Fiscal Sustainability part 2

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Strategic Government Expenditure and Fiscal Discipline

Strategic

- Fiscal sustainability is driven by balancing proactive revenue.

Strategic

- By integrating strategic monetary tools

Effective Tax Administration and Fiscal Policy

Stabilization
- Economic stability

Framework Updates
- Modernizing legal structures

Resilience
- Insights from the 1997 financial crisis and the COVID-19

For developing nations like Thailand, fiscal sustainability is a mandatory component of economic analysis (The World Bank, 2005).

Monetary Tools — Macroeconomic risks

Strategic Focus — Long-term stability

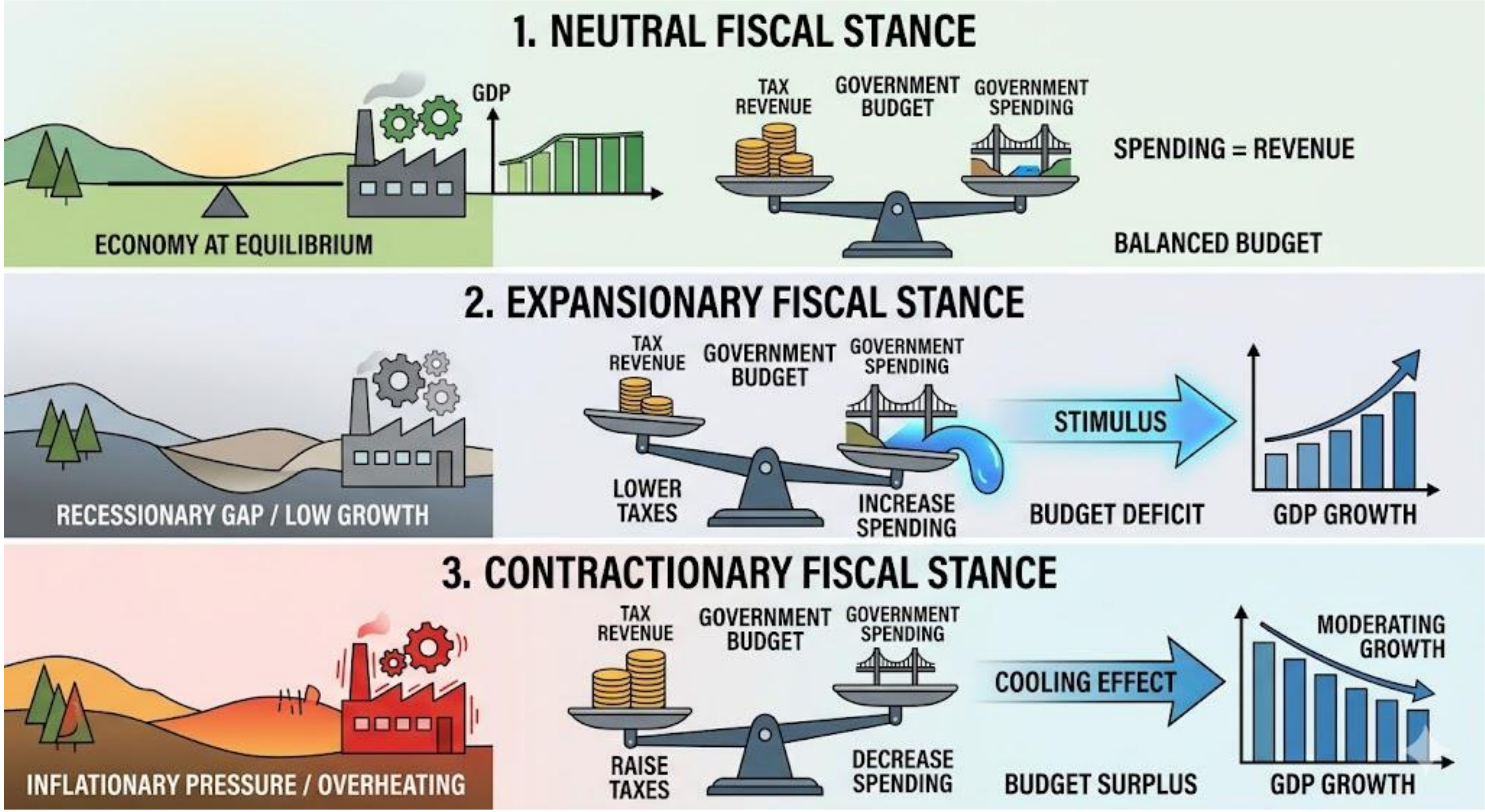
The Thai Fiscal Sustainability Framework

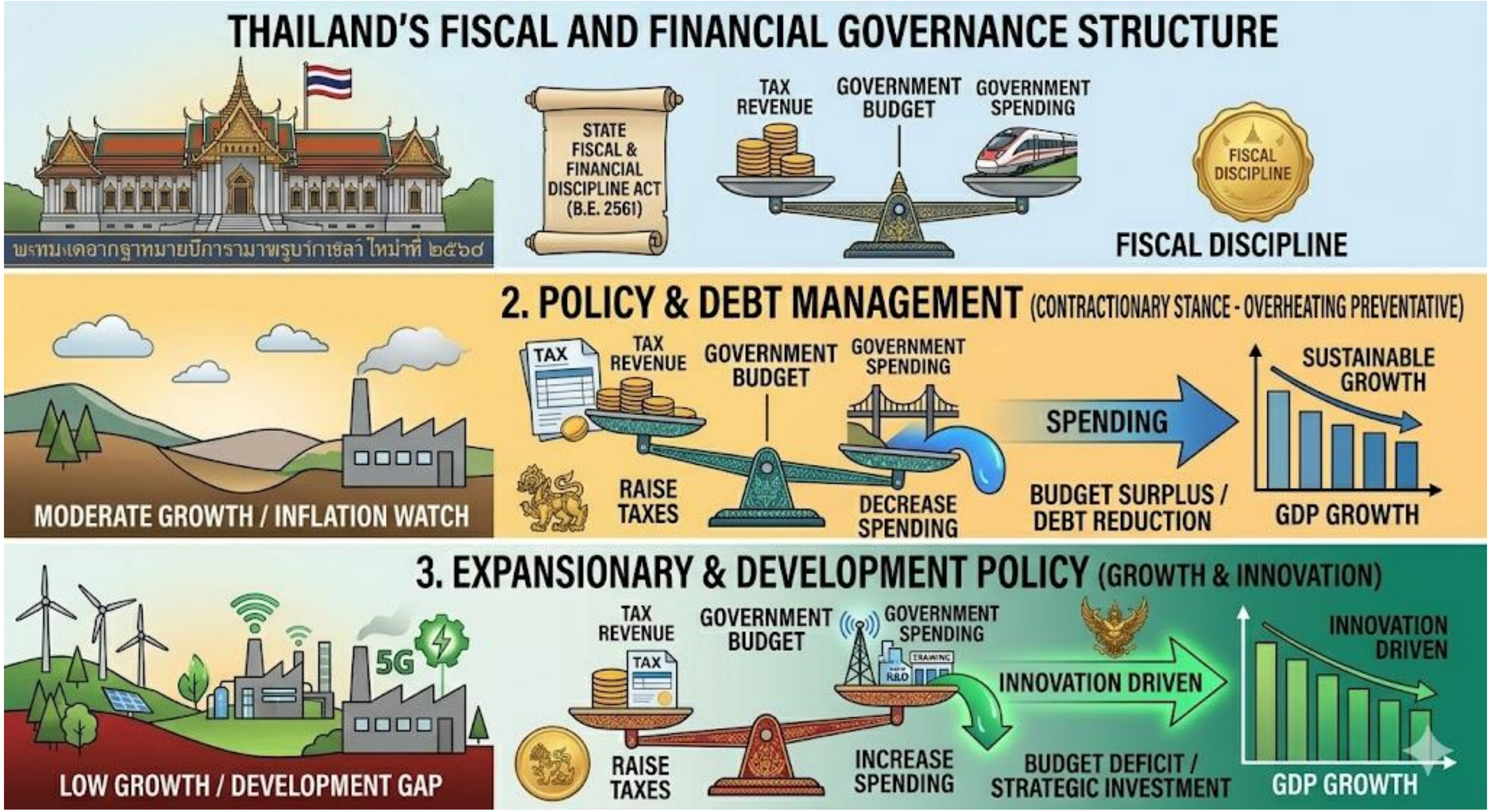
Fiscal sustainability

- Thailand employs a rigorous legal and policy structure to manage its finances.

Strategic policy adjustments

- **Expansionary**, **Contractionary**, and **Neutral** fiscal stances based on economic conditions.


1. NEUTRAL FISCAL STANCE
GDP
ECONOMY AT EQUILIBRIUM
TAX REVENUE
GOVERNMENT BUDGET
GOVERNMENT SPENDING
SPENDING = REVENUE
BALANCED BUDGET
2. EXPANSIONARY FISCAL STANCE
RECESSIONARY GAP / LOW GROWTH
TAX REVENUE
GOVERNMENT BUDGET
GOVERNMENT SPENDING
LOWER TAXES
INCREASE SPENDING
STIMULUS
BUDGET DEFICIT
GDP GROWTH
3. CONTRACTIONARY FISCAL STANCE
INFLATIONARY PRESSURE / OVERHEATING
TAX REVENUE
GOVERNMENT BUDGET
GOVERNMENT SPENDING
RAISE TAXES
DECREASE SPENDING
COOLING EFFECT
BUDGET SURPLUS
MODERATING GROWTH
GDP GROWTH


THAILAND'S FISCAL AND FINANCIAL GOVERNANCE STRUCTURE
STATE FISCAL & FINANCIAL DISCIPLINE ACT (B.E. 2561)
TAX REVENUE
GOVERNMENT BUDGET
GOVERNMENT SPENDING
FISCAL DISCIPLINE
FISCAL DISCIPLINE
2. POLICY & DEBT MANAGEMENT (CONTRACTIONARY STANCE - OVERHEATING PREVENTATIVE)
MODERATE GROWTH / INFLATION WATCH
TAX
TAX REVENUE
GOVERNMENT BUDGET
GOVERNMENT SPENDING
RAISE TAXES
DECREASE SPENDING
SPENDING
BUDGET SURPLUS / DEBT REDUCTION
SUSTAINABLE GROWTH
GDP GROWTH
3. EXPANSIONARY & DEVELOPMENT POLICY (GROWTH & INNOVATION)
5G
LOW GROWTH / DEVELOPMENT GAP
TAX REVENUE
TAX
GOVERNMENT BUDGET
GOVERNMENT SPENDING
RAISE TAXES
INCREASE SPENDING
INNOVATION DRIVEN
BUDGET DEFICIT / STRATEGIC INVESTMENT
INNOVATION DRIVEN
GDP GROWTH

Strategic Goals for Sustainable Financial Management

Achieving long-term economic and fiscal resilience

Advancement of the Financial Sector

Alignment with Sustainable Development Goals (SDGs)

Promotion of Sustainable Monetary Policy

- Developing monetary policies

Stakeholder Collaboration & Good Governance

- Sustainability is a collective responsibility.

Governance Framework

Legal & Ethical

Transparency and Accountability

Efficiency: Promoting Participation and Cost-effectiveness

Driving Sustainable Transformation

Human Capital & Technological Excellence

Skill Enhancement


To safeguard both financial stability and social welfare, policy
DIGITAL LITERACY ACT (D.L.A.) 2026
DATA PRIVACY
DIGITAL ECONOMY BUDGET
5G TOWER
DIGITAL COMPETENCE
DIGITAL COMPETENCE
2. SMARTER GOVERNANCE & OPERATIONS
(E-GOVERNMENT)
E-SERVICES ADOPTION
AI
AI-POWERED CITY CONTROL DATA
DIGITAL DEBT REDUCTION PLAN
CITIZEN SATISFACTION INDEX
SUSTAINABLE DIGITAL GROWTH
BUREAUCRACY REDUCTION
GDP GROWTH
GDP GROWTH
Strategic Growth and National Objectives
STATE FISCAL & FINANCIAL DISCIPLINE ACT (B.E. 2561)
SOCIAL DISCIPLINE & WELFARE ACT
DIGITAL ECONOMY BUDGET
5G TOWER
DIGITAL COMPETENCE
DIGITAL COMPETENCE
3. INNOVATION & DIGITAL ECONOMY POLICY
(TRANSFORMATION DRIVEN)
5G
DIGITAL INFRASTRUCTURE INVESTMENT
AI
DIGITAL STARTUP ECOSYSTEM GROWTH
AI ADOPTION RATE
AI
DIGITAL SKILLS GAIN
PRIVATE SECTOR ADOPTION
DIGITAL SKILLS GAIN
GAIN

Strategic Directions for Achieving Fiscal Sustainability

Policy Integration and Economic

Management: Effective economic management

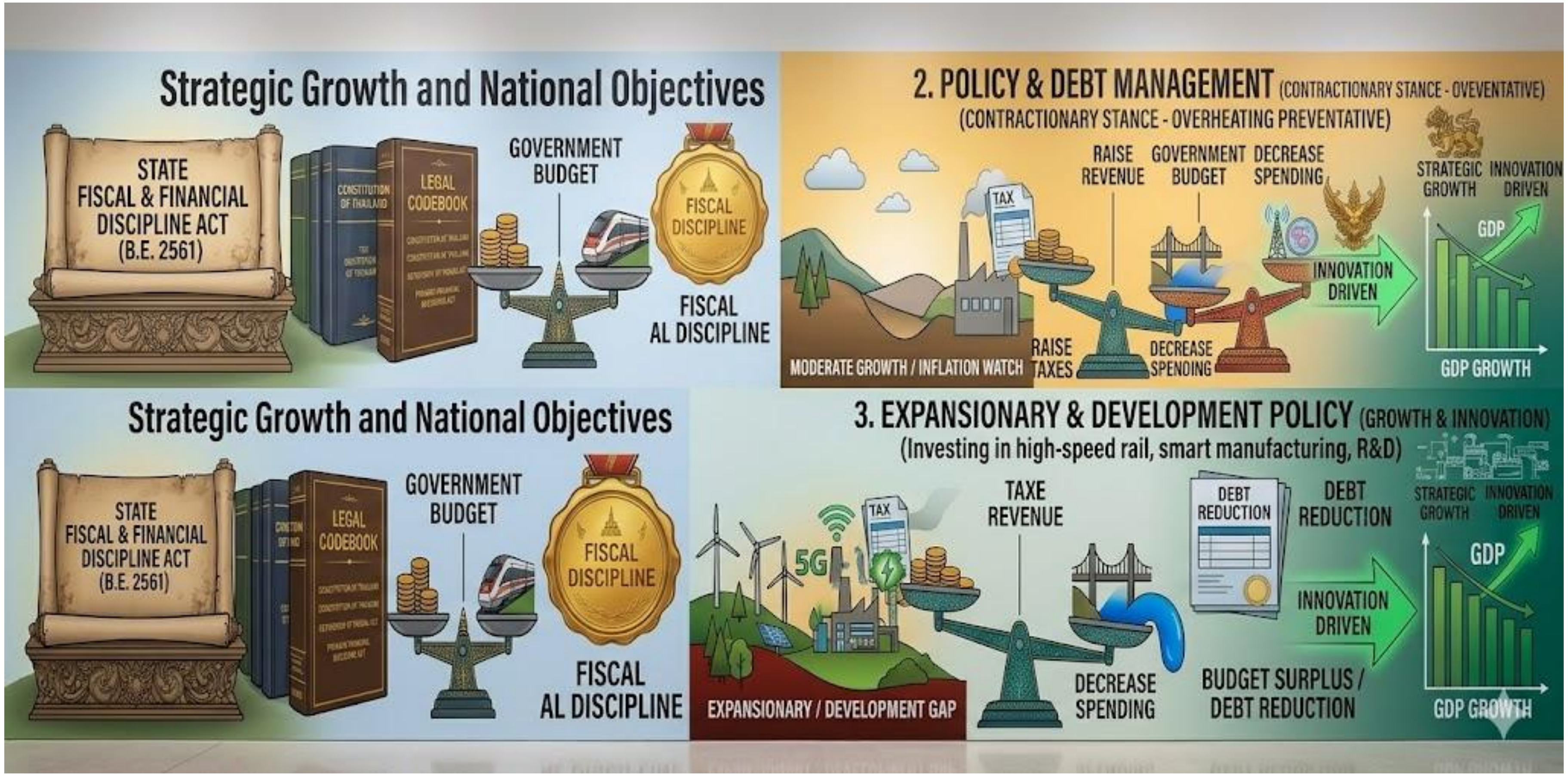
Monetary Strategy: Managing liquidity and inflation

Fiscal Stance: Utilizing expansionary, contractionary, or neutral approaches

- **Stability**
- **Tax Efficiency**
- **Spending Controls and Debt Restructuring**

Strategic Growth and National Objectives

- Infrastructure and Innovation
- National Strategy Alignment
- Human Capital


Strategic Growth and National Objectives
STATE
FISCAL & FINANCIAL
DISCIPLINE ACT
(B.E. 2561)
CONSTITUTION OF THAILAND
LEGAL
CODEBOOK
GOVERNMENT
BUDGET
FISCAL
DISCIPLINE
FISCAL
AL DISCIPLINE
2. POLICY & DEBT MANAGEMENT (CONTRACTIONARY STANCE - OVEVENTATIVE)
(CONTRACTIONARY STANCE - OVERHEATING PREVENTATIVE)
TAX
RAISE
REVENUE
GOVERNMENT
BUDGET
DECREASE
SPENDING
STRATEGIC
GROWTH
INNOVATION
DRIVEN
GDP
INNOVATION
DRIVEN
MODERATE GROWTH / INFLATION WATCH
RAISE
TAXES
DECREASE
SPENDING
GDP GROWTH
Strategic Growth and National Objectives
STATE
FISCAL & FINANCIAL
DISCIPLINE ACT
(B.E. 2561)
LEGAL
CODEBOOK
GOVERNMENT
BUDGET
FISCAL
DISCIPLINE
FISCAL
AL DISCIPLINE
3. EXPANSIONARY & DEVELOPMENT POLICY (GROWTH & INNOVATION)
(Investing in high-speed rail, smart manufacturing, R&D)
5G
TAX
TAXE
REVENUE
DEBT
REDUCTION
DEBT
REDUCTION
STRATEGIC
GROWTH
INNOVATION
DRIVEN
GDP
INNOVATION
DRIVEN
EXPANSIONARY / DEVELOPMENT GAP
DECREASE
SPENDING
BUDGET SURPLUS /
DEBT REDUCTION
GDP GROWTH

THANK YOU