



# Completion Report

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Project Number: 49163-001  
Technical Assistance Number: 9010  
September 2021

## Thailand: Strengthening Specialized and Semi-Formal Financial Institutions to Support Financial Inclusion

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## TECHNICAL ASSISTANCE COMPLETION REPORT

<b>TA Number, Country, and Name:</b> TA 9010-THA: Strengthening Specialized and Semi-Formal Financial Institutions to Support Financial Inclusion		<b>Amount Approved:</b> \$1,500,000.00	
		<b>Revised Amount:</b> Not applicable	
<b>Executing Agency:</b> Fiscal Policy Office	<b>Source of Funding:</b> Japan Fund for Poverty Reduction	<b>Amount Undisbursed:</b> \$341,315.94	<b>Amount Used:</b> \$1,158,684.06
<b>TA Approval Date:</b> 8 December 2015	<b>TA Signing Date:</b> 11 January 2016	<b>TA Completion Date</b>	
		<b>Original Date:</b> 31 December 2017	<b>Latest Revised Date:</b> 30 November 2020
		<b>Financial Closing Date:</b> 13 January 2021	<b>Number of Extensions:</b> 4
<b>TA Type:</b> Capacity development TA			

### Description

Financial inclusion among the low-income segment remains challenging in Thailand. The goal of the Asian Development Bank (ADB) country partnership strategy (CPS) for Thailand, 2013–2016, approved in October 2013, was to help the country achieve inclusive and sustainable rapid economic growth through various strategies, including inclusive finance. The CPS was aligned with the Eleventh National Economic and Social Development Plan, 2012–2016 and the Ministry of Finance (MOF) Master Plan for Financial Inclusion, released in 2015, which had inclusive finance as one of its priorities.

This capacity development technical assistance (TA) for strengthening specialized and semi-formal financial institutions to support financial inclusion was included in the country operations business plan (COBP) for Thailand, 2015–2017 and aimed to support the implementation of two of the three strategies of the Master Plan. The second strategy was to strengthen semi-formal and specialized financial institutions (SFIs) as these were the important players in the financial inclusion landscape of Thailand. The third strategy was to develop financial infrastructure and enhance regulatory and supervisory capacity over semi-formal financial institutions such as cooperatives. The TA was also designed to support other key aspects of financial inclusion, including improving access to financial services such as savings, payments for low-income groups, and financial literacy through innovative products and mechanisms.

### Expected Impact, Outcome, and Outputs

The expected impact of the TA was stronger inclusive finance for low-income households. The expected outcome was efficiency of specialized and semi-formal financial institutions in providing inclusive finance improved. The TA had four outputs: (i) strategic directions of SFIs rationalized with performance evaluation framework and parameters improved; (ii) mortgage insurance business established; (iii) regulatory and supervision capacity over cooperative sector strengthened; and (iv) financial inclusion knowledge products developed.

### Implementation Arrangements

The executing agency was the Fiscal Policy Office (FPO) under the MOF and the original seven implementing agencies were: the State Enterprise Policy Office (SEPO), the Cooperative Promotion Department (CPD), the Office of National Economic and Social Development Council (NESDC), the Government Housing Bank (GHB), the Government Saving Bank (GSB), the Bank for Agriculture and Agricultural Cooperatives (BAAC), and the Secondary Mortgage Corporation (SMC). The Revenue Department (RD) was later added as an implementing agency.

The TA was approved on 8 December 2015 and became effective on 11 January 2016 with an original implementation period of 2 years. The original planned completion date was 31 December 2017, but this was extended four times, without the need to increase the TA amount, in response to the government's policy changes on the establishment of the mortgage insurance business and four additional government requests on financial inclusion. On 20 November 2017, the TA completion date was extended by 6 months from 31 December 2017 to 30 June 2018. On 28 March 2018, it was extended by another 6 months to 31 December 2018. On 31 October 2018, it was extended to 31 December 2019. On 13 January 2020, it was extended to 30 November 2020.

TA implementation, including the outputs and outcome, was aligned with the measures indicated in the Japan Fund for Poverty Reduction (JFPR) technical assistance summary and report. Examples of JPFR support for financial inclusion in Thailand are given in Appendix 3.

### Conduct of Activities

In accordance with ADB's Guidelines on the Use of Consultants (2013, as amended from time to time), the following were engaged through fixed budget selection and individual consultant selection: one firm (23.75 person-months), six individual international consultants (12.1 person-months), seven national consultants and two national project coordinators (46.87 person-months), and one resource person (0.45 person-months).

**Output 1: Strategic directions of specialized financial institutions rationalized with performance evaluation framework and parameters improved.** This was substantially achieved. In 2017, a consultant reviewed the existing performance assessment system of SFIs and proposed a performance evaluation framework with clear and relevant key performance indicators. These were delivered to FPO, SEPO, and NESDC in a report: *Using Credit to Strengthen the Formulation of Performance Indicators for specialized financial institutions (SFIs)*. The proposed performance indicators were designed to establish strategic directions and a key performance framework for the SFIs, such as GSB and BAAC, and to improve their performance on inclusive finance. In 2018, NESDC asked ADB to conduct a study and provide policy recommendations on how to strengthen the roles of SFIs for Thailand's financial inclusion. A report, *Strengthening the Roles of SFIs to Support Financial Inclusion*, was finalized and delivered to FPO and NESDC. The policy recommendations on the roles of SFIs provided useful guidelines to support the NESDC's development of a new national economic and social development plan.

**Output 2: Mortgage insurance business established.** This was partially achieved. A consultant was engaged to provide technical support to introduce a mortgage insurance business model in Thailand. However, before activities began, the Ministry of Finance asked ADB to put the activity on hold as the ministry needed to reconsider the implementation policy for mortgage insurance. Meanwhile, the government asked ADB to prepare a study on reserve mortgages, which was closely linked to this output. This was conducted as a part of output 4 (see below). In 2017, the FPO asked the TA team to help GHB explore an appropriate mortgage insurance model. However, the amendment of the GHB Act to allow mortgage insurance business took longer than expected. While waiting for the legal process to be completed, the consultant provided an "international knowledge sharing" session on reverse mortgages to the concerned agencies in January 2017 and prepared a report, *Secondary Mortgage Cooperation: Future Role and Direction. Developing the Secondary Mortgage Market in Thailand* for the FPO and the concerned agencies. The work on this assignment resumed in 2018 and international business models for a mortgage insurance company were provided to the concerned agencies, including the FPO and GHB, which was the main founder of a mortgage insurance company in Thailand under the amended GHB Act. Since early 2019, the establishment of a mortgage insurance company has been on hold. Consequently, no further activity was conducted under this output.

**Output 3: Regulatory and supervision capacity over cooperative sector strengthened.** This was achieved. In 2016, a consulting firm was engaged to review cooperative-based financial services and propose an improved regulatory and governance framework, along with strengthened financial cooperative supervision to CPD. A report, *Specifications for a Financial Cooperatives Supervision System*, which included a database structure, management information system, and early warning system for financial cooperatives, was submitted, together with an additional briefing paper on financial cooperative governance requirements, to the FPO and CPD during 2017–2018. The CPD adopted the proposed financial stability benchmarks for supervision of the cooperatives sector and the guidelines for the early warning system, including some prudential standards and capital adequacy, assets quality, management, earnings, and liquidity (CAMEL) ratios and others for financial cooperatives, as reflected in the relevant laws. The early warning system is also being used to support CPD supervision. These helped strengthen savings cooperatives, which are the key financial institutions for low-income groups. In 2020, the FPO asked ADB for continuing support for capacity building and knowledge sharing for financial cooperatives' board members and management in the areas of cooperative management, governance, and supervision. A national consultant and an international consultant were engaged to work with the CPD through the Foundation of Public Policy and Good Governance to explain international practices as part of a series of workshops for financial cooperatives' board members and management. These workshops were planned for early 2020. However, the coronavirus disease (COVID-19) pandemic affected the implementation of this assignment in the following ways: (i) the series of workshops, mainly organized by CPD, was put on hold, and resumed in August 2020; and (ii) the international consultant was unable to physically participate in the workshops due to international travel restrictions. The TA team, therefore, instructed the national consultant to translate ADB inputs into the Thai language to be incorporated into the main curriculum of the workshops. In September 2020, the consultant team, comprising the national consultant and the international consultant, provided a global update on managing cooperative savings in the time of COVID-19 to the concerned agencies through a virtual meeting.

**Output 4: Financial inclusion knowledge products.** This was achieved. The output was designed to provide quick knowledge responses to government requests. The following were prepared: (i) briefing notes on pension fund

governance, calculating techniques for pension payments, and replacement rates were submitted to FPO as technical support for the design of a national pension fund scheme; (ii) a final report on reverse mortgages, as mentioned under output 2, was submitted to the FPO and relevant agencies in 2016 and infographics summarizing the report were also completed, and these are ready to be released through social media as appropriate; (iii) two reports, *Designed Data Structure and Specification for Community-Based Financial Institutions (CBFIs)* and *Community-Based Financial Institutions: MIS and Early Warning System Specification* were submitted to FPO, GHB, and BAAC in 2019. These reports helped to integrate the databases of the concerned SFIs and strengthen the FPO's supervision under a new law called People Financial Institutions Act (B.E. 2562); and (iv) a report, *Enhancing Tax Literacy and Compliance in the New Digital Tax Policy Environment*, was produced and a digital tax literacy product called [www.taxliteracy.academy](http://www.taxliteracy.academy) and its communication plan were developed as requested by the RD to enhance the tax literacy and tax compliance of small and medium-sized enterprises (SMEs), start-ups, and individuals doing business online. The communication plan was designed to engage partners such as professional associations, social media communities, and online marketplaces, and used Google analytics to calculate the number of users and other statistics. These innovative products and communication approach helped the RD reach the targeted taxpayers, leading to better tax compliance and better access to finance for SMEs under the "one single account" filing scheme. The knowledge product was expected to support better access to finance following the Bank of Thailand's "one single account" regulation requiring individuals and corporates to use the same accounts when submitting documents for tax filing and applying for credit lines from financial institutions.

#### Technical Assistance Assessment Ratings

Criterion	Assessment	Rating
Relevance	<p>The TA was <i>relevant</i> as its intended outcome was aligned with the CPS for Thailand, 2013–2016 under the finance sector development program, where inclusive finance is a high priority.</p> <p>The intended outcome supported the implementation of the MOF's Master Plan for Financial Inclusion, 2015, which called for strengthening specialized and semi-formal financial institutions, including their regulatory framework and capacity. In addition, the outcome supported the achievement of the Eleventh National Economic and Social Development Plan, 2012–2016 in generating inclusive growth.</p> <p>Finally, the TA outputs fully supported the improved efficiency of SFIs and semi-formal financial institutions, including cooperative savings and CBFIs. In addition, the TA outputs supported inclusive finance, particularly for low-income groups.</p>	Relevant
Effectiveness	<p>The TA was <i>effective</i> as the outcome target was achieved. Based on the Bank of Thailand's Financial Access Survey of Thai Households in 2018, the number of households without access to finance was reduced to 1.3% in 2018 from 2.7% in 2016 due to the improved efficiency of specialized and semi-formal financial institutions in providing inclusive finance. Key accomplishments included (i) SFIs' performance evaluation strengthened, (ii) regulatory and systematic supervision capacity over financial cooperative sectors improved, (iii) reverse mortgages, one of the financial products for aging society, introduced, (iv) CBFIs as one of the key semi-formal financial institutions for low-income people strengthened, and (v) SMEs' tax compliance improved, leading to better access to finance.</p> <p>Even though the establishment of the mortgage insurance business in Thailand has not yet commenced, the technical support, including a mortgage insurance business model, was delivered to the FPO and the</p>	Effective

Criterion	Assessment	Rating
	concerned agencies. This knowledge is ready to apply when the government resumes the policy.	
Efficiency	The TA was <i>less than efficient</i> . Although the TA implementation was flexible and responded well to the changing environment over the 5-year implementation period, the TA had to be extended four times with several minor changes of scope to accommodate (i) the longer than expected timeframe needed to amend the relevant laws and the pending policies on the establishment of a mortgage insurance company in Thailand; and (ii) the additional requests for capacity building for financial cooperatives under output 3, and the four new requests under output 4. TA activities under output 3 and output 4 also required adjustments due to the COVID-19 pandemic. Several virtual meetings were conducted between counterparts and the TA team, including consultants; the number of workshop participants had to be limited; and local language content-based support for capacity building was adopted. The TA was completed within the planned budget. The unused amount was due to the limited number of activities in part because of the government's change of policy under output 2 and in part because of the reduction in the scope of activities as a result of the COVID-19 pandemic, which resulted in savings in consultant remuneration and the workshop budget.	Less than efficient
<b>Overall Assessment</b>	Overall, the TA was <i>successful</i> . The performance indicators in the DMF were met, except for output 2. The details are elaborated in Appendix 1. Most deliverables exceeded their targets and helped enhance financial inclusion in various aspects. First, a series of briefing notes on pension fund governance and related matters helped the FPO design the national pension scheme. Second, the introduction of a reverse mortgage product (related to output 2 but implemented under output 4) was considered to have laid a good foundation for SFIs to design such products for the market. Third, the TA support for the integrated database structure and the specification requirements for CBFIs, and the early warning system for the FPO supervision, helped strengthen the regulation and governance of semi-formal financial institutions. These institutions are among the key financial service providers for low-income groups. The TA enhanced tax literacy for SMEs, and provided the first ever digital knowledge product, <a href="http://www.taxliteracy.academy">www.taxliteracy.academy</a> , to the MOF as well as an innovative communication plan.	Successful
<b>Sustainability</b>	The TA was <i>likely sustainable</i> as it provided significant regulatory and capacity support to the government through the MOF (FPO, RD, and SEPO), SFIs (including GSB, BAAC, and GHB), and semi-formal financial institutions (including cooperative savings and CBFIs). This provided a solid foundation for strengthening their roles and performance as supervisory bodies and financial service providers, particularly to low-income groups. The TA will help the government achieve inclusive finance in the longer term.	Likely sustainable

### Lessons Learned and Recommendations

Design and/or planning	The TA's activities and outputs were designed after close consultation between ADB and the executing and implementing agencies. Although the original activities were well-designed, the flexible back-up plans, and resource allocations were essential to ensure ADB responded well to the evolving situation, changing policies, and resulting additional requests from the government.
Implementation and/or delivery	Some implementation and delivery methods had to be modified while up-to-date information related to COVID-19 was offered to the government as additional inputs from ADB to address the changing environment.
Management of staff and consultants	Because the government made additional requests that went beyond the original scope of the TA, ADB staff and consultants had to consider where to focus. The project leader had to ensure an efficient division of labor. Another key success factor was the strong support from ADB Management, especially when the TA was extended several times.
Knowledge building	The TA increased the capacity of the government to strengthen inclusive finance. It may provide a good example for other ADB projects that engage with other upper middle-income countries. Workshops with focused and comprehensive topics were customized to enhance the government's capacity building while the train-the-trainer model was applied to broaden the capacity improvement of SFIs.
Stakeholder participation	Close collaboration between ADB and all relevant counterparts (one executing and eight implementing agencies) was critical to producing the four outputs. The active participation of the executing and implementing agencies, as co-owners of the work assignments, was vital when a knowledge product (such as the digital tax literacy product) was disseminated to wider targeted groups.
Partnerships	Potential networking with other key stakeholders (beyond the government counterparts) should be explored and strengthened. To promote the digital tax literacy product under output 4, partnerships with banking, accounting associations and social media communities (such as influencers and online marketplaces) meant the TA products could be disseminated more widely. These partnerships may open opportunities for new collaborations on financial inclusion in Thailand as well.
Replication and/or scaling up	The government asked for the integrated database and early warning system for cooperative savings supervision (output 3) to be replicated for CBFIs under output 4.

### Follow-up Actions

Based on the success of the TA, the ADB country team should explore new opportunities to continue collaboration with the government to further strengthen SFIs and enhance inclusive finance, particularly through digital means, under the recently endorsed CPS for Thailand, 2021–2025.

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## DESIGN AND MONITORING FRAMEWORK

[illegible]

<sup>1</sup> Government of Thailand. 2011. Eleventh National Economic and Social Development Plan, 2012–2016. Bangkok.



Results Chain	Performance Indicators with Targets and Baselines	Achievements
4. Financial inclusion knowledge products	<p>3b. Cooperative regulators' quarterly early warning system commenced</p> <p>4. At least one briefing paper published and one knowledge sharing conference organized, with 150 participations.</p>	<p>3b. <b>Achieved.</b> The CPD adopted ADB's guidelines on an early warning system, including some prudential standards and CAMEL ratios for financial cooperatives. The MIS of the early warning system has been adopted and is being used to support CPD supervision.</p> <p>4. <b>Achieved.</b> Eight knowledge products were produced, and four workshops, one international knowledge sharing session, and one launch event were conducted with more than 150 participants under output 4. The key achievements were:</p> <p>4a. <i>Pension fund governance.</i> The FPO had designed a national pension fund scheme and drafted the National Pension Fund Bill. The technical knowledge provided by ADB were adopted in the development process. The National Pension Fund Bill is currently considered by the Council of State and will be later submitted to the House of Representatives and Senate for approval.</p> <p>4b. <i>Reverse mortgage product.</i> The FPO and SFIs have adopted recommendations from ADB's international knowledge sharing sessions on reverse mortgage products. Some SFIs such as GSB have started to introduce such products to their clients in response to Thailand's aging society. A sample reverse mortgage product of GSB can be found here:  <a href="https://www.gsb.or.th/personals/reverse-mortgage/">https://www.gsb.or.th/personals/reverse-mortgage/</a></p> <p>4c. <i>CBFIs integrated database and early warning system.</i> The FPO has adopted ADB's recommendations on prudential ratios for capital adequacy, debt to equity, and a loan risk coverage ratio for CBFIs supervision. These are reflected in the related subsidiary legislation issued under the People Financial Institutions Act (B.E. 2562). The subsidiary legislation is publicly available on the FPO website (link below). The FPO also used ADB's proposed IT database and specifications as guidelines when the office designed the MIS for integrating its database with the coordinating banks. As of now, the office is setting up the MIS and has a plan to set up the early warning system as the next step.  <a href="http://pfi.fpo.go.th/#download">http://pfi.fpo.go.th/#download</a>.</p> <p>4d. <i>Digital Tax Literacy Product.</i> The launch of the digital tax literacy product, <a href="http://www.taxliteracy.academy">www.taxliteracy.academy</a>, has been very successful with a total of 54,229 users (66,802 total sessions) from its launch on 20 October 2020 to 31 May 2021. In addition, 10,864 sessions (16.2% of the total) were interested in VAT registration. This could indirectly reflect the fact that the users' tax literacy had improved, and they were willing to register under the Revenue Department's VAT system. As the number of VAT registrations, evaluated by the Revenue Department, for 2021 has not yet been finalized, the result is not reported here.</p>

**Actual Key Activities with Milestones<sup>2</sup>****1. Strategic directions of SFIs rationalized with performance evaluation framework and parameters improved**

- 1.1 Selected a consultant to review the current mandate, business, direction, and performance evaluation system of SFIs
- 1.2 Identified supply gaps and recommended an appropriate strategic direction for SFIs, and supported FPO, SEPO, and the SFIs in finalizing a medium-term strategic plan
- 1.3 Recommended an improvement to the performance framework for SFIs and delivered a report, *Using Credit to Strengthen the Formulation of Performance Indicators for SFIs*, to the FPO and SEPO (April 2017)
- 1.4 Interviewed staff from NESDC and other stakeholders on the potential challenges and roles for SFIs in enhancing Thailand's financial inclusion over the next decade, and reconciled those views
- 1.5 Identified performance indicators of selected SFIs as sample cases that would help enhance their roles on financial inclusion, and proposed ways to incorporate a cost-effectiveness assessment into the current practice of SFIs
- 1.6 Developed a way of standardizing cost computation and benefit evaluation that ensures consistency across similar projects and constructed templates for reporting of cost and benefit
- 1.7 Delivered a report, *Strengthening Roles of SFIs to Support Financial Inclusion*, to FPO and NESDC (October 2018)

**2. Mortgage insurance business established**

- 2.1 Engaged a consultant to provide advice on a mortgage insurance business model and other related products in Thailand
- 2.2 Provided additional inputs on the introduction of a reserve mortgage product and the direction of secondary mortgages in Thailand (see output 4)
- 2.3 Consulted with the concerned agencies and learned their views on the establishment of a mortgage insurance company in Thailand
- 2.4 Proposed suitable mortgage insurance business models based on international best practices to FPO and GHB (July 2018), which were the main responsible agencies in establishing a mortgage insurance company in Thailand. The policy was latter put on hold until a more appropriate time.

**3. Regulatory and Supervision Capacity over Cooperative sector Strengthened**

- 3.1 Recruited a firm to conduct an in-depth review of the cooperative-based financial services system, including consultations with relevant agencies and field research
- 3.2 Proposed an improved regulatory and governance framework as well as an oversight structure for cooperative-based financial services
- 3.3 Conducted a workshop on Interpretation of Financial Statements, Prudential Norms and Early Warning Systems (October 2016); and a workshop on Liquidity Management and Capital Requirements and Management Information System (February 2017)
- 3.4 Delivered a briefing paper, *Financial Cooperative Governance Requirement* (May 2017)
- 3.5 Recommended standard tools and early warning indicators for the supervision of cooperative-based financial services
- 3.6 Conducted a workshop on Usage of Early Warning System for Thailand Cooperatives (August 2017) and a workshop on Comprehensive Analysis of the Thailand Financial Cooperatives Reports and CAMEL Ratios (November 2017) so relevant agencies would be able to apply standard tools and early warning indicators
- 3.7 Delivered a report, *Specification for Financial Cooperative Supervision System*, to FPO and CPD (January 2018)
- 3.8 Engaged two consultants to produce content on cooperative government, management, and supervision, based on international practices to be incorporated into a series of workshops for financial cooperatives' board members and managements, held during January–August 2020
- 3.9 Provided a virtual international knowledge sharing session on managing cooperative savings in the time of COVID-19 to FPO, CPD, Bank of Thailand, and the key financial cooperatives (September 2020)

**4. Financial Inclusion Knowledge Products***Pension Fund Governance*

- 4.1 Engaged a consultant to provide international practices on pension fund governance and technical support on the use of actuarial techniques in calculating annuity pension payments and replacement rates, and delivered three related briefing notes to FPO (April–July 2017)

*Reverse Mortgage Product*

- 4.2 Delivered a report on *Reverse Mortgages for Thailand: Feasibility, Risks, Benefits, and Implementation* to FPO and concerned agencies (August 2016), and produced infographics summarizing the report in order to promote reverse mortgages in Thailand

- 4.3 Conducted an international knowledge sharing session on reverse mortgages, at which the Hong Kong, China program was presented as a case study (January 2017)
- 4.4 Delivered a report, *Secondary Mortgage Corporation: Future Role and Direction*, to FPO and SMC (March 2018)

#### *Integrated Database and Early Warning System for CBFIs*

- 4.5 Extended the consultant firm's contract so it could assess the databases and IT systems of GSB and BAAC (the coordinating banks of CBFIs) and FPO (the supervisory body), review the concerned regulations, including the new People Financial Institutions Act (B.E. 2562) and related subsidiary legislation
- 4.6 Proposed a standard IT database specification for CBFIs and delivered its final report to FPO and the coordinating banks (February 2019)
- 4.7 Identified risk indicators for supervision of CBFIs and provided briefing notes on the capital adequacy ratio, CBFIs' reporting justification, debt to equity and capital adequacy, and loan risk coverage ratio
- 4.8 Proposed an early warning system FPO so it could monitor and supervise CBFIs registered under the new act
- 4.9 Conducted a workshop on Risk Indicators for Thailand CBFIs Supervision (May 2019), and another on Risk-Based Supervision of CBFIs in Thailand: Applying CAMEL and using Early Warning System Information (September 2019) to enhance supervision capacity of FPO and the concerned agencies
- 4.10 Delivered a final report, *CBFIs: MIS and Early Warning System Specification*, to FPO and the concerned agencies (December 2019)

#### *Digital Tax Literacy Product*

- 4.11 Engaged a consultant to develop a digital tax literacy product and to work with the RD and the ADB project team
- 4.12 Conducted two tax literacy testing workshops (July and August 2020), in partnership with the RD, to test run the designed product with some selected targeted taxpayers such as SMEs and people doing businesses online, incorporated feedback from the testing workshops, and finalized the digital tax literacy product
- 4.13 Recruited a consultant to develop an innovative communication plan to promote tax literacy and launch the designed digital products
- 4.14 Conducted two meetings with potential partners including professional associations, banks, software accountant companies, social media communities, and online marketplaces and proposed a partner check-list to explore how those partners could collaborate with ADB and the RD in promoting the digital product to the real targeted groups (October 2020)
- 4.15 Worked with the RD to launch a digital tax literacy product called [www.taxliteracy.academy](http://www.taxliteracy.academy) (October 2020) and implemented other post-activities for 1 month under the communication plan
- 4.16 In parallel, engaged another consultant to assess the RD's existing implementation and plan of tax literacy, identified gaps, and proposed a tax literacy mapping matrix for SMEs, start-ups, and individuals doing business online, based on the analysis and international best practices
- 4.17 Presented the tax literacy analysis framework and the tax literacy mapping matrix and journey to the RD
- 4.18 Delivered all final outputs to the RD, including: (i) the working system of [www.taxliteracy.academy](http://www.taxliteracy.academy) and its monitoring guidelines through Google Analytics and outcomes of Google Analytics as well as its source code for editing the website interface; (ii) a communications plan for launching and promoting the digital tax literacy product; and (iii) a report, *Enhancing Tax Literacy and Compliance in the New Digital Tax Policy and Environment* (October 2020)

#### **Actual Inputs**

Japan Fund for Poverty Reduction: \$1,158,684.06

Note: The government provided counterpart support in the form of counterpart staff, office accommodation, office supplies, meeting and workshop venues, and other in-kind contributions.

ADB = Asian Development Bank, BAAC = Bank for Agriculture and Agricultural Cooperatives, CBFi = community-based financial institution, CPD = Cooperative Promotion Department, FPO = Fiscal Policy Office, GHB = Government Housing Bank, GSB = Government Saving Bank, NESDC = National Economic and Social Development Council, RD = Revenue Department, SEPO = State Enterprise Policy Office, SFI = specialized financial institution, SMC = Secondary Mortgage Corporation, SMEs = small and medium-sized enterprises.

Source: Asian Development Bank.

<sup>b</sup> The milestone achievements indicated under each output and deliverable were updated to reflect the actual timeline and additional activities beyond those in the original plan. These milestone achievements were also aligned with the TA project's minor changes of scope and the extensions during TA implementation (2015–2020).

## TECHNICAL ASSISTANCE COST

**Table A2.1: Technical Assistance Cost by Activity**  
(\$'000)

Item	Amount <sup>a</sup>		
	Original <sup>b</sup>	Revised	Actual
1. Consultants	900.0	1,300.0	1,150.0
2. Training, seminars and/or conferences	320.0	70.0	8.7
3. Surveys	50.0	10.0	0.0
4. Miscellaneous TA administration	80.0	30.0	0.0
5. Contingency	150.0	90.0	0.0
<b>Total</b>	<b>1,500.0</b>	<b>1,500.0</b>	<b>1,158.7</b>

TA = technical assistance.

<sup>a</sup> Includes ADB-financed funds and/or ADB fully administered cofinanced funds.

<sup>b</sup> Original estimated cost in the TA report.

Source: Asian Development Bank estimates.

**Table A2.2: Technical Assistance Cost by Financier**  
(\$'000)

	JFPR	Total Cost
1. Original <sup>a</sup>	1,500.00	1,500.00
2. Revised	1,500.00	1,500.00
3. Actual	1,158.68	1,158.68
4. Unused	341.32	341.32

JFPR = Japan Fund for Poverty Reduction.

<sup>a</sup> Original estimated cost in the TA report.

Source: Asian Development Bank estimates.

## INVOLVEMENT OF JAPAN FUND FOR POVERTY REDUCTION IN THE TECHNICAL ASSISTANCE PROJECT: STRENGTHENING SPECIALIZED AND SEMI-FORMAL FINANCIAL INSTITUTIONS TO SUPPORT FINANCIAL INCLUSION

1. A representative from the Embassy of Japan was invited to participate in the technical assistance (TA) signing ceremony. Mr. Akihiko Uchikawa, Economic Minister, Embassy of Japan, attended and delivered remarks at the Launch Ceremony of Japan Fund for Poverty Reduction (JFPR) Financed Projects to Thailand on 4 February 2016 at the Ministry of Finance, Thailand. A news release was disseminated to local media to promote ADB projects including the TA financed by JFPR:

<https://www.adb.org/news/adb-supports-disaster-risk-management-financial-inclusion-projects>



2. Mr. Yoshiki Kasuga, Financial Attaché, Embassy of Japan, attended the launch of the Digital Tax Literacy: the Way Forward to Digital Economy, co-organized by ADB and the Revenue Department of Thailand, on 22 October 2020 in Bangkok. The digital product [www.taxliteracy.academy](http://www.taxliteracy.academy) was developed under the TA (output 4) as a tool to enhance the tax literacy of targeted taxpayers, including SMEs, businesspeople, and individuals doing business online in order to improve access to finance under the one single account filing required by the Bank of Thailand.

