

THAILAND

SURAPONG SUEBWONGLEE, Governor

It is an honor for me to have the opportunity to address the Asian Development Bank (ADB) Board of Governors 41st Annual Meeting. On behalf of the Thai delegation, I would like to express my sincere appreciation to the Government of Spain and ADB's Management and staff for the excellent arrangements as well as to the City of Madrid for its generous hospitality and very warm welcome.

Despite the recent global economic slowdown arising mainly from the credit crunch, rising oil prices, and food shortages, the Thai Government is trying its best to prepare and to lay the groundwork, not only for immediate problem solving, but also for the future of the Thai economy. Several measures, such as the lifting of 30% capital controls, clarification of the Foreign Business Act, a fiscal stimulus package, and investment in new public infrastructure, have been implemented. They are intended to help the Thai economy regain its growth momentum going forward and to boost public confidence as well as to improve the standard of living.

While the current food crisis is not a traditional famine, it will have adverse effects on efforts by developing member countries to achieve the Millennium Development Goals. Thailand believes ADB could take an active role in stabilizing food prices and increasing global food supplies. ADB could set up a program to finance farmers to buy seeds, fertilizers, and other inputs used for crop growing. At the same time, ADB could buy forward contracts from those farmers at agreed-upon prices. In this way, not only could the ADB help stabilize food prices, it could also create an additional supply of food on the world market. As a major food supplier, Thailand urges ADB to take this proposal into consideration.

Over the years, ADB has played a vital role in assisting its developing member countries to achieve the Millennium Development Goals by focusing on poverty reduction. As a donor country, Thailand is positive; the replenishment of the Asian Development Fund (ADF) X, together with ADB's new long-term strategic framework (Strategy 2020) as well as the improvement in the Operations Evaluation Department should contribute toward the achievement of the Millennium Development Goals. Beside the role of regional donor, Thailand will continue to play an active role in assisting and supporting the economic development of our neighboring countries. In 2007, Thailand and ADB established a 5-year country partnership strategy which is now being used as a platform for continuing cooperation efforts at both national and regional levels. In this regard, as a member of the Association of Southeast Asian Countries (ASEAN)+3 we appreciate ADB's participation in the Asian bond market development through the issuance of local currency bonds.

Let me now conclude by reiterating the point I made a few moments ago. The world now is facing food shortages never observed before in the recent history. Its severity could wipe out all

the benefits in poverty reduction member countries have made during the past decade. For countries to achieve the Millennium Development Goals, Thailand believes it is time now for ADB to take the lead in solving the food shortage crisis with collective action from its member countries.