

assistance program in Thailand. It provides a broad framework for Canada-Thailand economic, commercial, development and trade co-operation over the long-term and a mechanism for the transition to a non-aid based collaborative relationship between Canada and Thailand.

CIDA's program in Thailand has four major focuses: industrial development and natural resources; economic management; institutional and human resource development; and rural development. Disbursements under the bilateral program increased dramatically in 1986/87 to approach \$21 million (more than twice the figure for the previous year), and reached a peak in 1987/88 at approximately \$29 million. Bilateral program disbursements fell slightly in 1988/89 to \$26.6 million. A list of projects in each priority sector and their status is provided in Appendix B.

Industrial Development and Natural Resources

In keeping with emerging Thai policies and the country's increased industrialization, Canada will provide approximately \$65 million in programs aimed at the development of Thailand's industrial base, natural resources and energy. The focus of the industrial development program is the Enterprise Collaboration Program which will help develop Thailand's industrial sector, increase collaboration, joint ventures, and commercial transactions between the Thai and Canadian private sector. Further, it will provide a basis for sustained partnerships in industrial activities. Assistance to small and medium-sized business enterprises in the north and northeast of Thailand is also an important feature of two programs in this area. In parallel, CIDA's Industrial Co-operation Program effectively complements the trade enhancement programs being implemented through the bilateral Branch. The program currently provides over \$2 million a year in assistance to Canadian firms pursuing major contracts, joint ventures and other business arrangements in Thailand. Canadian firms receive funding for starter and viability studies, and for feasibility studies in support of capital projects. Funding is also provided for investment missions and business seminars. Between the two programs, Thai and Canadian firms have access to significant financial assistance in their collaborative efforts.

Economic Management

Approximately \$25 million is programmed under this component to aid Thailand in formulating policies and programs to manage its transition process. Support in the areas of policy planning and analysis are being provided to the National Economic and Social Development Board, the central planning agency for the government. A project is the \$13 million grant to the major Thailand Development Research Institute (TDRI), an independent policy research organization with a mandate to perform socio-economic policy research on public issues.

Human Resources and Institutional Development

Given the new personnel and training requirements resulting from Thailand's economic restructuring, approximately \$30 million has been specifically dedicated to programs in support of public sector management and institutions. These include the Rattanakosin Scholarship Program and a large Thai-Canadian program to support key organizations involved in human resource policy and skills development.

Rural Development

During its first five years, Canadian assistance to Thailand focused on alleviating rural poverty. To date, approximately \$40 million of the program has been allocated to self-help efforts of villages in designated poverty areas. Most of these projects are now in the final stages of implementation, although certain initiatives may need continued support in subsequent stages.

Two large rural development projects, which will consolidate efforts in this area, are the community-based Integrated Rural Development Project II and the Local Development Foundation. The latter project will be under royal patronage and will advise the Thai government on rural development policies and programs. The Non-Governmental Organizations Division of CIDA's Special Programs Branch also contributes approximately \$1 million annually to Canadian NGO efforts in Thailand.