

**Development Cooperation Seminar
Social Protection: Towards Universal Coverage in Thailand**

Friday, 5 November 2010, 08.30 – 13.00 hrs.

Location: Grand Millennium Hotel, Ballroom

**OPENING STATEMENT
by**

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Excellencies, Colleagues, Ladies and Gentlemen,

On behalf of the United Nations in Thailand, I am honoured to have the opportunity to provide opening remarks at today's development co-operation seminar on the theme of '*Social Protection: Towards Universal Coverage in Thailand*'.

In 1948, the Universal Declaration of Human Rights first set out the basic entitlement to social protection when it declared in Article 22 that "Everyone, as a member of society, has the right to social security".

More recently, in 2009, the concept of a Social Protection Floor emerged as a major United Nations crisis response initiative and has increasingly been recognized as a key developmental instrument. It is defined as a set of social security transfers and access to essential services through adoption of a comprehensive, integrated and coordinated approach of social protection policies. In the outcome of the UN Millennium Development Goals Summit in New York last September, the world's leaders recognized that the implementation of Social Protection Floors can make a substantial contribution to consolidating and achieving development gains. Currently, seventeen UN agencies, the IMF and the World Bank, under the co-leadership of the ILO and the WHO, are working together to assist countries in implementing different components of the floor.

While adopted as a universal concept, the SPF is being adapted and used to fit nationally-specific institutional structures, economic constraints, political dynamics and social aspirations. In countries such as Brazil or Mexico, the Social Protection Floor Concept is used to review existing schemes; other countries such as Vietnam are adopting the floor as an implementation tool of their social protection strategy.

Over the years, Thailand has made significant progress towards a welfare society:

- by providing free basic education for 15 years,
- by improving access to health-care services,
- by offering income support for the elderly, and
- by initiating efforts towards legislation that would allow the majority of Thai people, especially people in the informal economy, to benefit from a basic adequate coverage.

We are highly encouraged by the Government's strong commitment to mitigate social inequalities as reflected in the proposed plan on welfare society in the 11th National Economic and Social Development Plan.

Nevertheless, while considerable progress has been made to provide social protection in Thailand, a number of key challenges remain.

There is still insufficient coverage of all vulnerable groups. Figures from the National Statistical Office in 2010 show that out of 24.3 million informal economy workers, who account for 65% of the total working population (with a sizable number being women), only 55 people insured themselves voluntarily under article 40 of Social Security Act! Moreover, migrant workers who form a large base of the workforce do not yet have sufficient access to services and social security.

Financial sustainability remains a major issue. There are serious concerns that more social welfare schemes would burden the limited budget. Sound decisions must be taken; priorities need to be made to gradually extend social protection while guaranteeing financial sustainability.

Income security is inadequate to sustain a decent living. A notable example is the universal pension scheme which presently provides only 500 baht per month. This is equal to only about one third of the average per capita poverty line in Thailand - let us not forget that almost 2 million children still live in poor households.

The abovementioned achievements and challenges have called for a national dialogue like today's seminar, to engage national and international experts on the progressive implementation of universal social protection in Thailand. I believe that this seminar is a strong starting point for the UN to work in partnership with the Royal Thai Government to support national priorities towards a welfare society by 2017.

Our discussions will focus on how to work towards the design and implementation of a social protection system, addressing the issues of financial and institutional sustainability and ensuring universal coverage of all vulnerable groups. It is our hope the international experiences learnt from today's seminar will spark off 'creative' solutions on how to ensure social protection as a universal right for all. To that end, there are several factors that need to be considered.

Firstly, it is important to **coordinate actions and inter-sectoral policies**. The multi-dimensional aspects of universal social protection coverage require integrated and coherent policy approaches around common goals and target groups.

Secondly, as I mentioned earlier, **financial sustainability** is of utmost importance to ensure that social protection schemes are fully implemented. A strong political will is needed to give the vision, to set the principles, to define the ground rules for the societies that we want. We must be prepared to overcome fiscal constraints to implement a system in which the whole of society can contribute.

Thirdly, it is about empowerment and **unlocking the productive capacity of all**: men and women, young and old, informal and formal labour force.

Lastly, while adopted as a universal concept, the Social Protection Floor should be **nationally shaped** within a framework of national-specific institutional structures, level of economic development, political dynamics and social aspirations.

Social Protection is included as a priority area in the new UN Partnership Framework for the new cycle of 2012-2016 under the overarching umbrella of addressing social reform for equity and empowerment. Given the importance of evidence-based policy-making, the UNCT is also working on the development of strategic information to support coordination among line ministries, and data collection and utilizations for policy-making to address social inequalities.

The United Nations is ready to support the Royal Thai Government in this complex task, by drawing on our multilateral networks and expertise. With our capacity to 'Deliver as One', we can:

- Make available simulation tools to assess the schemes already in place and their performance;
- Provide evidence-based information to extend the scope of coverage, for instance with the introduction of new benefits such as child allowance;
- Offer technical assistance to review existing schemes, such as the scheme designed for the informal economy or the elderly, to provide them with adequate coverage.

Ladies and gentlemen, allow me to end by thanking the National Economic and Social Development Board for co-organising this event with the UN Country Team. I also wish to thank my UN colleagues for their hard work and commitment in organizing this seminar. I wish you great success in your deliberations today and look forward to the key policy recommendations from this seminar that will support Thailand towards the achievement of a welfare society by 2010.