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**Process of Preparing Economic, Social and Environmental Sustainable Development Plan Based on Self-reliance: Case of Southern Region**

**Context of the southern region and its geo-ecological and cultural diversities**

1. Geographically, the southern region is shaped like the long, narrow handle of an axe, the central part of which is marked with a series of mountain ranges running alongside the coast more than 2,000 km. long. Because of such topography, most rivers tend to be fairly short despite the fact that the region sees more rainfall than any other region in the country. Rainwater flows quickly to the sea. As a result, little water is retained under the ground. Besides, the rate of surface soil erosion is higher than other regions.

2. With a complex eco-system, the southern region situated on the equator has an eco-system of “estuaries”, characterized by great bio-diversity seen in such forms as upstream forests, hilly areas, slopes, wetlands, coasts and beaches. This kind of tropical rainforest accounts for the region having the highest primary production in the world (4 times higher than rice fields and 47 times higher than the desert). As a consequence, it enjoys a very abundant food chain on either side of the coast including Pattani bay, Talumphuk cape (Pak Phanang basin), Ban Don bay (Surat Thani province), Pa Lian basin (Trang province), and some areas in Phang-Nga bay.

3. The southern coasts are the rich sources of biodiversity including mangrove forest, seagrasses, coral reef, sand beaches, stone beaches which all have influence on life of people living in the area and in the country.

4. Thanks to such a perfect eco-system, the southern region has become a tourist destination bringing in enormous revenue to the country. In 2004 there were 11 million international visits to Thailand. Of this number, about 9 million, or 84%, visited these southern coastal provinces<sup>1</sup>, with 31.61% going to Phuket, 7.87% to Krabi, 7.36% to Surat Thani, and 6.87% to Songkhla.

5. Although the number of the southern population is smaller than the rest of the country, its agricultural productivity registers one-third or 36% of the country (Chart 1). Farming activities account for a great number of economic cycles. For example, local fishermen fetch an average income of 2,000 baht/day<sup>2</sup>, leading to more business activities enjoyed by wholesale fishing operations, fishmeal plants, and related processing enterprises. It can be said, therefore, that the industry in the southern region is derived mainly from the agricultural base giving rise to considerable employment. Such natural abundance has led to considerable savings activities in the form of community savings groups the value of which amounts to millions of baht. For example, in Phattalung province, there are 309 savings groups<sup>3</sup> for production with savings of over one billion baht.

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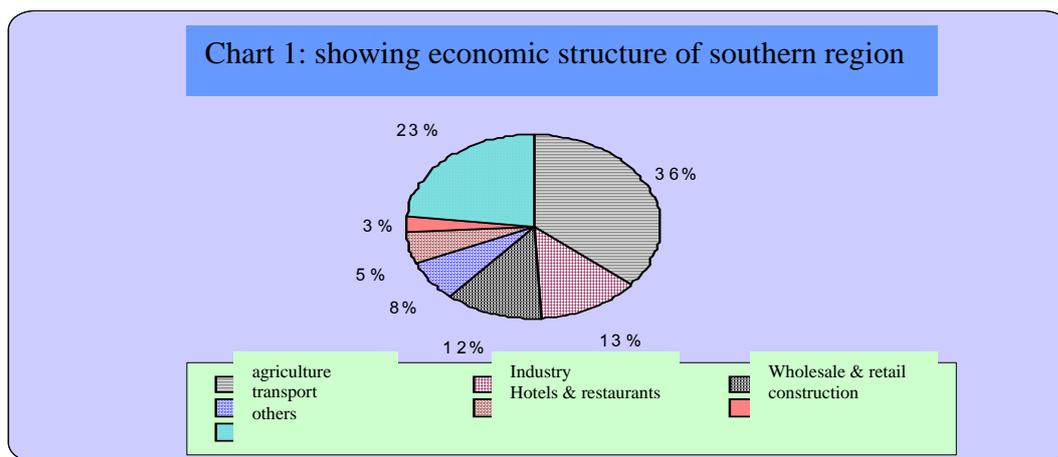
<sup>1</sup> Tourist Indicators for 2005 from World Tourism Organization

<sup>2</sup> Information from Community Health Impact Assessment (CHIA) study

<sup>3</sup> News reporting that the economic downturn does not affect people's savings, by ASTV On-line Manager

6. The southern region is also a source of various energy plant species and products from rubber trees can be used to produce energy and bio-diesel

7. A study on community income at the sub-district (Tambon) level conducted by Thailand Research Fund (local Thailand Research Fund)<sup>4</sup> reveals that the yearly income/person of the people of Tambon Wang Hon, Nakhon Si Thammarat province, is approximately 99,466 baht, 79% of which derives from farming and 21% from non-farm activities. This figure represents the economy of the southern community very well.



8. Efforts to develop the southern region should focus on human and educational development rather than on economic issues, because the number of the region's poor is below the country's average figure (5.9% compared to the average 8.5% nationwide). In addition, the unemployment rate in the south is less than that in the north and northeast.

9. In the culture aspect, the southern region is composed of population in various ethnic groups and religions. However, they have unity with their unique culture. There is very few emigration because of the natural resources and strong economic system in the area.

10. On education, based on the studies conducted by the Ministry of Education, it is found that the Thai education system, comprising of about 750,000 teachers and about 15 million students, is having a serious quality problem. Secondary students on average throughout the country failed in every subject. The problem in the southern region was the most acute.

11. In the health aspect, the southern region is facing some maternal and child health problems, as well as some endemic infectious disease such as Chikungunya and Filaria. Also, some infectious diseases carried by unregistered and alien labour are among health problems. Moreover, there are some impacts from natural disasters, e.g. Tsunami, floods, and landslide. Security problems in the area also affect mental health condition of the people. In addition, remote areas still need access to health services. Therefore health condition of people in the southern region still needs an improvement. Health problems

<sup>4</sup> Findings from a 2003 study of Thailand Research Fund (local TRF)

are considered emergency and more important than the development of economics and industry.

12. On the whole, the capacity of the southern society is enough to sustain a happy livelihood thanks to such conditions as natural resources, economy and cultural base. Its strong cultural base enriched by great social diversity requires that all the development efforts take into account existing differences and that people participate in determining their own future.

### **Situation of industrial development plan in the southern region**

13. The government announced its policy statement to the Parliament on 30 December 2008. In the part concerning industrial economy, Item No. 4.2.2.6 says that it is the government's policy to support the creation of a special economic zone to promote investment in industry in accordance with the potentials of each area, e.g. development of the southern seaboard and creation of a border special economic zone. The cabinet at its session on 3 February 2008 passed a resolution appointing a Committee for the Development of the Southern Seaboard chaired by the Prime Minister. Lastly, a cabinet resolution on 6 October 2009 changing the Committee for the Development of the Southern Seaboard to a Committee for the Development of Ecological Industrial Zone, and requesting the Office of the National Economics and Social Development Board to further consider the Committee's composition. It is noted that the idea of developing the southern seaboard was not conceived under the current government; rather, its conceptual framework has evolved on a continuing basis since 1989 (General Chatchai Chunhawan's administration until Mr. Chuan Leekpai's, Mr. Banharn Silpa-acha's, Thaksin Shinawatra's and Mr. Somchai Wongsawat's administrations)

14. Office of the National Economics and Social Development Board has finished a conceptual framework for the development of southern coast area in June 2008, later the framework has been developed as a draft Master Plan for Sustained Development of Economics in Southern Region (a draft master plan) since September 2009. The draft master plan mentions about development of many industries such as petrochemistry, iron smelting, and development of infrastructure for the said industries, such as infrastructure of deep sea port, coal and nuclear power plants, and dams<sup>5</sup>.

### **Concerns on the Draft Master Plan**

15. Although the draft master plan has not yet been seriously implemented, the information above indicates that many projects either run by government or private sector have been going on for quite some time. However, there is no clear explanation on these projects hence people are confused with the development direction of these projects and with the linkages of these projects to the draft master plan and other related plans. This probably results from not having enough participation from public on many project developments, therefore could lead to some protest against various project development in the area.

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<sup>5</sup> Bureau of Strategy and Plan. Office of the National Economics and Social Development Board. "Draft Master Plan for Sustained Development of Economics in Southern Region", September 2009.

16. Development of big industries in the southern region in the past mainly focused on economic development aspect without realization on others such as climate changes and destruction activities from human e.g. land reclamation. These could lead to erosional coast. The 510 km-west coast of Gulf of Thailand along the 5 provinces (Suratthani, Nakhon Srithammarat, Songkhla, Pattani and Narathiwat) are at risk to be eroded<sup>6</sup>. Information from the World Resource Institute (WRI) in 2005 clearly stated that power and industry could generate carbon dioxide gas, which is a greenhouse gas, the most (72.47%).

17. There is a lack of area planning and landscaping, therefore many areas are not developed effectively with the best capacity. Competition for natural resources has happened leading to social conflicts. Many development plans are not trusted by people in the community, such as Natural Gas Industry development plan in Songkhla province, Iron Industry plan in Prachuab Kirikhan province, Traveling development plan in Andaman provinces, and Petrochemical Industry development plan in Nakhon Srithammarat province. These plans all raise concerns among people in the area that the industrialized projects may cause same problems as those happened in Map Ta Phut Industrial Estate in Rayong province.

18. Civil societies are worried that conflicts in the southern region might get worse. If all plans and projects are not open appropriately for public participatory process, negative impacts on natural resources, life, health and culture will certainly happen in the community.

19. Before making any decision for the development on any aspects, health impact and risk assessments from all plans and projects are needed to be included at all levels – region, province, and community

### **Survey of opinions of the southern people to determine the direction of industrial and service development**

20. Results of the public opinion survey of the southern people to determine the direction of industrial and service development conducted by Chulalongkorn University Social Research Institute and Office of the National Economic and Social Development Board show the following:

1) Information about the direction of the State's development: On the whole the public do not receive information about the direction of the state development. The section that scores the highest (about 60% of the sample) is the public awareness of the spatial development plan to develop the southern region both on the Andaman side and on the Gulf of Thailand side as a tourism base. This is followed by their awareness (about 45%) about development concepts related to the agricultural production base, e.g. palm oil production, para rubber industry, and agricultural processing including Halal food industry. Only 30%, the lowest number of people, have any knowledge about heavy industry development, whether iron industry or petrochemical industry. It is also found that the plans to develop iron and petrochemical industries receive the least approval,

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<sup>6</sup> <http://www.ipcc.ch/ipccreports/emission/index.php?idp=o>

compared to other development projects. This corresponds with the people's opinion that development of the southern region should be based on agriculture, tourism and other traditional fundamental industries such those related to para rubber and palm oil. These industries are believed to provide greater economic and social benefits than do iron and petrochemical development activities. In addition, representatives of the people sector in the focus group reflected that "people are not opposed to the development of heavy industry projects without good reasons. If the public sector and capital investors can disclose information about their projects transparently and honestly, if they can show the pros and cons and show how to control and manage them in a systematic manner, and if they give opportunity to local community and local government organizations to participate in the project management, including providing examples of the locality where such industrial development is a proven success, the people sector is ready to listen and accept it." The civil society sector, too, is concerned about the expansion of tourist industry and other industries that are not properly controlled. The sector is concerned about their encroachment into and their adverse effects on the way of life and local culture of the community.

2) Direction of development desired by the people: The results of the public opinion survey and the focus group point to the same direction that southern people want the region to be developed in agriculture and existing fundamental industries. They also want to see cultural and historical tourisms developed alongside nature tourism. In addition, they want to see economic activities organized in such a way that income is distributed equitably and fairly without adverse effects on the way of life of the community as a whole. Such activities must not be harmful to the environment.

3) Desire to participate in the development: It is found that the people want to participate in the State's development at a moderate to high level. The form of participation most desired is to receive information on concepts and development projects of the State. The information from the focus group, on the other hand, shows that the representatives of the people sector and related partner organizations want to participate at a higher level, including at the conceptual and planning stages when it comes to the development of their own localities. The representatives of the people sector and non-governmental organizations share the view that in the past the development efforts led by the government were not in line with the needs and wants of the people. They had a negative impact on the way of life of the local community. Therefore, future development efforts should start from the real needs of the people, while the public sector should play a role of advisor and facilitator. However, the people sector does not object to or is opposed to infrastructure megaprojects and industries planned at national level. Nevertheless, the information of the development projects should be honestly disclosed to the public, and opportunity should be given to the people and local government organizations to participate in the management of interests and risks that may come as a result of such development.

### **Issue for Consideration by the National Health Assembly**

The National Health Assembly is requested to consider document: Health Assembly 2/ Draft Resolution 11.