or 15 per cent of GDP consisting of measures for households and businesses to tackle negative impacts. Such measures are targeted at those most at risk of losing their jobs or business, recognising that two-thirds of the labour force is in the informal sector.

- **Households (35.4 per cent of the packages):** Cash handouts for informal workers and other vulnerable groups, personal loans, a reduction and postponement of employee contributions in the Social Security System, delay and reduction of utility bills, reduced rent for public housing, tax exemption on risk payments for medical workers and health insurance premiums deductions;
- **Soft loans to small and medium enterprises (21.2 per cent);**
- **Building community infrastructure and creating jobs (16.5 per cent);**
- **Corporate bond liquidity stabilisation fund under which the Central Bank will buy corporate bonds to ensure that firms remain liquid (16.5 per cent);**
- **Businesses (10.4 per cent):** Tax relief, debt relief, exemption of import duties for products related to the prevention and treatment of COVID-19, exemption of taxes and fee cuts for debt restructuring with non-financial institution creditors, a reduction and postponement of employer contributions in the Social Security Fund, and delay and reduction of service fees and rents for firms.

The breakdown of fiscal stimulus packages exhibits Thailand's clear focus on helping vulnerable people, while maintaining the health of the economy by supporting businesses and creating jobs. The fiscal stimulus will help to counter overall unemployment through its focus on supporting small and medium enterprises, especially in tourism and related businesses such as hospitality, trade and transport (SDGs 1 and 8). Social protection measures including unemployment benefits and cash handouts for informal workers are designed

to help vulnerable people cope with adversity and secure lives, livelihoods and the economy (SDGs 1, 3 and 10). Allocating USD 16.1 billion of soft loans to small and medium enterprises and USD 12.9 billion for infrastructure investment will support a pathway to an inclusive and sustainable recovery that protects jobs and supports small and medium enterprises (SDGs 8 and 9). These are largely in line with the people and prosperity aspects of the 2030 Agenda for Sustainable Development.

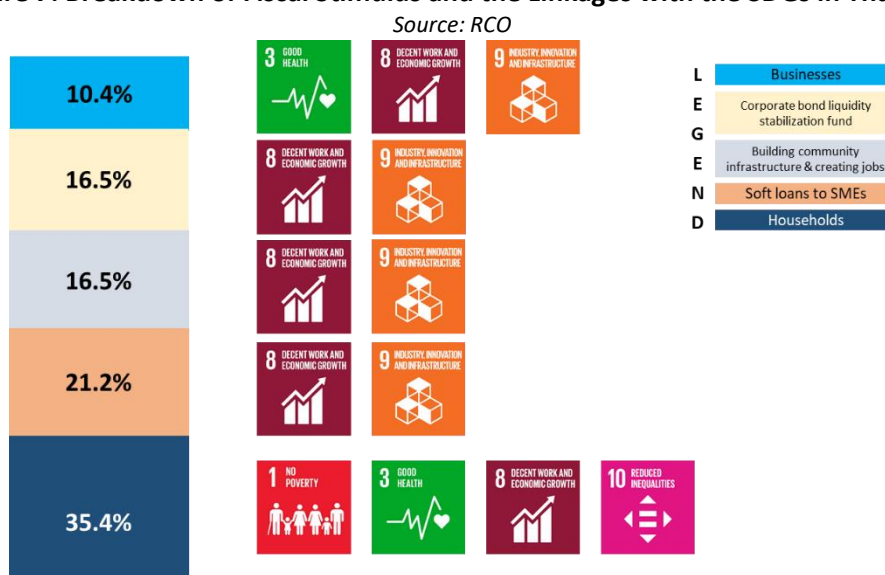
Beyond fiscal measures, the Bank of Thailand has implemented three rate cuts of 25 basis points in 2020 to help to alleviate the impact of the pandemic on the economy. Currently, the policy rate stands at a record low of 0.5 per cent. The Central Bank followed with more financial measures in a joint policy announcement with the Ministry of Finance and Securities and Exchange Commission to address liquidity concerns and functioning of the financial markets.

The telecoms sector also provided support during the pandemic. For example, the National Broadcasting and Telecommunications Commission announced a disbursement of 1 billion baht (about USD 32 million) for medical facilities and public health agencies, and also opened public registration for 10GB of free mobile data available to all citizens who are customers of any carrier to increase mobile connectivity.

The Cabinet approved ten projects earmarked to lift the battered economy and create jobs in the local economy. For example, the Ministry of Interior's USD 34 million project will enable people affected by the pandemic to work as caregivers for 12 months starting in July. They will receive training and learn skills needed to look after elderly in their communities. This project is expected to create jobs for 15,548 people. The sub-district integrated development project worth USD 86 million will promote public participation in solving problems and development of local areas. It will employ 14,510 people, or two people in each sub-district, for 12 months starting in August. Another project, proposed by the Department of National Parks, Wildlife and Plant Conservation and worth USD 7 million, will help communities generate more income by monitoring the construction of firebreaks. The project will employ 9,137 people from July 2020 to May 2021.

To cope with a fall in tourism demand, the Cabinet also approved two stimulus packages worth USD 700 million to boost domestic tourism. Under the "We Travel Together" promotion worth USD 636 million, the government will subsidise 40 per cent of domestic airfares up to USD 30 per seat and 40 per cent of hotel room rates up to USD 90 per night. Additionally, the Moral Support promotion will help fund holidays for 1.2 million health officials and volunteers. The funding for the two packages comes from the USD 60 billion economic stimulus package intended to cushion the impacts on the economy and people.

Figure 7: Breakdown of Fiscal Stimulus and the Linkages with the SDGs in Thailand



A UN Framework for the Immediate Socio-Economic Response

The socio-economic response plan for Thailand is comprehensive and adopts a whole-of-government and whole-of-society response. It is grounded in the guiding principles of the Secretary-General's Call to Action for Human Rights: 1) rights at the core of sustainable development; 2) rights in times of crisis; 3) gender equality and equal rights for women; 4) public participation and civic space; 5) rights of future generations, especially climate justice; 6) rights at the heart of collective action; 7) new frontiers of human rights.

It prioritises building back better while engaging with youth to foster social cohesion premised on the analysis that jumpstarting growth requires investing in innovation and green climate friendly measures. It also seeks to use the pandemic as an opportunity to invest in technological solutions that are cutting edge. The UN will offer thought leadership and leverage collaboration with a wide range of stakeholders, including youth, to leave no one behind. The focus is on those at risk, including women, the elderly, children, workers in small and medium enterprises, the informal sector, and vulnerable and marginalised groups such as people with disabilities, LGBTI people, those living with HIV, the stateless, ethnic minorities, migrants, refugees and the homeless.

To contain the transmission of COVID-19 and stop the pandemic, the public health response is integrated with social and economic interventions. The response plan will build resilience by leveraging youth and volunteerism with an emphasis on social entrepreneurship to ensure a robust response that remains hinged on technological innovation.

Pillar 1 | Health First: Protecting Health Services and Systems

The immediate response of the UNCT focused on supporting public health services while strengthening capacity to respond to COVID-19 through surveillance, laboratory capacity and advocacy to ensure that frontline workers especially in the health sector and vulnerable groups such as migrants and refugees have access to PPE and health services.

Thailand has responded effectively along most of the pillars outlined in the COVID-19 Strategic Preparedness and Response Plan created by WHO. Capacity for managing the health response in Thailand is very high. Strong laboratory capacity and point-of-entry screening has ensured that the virus was detected quickly and the affected patient isolated and treated effectively. Surveillance has been continuously adapted to the local context, but has focused on detecting and testing symptomatic, and to a lesser extent, asymptomatic individuals in high-risk settings. Surveillance as part of established systems to detect influenza-like illness has provided additional, indirect evidence for the lack of COVID-19 transmission in Thailand. New mechanisms developed to coordinate bed capacity across the health sector have contributed to better planning of the health response. The capacities of points of entry to detect and adopt preventive measures toward affected people varies greatly, emphasising the need for increased cooperation between health and border authorities.

The UN system in Thailand continues to add value by providing extensive technical guidance to the RTG, support to policy development and advocacy by prioritising the following:

- **Support surveillance, case management, laboratories, infection prevention, and control and risk communications** through technical guidance as well as active case detection and health education among marginalised communities.
- Technical assistance to **develop a “new normal” model of health services** to focus on structural and process redesign within the health-care system. These changes aim to protect the safety of personnel and patients from COVID-19 and other emerging diseases, to reduce crowding in health facilities, and to ensure that services are integrated to be more efficient and equitable for patients.

- Partner with the RTG to **pilot digital technology and tele-medicine** in Pattani province in the far South with planning underway for its evaluation and extension.
- Facilitate collaboration between public and private sectors on **vaccine research and development** in Thailand. Research and development are fostered through a strong research capacity in the country, which has allowed policy-makers to make more evidence-based interventions.
- **Improve migrant and refugee health services for COVID-19** through financial support by the UN system, to procure specialised technical equipment and personal protective gear, to support the “new normal” model for future health services, and for research and development.
- Support national COVID-19 prevention efforts through **leveraging and expanding laboratory and clinic capacity** (e.g. testing, vaccines, screening, training and capacity building for laboratory staff).
- Support national and regional **coordination along the migration continuum** for timely health care and referrals in line with Internal Health Regulations.
- Undertake **an evaluation in partnership with the Ministry of Public Health** to focus on lessons learned.
- **Reach the most vulnerable populations**, including children, young people, the stateless, refugees, migrants and others, with critical information on the risks and protection against COVID-19, and distribution of hygiene supplies that enable them to perform the recommended practices.

Pillar 2 | Protecting People: Social Protection and Basic Services

To leave no one behind, the UNCT has successfully advocated for topping up of old age, child and disability grants and is supporting the RTG with real-time monitoring of gender-based violence and violence against children while strengthening its prevention and response. The UN is engaging on digitisation to support the RTG to open schools safely and also provide technical assistance on strengthening availability and access to remote learning platforms for schools. For specific at-risk populations, the UN is supporting the sustained provision of basic services especially water, sanitation and hygiene. The UN is also institutionalising the RTG’s request to monitor the impact of the fiscal stimulus package targeted at strengthening local economies.

To respond to COVID-19, the UN is delivering social protection and strengthening basic social services through integrated policy solutions. The UN is examining how these joint interventions are directly addressing the needs of the most vulnerable in response to COVID-19 and reprioritising for greater impact:

- **Integrated policy solutions developed following a review of the social protection system.** The UN team is supporting the RTG to carry out a comprehensive Social Protection Diagnostic Review of Thailand’s social protection system, to generate a set of policy recommendations. The role of social protection in supporting households in coping with the social and economic impact of the COVID-19 crisis, as well as its wider role as a key pillar of a human-centred recovery will naturally influence the dialogue on the future of social protection. This will also examine the expansion of the cash transfer scheme as well as the formalisation of workers and businesses, including the registry of workers under Social Security Office schemes.
- **Scale up coverage of the Child Support Grant from 700,000 children to 2 million** by end 2021 as a result of strengthened integrated social protection systems. The UN is supporting the RTG to maximise the impact of the Child Support Grant, covering 2 million children under the age of 6, by advising on upgrades to the data management information system; providing policy advice to improve the wellbeing of children by linking the grant to other social services; and by increasing awareness among the public about the benefits of the grant. The UN is also advocating for the expansion of the Child Support Grant to all children under the age of 6.
- Social protection schemes and community programmes to **help to ensure that the most vulnerable groups are able to access nutritious food**: The UN will use information from ongoing and completed

surveys to ensure better targeting with a focus on sectors with high livelihood losses, including those of vulnerable populations, and keep Thailand on track to achieve SDG 2.

- Direct UN support to **strengthen the resilience of the most vulnerable groups**, including sex workers and ethnic minorities.
- Providing coordinated technical advice to **prevent and respond to gender-based violence and violence against children and improve access to hygiene, health services and supplies**. The comprehensive quality assessment will be conducted to identify areas of interventions to strengthening existing institutional and policy frameworks on GBV under the three-overarching UN and Thai Government coordination on data, quality coordinated services and capacity building. The UN will also conduct rapid and gender-responsive socio-economic assessments, labour market and business environment diagnostics to gauge the impact and develop appropriate strategies to respond.
- Policy options to ensure **more effective coverage of domestic workers, including migrants, within the existing social security schemes** is designed and tested. The UN is advocating and advising the RTG, through its technical expertise and consultations with civil society and domestic workers groups, on ways to improve access and coverage for domestic workers.
- **Technical support for the National Population and Housing Census**. The UN is providing guidance on enumeration processes, housing indicators and poverty-related statistics that will help to inform COVID-19 sensitive policy and practices.
- The UN is monitoring and assessing the **situation of asylum seekers and refugees in the context of COVID-19** to support evidence-based advocacy on the inclusion of refugees within the social protection system.
- The UN is considering prioritising a **study on the multiplier effect of social protection amid the pandemic**, given the new macroeconomic context of reduction of FDI and global demand, to demonstrate how investing in people and cash transfers could have a higher impact than other potential RTG investments. It would include policy advice for the RTG on linkages between various social protection policies, economic recovery efforts, and the development of new capabilities by providing inputs to the debate on economic recovery and the revision of the existing economic model with op-eds, webinars, technical notes and other media.
- The UN is supporting the **continuity of learning for all children and adolescents** through inter-ministry guidelines on the safe opening of education facilities; continuity of essential social services offered by schools such as meals; mapping of the digital divide, including school connectivity, and its implications for the most disadvantaged; ensuring education is available to the most marginalised populations whose access may be reduced; and evidence generation to support policy choices for deploying education technology for improving education systems.

Pillar 3 | Economic Response and Recovery: Protecting Jobs, Small and Medium-Sized Enterprises and Informal Sector Workers

COVID-19 has had a major impact on employment and the labour market. Significant negative impacts in the first two quarters are likely to increase through the third and fourth quarters. For small and medium enterprises, the demand reduction has had the biggest impact, and small-size and low-tech firms have been the hardest hit with one in six impacted from the crisis and containment measures.

The UN will prioritise the following interventions for economic recovery, by way of technical advice, support and advocacy focusing on protecting and improving productive sectors, protecting jobs and promoting decent work.

- UN to **support Ministry of Industry on SME development policy** in the wake of COVID-19.
- Technical assistance through **integrated policy advice to at least 100 small, medium and large enterprises to reduce carbon emissions** to advance climate action goals and support competitiveness. Support on strategies for green fiscal stimulus packages. The UN will mobilise the Partnership for

Action on Green Economy (PAGE) that provides integrated support for green jobs. Advice will also focus on nature-based solutions for development, including for small and medium enterprises.

- Leverage financing of at least USD 2 million from the public and private sector **to scale up green technology solutions** across large, medium and small enterprises and the renewal and reskilling of the labour force in agriculture.
- Promote an integrated, transparent and harmonized **tracking and traceability system digital data system for food product** monitoring and tracking from field to final consumer.
- **Capacitate SME** in food processing, trading and marketing including women-led and youth-led enterprises in rural and semi-urban centers to participate into the digital market platforms that support the **integrated digital-dataset for food traceability**.
- Technical assistance through projects for policy development on **sustainable, inclusive and resilient food systems** and support the employment of youth and incorporation of smart digital technologies.
- **Support young people and social partners in entrepreneurship and social innovation** in response to COVID-19, particularly by scaling up support for social enterprises. The UN will also seek to leverage its youth co-labs and the generation-unlimited programmes to enhance youth outreach. The UN carried out the Generation Unlimited Solution Challenge to pitch entrepreneurial ideas of young people. COVID-19 necessitated the pitching, mentoring and skill development support to young people to be re-tooled and tailored for online use.
- UN to **support the building back of sustainable and eco-tourism** through technical assistance in partnership with the Ministry of Tourism. This will focus on investing in innovative ways to generate income for local communities and protect biodiversity. This will include business linkages support in the agricultural and tourism sectors, which has proved to be particularly effective.
- UN to support the RTG and **employers of migrant workers with economic recovery and future resilience**. This includes an assessment of socio-economic impacts on migrant workers to inform the adaptation of labour migration procedures to meet new and emerging requirements related to COVID-19, such as ethical recruitment, safe living and working conditions, and safe mobility for aspiring, existing and returnee migrant workers as well as promoting market-based skills development and jobs matching to fill labour force gaps.
- Technical assistance to **build the resilience and recovery of micro, small and medium enterprises in Thailand to pandemics** through the creation of business continuity plan tools in the Thai language, an online e-learning course and online Quick Risk Estimation tool to help measure their level of risk. This will also assist in protecting livelihoods from additional disaster shocks.
- With the Ministry of Social Development and Human Security and the professional associations of barbers and hairdressers, the UN is providing **training and access to equipment to help more than a 1,000 small salons to safely reopen**.

Pillar 4 | Macroeconomic Response and Multilateral Collaboration

While the RTG undertakes fiscal stimulus packages to combat COVID-19 and to provide support for economic activity, the response to the pandemic must be intrinsically linked to the SDGs. There is an opportunity to tailor packages and the future government budget towards women, children, people living below the poverty line, small and medium enterprises, the informal sector and vulnerable groups. Additionally, Thailand should consider the health of the natural environment and ecosystems in future policy, which will help reduce the probability of future pandemics and broader environmental and climate change risks.

The UN in partnership with the World Bank, International Monetary Fund and Asian Development Bank will prioritise technical assistance to advance the SDGs while protecting those most impacted by the pandemic:

- Technical assistance to **develop Integrated National Financing Frameworks to assess financial and non-financial risks in policies**. The assistance could be complemented by technical advice to support Thailand at a time of debt restructuring. With the massive stimulus in place, public debt to GDP ratio

is expected to reach 57 per cent in 2021, just below the 60 per cent limit under Thailand's fiscal sustainability criteria.

- UN in partnership with ESCAP will assess the **cost of achieving the SDGs in Thailand to inform financing strategies**. ESCAP's SDG Costing has been developed to estimate the cost of achieving the SDGs based on cross-country data and assumptions. There is a need to tailor this information for Thailand so that it can be built into national planning and financing processes.
- To build back better, the UN will **institutionalize the biannual development partners dialogue with the private sector** including representatives of the Thai Chambers of Commerce, Stock Exchange, Federation of Thai Industries, Thailand Responsible Business Network, UN Global Compact Local Network, International Financial Institutions and youth to advance the SDGs and collectively explore strategies to build back better. This will focus on e-commerce and digital solutions to allow secure access to services at the time of crisis, particularly for vulnerable groups.
- UN to consider undertaking an **in-depth analysis of the impact of elevated household debt** to inform policy for restructuring given that it is adding to economic insecurity and vulnerability specifically for those in the bottom decile. The technical assistance could focus on developing a National Transfer Account to examine household spending and revenue and to simulate household financial stress. This analysis should also cover migrant workers in Thailand, as debt and remittances have been identified as key incentives for labour migration, and directly influence the risks and vulnerabilities migrants are willing to take.
- Use the **National Action Plan on Business and Human Right as a coordination platform** to ensure the new economic environment does not lead to the infringement of rights of workers, particularly migrant workers, or laxity on the implementation of environmental measures.
- Support **strategies for green fiscal stimulus packages**. Under the PAGE, the UN will discuss with the Office of the National Economic and Social Development Council, the lead agency for PAGE in Thailand, regarding potential macroeconomic policy on green recovery, including the promotion of green jobs, impacts of COVID-19 on SDG targets under a green economy, effective waste management stemming from physical distancing measures such as working from home, and green investment promotion by SMEs and other enterprises.

Pillar 5 | Social Cohesion and Community Resilience

The arrival of COVID-19 in Thailand came amid growing youth protests seeking democratic reform and greater inclusion. With prolonged emergency measures, off and online curbs on civic space may be expected. Social cohesion and community resilience are under pressure as worsening poverty and inequality magnify existing fault lines around uneven development and across generations. The rollout of fiscal stimulus packages could also lead to greater top-down decision-making, undermining equitable service delivery. Taking such insecurities together, some may seek extra-parliamentary pathways for change. Hate speech and stigmatisation has been on the rise in the Deep South, with risks of long-term damage to social cohesion. On a positive note, civil society activism built bridges there, particularly addressing inter-community stigma and food insecurity.

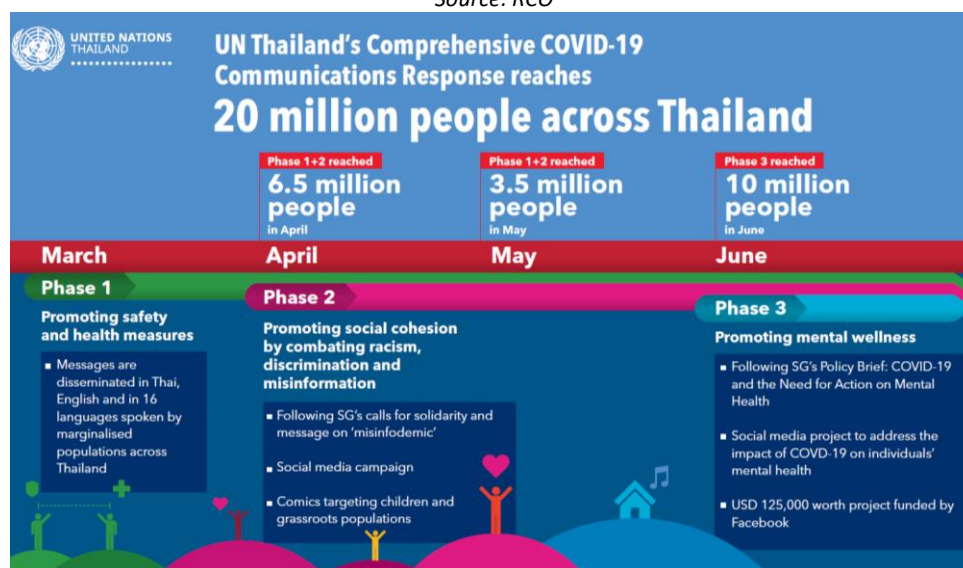
The UN will prioritise supporting social cohesion and community resilience under COVID-19 through new programming:

- **Support inclusive social dialogue with young peacebuilders** to generate ideas on sustaining peace, including in the Deep South. The UN will deepen its engagement with civil society, particularly youth and inter-faith groups, to develop local social cohesion initiatives and dialogue, including leveraging the role of young social media users and community leaders as social innovators.

- The UN will leverage **big data analysis to monitor hate speech and promote counter communications on “embracing diversity”** to address stigma and empower community resilience. The UN’s work on localising the SDGs enables responsiveness to local needs.
- The UN will **address food insecurity in the South** by supporting the establishment of gender-balanced community food management networks of local farmers, food suppliers, local government and civil society organisations to assess, manage and share information.
- **Invest in the capacity of human rights defenders regarding COVID-19 and other risks** to contribute to the widening of civic space and of duty holders to uphold international obligations. The UN will also strengthen media capacities to proactively and sensitively report on COVID-related challenges.
- Supporting generation and use of **community-driven evidence as a strong impetus for advocacy and decision-making** for immediate response to the needs of marginalised populations including people living with HIV, sex workers, prisoners and LGBT people.
- For risk communications, the UN will **amplify messages and advocate on health, social, economic and psychological dimensions of the pandemic**, and is targeting the most vulnerable and hardest to reach such as migrants, stateless, asylum seekers and refugees while also promoting social cohesion. The UNCT in partnership with Facebook is reaching over 20 million viewers to amplify risk communications, generate narratives to counter hate speech and promote mental wellness.

Figure 8: UN Communications Risk Campaign

Source: RCO



Response Plan Indicative Budget

The **overall envelope of the UNs response plan in Thailand is USD 34.6 million** of which **USD 22.2 million has been mobilized** and **USD 12.5 million is yet to be mobilized**. Of these resources USD 15.2 million is being allocated to the health response and USD 19.5 million for building back better. An **estimated USD 1.9 million of these funds were redirected from existing programming** to address the COVID-19 response and to cover impact assessments; promote community resilience and food security; reduce the vulnerabilities of at-risk communities including people living with HIV and AIDS, youth, the LGBTI community and others; and sustain peace in fragile communities.

UN Entities	Immediate Response Budget		Longer-Term Response Budget							
	Health	Non-Health	1. Health First	2. Protecting People	3. Economic Response and Recovery	4. Macroecon. Response & Multilateral Collaboration	5. Social Cohesion & Community Resilience	Total Sum of Res Available per Entity	Total Sum of Res Gap per Entity	Total Budget per UN Entity
FAO					\$816,000			\$276,000	\$540,000	\$816,000
ILO		\$562,000			\$250			\$562,250	\$0	\$562,250
IOM	\$3,800,000	\$375,000	\$80,000	\$930,000	\$1,384,572	\$455,000		\$968,693	\$6,055,879	\$7,024,572
ITU				\$30,000				\$30,000	\$0	\$30,000
UN Women				\$484,000			\$50,000	\$200,000	\$334,000	\$534,000
UNAIDS	\$18,569			\$433,000	\$10,000			\$128,569	\$333,000	\$461,569
UNDP		\$1,199,080			\$682,148	\$2,846,448	\$1,153,000	\$4,097,056	\$1,783,620	\$5,880,676
UNEP					\$1,000,000			\$50,000	\$950,000	\$1,000,000
UNDRR		\$10,000			\$20,000		\$10,000	\$40,000	\$0	\$40,000
UNESCO				\$280,000		\$0	\$5,000	\$159,000	\$126,000	\$285,000
UNFPA		\$126,816		\$438,000			\$20,050	\$251,866	\$333,000	\$584,866
UN-Habitat		\$279,000		\$35,000	\$50,000		\$204,000	\$50,000	\$518,000	\$568,000
UNHCR	\$41,433	\$1,562,317						\$1,603,750	\$0	\$1,603,750
UNICEF	\$579,506	\$505,000	\$54,961	\$184,443	\$9,680	\$130,000	\$116,180	\$1,579,770	\$0	\$1,579,770
UNIDO					\$1,400,000	\$1,550,000		\$1,475,000	\$1,475,000	\$2,950,000
UNODC	\$5,545		\$30,000					\$35,545	\$0	\$35,545
UNOPS	\$212,575							\$212,575	\$0	\$212,575
WHO	\$10,465,501							\$10,465,501	\$0	\$10,465,501
Total Per Response Pillar	\$15,123,129	\$4,619,213	\$164,961	\$2,814,443	\$5,372,650	\$4,981,448	\$1,558,230	\$22,185,575	\$12,448,499	\$34,634,074

Risk Management Matrix

Risks	Risk Level: Very High High Medium Low	Likelihood: Almost Certain - 5 Likely - 4 Possible - 3 Unlikely - 2 Rare - 1	Impact: Extreme - 5 Major - 4 Moderate - 3 Minor - 2 Insignificant - 1	Mitigating measures	Responsible
COVID-19 outbreaks jeopardise gains made in recovery and creates new setbacks.	Medium	5	4	The UN will continue regular monitoring of the situation and discuss scenario planning both at the UNCT level for programme implementation and SMT / CCMT level for business continuity.	Resident Coordinator, UNCT, SMT, CCMT
Prolonged emergency measures curb civic space may impact social cohesion, especially in the Deep South.	Medium	3	4	Prioritise supporting social cohesion and community resilience under COVID-19 through new programming in this response plan.	UNCT
The rollout of fiscal stimulus packages leads to greater top-down decision-making, undermining equitable service delivery, possibly resulting in extra-parliamentary pathways for change.	Medium	3	3		
Political statements are not translated into action, or there is a lack of political will because of difficulties in coordinating among institutions.	Medium	3	3	Foster ongoing dialogue with Line Ministries and the Department of Foreign Affairs as well as various sectors within the government, ensuring that socio-economic recovery features in political agendas at the national and sub-national levels. Foster allies within government at multiple entry points.	Resident Coordinator, UN entities
Assumptions:					
✓ There is significant commitment by the RTG to respond to COVID-19.					
✓ Effective mitigation measures continue in place to lessen the chance of a second wave outbreak.					
✓ The UN in Thailand embodies legitimacy, has strong partnerships at the highest levels of the RTG, development partners and civil society, which is complemented by its reputation as a neutral partner, fostering coordination across multiple stakeholders.					