Chapter 2  Overview of the JICA Program on Capacity Building of Thai Local Authorities

This chapter provides an overview of the JICA Program on Capacity Building of Thai Local Authorities. It first looks at the background to the project from both Thai and Japanese perspectives. The chapter then examines how three JICA projects were developed into this program.

2-1  Background

Thailand has been experiencing steady economic development since the beginning of the 21st century. In fact, it is expected to join the club of middle-income countries soon. The problem is that the gap in economic development has remained wide between Bangkok and the local regions, which attracted attention at the time of the Asian economic crisis of 1997. This points to a serious need to promote local development for sustainable socioeconomic development in Thailand. Economic growth is also increasing the demand for public services that better meet the needs of local people in such sectors as the environment, health care, and welfare. These needs could not be fully accommodated by the traditional, centralized local governance. Two requirements must be met in order to address these two kinds of needs. One is a policy initiative to transfer resources from the central government to local authorities. The other is to develop a local administrative structure that encourages local authorities to make more effective use of the transferred resources on their own.

It is worth noting here that the democratization movement that grew notably in urban areas in the 1990s provided a major impetus for decentralization, as discussed in Chapter 1.

Growing demand for a new form of local authority, as well as the democratization process, prompted the Thai government to proclaim decentralization as a national strategic policy and launched the initiative to promote institution building and organizational strengthening of local authorities. Between 1995 and 1997, the government established TAOs in rural Thailand, where 70 % of the national population lived and no basic unit of local authority had been established. In 1999, the Decentralization Act was enacted. Under this law, the government wasted no time in planning the intergovernmental transfer of revenue resources and administrative services. These developments placed the capacity building of local authorities high on the national agenda.

JICA endorsed support for vulnerable groups as a guiding principle of its assistance policy for Thailand, which was hit by the Asian economic crisis of 1997. In 1998, JICA launched a program for
supporting vulnerable groups in Thailand. Apart from emergency assistance for damage by the economic crisis, the program stressed the need to implement projects aimed at ensuring the sustainability of the socioeconomic recovery of Thailand. Capacity building of local authorities became the central theme of such projects for three reasons: (i) local authorities play an essential role in supporting vulnerable groups, including poverty programs, since they are the local authority unit closest to local communities; (ii) local authorities are in a position to develop effective local development plans since they have the ability to accurately assess the local situation and the needs of local communities; and (iii) capacity building of local authorities is likely to result in reduced regional disparities.³²

Institution building and organizational strengthening pose a major challenge for local authorities amid the rapid progress in decentralization in Thailand. This prompted the launch in November 1998 of a study for the formulation of technical cooperation projects (TCPs) to support vulnerable groups in Thailand. JICA and DOLA, which was in charge of local administration then, began consultations on formulating these TCPs.

2-2 Emergence of the Program

2-2-1 DOLA’s Request for Technical Cooperation

Following the consultations with JICA, DOLA in August 1999 requested that the JICA conduct a technical cooperation project (TCP) in 2000 in order to build the capacity of local authorities to formulate their development plans. The local government acts³³ require local authorities to formulate their own development plans. The central government held the view that decentralization would not succeed unless local authorities formulated their own development plans, which would build on accurate local data and proper assessment of local development needs and showed the course of action for sustainable regional development.³⁴ The reality was that most local authorities, except large ones in urban areas, lacked both human resources who had knowledge and skills for development planning, and adequate understanding of its value. DOLA made a number of attempts to support local authorities in development planning, including the compilation in 2000 of a development planning manual for TAOs. Throughout the process, DOLA placed special emphasis on four points: (i) accumulation of useful information for local authorities and a framework that facilitates its use; (ii) coordination of development plans among local authorities; (iii) a monitoring

³² JICA, Project Formulation Study Department (1999).
³³ They are the Thesaban Act of 1953, the Tambon Council and Tambon Administrative Organization Act of 1994 and The Provincial Administration Organization Act of 1997. The details of local development planning are provided for in the relevant MOI ordinance of 1998.
³⁴ This view is reflected in the development planning manual for local authorities that DOLA published in 2000.
framework for local authority services; and (iv) local peoples’ participation in the development planning process.

2-2-2 Emergence of Two Projects

(1) Project on Capacity Building for Planning Management of Local Authorities

The kind of TCP that DOLA requested following the project formulation study aimed to address the field to which Japanese local authorities did not have an established approach. In addition, the difficulty in evaluating its effectiveness required more information from Thailand.

In April 2000, JICA sent a mission to Thailand under the JICA scheme of a short-term expert assignment. The mission stayed in Thailand until July to study project feasibility. This mission was followed by the assignment of a JICA project formulation advisor for one year (between December 2000 and December 2001) and the subsequent assignment of two JICA long-term experts. Finally, a promising project was formulated. It took a long time for two major reasons. First, DOLA’s project proposal needed lengthy study regarding project feasibility. Second, JICA had a hard time finding the right people for the project purpose because of the limited availability of Japanese experts in the relevant field. It took longer than expected to assess the status of Thai local authorities and DOLA, identify the issues to be addressed, and select input resources from Japan. This was because the project was designed to address an uncharted field for JICA, that is, the capacity building of local authorities in Thailand.

DOLA wanted the TCP to: (i) apply techniques and approaches that accept the existing organizations and institutions as a precondition, rather than aim to introduce legislative measures for development planning or alter the existing planning process; (ii) place a main focus on small local authorities, which represented an overwhelming majority of local authorities in Thailand, as opposed to traditional TCPs, which targeted large local authorities in order to maximize the impact of technology transfer; and (iii) introduce techniques applicable to the existing local authority units.

The project objectives were narrowed down to encouraging community participation in development planning processes and making better use of information for development planning, with a focus on TAOs and small-scale Thesaban. For the second objective, DOLA at first preferred

35 It was finally decided to take advantage of the experience of the town of Koura, Shiga Prefecture in participatory community development. The project components included training in Japan and a short-term assignment of experts led by Mr. Yoshio Yamada, officer at the Koura town hall. Finding an appropriate expert in the utilization of information was the most difficult aspect of the mobilization of human resources for this project. Finally, Mr. Shigetoshi Oshitani, a regional development consultant, was sent to Thailand as a short-term expert as late as July 2004, only four months before the completion of the project.
developing a major database of local authorities. It was finally agreed that the project would instead encourage local authorities to better understand the value of utilizing information and learn basic skills of analyzing available local information. In this way, the project was made more down-to-earth and feasible. In May 2001, the project was finally launched as the Project on Capacity Building for Planning Management of Local Authorities.  

(2) Thailand-Japan Joint Research Project on Capacity Building of Thai Local Authorities

As discussed above, the TCP requested by DOLA was aimed at building the planning capacity of local authorities under the existing local administration system and structure. In other words, the project tried to address an extremely specific issue among many others for the capacity building of local authorities. JICA had no experience in assisting such capacity building in Thailand. For a successful project, JICA needed to accurately assess the dynamic decentralization process and obtain a general picture of the issues for capacity building of local authorities in Thailand. JICA recognized that institution and organization building at the central government level was a major prerequisite for capacity building of local authorities in the decentralization process. Based on this recognition, JICA envisioned a Thailand-Japan Joint Research Project aimed at presenting policy recommendations to the central government offices concerned. As a first step to this end, JICA sent a study mission to Thailand in March 1999 to assess the capacity of local authorities and identify the issues for developing their capacity. The mission was headed by Dr. Michio Muramatsu, professor of law at Kyoto University, and made up of academics specializing in Japanese local administration and finance and Thai politics. The mission was meaningful in that it was able to examine general issues for Thailand from a perspective of public administration and in light of Japanese experience in decentralization (for details, see Subsection 3-1-1 (2)).

This JRP was intended for Japanese and Thai academics to work together on an equal basis to examine the issues and come up with policy recommendations. DOLA proposed the research themes, took the initiative in setting the research scope for each theme, and produced policy recommendations as a major project outcome. The Japanese members presented Japanese experiences for each scope and shared their approaches to the themes with the Thai members as necessary. In these aspects, the JRP represented a new form of bilateral cooperation based on the initiative of Thailand, as opposed to Japan-led research activities such as development studies.

36 The record of discussions (R/D) for this project was signed in July 2003, long after the project launch. This delay was chiefly attributable to the fact that DOLA and JICA were negotiating over R/D when Thailand was introducing a new system for signing an international agreement. Under the new system, the signing of the R/D for this project had to be preceded by exchange of notes on the project between the two countries. Moreover, the formats of notes and R/D were changed after a lengthy decision-making process.
The expert sent to Thailand on a short-term dispatch between April and July 2000 worked together with DOLA to select the themes and Thai members of the JRP, as part of the consultation process (for details, see Subsection 3-1-2). The project was launched in August 2000 for a period of two years with two objectives. The first objective was to produce recommendations on four themes: (i) reviewing the criteria for classifying local authorities; (ii) promoting cooperation among local authorities (interlocal cooperation); (iii) exploring the possibility of the merger and consolidation of local authorities; and (iv) promoting coordination among local development plans. The second objective was to fully utilize the research outcomes, including the formulation of the TCP of JICA.

2-2-3 Development of the Program

Both the Project on Capacity Building for Planning Management of Local Authorities and the Thailand-Japan Joint Research Project on Capacity Building of Thai Local Authorities were originally intended to join forces in one of the latter’s theme: promoting coordination among local authority plans. It eventually proved difficult to find common ground between the TCP designed to introduce a local peoples’ participatory planning approach into small local authorities and the JRP designed to promote coordination of the development plans of local administrative bodies within each province at the institutional level. In other words, the TCP was aimed at capacity building of local authorities and communities within the existing institutional and organizational framework or at capacity building at the organizational level, while the JRP was aimed at organization and institution building at the level of central government offices. Eventually, the TCP and JRP were launched as independent projects, although the Thai C/P was the same: DOLA.

After the JRP was completed, another TCP was launched in September 2003 for a period of one year that drew on the outcomes the JRP produced in one of the four themes: interlocal cooperation (for details, see Subsection 3-3-2). This TCP, formally known as the Project on Local Management Cooperation in Thailand, was aimed at enabling the DLA, the successor of DOLA, to show local authorities in Thailand specific avenues to interlocal cooperation. The Project on Local Management Cooperation targeted policy and institution development at the level of central government offices to introduce interlocal cooperation, a new administrative modality. The TCP built on the information that had been gathered and analyzed in the JRP as well as its recommendations. In that sense, the two project activities were interconnected.

The Project on Local Management Cooperation is still in action as Phase II of this project, which was launched in October 2005 for a period of three years. Phase II, formally known as the Project on Capacity Building for Local Authorities through Local Cooperation and Local Public Service Standards, aims to initiate interlocal cooperation projects in the pilot sites while supporting DLA in institution building, including drafting legislative measures (for details, see Subsection 3-3-3).
2-3 Overview of the Program

As discussed earlier, the JICA Program on Capacity Building of Thai Local Authorities is comprised of: (i) the Project on Capacity Building for Planning Management of Local Authorities; (ii) the Thailand-Japan Joint Research Project on Capacity Building of Thai Local Authorities; (iii) the Project on Local Management Cooperation; and (iv) the Project on Capacity Building for Local Authorities through Local Cooperation and Local Public Services Standards.

Figure 2-1 Schematic Diagram of the JICA Program on Capacity Building of Thai Local Authorities
(Note: The dotted line shows the scope of this report.)
on Local Management Cooperation; and (iv) the Project on Capacity Building for Local Authorities through Local Cooperation and Local Public Services Standards.

The program can be largely divided into two parts: the first project on the one hand, and the second, third, and fourth projects on the other. The second part may be referred to as the “joint research group” as the third and fourth projects built on the second one. The first part principally aims to promote organizational CD of local authorities and communities. The second part primarily addresses organizational and institutional CD of central government offices. The program as a whole addresses all levels: central government offices, local authorities, and local communities.

This study focuses on the second part, namely, the Thailand-Japan Joint Research Project, the Project on Local Management Cooperation, and the Project on Capacity Building for Local Authorities through Local Cooperation and Local Public Services Standards (see Figure 2-1). By examining the formulation and implementation processes and outcomes of these projects, the study tries to draw lessons from them as CD projects aimed at policy and institution development.