

## **1. SUPPORTING THE SOCIAL SECTOR IN THAILAND**

*The \$300 million Thai Social Investment Fund will help protect the poor from the emerging impacts of the Asian crisis and support the government's community based development and decentralization reform agenda. The World Bank loan is expected to help create roughly one million months of jobs and an equivalent amount of training.*

**Increased support for existing safety net programs.**

The social impacts of the Asian crisis in Thailand are substantial and the Thai Government has asked for help in the areas of *employment creation and the provision of essential social services to the unemployed and poor*. The Social Investment Fund (SIF) will support these goals by *allocating funds in two channels*.

*The first channel of support will focus on short-term interventions utilizing existing government capacities that can deliver increased services to the target population over a brief period of 28 months.*

The type of existing programs to be funded under this channel include:

- *a low income health card, which will be given to the poor and unemployed to ensure subsidized access to health care;*
- *funding for NGO-led community based AIDS programs for the prevention and care of HIV/AIDS at the community level;*
- *a program for Rural Industrial Development (RID) which will support NGO provided services encouraging industrial investment and employment in rural areas; and*
- *a vocational training program, including local job training for secondary school graduates, women, youth and people with disabilities. Total person months of training for these activities will be approximately 533, 000 and will take place in FY 98-00.*

**Supporting decentralization and community based development**

*The second channel of SIF funding will support "bottom-up" service delivery by financing locally-identified and managed development initiatives and promoting decentralization, local capacity building, and community development.*

*This will be done through the creation of a grant window and a loan window that will provide financing for locally-generated projects. Both windows will be demand driven and encourage local competition for project resources. Offers of resources will be tied to the adoption of transparent and participatory operational procedures and practices.*

*The SIF will also provide grant support for small scale sub-projects proposed by local governments, NGOs, or community groups. The Regional Urban Development Fund (RUDF) will provide on-lending support to larger, revenue generating projects. Channel two activities will be operational over a 40 month period.*

**Regular monitoring**

The social impacts of the crisis are evolving. This calls for flexibility and regular monitoring of the social impacts and the performance of SIF supported projects. *Ongoing quantitative and qualitative*

*monitoring has been incorporated* into the project and will enable appropriate adjustments and reallocations during project implementation.

For more information please contact [REDACTED]