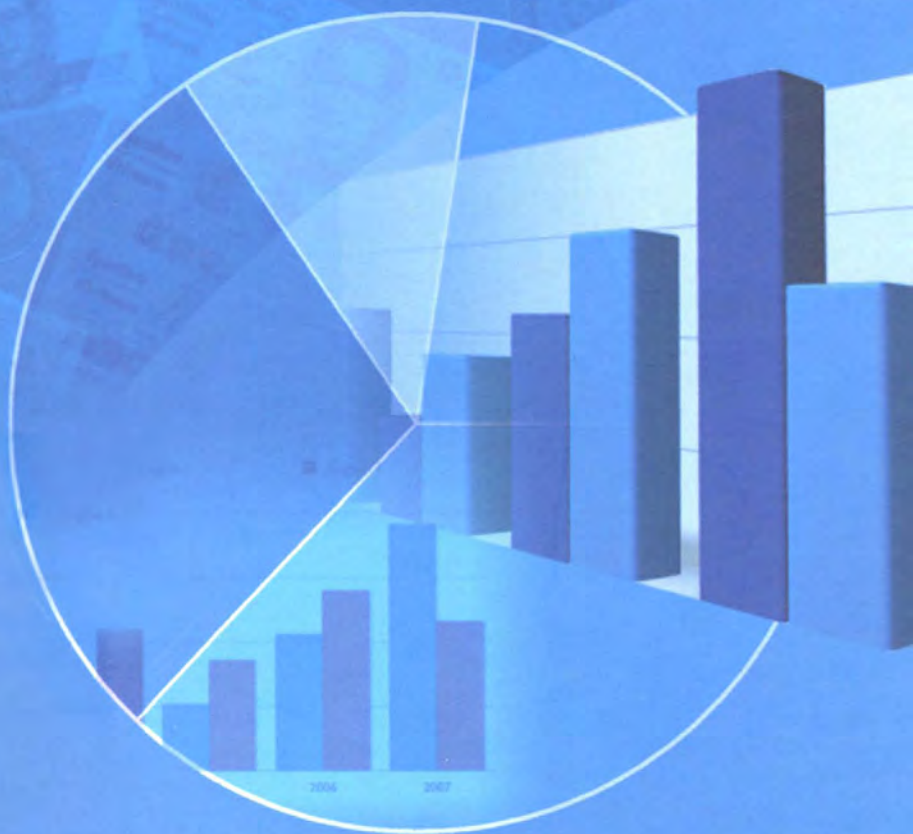




THAILAND'S BUDGET IN BRIEF FISCAL YEAR 2007







FOREWORD

Budget expenditures are important tools of the government in implementing public responsibilities. Budget allocation for fiscal year 2007 reflects the direction of the government administration which follows the philosophy of sufficiency economy, especially the strategic result-based budgeting which connects operations of government offices, state enterprises and other state agencies as an efficient and systematic integration to achieve the government policy framework on the principles of transparency, fairness, economizing and efficiency.

This edition of "Thailand's Budget in Brief" intends to summarize the main feature of the B.E. 2550 (A.D. 2007) Budget Act which serves as plans for disbursing the country's funds and managing the government's monetary and fiscal policies and disseminate this important information to the people. This publication is a compilation of important and detailed contents from various volumes of budget documents to present an overall picture of the budget allocation from different perspectives and to make it clear, easy to understand and convenient for further study and research. It consists of **four parts**:

- Part I Principal elements of the 2007 budget
- Part II Estimated receipts
- Part III Budget expenditures
- Part IV Government finance

We hope that this "Thailand's Budget in Brief" will be helpful to government agencies, the parliament, academic community, general public and those who are interested in the budgeting policy.

Bureau of the Budget

สำนักงาน
พิมพ์รัฐบาล
สมบัติห้องสมุดรัฐสภา

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PART I

Highlights of the FY 2007 Budget

1. Economic outlook for the Year 2007

Thailand's economy in 2007 is expected to expand at the rate of 4.6 per cent and inflation rate at 4.5 to 5.0 per cent resulting from a number of factors including the sustained high price of crude oil in the world market and the effects of increases in interest rates. It has influenced households and the business sector to be cautious in spending and investing. In addition, the world's economic slowdown during the latter half of the year and the appreciation of Thai baht will affect the expansion of net exports. However, during the year's last quarter, the economy is expected to improve owing to the clarification of the government policy and the continued recovery of tourism services.

For the year 2007, Thailand's economy will continue to expand from 2006 at the rate of 4.8 per cent and inflation rate of 3.5 per cent due to the impetus from the investments of private sector and the government's spendings. Positive factors influencing the expansion of private investments over that of 2006 include relatively stable interest rates and investors' improved confidence. Additionally, growth in the manufactured utilization rate leading to full capacity for various industries is going to stimulate investment. Household's spendings are expected to increase over those of 2006 as a result of sustained oil prices and the slowdown of increases in the inflation rate. However, the expansion of Thailand's export sector will slow down in accordance with the world's economic condition. Economic issue which needs to be closely monitored is the larger-than-exports growth rate of merchandise imports leading to a small deficit in the current account balance. This is a result of capital goods imports for the expansion in investments of private and public sectors along with the imports of raw materials and intermediate products for the increases in production to meet rising domestic demands.

2. The FY 2007 Budget Policy

In managing expenditures, the government has adopted His Majesty's philosophy on sufficiency economy as a framework in its operations. In preparing the FY 2007 budget expenditures, considerations have been made on moderation, rationality in order to provide immunity for stability of the economic system. The government has set budget policy consisting of the following 5 considerations:

- 1) The deficit budget policy will be adopted at the level which will be sufficient to maintain economic growth while public debt outstanding will be controlled not to exceed 50 per cent of the gross domestic product.

2) Government agencies will be encouraged to revise budgeting process to be in accordance with their stated responsibilities and missions and to take into account the urgency of problems and the direct benefits to the public.

3) The government will expedite an improvement in efficiency of managing and spending of budget expenditures. This is to control an unnecessary growth of current expenditures and to reflect people's real needs for public services.

4) The government will emphasize transparency, fairness, thrift and efficiency in the investment of public sector and set the amount of capital expenditures to be on par with those of FY2006.

5) The government will give priority to the building and distributing foundation of prosperity evenly to various areas by promoting the devolution of power to the local administration on a continued basis. This will include the process to improve revenue collection capability of the Local Administrative Organizations and accelerate the orderly transferring of responsibilities to them in order to be beneficial to the people.

On the basis of the aforementioned budget policy, the government has set the budget expenditures for FY 2007 at 1,566,200 million baht, equivalent to 18.5 per cent of the Gross Domestic Product, an increase of 206,200 million baht or 15.2 per cent over that of FY 2006 while net revenue is estimated at 1,420,000 million baht, equivalent to 16.8 per cent of the GDP. Borrowings of 146,200 million baht or 1.7 per cent of the GDP will be made to balance the deficit budget. This will enable the Thai economy to continue an uninterrupted expansion and to reflect actual obligations of the government at present under the stated policy and measures for operations. The budget has also been prepared for payments of debts generated from the policies of previous administrations. Therefore, it will not become a burden for future administrations and set a basis for government's fiscal discipline and transparency.

In addition to the budget expenditures of 1,566,200 million baht the government will make use of external borrowing by the amount not less than 940.2 million baht which will be disbursed during the FY 2007.

In preparing the FY 2007 budget expenditures, the government has set the strategy in allocating budget for the 2007 which will relate to its policy and will be used by government agencies, state enterprises and other public agencies as a framework in submitting budget proposals. Those agencies will be required to redeploy their roles and responsibilities which are not in harmony with the government's strategy for operations and to set priority in accordance with the present situation. This will enable the budget allocation to be efficient and achieve the goals according to the strategy and bring about real benefits.

3. Budget Structure

3.1 Budget Expenditures for the FY 2007

The FY 2007 budget expenditure is totaling of 1,566,200 million baht, an increase of 206,200 million baht or 15.2 per cent over that of FY 2006. It is equivalent to 18.5 per cent of the GDP.

3.2 Current Expenditures

Current expenditures are set at 1,135,988.1 million baht, an increase of 177,511.1 million baht or 18.5 per cent higher than those of FY 2006. These expenditures account for 72.5 per cent of the total budget, in comparison with 70.5 per cent for FY 2006.

3.3 Capital Expenditures

Capital expenditures amount to 374,721.4 million baht, an increase of 16,385.6 million baht or 4.6 per cent larger than those of FY 2006. Their proportion is 24.0 per cent of the total budget compares with 26.3 per cent for FY 2006.

3.4 Principal Repayments

The amount of 55,490.5 million baht is designated for principal repayments, an increase of 12,303.3 million baht or 28.5 per cent over those of FY 2006. These repayments account for 3.5 per cent of the total budget while the proportion for FY 2006 was 3.2 per cent.

The budget expenditures by economic classification for the 24-year period (1983-2007) is exhibited in Figure 1-1.

Table I-1
Budget Structure (FY 2006-2007)

(in million baht)

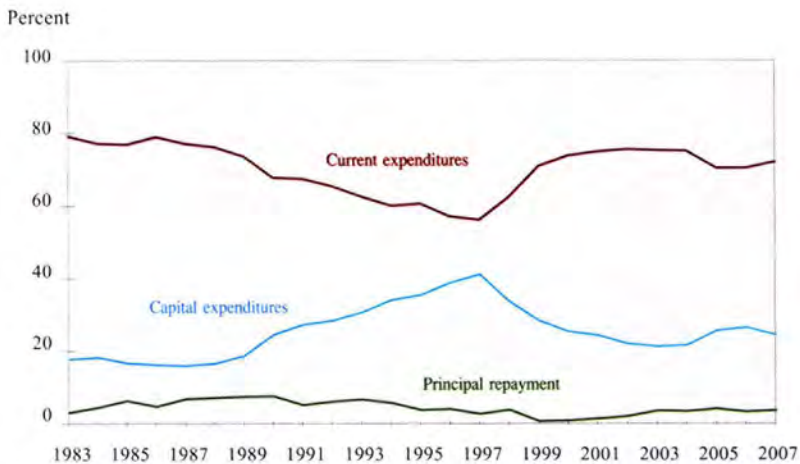
Budget Structure	FY 2006		FY 2007	
	Amount	+/- %	Amount	+/- %
1. Expenditures	1,360,000.0	8.8	1,566,200.0	15.2
(% of GDP)	17.5		18.5	
- Current expenditures	958,477.0	8.8	1,135,988.1	18.5
(% of the total budget)	70.5		72.5	
- Capital expenditures	358,335.8	12.4	374,721.4	4.6
(% of the total budget)	26.3		24.0	
- Principal repayment	43,187.2	-13.8	55,490.5	28.5
(% of the total budget)	3.2		3.5	
2. Receipts	1,360,000.0	8.8	1,566,200.0	15.2
(% of GDP)	17.5		18.5	
- Revenues	1,360,000.0	8.8	1,420,000.0	4.4
(1,339,385.0)			(6.0)	
- Domestic borrowing	-	-	146,200.0	100.0
3. Gross Domestic Products (GDP)	7,786,200.0	9.6	8,471,400.0	8.8

N.B. 1. For FY 2006, the figure in parentheses is preliminary actual revenue.
2. Growth rates of GDP are at current market prices.

Sources : 1. Bureau of the Budget
2. Ministry of Finance
3. Office of the National Economic and Social Development Board

Figure 1-1

Budget Appropriation by Economic Classification FY 1983-2007



4. Strategy for the FY 2007 budget allocation

Strategy for the FY 2007 budget allocation is set to be in harmony with the guidelines in developing the country according to the 10th National Economic and Social Development Plan (2007-2011) and the government policy. It consists of 7 strategies and each strategy specifies budgeting plans, to the total of 26 plans, which will link budget allocating strategy with the agencies' responsibilities on the basis of principles, transparency, fairness, thrift and efficiency. Important aspects of the strategy can be summarized as follows:

Strategy 1 : Poverty alleviation and rural development

The government has allocated the budget for poverty alleviation and rural development by promoting learning process and applying the concept of development based on the sufficiency economy philosophy. Body of knowledge and local wisdom will be developed along with the development of primary data and community information system in order to provide opportunity to poor people in accessing sources of financing for production. Community economy will be sustainably developed while economic fundamentals will be strengthened leading to higher income and improved quality of life of the people. They will be encouraged to form groups to develop group-savings and to create vocations in the communities. The amount of 57,408.4 million baht or 3.7 per cent of the total budget is allocated for this strategy and can be classified by the following budgeting plans:

1.1 Budgeting plan for poverty alleviation and rural development

The amount of 57,408.4 million baht will be used to promote learning processes and to apply the sufficiency economy through the main mechanisms. Farmers' and poor people's debt problems will be solved along with the acceleration of rural development through the creation of body knowledge and local wisdom. Communities' potentials and readiness will be strengthened in order to create values and products of the communities. Primary data and information system of the communities will be developed to enhance accessibility to sources of funds for production and sustainable economic development of the communities. In addition, emphasis will be made on improving efficiency of the asset capitalization system and providing continued support to the village and urban community funds. Support will be made on repayments to the mutual funds in order to assist the farmers. Formation of co-operatives and farmer groups will be encouraged along with the improvement of co-operatives and fair distribution of returns to the farmers. Distribution of land ownership and provision of land utilization and basic farm mechanization will be accelerated along with the support for the royal rain making operations. People will be given opportunities and options to earn their livelihood through skill improving training and vocation. Attention will also be given to the system to solve poverty problems, to raise household income and to improve quality of life of the people.

Strategy 2 : Development of human and quality society

The government has allocated budget to create a robust society where people can live in harmony and happiness. Opportunity in education will be expanded to improve quality and standard of all levels of education. Men will be groomed to be a center for learning, to be

a person with quality, righteousness and ethics. Society will be built on the basis of being Thai by conserving national traditions, mores and culture. Thai people will be urged to live a healthy life of both body and mind in a quality environment. People will be encouraged to participate in sporting activities and exercise to improve health and support will be given to promoting excellence in sports and professionalism. Emphasis will be made on prevention and solving of social problems, protection of juveniles, the handicapped, elderly and the underprivileged to gain access to public services. The amount of 591,494.2 million baht or 37.8 per cent of the total budget is allocated for this strategy and can be classified by the following budgeting plans:

2.1 Budgeting plan for development of life-long learning society and human of knowledge, virtue and moral

The amount of 313,231.9 million baht will be allocated for development of human resource to have faith in virtue, ethics, discipline, to be public-spirited and considerate of other people through the cooperation of families, educational and religious institutions. Education reform will be expedited to improve potentials of teachers, lecturers and educational personnel along with the learning and teaching process of both formal and non-formal education with emphasis on the learners. Educational services and opportunities will be expanded to meet demands in the country. Attention will be given to the creating of environment, center of learning, research and innovation accommodating to the integrated formal and non-informal learning. People will be encouraged to be eager to learn and to enjoy reading. This will help cultivate the culture of continued learning. Co-operation among government agencies, proprietors and educational institutes will be promoted to develop and improve manpower. Skills at all levels will be systematically developed along with the creating of a prototype for the desirable education management.

2.2 Budgeting plan for conservation and carrying on tradition, culture and development of wisdom

The amount of 4,753.7 million baht will be used to foster consciousness, value and esteem of being Thai, to develop the understanding of cultural diversity and peaceful coexistence. Attention will be given to the development of sources of learning, bodies of knowledge and the exchange of culture and tradition along with the creation of art at local, national and international levels. Incentives will be provided to both public and private sectors to promote cultural values, Thai identity, conservation of religious, art and culture. In addition, wisdom will be further developed to be applicable in daily life, economy and society leading to an increase in productivity, creation of value, conservation and utilization of natural resources on a sustainable basis.

2.3 Budgeting plan for development of an integrated healthy environment with quality standard for the people

The amount of 178,959.6 million baht will be allocated for improving of quality of the universal health insurance and health service and producing medical and public health personnel. Management of medical and public health service will be reformed for better efficiency along with the research and development of the monitoring system. Emphasis

will be given to disease control and protection, health promotion, physical and psychological rehabilitation, caring elderly people, control of standards of health products and production of raw materials for medicine manufacturing. Body of knowledge and research will be developed while the program of health center will be promoted. People will be encouraged to exercise and take care of their own health and to be cautious in consumption. Application of Thai wisdom in developing healthy environment along with the transferring and protecting wisdom on Thai traditional and alternative medicines and medicinal herbs. Sporting activities among juveniles will be promoted to improve skills and excellence.

2.4 Budgeting plan for development of security in life and society

The amount of 93,987.7 million baht will be used to support people in the low and middle income groups to own decent homes and upgrade the neighborhood to an attractive one. Emphasis will be made on crime prevention and suppression, especially influential people, producers and traffickers of drugs, curing and rehabilitating drug addicts in order to return them to the society. Juveniles, females, the underprivileged and the handicapped will be provided with knowledge and vocational training to be self-reliant. The government will guarantee equality and human dignity to all groups of people, while human trafficking and all forms of human right violation will be eradicated. Economic and social security will be provided along with the means of livelihood in order to create income and secured living. People will be assisted to gain access to sources of capital while household savings will be promoted and security will be provided to insured persons and their families. In addition, social protection will be given to those who make their honest livelihood outside the formal economic system. Attention will be given to the suppression of articles or media that try to lure children and teenagers. Labor management will be developed while labor relations will be improved and labor benefits will be protected. Additionally, an integrated judicial process will be developed and consciousness on citizen's rights and duties will be fostered.

2.5 Budgeting plan for providing readiness to society to accommodate senior citizen as valued resources

The amount of 561.3 million baht will be used to strengthen family institution and communities and to restore values that promote co-inhabiting of people of different ages. the government will also promote savings on a continued basis and develop guarantee of income during working years for the future. Elderly people will be encouraged to bring out knowledge and experience for social benefits and generation of income. They will be given opportunity to access basic social security.

Strategy 3 : Adjustment of economic structure for balance growth

The government has allocated the budget for adjustment of economic structure as a mechanism for propelling the Thai society to an economy of high performance and balance in accordance with the philosophy of sufficiency economy. This will come about through the structural adjustment of agricultural sector, manufacturing, tourism, service and trade, monetary and fiscal management, implementation of foreign and international economic policy, creation of robust knowledge bases in science, technology, research and innovation and

development of the infrastructure and logistic system. The budget for this strategy is 184,663 million baht, equivalent to 11.8 per cent of the total budget and can be classified by the following budgeting plans :

3.1 Budgeting plan for adjustment of agricultural sector

The amount of 42,462.8 million baht will be earmarked for increasing value of agricultural sector in the gross domestic product and income of farmers by supporting infrastructure in production, efficient irrigation management, conservation and restoration of soil and water resources for agriculture. Emphasis will be made on developing and expanding breeds for quality production and in sufficient quantity to meet farmers' demand. This will be implemented along with the transferring of technology, promoting production and processing of agricultural products according to the food safety procedures and inspection of farm standards. This will also include development of standards for agricultural product processing plants and promotion of planting superior breeds of para-rubber.

3.2 Budgeting plan for adjustment of manufacturing sector

The amount of 8,551.9 million baht will be allocated to upgrade competitiveness in both development of community and local products and improvement of productivity by emphasizing the efficient production process which is friendly to the environment. Effort will be made on raising product standards, developing technology and personnel in the manufacturing sector in order to accommodate the supporting industries and reduce reliance on imported products. Factors related to infrastructure will be developed to support business operations and create environment favorable to trade and investment. Small and medium enterprises will be promoted in order to transform Thai society into the one for entrepreneurs. This also includes production of a road map for management of patent registration which will be used in expanding production of target products in the new industries and clusters of industries with high competitive potentials.

3.3 Budgeting plan for adjustment of tourism, services and trades

The amount of 11,306.9 million baht will be used to make tourism, services and trades propelling forces in transforming the Thai society into a balanced and sustainable economy, creating jobs and income and distributing income to the communities. This will be implemented by promoting and developing marketing potentials for proactive tourism in the country and abroad by maintaining market shares in the existing target markets and penetrating new markets along with providing support to travel business operators and tourist guides. In addition, relating factors will be developed to make them conducive to the tourism business while deteriorated tourist attractions will be restored and new ones promoted. Attention will be given to development of service businesses with potentials to accommodate world's demands by making use of the cultural standout and the notion of being Thai. This will include the promotion of international conferences, seminars and movie productions. Commercialization of intellectual property will also be promoted along with the protection and safeguarding of the intellectual property rights.

3.4 Budgeting plan for monetary and fiscal management

The amount of 14,081 million baht will be designated to maintain monetary and fiscal discipline and stability, develop strong and transparent financial institutions and capital market by managing government's revenue, expenses, assets and liabilities with transparency and righteousness. Sources of funds will be secured and properly distributed for sustainable development in order to create strong and transparent financial institutions and capital market with good governance. Businesses will be given opportunity and accessibility to sources of funds. Domestic savings will be encouraged along with the provision of alternatives in savings. Attention will also be made on development of information technology system and government's electronic monetary and fiscal management system.

3.5 Budgeting plan for foreign and international economic affairs

The amount of 9,842.9 million baht will be allocated to promote national interest, understanding and confidence of international community by conducting friendly policy with other countries and continuing international cooperation on the basis of righteousness, transparency and democratic value. This will be implemented by conducting proactive diplomatic policy in order to enhance image and strengthen relations among countries and trust at the country's leader level. Emphasis will be given to creating responsive action to policy on enhancing understanding and confidence of international community on situations in Thailand by urgently restoring relations and cooperation among Thailand's friends. In addition, the government will push for cooperations under bilateral and multilateral frameworks on a number of economic and social dimensions. This will involve neighboring countries, Asian sub-regional groups, Asean members and countries having major roles in the world. The country's rights and interests abroad in investment and labor will also be protected.

3.6 Budgeting plan for science, technology, research and innovation

The amount of 17,327.2 million baht will be used to develop balanced scientific, technology and innovative bases by promoting and raising standards of researches for economic and social applications. Effort will be given to producing quality researchers and developing personnel in science and technology. Science education in all levels will be encouraged on a continued basis. Research and development of bodies of knowledge and technology in all disciplines that are relevant to the country's potentials will be promoted. Emphasis will be on promoting innovation leading to self reliance and reducing imports of foreign technology. Local and Thai wisdoms that are harmonious with requirements of manufacturing and service sectors having potentials will also be expanded. Educational institutions will be urged to emphasize on transferring of technology and provision of academic services to the society. Attention will be given to the development of basic structures in science and technology, geographic information system and satellite data which will bring about sustainable development of the country.

3.7 Budgeting plan for development of infrastructure and logistic systems

The amount of 81,090.3 million baht will be earmarked to support the country's competitiveness in terms of infrastructure and improvement of people's quality of life. Transportation management will be improved to accommodate economic expansion

and reduce costs at every level. Distribution of infrastructure to provincial areas will be done on a balanced and fair basis. Emphasis will be made on connecting integrated logistic networks, developing ports for transport goods and tourism, improving airports, maintaining infrastructure of water transportation and developing mass transit network in Bangkok and vicinity, especially the routes that are ready and in urgent needs.

Strategy 4 : Management of sustainable natural resources and environment

The government has allocated the budget for creating a balance between conservation and utilization of natural resources by returning the wholeness to nature in order to maintain resource base for production and creation of income for the people. Bio-diversity and water management will be systematically protected and utilized to prevent and rectify problems related to floods, drought and water quality along with the control of toxics from waste, polluted water, dust, gas, odor and noise. Economic measures that are in harmonious with resources management will be promoted to provide people with quality environment under cooperation of every sector. This will be an impetus for sustainability in managing the country's resources and environment. The budget for this strategy is 46,795.5 million baht, equivalent to 3 per cent of the total budget and can be classified by the following budget plans:

4.1 Budgeting plan for creating balance in utilization and conservation of natural resources

The amount of 16,745.6 million baht will be allocated to maintain fertility of coastal resources, conserved forest and national forest reserves where utilization is appropriate and balanced. Geographic information system and satellite data will be used in managing, protecting, maintaining and demarcating border of conserved forest and city planning. Eco-tourist attractions in both land and marine parks will be developed. The problem of unauthorized cultivated land in the forest reserves will be addressed while public land will be managed in a manner that people will have access to appropriate land use.

4.2 Budgeting plan for protection and utilization of bio-diversity

The amount of 316.6 million baht will be used to protect and develop bio-diversity for sustainable and fair uses leading to products from extension of local wisdom based on bio-resource bases. Database on bio-diversity will be developed by collaborating with local communities. Assessment will be made on status and potential of marine resources and mangrove forests along with the promotion of researches on bio-resources for useful applications.

4.3 Budgeting plan for systematic management of water

The amount of 28,641.3 million baht will be used to manage systems on protection and rectification problems from floods, lack of water, and quality of water on a sustainable basis. Emphasis will be given to creating a unity in mechanism in managing the country's water leading to effectiveness in basic water management. This will be achieved by increasing irrigated area and keeping water in the irrigation projects for consumption and agriculture along with the utilization of irrigation system to prevent and rectify flooding problems in the needed areas. Community flood preventing system will be constructed while river bank will be protected by erecting wall to contain erosion. Attention will be made on

planning of management and development of water resource. Pilot project will be undertaken on integrated management of Bang Pakong basin and promotion of water source development and restoring ecological systems. Database systems and water-related warning systems will be set up. Clean water will be provided for consumption and water works will be developed, restored and improved while awareness on economical and efficient use of water will be promoted.

4.4 Budgeting plan for control of toxics from waste, polluted water, dust, gas, odor and noise

The amount of 1,092 million baht will be earmarked for preventing and controlling toxics from waste to be within specified standards in order to bring about quality life and sustainable development. This will be implemented by supervision and keeping sources of toxics at standard limits. Measures and standards will be specified along with the recommendations on toxic management and restoration of environment. Formation of groups and networks will be encouraged to manage natural resources and environment.

Strategy 5 : Adjustment on efficient use of energy

The government has allocated the budget to create a balance between the country's use of energy and natural resources. It is a crucial foundation for sustainable management of energy under the sufficiency economy philosophy. Emphasis will be made on promoting efficiency and conservation of energy, developing security in energy, and utilizing renewable energy. Campaigns will be launched to urge every sector to participate in planning and setting up policy on energy development and expanding exploration of natural fuel along with the provision of internal and external sources of energy. The government will support study and research on renewable and alternative energy in order to improve efficiency in the country's use of energy. The budget for this strategy is 2,199.3 million baht, equivalent to 0.1 per cent of the total budget and can be classified by the following budgeting plans:

5.1 Budgeting plan for increasing efficiency in the use of energy

The amount of 348.3 million baht will be used to launch campaigns urging every sector to participate in energy conservation and reduction of energy use. Emphasis will be made on promoting efficiency and economizing energy by instilling public awareness in energy conservation and utilization of alternative energy consisting of natural gas for vehicle (NGV), gasohol, and bio-diesel. Factories, medium and small commercial buildings and those who are interested will be invited to participate in the energy conservation projects.

5.2 Budgeting plan for creating security in energy

The amount of 565.9 million baht will be used for provision of sufficient supply of energy to meet demand by exploring internal and external sources of energy and sources of natural fuels along with maintaining sufficient sources of energy reserve to meet demand during energy shortage. To create long term security in energy, the government will support investment in exploration and production of natural fuels, inspect standards in operating energy business and set up measures in management of energy to rectify both short term and long term problems.

5.3 Budgeting plan for energy substitution

The amount of 1,285.1 million baht will be earmarked for promoting development of alternative and renewable energy on a sustainable basis in order to reduce the country's imports of oil. This will be implemented by providing consultation to every sector on the integration of processes in developing, producing and utilizing alternative and renewable energy toward the same direction at all levels. Communities will be encouraged to design community plans on energy integration and manage the country's energy plan with efficiency along with the improvement of laws on energy.

Strategy 6 : Upholding national security and promoting good governance

The government has allocated the budget for upholding, protecting and preserving the monarchy, unity and reconciliation of people in the nation. Emphasis will be given to the development of the country's defence system by uniting every sector and the armed forces' roles in developing and governing the country under the system of constitutional monarchy with His Majesty the King as the head of state. Bureaucracy will be improved while creative non-governmental organizations and civic society organs with public participation will be invited to participate in setting up policy on political decision making and designing various development plans. Local administrative organizations will be strengthened to be able to provide public services in the areas of environment, infrastructure, public utilities and public assistance while independent public agencies will also be given support on their administration at the agreeable level with the country's fiscal condition. The budget for this strategy is 348,650.5 million baht, equivalent to 22.2 per cent of the total budget and can be classified by the following budgeting plans:

6.1 Budgeting plan for upholding national security

The amount of 145,649.7 million baht will be allocated for upholding national security with the goals of protecting and preserving the monarchy, creating unity and reconciliation of people in the nation, understanding and putting into practice the philosophy of sufficiency economy, rectifying people's problems in every locality and putting an end to the unrest in the southern bordering provinces. Attention will be made on improving potentials of the armed forces in protecting the country, developing the country's defence system and taking part in fighting all forms of threats. In addition, efficiency of operating and registration system of alien labors will be upgraded along with the intelligence system, system on maintaining preparedness and crisis management system at the national level. This also includes cooperation with the world community in preventing and combating all forms of terrorism and multination crimes.

6.2 Budgeting plan on promoting good governance

The amount of 62,334.5 million baht will be used to expedite the reforms of politics and bureaucracy and to solve the political and administrative crises. The government will support the drafting and adopting the permanent version of the constitution of the Kingdom of Thailand by encouraging people from all walks of life to participate in drafting the constitution. In addition, good governance will be promoted by creating virtue system and political ethic to strengthen people and make them aware of their rights and duties and take larger role in making decision on governing the country. People will be instilled the

knowledge and understanding of politics and democratic regime with the king as the head of state. Elections at the local level will be arranged. Corruption will be prevented and suppressed. Operations and structure of civil service will be improved, modernized and transparent leading to higher capability and excellence in public service. Public personnel and government agencies will be encouraged to continue learning process and development. Evaluation system and good governance in the public sector will be developed and promoted. Judiciary process and justice system will be improved to provide fairness to the people on the basis of legal equality. Support will also be given to independent public agencies to make them more efficient.

6.3 Budgeting plan for devolution of power to the locality

The amount of 140,666.3 million baht will be allocated to local administrative organizations to strengthen their capability in providing public services, managing environment, improving infrastructure and public utilities along with the public assistance. Information technology system will be developed to improve society and quality of life of the people with efficiency. Local administrative organizations' work standards will be upgraded to be transparent, fair, economized and efficient.

Strategy 7 : Improving management of public sector

The government has allocated the budget for expenses on public personnel, management of public debts and reserves for contingencies of government agencies, state enterprises and other public offices in order to timely and efficiently cope with emergencies or necessities and to accommodate crucial changes in the country. The budget for this strategy is 334,989.1 million baht, equivalent to 21.4 per cent of the total budget and can be classified by the following budgeting plans:

7.1 Budgeting plan for management of public personnel

The amount of 115,160 million baht will be used for expenses on public personnel consisting of military compensation, employment gratuity, pension, financial assistance to civil servants, employees and public personnel, promotional compensation for rank and position adjustments, salaries, compensation for academic adjustments and expenditures on compensation adjustments for public personnel.

7.2 Budgeting plan for public debt management

The amount of 176,635.7 million baht will be used for management of repayments of government's debts to create fiscal and monetary stability of the country.

7.3 Budgeting plan for contingencies to accommodate emergencies or necessities and crucial changes

The amount of 43,193.4 million baht will be reserved for contingencies in the events of emergencies and necessities and to rectify immediate problems affecting economic and social system and to provide assistance and rehabilitation victims from floods and other natural disasters.

Table I-2
Budget Allocation Strategy FY 2007

(in million baht)

Budget Allocation Strategy	Budget	
	Amount	%
Total	1,566,200.0	100.0
1. Poverty Alleviation and Rural Development	57,408.4	3.7
2. Development of Human and Quality Society	591,494.2	37.8
3. Adjustment of Economic Structure for Balance Growth	184,663.0	11.8
4. Management of Sustainable Natural Resources and Environment	46,795.5	3.0
5. Adjustment on Efficient Use of Energy	2,199.3	0.1
6. Upholding National Security and Promoting Good governance	348,650.5	22.2
7. Improving Management of Public Sector	334,989.1	21.4

Table I-3
Budget Allocation Strategy and Budgeting Plan
Fiscal Year 2007

(in million baht)

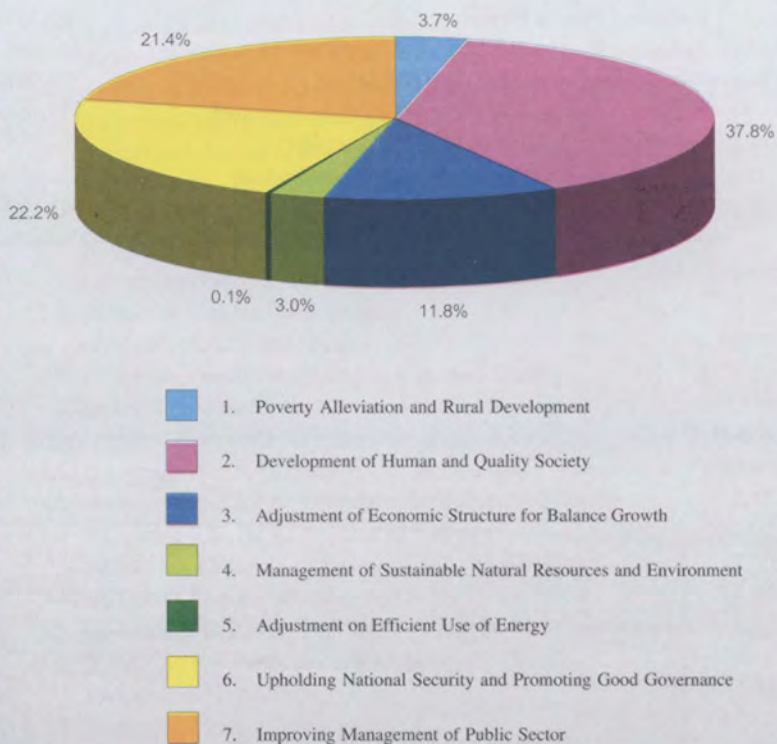
Budget Allocation Strategy/Budgeting Plan	Amount
Total	1,566,200.0
1 Poverty Alleviation and Rural Development	57,408.4
1.1 Budgeting Plan for Poverty Alleviation and Rural Development	57,408.4
2 Development of Human and Quality Society	591,494.2
2.1 Budgeting Plan for Development of Life-long Learning Society and Human of Knowledge, Virtue and Moral	313,231.9
2.2 Budgeting Plan for Conservation and Carrying on Tradition, Culture and Development of Wisdom	4,753.7
2.3 Budgeting Plan for Development of an Integrated Healthy Environment with Quality Standard for the People	178,959.6
2.4 Budgeting Plan for Development of Security in Life and Society	93,987.7
2.5 Budgeting Plan for Providing Readiness to Society to Accommodate Senior Citizen as Valued Resources	561.3
3 Adjustment of Economic Structure for Balance Growth	184,663.0
3.1 Budgeting Plan for Adjustment of Agricultural Sector	42,462.8
3.2 Budgeting Plan for Adjustment of Manufacturing Sector	8,551.9
3.3 Budgeting Plan for Adjustment of Tourism, Services and Trades	11,306.9
3.4 Budgeting Plan for Monetary and Fiscal Management	14,081.0
3.5 Budgeting Plan for Foreign and International Economic Affairs	9,842.9
3.6 Budgeting Plan for Science, Technology, Research and Innovation	17,327.2
3.7 Budgeting Plan for Development of Infrastructure and Logistic System	81,090.3
4 Management of Sustainable Natural Resources and Environment	46,795.5
4.1 Budgeting Plan for Creating Balance in Utilization and Conservation of Natural Resources	16,745.6
4.2 Budgeting Plan for Protection and Utilization of Bio-diversity	316.6
4.3 Budgeting Plan for Systematic Management of Water	28,641.3
4.4 Budgeting Plan for Control of Toxics from Waste, Polluted Water, Dust, Gas, Odor and Noise	1,092.0

<i>(in million baht)</i>	
Budget Allocation Strategy/Budgeting Plan	Amount
5 Adjustment on Efficient Use of Energy	2,199.3
5.1 Budgeting Plan for Increasing Efficiency in the Use of Energy	348.3
5.2 Budgeting Plan for Creating Security in Energy	565.9
5.3 Budgeting Plan for Energy Substitution	1,285.1
6 Upholding National Security and Promoting Good Governance	348,650.5
6.1 Budgeting Plan for Upholding National Security	145,649.7
6.2 Budgeting Plan on Promoting Good Governance	62,334.5
6.3 Budgeting Plan for Devolution of Power to the Locality	140,666.3
7 Improving Management of Public Sector	334,989.1
7.1 Budgeting Plan for Management of Public Personnel	115,160.0
7.2 Budgeting Plan for Public Debt Management	176,635.7
7.3 Budgeting Plan for Contingencies to Accommodate Emergencies or Necessities and Crucial Changes	43,193.4

Figure 1-2

Budget Appropriation by Strategies

FY 2007



5. Budget appropriations classified by objects of expenditures

The FY 2007 budget expenditures of 1,566,200 million baht classified by major objects of expenditures are presented in Table I-4.

Table I-4
Budget Appropriation by Type of Expenses
FY 2006-2007

(in million baht)

Types of Expenses	Appropriation		Changes Over FY 2006	
	FY 2006	FY 2007	Amount	%
1. Personnel expenses (% of the total budget)	385,639.3 28.4	426,606.9 27.2	40,967.6	10.6
2. Operating expenses (% of the total budget)	115,418.8 8.5	141,330.7 9.0	25,911.9	22.5
3. Investments (% of the total budget)	137,991.2 10.1	179,594.3 11.5	41,603.1	30.1
4. Subsidies (% of the total budget)	344,492.5 25.3	370,976.7 23.7	26,484.2	7.7
5. Other expenses (% of the total budget)	376,458.2 27.7	447,691.4 28.6	71,233.2	18.9
Total	1,360,000.0	1,566,200.0	206,200.0	15.2

N.B.

Personnel expenses Expenses on personnel administration in the public sector, e.g. salaries, permanent wages, temporary wages, and wages for government employees.

Operating expenses Expenses on administration and operations, e.g. remuneration, services other than personnel and supplies, public utilities.

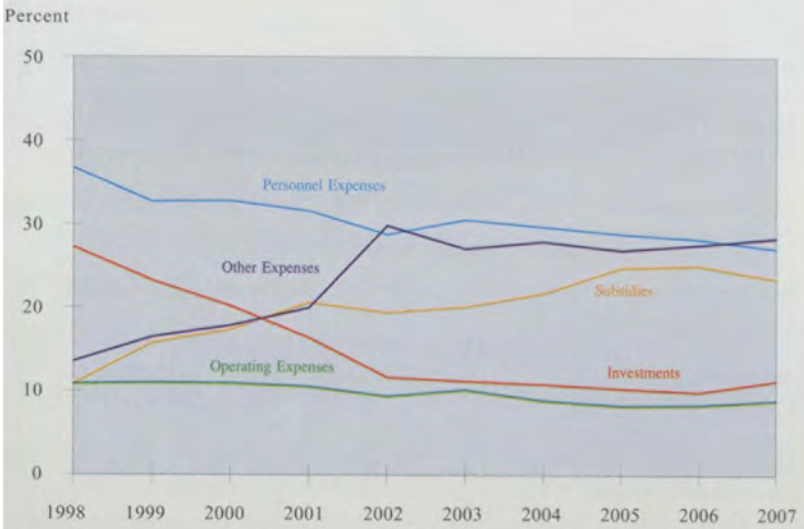
Investments Expenses on equipments, land, buildings and related expenses.

Subsidies Expenses on support for operations of local administrative organizations, private organizations and other juristic persons. These expenses are classified as personnel expenses, operating expenses and investments.

Other expenses Expenses that cannot be classified by the above categories or expenses that Bureau of the Budget specifies to be made from this account. These expenses are also classified as personnel expenses, operating expenses and investments.

The budget expenditures classified by objects of expenses for the 1998-2007 period is presented in the following Figure 1-3.

Figure 1-3
 Budget Appropriation by Objects of Expenses
 FY 1998-2007



PART II

Estimated Receipts

Receipts for fiscal year 2007 are estimated at 1,566,200 million baht, an increase of 206,200 million baht or 15.2 per cent when compared with the FY 2006's estimates of 1,360,000 million baht.

The estimated revenues of 1,566,200 million baht can be classified by the following types of collections:

I. Revenue

For FY 2007, various types of revenues are estimated at 1,673,200 million baht. Deductions consist of the Revenue Department's tax rebates of 167,400 million baht, allocation of value added tax to Provincial Administrative Organization of 9,100 million baht, export compensation of 11,400 million baht, and allocation of 65,300 million baht to Local Administrative Organization as specified by the Determining Plans and Process of Decentralization to Local Administrative Organization Act B.E. 2542 (A.D. 1999). Net revenue amounts to 1,420,000 million baht.

Collection of revenues can be classified as follows:

(I) Taxes (Net)

Net taxes amount to 1,298,980.2 million baht, equivalent to 82.9 per cent of the estimated receipts. They consist of direct and indirect taxes.

(1.1) Direct taxes of 638,900 million baht include

A. Personal income tax	185,900.0 million baht
B. Corporate income tax	393,000.0 million baht
C. Petroleum income tax	60,000.0 million baht

(1.2) Indirect taxes of 913,280.2 million baht include

A. General sales tax	501,900.0 million baht
- Value added tax	460,000.0 million baht
- Specific business tax	34,000.0 million baht
- Stamp duties	7,900.0 million baht
B. Specific sales tax	323,279.4 million baht
- Petroleum and petroleum products	73,520.0 million baht
- Excise tax on import	29,350.0 million baht
- Consumption tax	185,850.0 million baht
- Mining royalties	552.0 million baht
- Petroleum royalties	34,000.0 million baht
- Natural resources royalties	7.4 million baht

C. Export - Import duties	86,450.0 million baht
D. Licensing fees	1,650.8 million baht

(2) Sales of assets and services

Sales of assets and services are 14,891.8 million baht equivalent to 0.9 per cent of estimated receipts. They are from the following sources:

(2.1) Sales of securities and assets of 1,671.4 million baht are from sales of properties of 52.4 million baht, natural products of 126.8 million baht, official publication of 14.0 million baht, and miscellaneous items of 1,478.2 million baht.

(2.2) Sales of services amount to 13,220.4 million baht. They are derived from sales of services of 10,973.1 million baht and rent income of 2,247.3 million baht.

(3) Income from state enterprises

Incomes from state enterprises account for 72,650 million baht or 4.6 per cent of estimated receipts. They include profit from government-owned businesses of 62,482.7 million baht, and 10,167.3 million baht from the Government Lottery Bureau.

(4) Miscellaneous income

Miscellaneous income is 33,478.0 million baht or 2.1 per cent of estimated receipts. It comprises stamp duties and fines 3,907.6 million baht, refunds 4,921.0 million baht and other income of 24,649.4 million baht.

2. Borrowings

Since estimated expenditures exceed the net estimated receipts by 146,200 million baht, the deficit will be financed by borrowings of the same amount which is equivalent to 9.3 per cent of the estimated receipts.

Table II-1
Receipt Estimates

(in million baht)

Receipts	FY 2006		FY 2007		Changes over the FY 2005	
	Amount	%	Amount	%	Amount	%
Revenue						
1. Taxes (Gross)	1,468,936.7 (1,459,678.3)	108.0 (109.0)	1,552,180.2	99.1	83,243.5 (92,501.9)	5.7 (6.3)
2. Sales of Assets and Services	14,372.8 (14,735.8)	1.1 (1.1)	14,891.8	1.0	519.0 (156.0)	3.6 (1.0)
3. State Enterprises	60,600.0 (77,165.5)	4.5 (5.8)	72,650.0	4.6	12,050.0 (-4,515.5)	19.9 (-5.9)
4. Others	35,490.5 (29,941.4)	2.6 (2.2)	33,478.0	2.1	-2,012.5 (3,536.6)	-5.7 (11.8)
Total (Gross)	1,579,400.0 (1,581,521.0)	116.1 (118.1)	1,673,200.0	106.8	93,800.0 (91,679.0)	5.9 (5.8)
Deduct						
1. Tax Rebates of the Revenue Department	135,000.0 (164,568.0)	9.9 (12.3)	167,400.0	10.7	32,400.0 (2,832.0)	24.0 (1.7)
2. Allocation of Value Added Tax to Provincial Administrative Organization	8,200.0 (8,368.0)	0.6 (0.6)	9,100.0	0.6	900.0 (732.0)	11.0 (8.7)
3. Export Duties Compensation	14,400.0 (11,700.0)	1.1 (0.9)	11,400.0	0.7	-3,000.0 (-300.0)	-20.8 (-2.6)
Total (Net)	1,421,800.0 (1,396,885.0)	104.5 104.3	1,485,300.0	94.8	63,500.0 (88,415.0)	4.5 (6.3)
Allocation of value added tax to Local Administrative Organization	61,800.0 (57,500.0)	4.5 (4.3)	65,300.0	4.2	3,500.0 (7,800.0)	5.7 (13.6)
Total revenue (Net)	1,360,000.0 (1,339,385.0)	100.0 (100.0)	1,420,000.0	90.7	90,000.0 (80,615.0)	4.4 (6.0)
Domestic Borrowing	-	-	146,200.0	9.3	146,200.0	-
Total receipts	1,360,000.0 (1,339,385.0)	100.0 (100.0)	1,566,200.0	100.0	206,200.0 (226,815.0)	15.2 (16.9)

N.B. Figures in parentheses are adjusted estimates resulting from the resolution of the cabinet meeting of October 17, 2006.

Figure 2-1

Receipt Estimates FY 2007

A Total of 1,566,200 million baht

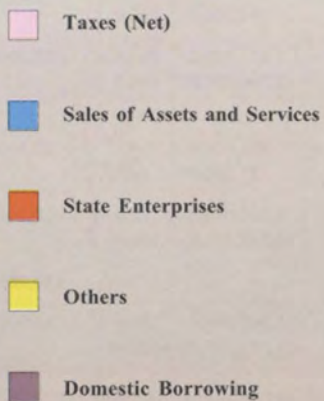
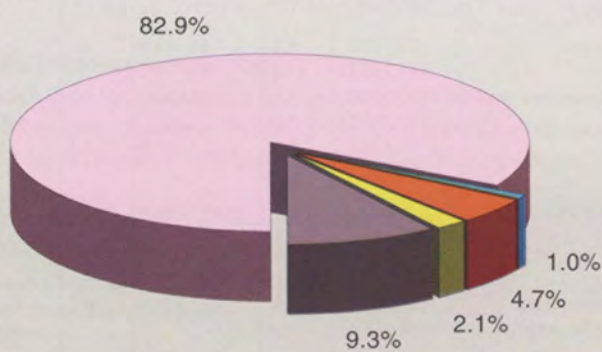


Table II-2
Revenue Estimates by Departments

(in million baht)

Department	FY 2006		FY 2007		Changes over the FY 2006	
	Amount	%	Amount	%	Amount	%
1. The Revenue Department	1,009,000.0 (1,057,198.0)	68.4 (71.2)	1,141,000.0	80.4	132,000.0 (83,802.0)	13.1 (7.9)
2. The Excise Department	312,500.0 (274,096.0)	26.1 (25.0)	289,000.0	20.3	-23,500.0 (14,904.0)	-7.5 (5.4)
3. The Customs Department	120,400.0 (96,232.0)	8.7 (8.6)	88,000.0	6.2	-32,400.0 (-8,232.0)	-26.9 (-8.6)
4. Others	76,900.0 (76,829.5)	5.9 (5.1)	82,550.0	5.8	5,650.0 (5,720.5)	7.3 (7.4)
5. State Enterprises	60,600.0 (77,165.5)	4.8 (5.2)	72,650.0	5.1	12,050.0 (-4,515.5)	19.9 (-5.9)
Total (Gross)	1,579,400.0 (1,581,521.0)	113.9 (115.1)	1,673,200.0	117.8	93,800.0 (91,679.0)	5.9 (5.8)
Deduct						
1. Tax Rebates of the Revenue Department	135,000.0 (164,568.0)	8.3 (9.6)	167,400.0	11.8	32,400.0 (2,832.0)	24.0 (1.7)
2. Allocation of Value Added Tax to Provincial Administrative Organization	8,200.0 (8,368.0)	0.5 (0.6)	9,100.0	0.6	900.0 (732.0)	11.0 (8.7)
3. Export Duties Compensation	14,400.0 (11,700.0)	1.0 (1.0)	11,400.0	0.8	-3,000.0 (-300.0)	-20.8 (-2.6)
Total (Net)	1,421,800.0 (1,396,885.0)	104.1 (103.9)	1,485,300.0	104.6	63,500.0 (88,415.0)	4.5 (6.3)
Allocation of value added tax to Local Administrative Organization	61,800.0 (57,500.0)	4.1	65,300.0	4.6	3,500.0 (7,800.0)	5.7 (13.6)
Total revenue (Net)	1,360,000.0 (1,339,385.0)	100.0 (100.0)	1,420,000.0	100.0	60,000.0 (80,615.0)	4.4 (6.0)

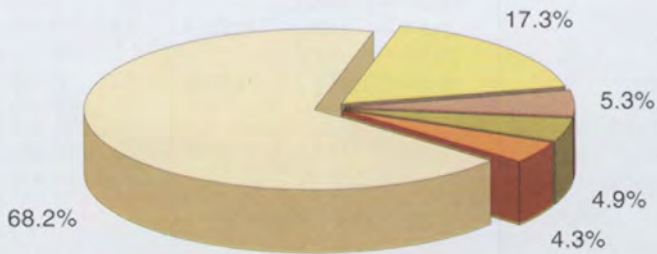
N.B. Figures in parentheses are adjusted estimates resulting from the resolution of the cabinet meeting of October 17, 2006.

Figure 2-2

Net Revenue Estimates FY 2007

Collected by Departments

Total 1,420,000 million baht








-  Revenue Department
-  Excise Department
-  Customs Department
-  Others
-  State Enterprises

Table II-3
Revenue Estimates by Ministries

(in million baht)

Ministry	FY 2006		FY 2007		Changes over the FY 2006	
	Amount	%	Amount	%	Amount	%
1 Office of the Prime Minister	1,232.80	0.09	332.25	0.02	-900.6	-73.05
	1,213.76	(0.09)			(-881.50)	(-72.60)
2 Ministry of Defence	294.10	0.02	217.81	0.02	-76.3	-25.94
3 Ministry of Finance	1,468,681.90	107.99	1,537,568.30	108.28	68,886.40	4.69
	(1,442,112.13)	(107.67)			(95,456.18)	(6.62)
4 Ministry of Foreign Affairs	2,723.70	0.20	3,364.22	0.24	640.5	23.52
5 Ministry of Tourism and Sports	12.20	0.00	12.00	0.00	-0.20	-1.64
6 Ministry of Social Development and Human Security	167.20	0.01	90.64	0.01	-76.56	-45.79
7 Ministry of Agriculture and Cooperatives	891.8	0.07	749.17	0.05	-142.63	-15.99
	(863.19)	(0.06)			(-114.00)	(-13.20)
8 Ministry of Transport and Communications	(2,042.80)	0.15	1,678.96	0.12	-363.8	-17.81
9 Ministry of Natural Resources and Environment	921.90	0.07	831.42	0.06	-90.48	-9.81
	(918.63)	(0.07)			(-87.20)	(-9.50)
10 Ministry of Information and Communication Technology	513.50	0.04	558.57	0.04	45.07	8.78
11 Ministry of Energy	27,969.00	2.06	43,891.58	3.09	15,922.58	56.93
	(42,713.96)	(3.19)			(1,177.62)	(2.76)
12 Ministry of Commerce	2,141.00	0.16	2,043.56	0.14	-97.44	-4.55
13 Ministry of Interior	1,301.60	0.10	1,000.44	0.07	-301.16	-23.14
	(1,165.66)	(0.09)			(-165.20)	(-14.20)
14 Ministry of Justice	1,080.10	0.08	1,242.52	0.09	162.42	15.04
15 Ministry of Labour	879.50	0.06	816.06	0.06	-63.45	-7.21
16 Ministry of Culture	26.30	0.00	28.43	0.00	2.13	8.10
17 Ministry of Science and Technology	121.10	0.01	155.70	0.01	34.60	28.57
18 Ministry of Education	1,146.90	0.08	1,163.97	0.08	17.1	1.49
19 Ministry of Public Health	360.20	0.03	317.48	0.02	-42.72	-11.86
	(254.25)	(0.02)			(63.23)	(24.87)

(in million baht)

Ministry	FY 2006		FY 2007		Changes over the FY 2006	
	Amount	%	Amount	%	Amount	%
20 Ministry of Industry	1,172.70 (572.75)	0.09 (0.04)	1,168.34	0.09	-4.36 (595.59)	-0.37 (103.99)
21 Independent Public Agencies	2,926.90 (1,200.01)	0.22 (0.09)	1,404.57	0.10	-1,522.33 (204.55)	-52.01 (17.05)
22 Independent Public Bodies	2,192.80	0.16	1,913.98	0.13	-278.82	-12.72
23 State Enterprises	60,600.00 (77,165.48)	4.46 (5.76)	72,650.04	5.12	12,050.04 (-4,515.40)	19.88 (-5.90)
Total (Gross)	1,579,400.00 (1,581,521.00)	116.13 (118.08)	1,673,200.00	117.83	93,800.00 (91,679.00)	5.94 (5.80)
Deduct						
1 Tax Rebates of the Revenue Department	135,000.00 (164,568.00)	9.93 (12.29)	167,400.00	11.79	32,400.00 (2,832.00)	24.00 (1.72)
2 Allocation of Value Added Tax to Provincial Administrative Organization	8,200.00 (8,368.00)	0.60 (0.62)	9,100.00	0.64	900.00 (732.00)	10.98 (8.75)
3 Export Duties Compensation	14,400.00 (11,700.00)	1.06 (0.87)	11,400.00	0.80	-3,000.00 (-300.00)	-20.83 (-2.56)
Total (Net)	1,421,800.00 (1,396,885.00)	104.54 (104.29)	1,485,300.00	104.60	63,500.00 (88,415.00)	4.47 (6.33)
Allocation of value added tax to Local Administrative Organization	61,800.00 (57,500.00)	4.54	65,300.00	4.60	3,500.00 (7,800.00)	5.66 (13.57)
Total revenue (Net)	1,360,000.00 (1,339,385.00)	100.00 (100.00)	1,420,000.00	100.00	60,000.00 (80,615.00)	4.41 (6.02)

N.B. Figures in parentheses are adjusted estimates resulting from the resolution of the cabinet meeting of October 17, 2006.

Table II-4
Estimated and Actual Revenue

(in million baht)

Fiscal Year	Estimated Revenue (1)	Actual Revenue (2)	Changes over (1)	
			Amount	%
1997	925,000.0 (9.7)	843,365.5 (-0.4)	-81,634.5	-8.8
1998	782,020.0 (-15.5)	733,463.7 (-13.0)	-48,556.3	-6.2
1999	705,420.0 (-9.8)	709,117.7 (-3.3)	3,697.7	0.5
2000	743,030.0 (5.3)	750,082.5 (5.8)	7,052.5	0.9
2001	805,000.0 (8.3)	772,966.4 (3.1)	-32,033.6	-4.0
2002	823,000.0 (2.2)	851,097.2 (10.1)	28,097.2	3.4
2003	825,000.0 (0.2)	961,365.1 (13.0)	136,365.1	16.5
2004	1,063,600.0 (28.9)	1,114,834.7 (16.0)	51,234.7	4.8
2005	1,250,000.0 (17.5)	1,255,629.2	5,629.2	0.5
2006	1,360,000.0 (8.8)	-	-	-
	(1,339,385.0) (7.2)	-	-	-

- N.B. 1 Figures in parentheses for (1) and (2) are percentage increases/decreases from the previous year.*
- 2 Figures for FY 1997-2000 are adjusted estimates.*
- 3 Figures for FY 2001-2005 are net actual revenue after allocation of value added tax to Local Administrative Organization.*
- 4 For FY 2006, figures in parentheses are adjusted estimates resulting from the resolution of the cabinet meeting of October 17, 2006.*

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Table II-6
Actual Receipts by Types

(in million baht)

Revenue	2001		2002		2003		2004		2005	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Revenue										
1. Taxes (Gross)	784,386.5	7.9	863,949.6	10.1	1,002,509.3	16.0	1,172,124.7	16.9	1,354,946.8	15.6
2. Sales of Assets and Services	10,971.6	-57.3	17,208.0	56.8	12,303.5	-28.5	45,341.3	268.5	15,910.5	-64.9
3. State Enterprises	59,023.4	33.9	57,862.4	-2.0	63,087.7	9.0	58,610.7	-7.1	82,113.7	40.1
4. Others	20,612.0	-0.5	20,817.2	1.0	19,760.7	-5.1	19,652.0	-0.6	12,149.2	-38.2
Total (Gross)	874,993.5	3.1	959,837.2	9.7	1,097,661.1	14.4	1,295,728.7	18.0	1,465,120.2	13.1
Deduct										
1. Tax Rebates of the Revenue Department	77,920.7	36.6	79,902.0	2.5	80,149.0	0.3	115,574.0	44.2	131,219.0	13.5
2. Allocation of Value Added Tax to Provincial Administrative Organization	3,739.6	16.9	4,109.0	9.9	5,042.0	22.7	6,368.0	26.3	7,451.0	17.0
3. Export Duties Compensation	7,697.8	5.8	8,234.0	7.0	10,501.0	27.5	11,226.0	6.9	12,421.0	10.6
Total (Net)	785,635.4	4.7	867,592.2	10.4	1,001,969.1	15.5	1,162,560.7	16.0	1,314,029.2	13.0
Allocation of value added tax to Local Administrative Organization	-	-	16,495.0	-	40,604.0	146.2	47,726.0	17.5	58,400.0	22.4
Total	785,635.4	3.1	851,097.2	8.3	961,365.1	13.0	1,114,834.7	16.0	1,255,629.2	12.6
Domestic Borrowing	104,797.3	-2.9	170,000.0	62.2	76,000.0	-55.3	90,000.0	18.4	-	-100.0
Total receipts (Net)	890,432.7	2.3	1,021,097.2	14.7	1,037,365.1	1.6	1,204,834.7	16.1	1,255,629.2	4.2

Table II-7
Revenue Estimates by Regions

(in million baht)

Region	Revenue	Actual 2005	Estimated	
			2006	2007
Revenue (Net)		1,255,629.2	1,339,385.0	1,420,000.0
Taxes (Net)		1,153,803.7	1,230,761.0	1,304,751.0
Sales of Assets & Services		13,184.0	14,063.5	14,951.0
State Enterprise		55,875.5	59,602.6	63,197.0
Others		32,766.0	34,957.9	37,101.0
1. Bangkok		755,257.3	805,640.1	854,024.0
Taxes (Net)		665,485.9	709,874.1	752,473.0
Sales of Assets & Services		7,282.6	7,768.4	8,243.0
State Enterprise		55,875.5	59,602.6	63,197.0
Others		26,613.3	28,395.0	30,111.0
2. North		16,703.4	17,813.8	18,914.0
Taxes (Net)		14,694.4	15,670.8	16,624.0
Sales of Assets & Services		878.9	937.6	1,004.0
Others		1,130.1	1,205.4	1,286.0
3. Northeast		22,350.2	23,841.0	25,302.0
Taxes (Net)		19,587.8	20,894.4	22,162.0
Sales of Assets & Services		1,004.5	1,071.5	1,144.0
Others		1,757.9	1,875.1	1,996.0
4. Central		439,093.6	468,383.0	496,600.0
Taxes (Net)		433,945.5	462,891.5	490,762.0
Sales of Assets & Services		3,013.5	3,214.5	3,416.0
Others		2,134.6	2,277.0	2,422.0
5. South		22,224.7	23,707.1	25,160.0
Taxes (Net)		20,090.1	21,430.2	22,730.0
Sales of Assets & Services		1,004.5	1,071.5	1,144.0
Others		1,130.1	1,205.4	1,286.0

Source : Figures for FY 2005 are from the Ministry of Finance
 Figures for FY 2006 are adjusted estimates resulting from
 the resolution of the cabinet meeting of October 17, 2006.

Table II-8
Gross Taxes Revenue Collected by Departments

Department	2003		2004		2005		2006		2007	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
The Revenue Department	627,396.6	62.6	772,076.6	65.9	936,916.2	69.1	1,008,800.0 (1,057,110.0)	68.7 (72.4)	1,140,800.0	73.2
The Excise Department	246,531.4	24.6	275,655.8	23.5	279,100.4	20.6	312,385.5 (273,953.4)	21.3 (18.8)	288,856.0	18.5
The Customs Department	110,269.7	11.0	103,902.3	8.9	113,008.8	8.3	118,900.0 (93,947.0)	8.1 (6.4)	86,450.0	5.6
Department of Mineral Fuels	16,730.0	1.7	18,013.7	1.5	23,355.3	1.7	26,232.0 (34,668.0)	1.8 (2.4)	34,000.0	2.2
The National Police Office	826.5	0.1	1,620.1	0.1	1,700.3	0.1	1,726.9 (0.0)	0.1 (0.0)	1,202.4	0.1
Others	755.2	0.1	856.2	0.1	854.8	0.1	892.3 (0.0)	0.1 (0.0)	6,119.8	0.4
Total (Gross)	1,002,509.3	100.0	1,172,124.7	100.0	1,354,946.8	100.0	1,468,936.7 (1,459,678.4)	100.0 (100.0)	1,557,428.2	100.0

N.B. : 1. Figures for FY 2003-2005 are actual.

2. Figures for FY 2006-2007 are estimated.

3. Figures for FY 2003 of the Department of Mineral Fuels are

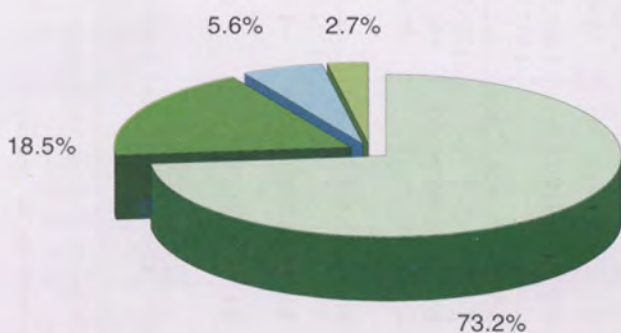
Petroleum Royalties of the Department of Mineral Resources under the old structure.

4. For FY 2006, figures in parentheses are adjusted estimates

resulting from the resolution of the cabinet meeting of October 17, 2006.

Figure 2-3

Gross Taxes Revenue FY 2007
Collected by Departments
Total 1,557,428.2 million baht







-  The Revenue Department
-  The Excise Department
-  The Customs Department
-  Others

Table II- 9
Non-Taxes Revenue Collected by Departments

Department	Fiscal year	2003		2004		2005		2006		2007	
		Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Department of Lands		343.2	0.4	407.7	0.3	440.8	0.4	788.2	0.7	447.4	0.4
Office of the Permanent Secretary for Finance		3,189.6	3.4	14,285.9	11.6	1,595.0	1.4	23,167.3 (10,843.0)	21.0 (8.9)	16,104.6	13.9
The Treasury Department		3,629.7	3.8	2,775.1	2.2	3,210.2	2.9	2,900.0	2.6	3,350.0	2.9
Office of the Permanent Secretary for Foreign Affairs		1,738.5	1.8	1,480.0	1.2	3,054.6	2.8	2,723.7	2.5	3,364.2	2.9
Department of Industrial Works*		340.2	0.4	389.9	0.3	329.6	0.3	325.6	0.3	83.4	0.1
		31.5	-	35.4	-	56.5	0.1	34.9	-	252.7	0.2
Office of the Court of Justice		3,164.6	3.3	2,202.0	1.8	1,434.9	1.3	2,184.3	2.0	1,905.1	1.6
State Enterprises		63,087.7	66.3	58,610.7	47.4	82,113.7	74.5	60,600.0 (77,165.5)	54.9 (63.3)	72,650.0	62.8
Others		19,626.8	20.6	43,417.3	35.2	17,938.1	16.3	17,739.3 (24,877.4)	16.0 (20.4)	17,614.4	15.2
Total		95,151.8	100.0	123,604.0	100.0	110,173.4	100.0	110,463.3 (121,842.6)	100.0 (100.0)	115,771.8	100.0

N.B. : 1. Figures for FY 2003-2005 are actual.

2. Figures for FY 2006-2007 are estimated.

3. For FY 2006, figures in parentheses are adjusted estimates resulting from the resolution of the cabinet meeting of October 17, 2006.

4. * Effective from March 2006, substantial parts of fee revenue from factories will be transferred to the Office of the Permanent Secretary, Ministry of Industry.

Table II-10
Estimated and Actual Taxes Collection

(in million baht)

Fiscal Year	Gross Taxes		(2) - (1)	
	Estimated (1)	Actual (2)	Amount	%
1991	347,511.7	425,291.7	77,780.0	22.4
1992	416,308.5	452,671.5	36,363.0	8.7
1993	506,106.2	534,841.0	28,734.8	5.7
1994	579,968.0	625,371.9	45,403.9	7.8
1995	688,759.1	731,534.4	42,775.3	6.2
1996	820,803.4	808,631.8	-12,171.6	-1.5
1997	882,603.1	807,882.1	-74,721.0	-8.5
1998	732,915.3	731,023.9	-1,891.4	-0.3
1999	666,231.5	691,597.7	25,366.2	3.8
2000	705,095.9	727,078.1	21,982.2	3.1
2001	783,809.3	784,386.5	577.2	0.1
2002	815,920.6	863,949.6	48,029.0	5.9
2003	856,440.3	1,002,509.3	146,069.0	17.1
2004	1,083,409.3	1,172,124.7	88,715.4	8.2
2005	1,333,928.5	1,354,946.8	21,018.3	1.6

N.B. : 1. Figures for FY 1997-2000 are adjusted estimates.

2. Figures for FY 2005 are adjusted estimates resulting from the resolution of the cabinet meeting of April 12, 2005.

Table II-11
Government Revenue and Gross Domestic Product

(in million baht)

Fiscal Year	Government Revenue (1)	GDP Current Prices (2)	(1) as Percentage of (2)
1993	550,601.4	3,165,222.0	17.4
1994	649,460.3	3,629,341.0	17.9
1995	756,284.4	4,186,212.0	18.1
1996	846,566.5	4,611,041.0	18.4
1997	843,365.5	4,732,610.0	17.8
1998	733,463.7	4,626,447.0	15.9
1999	709,117.7	4,637,079.0	15.3
2000	750,082.5	4,922,731.0	15.2
2001	772,966.4	5,133,502.0	15.1
2002	851,097.2	5,450,643.0	15.6
2003	961,365.1	5,928,975.0	16.2
2004	1,114,834.7	6,503,488.0	17.1
2005	1,255,629.2	7,104,200.0	17.7
2006	1,339,385.0	7,786,200.0	17.2
2007	1,420,000.0	8,471,400.0	16.8

N.B. : 1. Figures for FY 1993-2000 are net revenue.

2. Figures for FY 2001-2006 are net actual revenue after allocation of value added tax to Local Administrative Organization.

3. Figures for FY 2007 are net estimated revenue after allocation of value added tax to Local Administrative Organization.

Source : 1. Bureau of the Budget

2. Office of the National Economic and Social Development Board

Table II-12
Domestic Borrowing for Financing Budget Deficit

(in million baht)

Fiscal Year	Budget Appropriation (1)	Legitimate Maximum Domestic Borrowing* (2)	Proposed Domestic Borrowing (3)	(3) as Percentage of (1)
1992	460,400.0	114,423.4	-	-
1993	560,000.0	141,866.0	25,600.0	4.6
1994	625,000.0	153,513.7	25,000.0	4.0
1995	715,000.0	164,421.5	-	-
1996	843,200.0	195,474.6	-	-
1997	984,000.0	216,397.5	-	-
1998	923,000.0	209,588.9	-	-
1999	825,000.0	169,280.2	25,000.0	3.0
2000	860,000.0	177,853.8	110,000.0	12.8
2001	910,000.0	191,708.2	105,000.0	11.5
2002	1,023,000.0	225,135.1	200,000.0	19.6
2003	999,900.0	227,941.4	174,900.0	17.5
2004	1,163,500.0	260,024.3	99,900.0	8.6
2005	1,250,000.0	290,061.0	-	-
2006	1,360,000.0	306,549.8	-	-
2007	1,566,200.0	357,632.4	146,200.0	9.3

- N.B.*
1. * Domestic borrowing in each fiscal year for financing budget deficit will not exceed
 - 20 percent of the total budget, and
 - 80 percent of the principal repayment.
 2. Figures for FY 2004 included additional budget of 135,500 million baht.
 3. Figures for FY 2005 included additional budget of 50,000 million baht.

Table II-13
Actual Domestic Borrowing and Principal Repayment

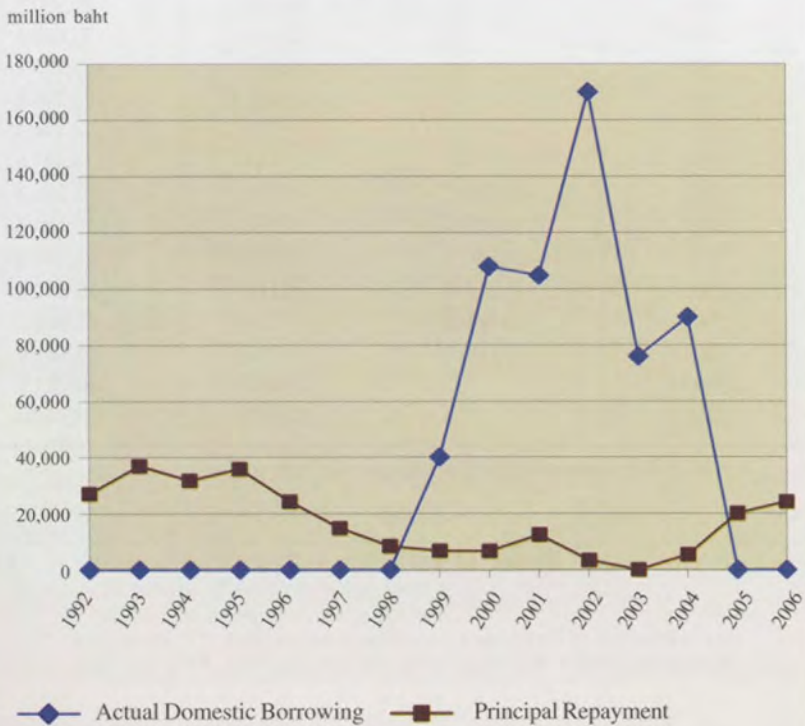
(in million baht)

Fiscal Year	Domestic Borrowing (1)	Principal Repayment (2)	(1) - (2)
1992	-	26,962.1	- 26,962.1
1993	-	36,900.9	- 36,900.9
1994	-	31,699.4	- 31,699.4
1995	-	35,783.9	- 35,783.9
1996	-	24,295.8	- 24,295.8
1997	-	14,774.3	-14,774.3
1998	-	8,443.6	-8,443.6
1999	40,000.0	6,738.7	33,261.3
2000	107,925.0	6,564.2	101,360.8
2001	104,797.3	12,403.3	92,394.0
2002	170,000.0	3,312.7	166,687.3
2003	76,000.0	18.3	75,981.7
2004	90,000.0	5,354.1	84,645.9
2005	-	20,017.7	-20,017.7
2006	-	24,140.0	-24,140.0

Source : Public Debt Management Office, Ministry of Finance.

Figure 2-4

Actual Domestic Borrowing
and Principal Repayment
FY 1992-2006



PART III

Budget Expenditures

I. The Functional and Economic Classification of Expenditures

1.1 Functional Classification

Budget expenditures classified by functions are expenditures based on the government purposes in providing public services. These functions are based on the United Nations' classifications* which classify government activities into 14 major groups under 4 categories.

A. General Governmental Services

- General Public Services
- Defence Affairs and Services
- Public Order and Safety Affairs

B. Community and Social Services

- Education Affairs and Services
- Health Affairs and Services
- Social Security and Welfare Affairs and Services
- Housing and Community Amenity Affairs and Services
- Religious, Cultural, and Recreational Affairs and Services

C. Economic Services

- Fuel and Energy Affairs and Services
- Agriculture, Forestry, and Fishery Affairs and Services
- Mining and Mineral Resource Affairs and Services, Manufacturing Affairs and Services, and Construction Affairs and Services
- Transportation and Communication Affairs and Services
- Other Economic Affairs and Services

D. Miscellaneous and Unclassified Items

- Miscellaneous and Unclassified Items

A total budget of 1,566,200 million baht for fiscal year 2007 is categorized into the following functional classification:

* Since 1992, the Bureau of the Budget has adjusted the functional classification system by adopting the United Nations classification methodology of 1980 instead of the 1958 methodology.

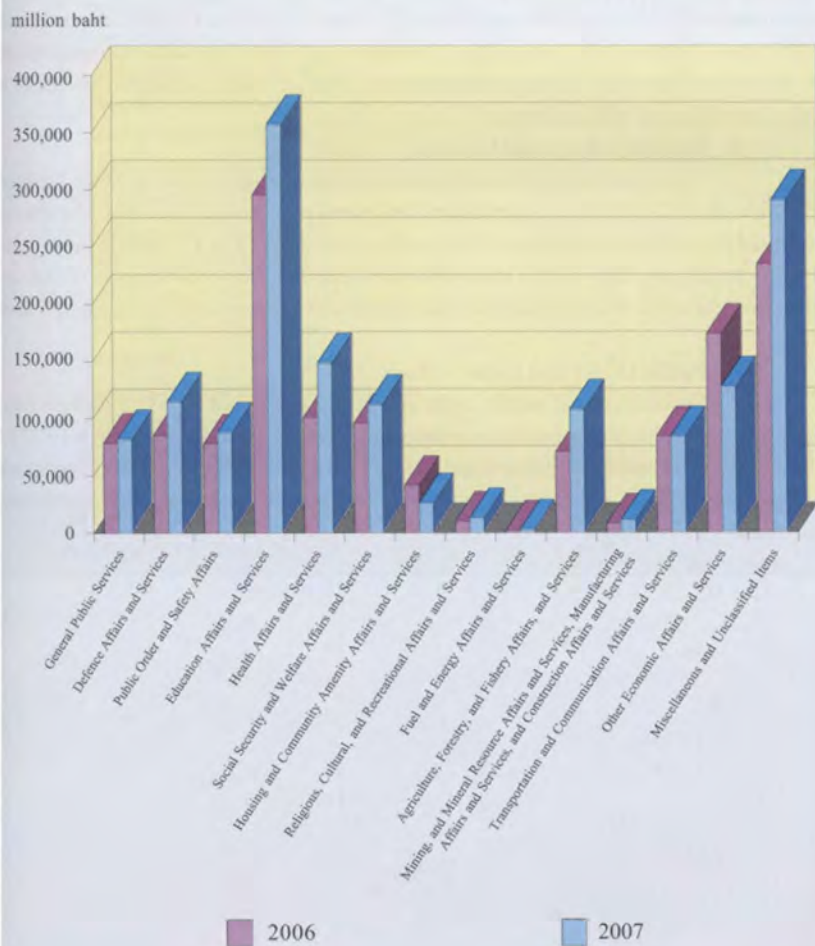
Table III-1
Functional Classification of Expenditures

(in million baht)

Sector	FY 2006		FY 2007		Changes over the FY 2006	
	Amount	%	Amount	%	Amount	%
General Governmental Services	241,660.9	17.8	284,170.1	18.2	42,509.2	17.6
- General Public Services	78,696.2	5.8	81,842.4	5.3	3,146.2	4.0
- Defence Affairs and Services	85,107.6	6.3	114,696.2	7.3	29,588.6	34.8
- Public Order and Safety Affairs	77,857.1	5.7	87,631.5	5.6	9,774.4	12.6
Community and Social Services	543,505.3	39.9	655,123.2	41.8	111,617.9	20.5
- Education Affairs and Services	295,622.8	21.7	355,241.1	22.7	59,618.3	20.2
- Health Affairs and Services	101,040.5	7.4	148,704.5	9.5	47,664.0	47.2
- Social Security and Welfare Affairs and Services	95,559.5	7.1	112,398.8	7.2	16,839.3	17.6
- Housing and Community Amenity Affairs and Services	41,339.2	3.0	25,689.4	1.6	-15,649.8	-37.9
- Religious, Cultural, and Recreational Affairs and Services	9,943.3	0.7	13,089.4	0.8	3,146.1	31.6
Economic Services	339,783.5	25.0	332,282.9	21.2	-7,500.6	-2.2
- Fuel and Energy Affairs and Services	2,238.3	0.2	2,846.8	0.2	608.5	27.2
- Agriculture, Forestry, and Fishery Affairs and Services	70,806.4	5.2	107,374.9	6.8	36,568.5	51.6
- Mining and Mineral Resource Affairs and Services, Manufacturing Affairs and Services, and Construction Affairs and Services	8,026.5	0.6	11,096.1	0.7	3,069.6	38.2
- Transportation and Communication Affairs and Services	84,519.9	6.2	84,166.9	5.4	-353.0	-0.4
- Other Economic Affairs and Services	174,192.4	12.8	126,798.2	8.1	-47,394.2	-27.2
Miscellaneous and Unclassified Items	235,050.3	17.3	294,623.8	18.8	59,573.5	25.3
- Miscellaneous and Unclassified Items	235,050.3	17.3	294,623.8	18.8	59,573.5	25.3
Total	1,360,000.0	100.0	1,566,200.0	100.0	206,200.0	15.2

Figure 3-1

Budget Expenditures Classified by Functions
FY 2006-2007



A. General Governmental Services

The expenditures for general governmental services are 284,170.1 million baht, equivalent to 18.2 % of the total expenditures. They are divided into 23,905.3 million baht for capital expenditures and 260,264.8 million baht for current expenditures. The amounts are allocated to perform the following functions :

1. General Public Services

General public services receive 81,842.4 million baht, representing 28.8 % of the general governmental service expenditures. Capital and current expenditures are 13,100.7 million baht and 68,741.7 million baht respectively. They will be spent for legislative activities, general administration, monetary and fiscal management, central personnel administration, overall statistical services, election administration, foreign affairs, economic assistance to various countries and basic research.

2. Defence Affairs and Services

The expenditures allocated to defence affairs and services are 114,696.2 million baht, equivalent to 40.4 % of the expenditures for general governmental services. The amount designated for capital expenditures is 81.3 million baht and 114,614.9 million baht for the current expenditures. They will be utilized for territorial defence by the Ministry of Defence and the civilian sector which includes territorial defence volunteers and local administration officers.

3. Public Order and Safety Affairs

Expenditures of public order and safety affairs are 87,631.5 million baht, accounting for 30.8 % of the general governmental services expenditures of which 10,723.3 million baht are for capital expenditures and 76,908.2 million baht are for current expenditures. They will be spent on judiciary services, police forces, fire brigades, and penitentiary institutions.

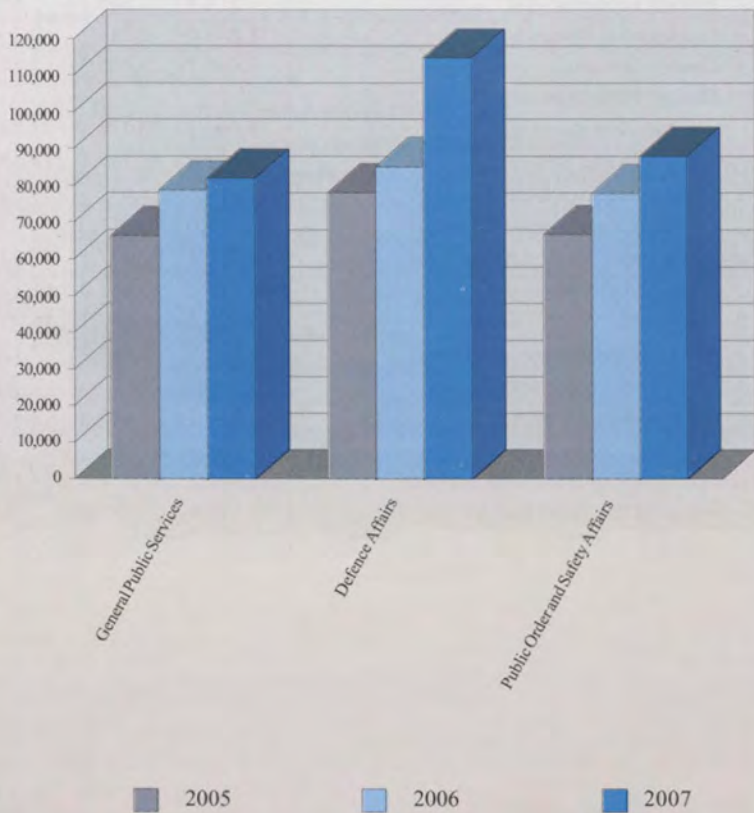
Table III-2
Appropriation for General Governmental Services

(in million baht)

General Governmental Services	FY2005	FY 2006	FY2007
1. General Public Services	66,261.2	78,696.2	81,842.4
1.1 Executive and Legislative Organs, Financial and Fiscal Affairs, External Affairs	44,995.3	49,696.2	53,382.1
1.2 Foreign Economic Aid	510.8	845.1	888.3
1.3 Fundamental Research Affairs	1,809.6	2,311.1	2,206.3
1.4 General Services	3,045.2	3,605.3	3,661.1
1.5 General Public Services not elsewhere classified	15,900.3	22,238.5	21,704.4
2. Defence Affairs and Services	78,052.8	85,107.6	114,696.2
2.1 Military and Civil Defence	77,988.8	85,032.6	114,069.8
2.2 Defence Related Applied Research	64.0	75.0	626.4
3. Public Order and Safety Affairs	66,727.2	77,857.1	87,631.5
3.1 Police and Fire Protection	45,242.2	52,981.0	61,125.5
3.2 Law Courts	13,427.3	15,769.1	16,951.4
3.3 Prison Administration and Operation	6,095.6	6,061.7	7,128.3
3.4 Public Order and Safety Affairs not elsewhere classified	1,962.1	3,045.3	2,426.3
Total General Governmental Services	211,041.2	241,660.9	284,170.1
Percentage of the Total Budget	16.9	17.8	18.2

Figure 3-2**Appropriation for General Government Services
FY 2005-2007**

million baht



B. Community and Social Services

The expenses for community and social services are 655,123.2 million baht, equivalent to 41.8 % of the total expenditures. Of this amount, capital expenditures are 99,299.2 million baht and the balance of 555,824 million baht goes to current expenditures. The expenditures are allocated for the following services.

1. Education Affairs and Services

The amount of 355,241.1 million baht is allotted to education affairs and services. It accounts for 54.2 % of the expenditures on community and social services. The amount of 46,031.1 million baht is classified as capital expenditures and the remaining portion of 309,210 million baht is for current expenditures. They will be for education administration from pre-primary level to university, non-formal education and scholarships for students. They also include subsidies to the Bangkok Metropolitan Administration and local administration offices' education expenses.

2. Health Affairs and Services

Health affairs and service expenditures account for 22.7 % of the community and social services expenditures, equivalent to 148,704.5 million baht. Capital expenditures amount to 22,222 million baht while current expenditures receive 126,482.5 million baht. They will be applied to provision of public health services performed by the Ministry of Public Health and other government agencies. These services include planning and administration of hospital and health centre operations as well as providing health care information.

3. Social Security and Welfare Affairs and Services

Expenditures for social security and welfare affairs and services amount to 112,398.8 million baht or 17.2 % of the expenditures for community and social services. They can be broken down to capital and current expenditures of 11,201.1 million baht and 101,197.7 million baht respectively. They will be used on social security for those losing income resulted from illness, maternity leave, and on compensation to general public and retiring government employees. They will also be utilized on social welfare by providing shelter to various groups of people including other social assistance such as compensation for loss of property due to disasters.

4. Housing and Community Amenity Affairs and Services

Allocation for housing and community amenity affairs and services is 25,689.4 million baht, equivalent to 3.9 % of the expenditures for community and social services. They include capital expenditures of 16,639.1 million baht and current expenditures of 9,050.3 million baht. They will be spent on the provision of housing development, housing standards, urban planning, and community development. Supply of water for consumption, environmental management, waste treatment, and drainage system will also be included in this category.

5. Religious, Cultural, and Recreational Affairs and Services

Expenditures for religious, cultural, and recreational affairs and services are set at 2.0 % of the expenditures on community and services. They amount to 13,089.4 million baht of which 3,205.9 million baht are allocated to capital expenditures and 9,883.5 million baht for current expenditures. Sport activities under the Sports Authority of Thailand will receive substantial portion of this allocation. The balance will go to the Fine Arts Department and Public Relations Department. They will be used for cultural activities, radio and television broadcasting, administration of publishing affairs, construction of public parks and recreational areas, public libraries, botanical gardens, and aquariums.

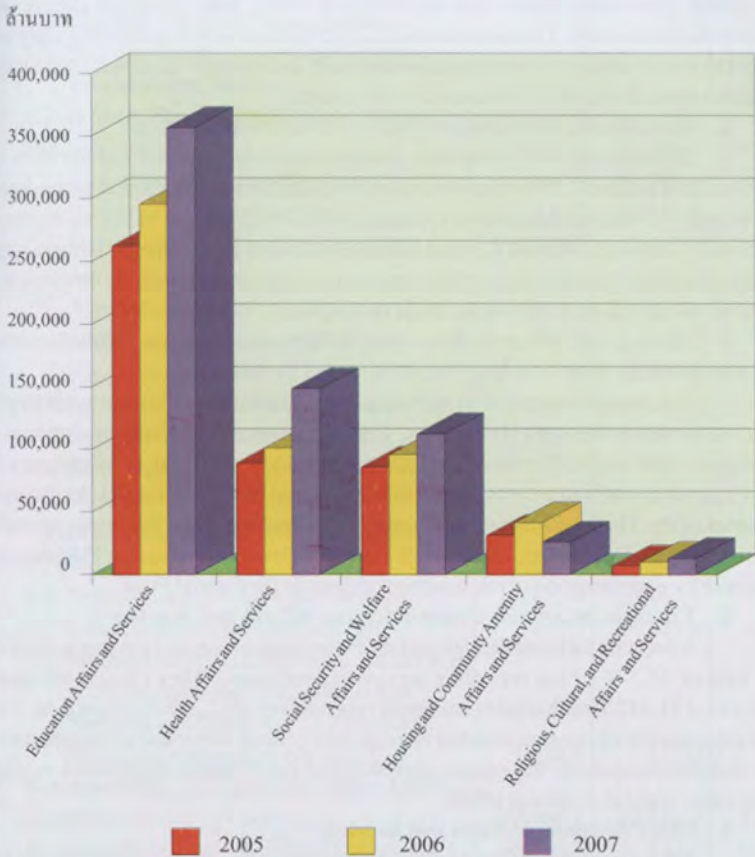
Table III-3
Appropriation for Community and Social Services

(in million baht)

Community and Social Services	FY 2005	FY 2006	FY 2007
1. Education Affairs and Services	262,721.8	295,622.8	355,241.1
1.1 Secondary Education Affairs and Services	184,405.3	204,010.8	245,488.8
1.2 Tertiary Education Affairs and Services	40,131.8	48,095.5	58,444.3
1.3 Education Services not Definable by Level	3,557.6	334.2	143.8
1.4 Subsidiary Services to Education	30,704.9	33,630.9	39,941.7
1.5 Education Affairs not Elsewhere Classified	3,922.2	9,551.4	11,222.5
2. Health Affairs and Services	89,163.7	101,040.5	148,704.5
2.1 Hospital Affairs and Services	40,819.3	49,221.7	57,962.8
2.2 Public Health Affairs and Services	1,051.0	823.3	1,531.8
2.3 Applied Research Related to the Health and Medical Delivery System	3,859.1	4,374.1	6,463.8
2.4 Health Affairs and Services not Elsewhere Classified	43,434.3	46,621.4	82,746.1
3. Social Security and Welfare Affairs and Services	85,975.9	95,559.5	112,398.8
3.1 Social Security Affairs and Services	69,279.4	75,641.7	91,174.7
3.2 Welfare Affairs and Services	2,140.7	4,216.0	5,431.3
3.3 Social Security and Welfare Affairs not Elsewhere Classified	14,555.8	15,701.8	15,792.8
4. Housing and Community Amenity Affairs and Services	31,364.3	41,339.2	25,689.4
4.1 Housing and Community Development	21,407.5	32,182.1	15,616.3
4.2 Water Supply Affairs and Services	4,593.0	5,317.6	5,935.0
4.3 Sanitary Affairs and Services	4,856.2	3,555.5	3,844.7
4.4 Housing and Community Amenity Affairs and Services not Elsewhere Classified	507.6	284.0	293.4
5. Religious, Cultural, and Recreational Affairs and Services	7,109.0	9,943.3	13,089.4
5.1 Religious, Cultural, and Recreational Affairs and Services	7,109.0	9,943.3	13,089.4
Total Community and Social Services	476,334.7	543,505.3	655,123.2
Percentage of the Total Budget	38.1	39.9	41.8

Figure 3-3

Appropriation for Community and Social Services FY 2005-2007



C. Economic Services

Economic service expenditures account for 21.5 % of the total expenditures, equivalent to 332,282.9 million baht, of this amount, 217,904.8 million baht can be classified as capital expenditures and the balance of 114,378.1 million baht as current expenditures. They can be categorized as follow :

1. Fuel and Energy Affairs and Services

The allocation for fuel and energy affairs and services amounts to 2,846.8 million baht or 0.9 % of the expenditures for economic services. They comprise capital and current expenditures of 633.3 million baht and 2,213.5 million baht respectively. They will be applied to energy exploration, supply, development, and control. Electricity production from various sources will also be included in this category.

2. Agriculture, Forestry and Fishery Affairs and Services

Expenditures for agriculture, forestry and fishery affairs and services are 107,374.9 million baht or 32.3 % of the economic services expenditures. Capital expenditures amount to 30,377.8 million baht and the remaining of 76,997.1 million baht goes to current expenditures. They are allocated for land management, land provision for farmers, price support for agricultural products, agricultural extension programmes, livestock development, pest control, forestry, fishery, and agricultural researches.

3. Mining and Mineral Resources Affairs and Services, Manufacturing Affairs and Services, and Construction Affairs and Services

The above economic activities are granted 11,096.1 million baht, equivalent to 3.3 % of the economic service expenditures. Capital and current expenditures amount to 5,726.1 million baht and 5,370 million baht respectively. Activities under this category are mineral resources operations, industrial promotion and control, industrial research development programmes of the Thailand Institute of Scientific and Technological Research, operating expenditures of the Department of Public Works and Town and Country Planning and expenditures for compensation of construction projects in the Central Fund.

4. Transportation and Communication Affairs and Services

Allocation for transportation and communication affairs and services is 84,166.9 million baht or 25.3 % of the economic service expenditures. They consist of capital expenditures of 71,947.7 million baht and current expenditures of 12,219.2 million baht. They are used substantially on construction and management of land, water and air transportation system, and communication, but not on television and radio broadcasting which is under religious, cultural and recreational affairs.

5. Other Economic Affairs and Services

The amount of 126,798.2 million baht is allotted to other economic affairs and services. They account for 38.2 % of the economic services expenditures. The amounts allocated to capital and current expenditures are 109,219.9 and 17,578.3 million baht respectively. They will be utilized for the Ministry of Commerce's internal and external trade promotion, hotel and restaurant supervision, tourism promotion, general labour affairs, and other multipurpose economic projects.

Table III-4
Appropriation for Economic Services

(in million baht)

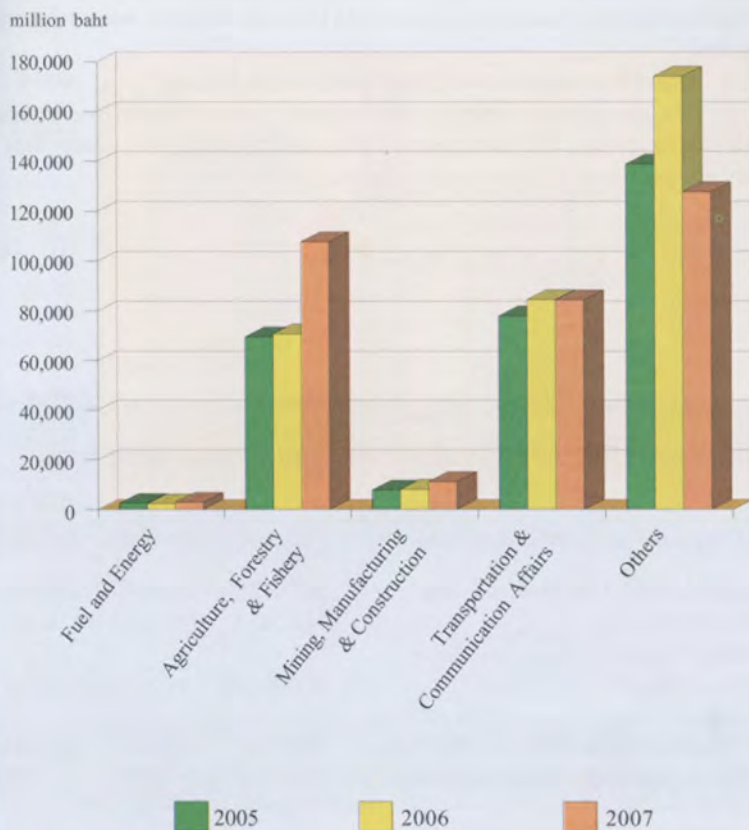
Economic Services	FY 2005	FY 2006	FY 2007
1. Fuel and Energy Affairs and Services	2,434.3	2,238.3	2,846.8
1.1 Fuel and Energy Affairs and Services	799.7	415.7	487.2
1.2 Electricity and Other Energy Sources	619.9	669.5	461.8
1.3 Fuel and Energy Affairs and Services not elsewhere classified	1,014.7	1,153.1	1,897.8
2. Agriculture, Forestry, and Fishery Affairs and Services	69,571.0	70,806.4	107,374.9
2.1 Agriculture Affairs and Services	55,644.7	54,781.6	89,310.6
2.2 Forestry Affairs and Services	8,708.9	10,026.4	10,937.8
2.3 Fishery and Wild Life Conservation	2,549.7	2,647.6	2,894.9
2.4 Agricultural Research	1,224.8	1,391.2	1,619.8
2.5 Agriculture, Forestry, and Fishery Affairs and Services not elsewhere classified	1,442.9	1,959.6	2,611.8
3. Mining and Mineral Resource Affairs and Services, Manufacturing Affairs and Services, and Construction Affairs and Services	7,722.2	8,026.5	11,096.1
3.1 Mining and Mineral Resource Affairs and Services	482.9	575.8	597.8
3.2 Manufacturing Affairs and Services	5,173.4	5,467.3	7,327.8
3.3 Construction Affairs and Services	427.3	1,711.4	2,902.7
3.4 Mining and Mineral Resource Affairs and Services, Manufacturing Affairs and Services, and Construction Affairs and Services not elsewhere classified	1,638.6	272.0	267.8
4. Transportation and Communication Affairs and Services	77,968.1	84,519.9	84,166.9
4.1 Road Transport Affairs and Services	65,100.5	65,437.2	67,102.8
4.2 Water Transport Affairs and Services	2,476.0	3,243.9	3,570.5
4.3 Railway Affairs and Services	7,356.7	13,337.4	11,777.9
4.4 Air Transport Affairs and Services	1,405.3	1,355.4	791.4

(in million baht)

Economic Services	FY 2005	FY 2006	FY 2007
4.5 Pipeline Transport and Other Transport System Affairs and Services	195.0	0.0	0.0
4.6 Communication Affairs and Services	1,241.2	874.4	622.6
4.7 Transportation and Communication Affairs and Services not elsewhere classified	193.4	271.6	301.7
5. Other Economic Affairs and Services	138,875.6	174,192.4	126,798.2
5.1 Trade Affairs and Services	1,477.7	1,665.7	2,355.8
5.2 Tourism Affairs and Services	6,857.4	7,342.7	6,439.4
5.3 Multipurpose Economic Project Affairs and Services	44,416.4	74,398.4	12,012.3
5.4 General Economic and Commercial Affairs Other than General Labour Affairs	4,804.5	4,874.8	5,735.7
5.5 General Labour Affairs and Services	3,399.9	3,845.7	4,080.0
5.6 Other Economic Affairs and Services not elsewhere classified	77,919.7	82,065.1	96,175.0
Total Economic Services	296,571.2	339,783.5	332,282.9
Percentage of the Total Budget	23.7	25.0	21.2

Figure 3-4

Appropriation for Economic Services
FY 2005-2007



D. Miscellaneous and Unclassified Items

The below category accounts for 18.8 % of the total expenditures. It amounts to 294,623.8 million baht of which 33,612.1 million baht are for capital expenditures, 205,521.2 million baht for current expenditures, and 55,490.5 million baht for principal repayment. It can be divided into 2 sub-categories.

1. Loan Repayment

The amount of 176,308.9 million baht, or 59.8 % of the expenditures for miscellaneous, and unclassified items are earmarked for loan repayment. They consist of 55,490.5 million baht for principal repayment, 120,818.4 million baht for interest expenses and other fees.

2. Other Expenditures not Classified by Major Group

The expenditures under this sub-category consist of unclassified expenses e.g. public utilities and funds for contingencies. They amount to 118,314.9 million baht or 40.2 % of the expenditures for miscellaneous and unclassified items.

Table III-5
Appropriation for Miscellaneous and Unclassified Items

(in million baht)

Miscellaneous and Unclassified Items	FY 2005	FY 2006	FY 2007
Miscellaneous and Unclassified Items	266,052.9	235,050.3	294,623.8
- Loan Repayment	144,247.5	145,843.7	176,308.9
- Other Expenditures not Classified by Major Group	121,805.4	89,206.6	118,314.9
Total Miscellaneous and Unclassified Items	266,052.9	235,050.3	294,623.8
Percentage of the Total Budget	21.3	17.3	18.8

Figure 3-5

Appropriation for Miscellaneous and Unclassified Items
FY 2005-2007

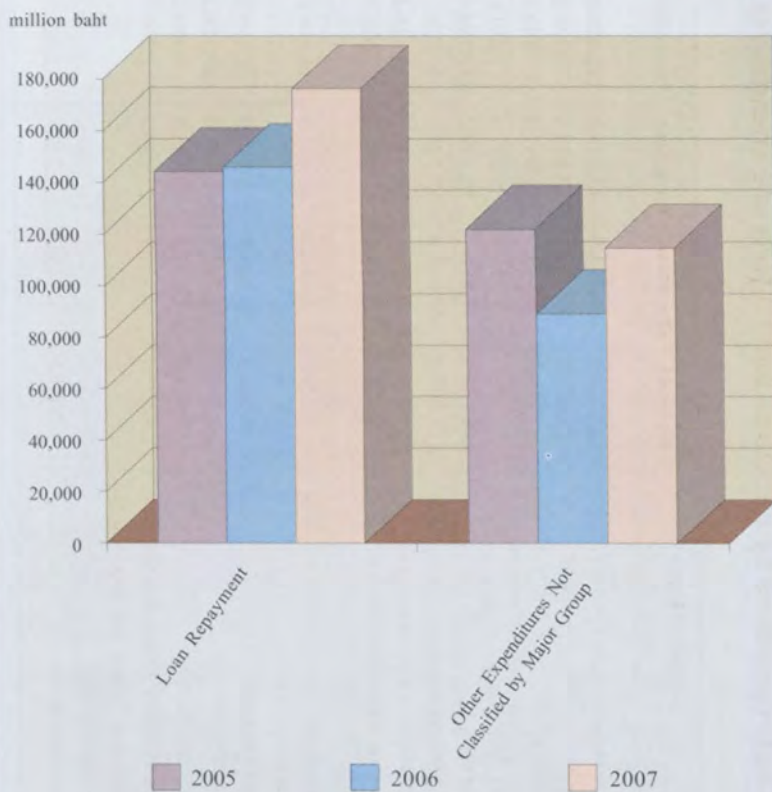


Table III-6
Budget Appropriations by Functions and Objects of Expenditures FY 2007

Functions	Objects of Expenditures						Total
	Personnel	Operations	Investments	Subsidies	Others	(in million baht)	
General Governmental Services	135,225.1	41,704.5	13,633.0	18,822.3	74,785.2	284,170.1	
- General Public Services	21,626.3	14,217.5	6,898.6	16,249.2	22,850.8	81,842.4	
- Defence Affairs and Services	60,869.6	9,895.1	1,457.0	882.1	41,592.4	114,696.2	
- Public Order and Safety Affairs	52,729.2	17,591.9	5,277.4	1,691.0	10,342.0	87,631.5	
Community and Social Services	240,130.9	39,860.7	29,398.2	213,286.4	132,447.0	655,123.2	
- Education Affairs and Services	177,863.6	23,356.5	17,785.7	96,256.7	39,978.6	355,241.1	
- Health Affairs and Services	53,076.7	10,100.3	2,933.7	5,811.1	76,782.7	148,704.5	
- Social Security and Welfare Affairs and Services	2,637.4	2,644.1	674.7	92,921.7	13,520.9	112,398.8	
- Housing and Community Amenity Affairs and Services	4,298.9	2,434.3	5,243.3	12,108.0	1,604.9	25,689.4	
- Religious, Cultural, and Recreational Affairs and Services	2,254.3	1,325.5	2,760.8	6,188.9	559.9	13,089.4	
Economic Services	38,814.5	21,575.0	102,951.0	110,725.2	58,217.2	332,282.9	
- Fuel and Energy Affairs and Services	561.9	330.7	533.5	550.0	870.7	2,846.8	
- Agriculture, Forestry and Fishery Affairs and Services	24,191.1	12,904.9	27,088.0	2,266.9	40,924.0	107,374.9	
- Mining and Mineral Resource Affairs and Services, Manufacturing Affairs and Services, and Construction Affairs and Services	2,051.6	773.2	2,716.8	898.8	4,655.7	11,096.1	

(in million baht)

Functions	Objects of Expenditures					Total
	Personnel	Operations	Investment	Subsidies	Others	
- Transportation and Communication Affairs and Services	6,923.1	1,693.8	65,693.7	8,431.5	1,524.8	84,166.9
- Other Economic Affairs and Services	5,086.8	5,872.4	7,019.0	98,578.0	10,242.0	126,798.2
Miscellaneous and Unclassified Items	12,436.4	38,190.5	33,612.1	28,142.8	182,242.0	294,623.8
- Miscellaneous and Unclassified Items	12,436.4	38,190.5	33,612.1	28,142.8	182,242.0	294,623.8
Total	426,606.9	141,330.7	179,594.3	370,976.7	447,691.4	1,566,200.0

N.B.

Personnel expenses Expenses on personnel administration in public sector, e.g. salaries, permanent wages, temporary wages and wages for employees under contracts

Operating expenses Expenses on administration and operations, e.g. remuneration, services other than personnel and supplies, public utilities

Investments Expenses on equipments, land, buildings and related expenses

Subsidies Expenses on support for operations of local administrative organizations, private organizations and other juristic persons.

These expenses are classified as personnel expenses, operating expenses and investments.

Other expenses Expenses that cannot be classified by the above categories or expenses that Bureau of the Budget specifies to be made from this account. These expenses are also classified as personnel expenses, operating expenses and investments.

Table III-7
Budget Appropriation by Functions

(in million baht)

Fiscal Year	General Government Services		Community and Social Services		Economic Services		Miscellaneous and Unclassified Items		Total	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
1998	172,198.9	20.7	357,022.1	43.0	215,397.0	26.0	85,382.0	10.3	830,000.0	100.0
1999	163,650.6	19.8	347,904.7	42.2	199,678.7	24.2	113,766.0	13.8	825,000.0	100.0
2000	175,488.8	20.4	374,840.7	43.6	190,176.7	22.1	119,493.8	13.9	860,000.0	100.0
2001	178,642.7	19.7	382,398.2	42.0	205,094.5	22.5	143,864.6	15.8	910,000.0	100.0
2002	186,161.1	18.2	425,846.8	41.6	238,763.1	23.4	172,229.0	16.8	1,023,000.0	100.0
2003	190,756.5	19.1	421,130.6	42.1	206,219.2	20.6	181,793.7	18.2	999,900.0	100.0
2004	209,296.3	18.0	470,096.1	40.4	282,325.2	24.3	201,782.4	17.3	1,163,500.0	100.0
2005	211,041.2	16.9	476,334.7	38.1	296,571.2	23.7	266,052.9	21.3	1,250,000.0	100.0
2006	241,660.9	17.8	543,505.3	39.9	339,783.5	25.0	235,050.3	17.3	1,360,000.0	100.0
2007	284,170.1	18.2	655,123.2	41.8	332,282.9	21.2	294,623.8	18.8	1,566,200.0	100.0

N.B. Figures for FY 1998 are initially adjusted downwards and later adjusted upwards according to the approved Budget Act of 923,000 million baht.

Figures for FY 2004 included additional budget of 135,500 million baht.

Figures for FY 2005 included additional budget of 50,000 million baht.

1.2 Economic Classification

Budget expenditures under economic classification are those that will reflect economic activities effected by government spendings. They can be classified as capital and current expenditures. Capital expenditures involve economic stimulants and expenses on fixed assets such as land and buildings which contribute to capital formation. Current expenditures are general administrative expenses, for example : salaries, wages, personnel expenses, and other procurements which are not related to capital formation.

During fiscal year 2007, the total expenditures amount to 1,566,200 million baht. Capital and current expenditures are 374,721,4 million baht and 1,135,988.1 million baht respectively. The balance goes to principal repayment of 55,490.5 million baht.

Capital expenditures for the 2007 fiscal year, comparing with the amount of 358,335.8 million baht for FY 2006, represent an increase of 16,385.6 million baht or 4.6 per cent.

In comparison with the FY 2007's current expenditures of 958,477 million baht, those of FY 2006 indicate an increase of 177,511.1 million baht or 18.5 per cent.

For the budget expenditures of 1,566,200 million baht, the amount of 863,439.5 million baht has been allocated to development outputs/projects under the National Economic and Social Development Plan and they are in harmony with the objectives of the plan. The balance of 702,760.5 million baht goes to the usual operating expenses.

Table III-8
Economic Classification of Expenditures

(in million baht)

Fiscal Year	Capital Expenditures		Current Expenditures		Principal Repayment		Total Amount
	Amount	%	Amount	%	Amount	%	
1993	171,606.7	30.6	351,060.8	62.7	37,332.5	6.7	560,000.0
1994	212,975.6	34.1	376,382.3	60.2	35,642.1	5.7	625,000.0
1995	253,839.8	35.5	434,383.3	60.8	26,776.9	3.7	715,000.0
1996	327,288.6	38.8	482,368.2	57.2	33,543.2	4.0	843,200.0
1997	380,050.0	41.1	520,453.1	56.3	24,496.9	2.6	925,000.0
1998	279,258.1	33.6	519,505.8	62.6	31,236.1	3.8	830,000.0
1999	233,534.7	28.3	586,115.1	71.1	5,350.2	0.6	825,000.0
2000	217,097.6	25.2	635,585.1	73.9	7,317.3	0.9	860,000.0
2001	218,578.2	24.0	679,286.5	74.7	12,135.3	1.3	910,000.0
2002	223,617.0	21.9	773,714.1	75.6	25,668.9	2.6	1,023,000.0
2003	211,493.5	21.1	753,454.7	75.4	34,951.8	3.5	999,900.0
2004	292,800.2	25.2	836,544.4	71.9	34,155.4	2.9	1,163,500.0
2005	318,672.0	25.5	881,251.7	70.5	50,076.3	4.0	1,250,000.0
2006	358,335.8	26.3	958,477.0	70.5	43,187.2	3.2	1,360,000.0
2007	374,721.4	24.0	1,135,988.1	72.5	55,490.5	3.5	1,566,200.0

N.B. 1. % as percentage of the total budget

2. Figures for FY 1997 are adjusted downwards according to the approved Budget Act of 984,000 million baht.

Figures for FY 1998 are initially adjusted downwards and later adjusted upwards according to the approved Budget Act of 923,000 million baht.

Figures for FY 2004 included additional budget of 135,500 million baht.

Figures for FY 2005 included additional budget of 50,000 million baht.

Figure 3-6

Economic Classification of Expenditures
FY 2003-2007

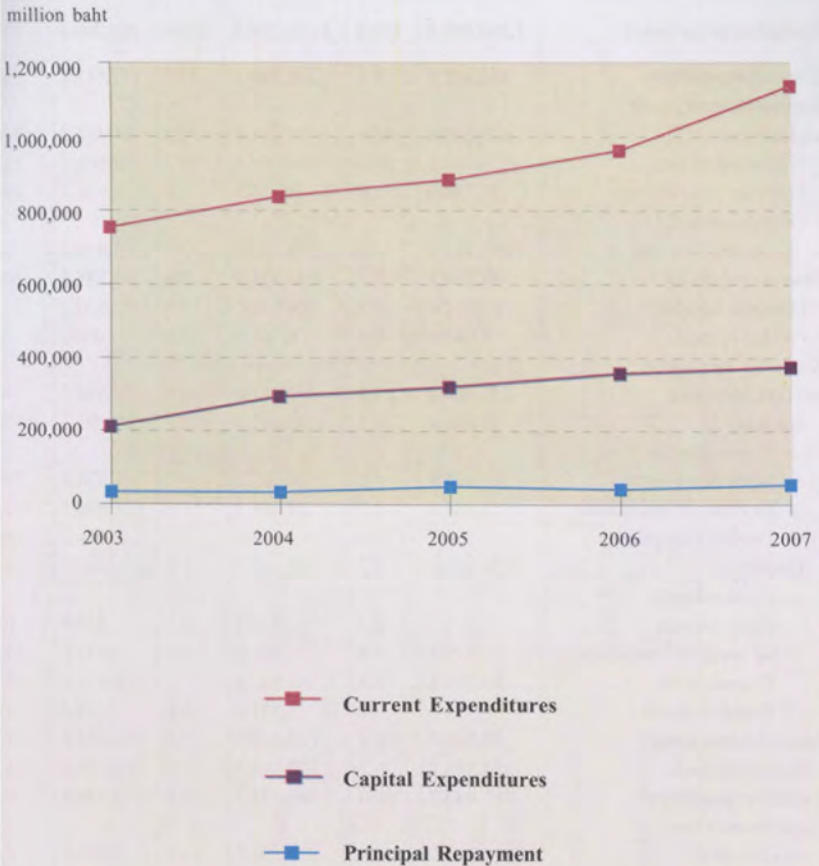


Table III-9
Budget Appropriations by Economic Classification
According to Government Finance Statistics System (GFS)

(in million baht)

GFS Classification	FY 2006		FY 2007		Changes over the FY 2006	
	Amount	%	Amount	%	Amount	%
Budget appropriation	1,360,000.0	100.0	1,566,200.0	100.0	206,200.0	15.2
I. Current expenditure	958,477.0	70.5	1,135,988.1	72.5	177,511.1	18.5
<i>Expenditure on goods and services</i>	<i>638,230.6</i>	<i>46.9</i>	<i>725,701.9</i>	<i>46.3</i>	<i>87,471.3</i>	<i>13.7</i>
Wages and salaries	426,201.1	31.3	504,303.4	32.2	78,102.6	18.3
Employer contributions	24,278.0	1.8	28,216.5	1.8	3,938.5	16.2
Other purchases of goods and services	187,751.5	13.8	193,181.7	12.3	5,430.2	2.9
<i>Interest payments</i>	<i>96,370.3</i>	<i>7.1</i>	<i>116,505.9</i>	<i>7.4</i>	<i>20,135.6</i>	<i>20.9</i>
Domestic interest	87,707.4	6.5	108,137.6	6.9	20,430.2	23.3
Foreign interest	8,662.9	0.6	8,368.3	0.5	-294.6	-3.4
<i>Subsidies and other current transfers</i>	<i>139,327.4</i>	<i>10.3</i>	<i>171,161.6</i>	<i>10.9</i>	<i>31,834.2</i>	<i>22.8</i>
Subsidies	14,898.8	1.1	42,492.1	2.7	27,593.3	185.2
- To non-financial public enterprises	11,467.8	0.9	17,792.2	1.1	6,324.4	55.1
- To financial institutions	2,864.3	0.2	24,694.5	1.6	21,830.2	762.1
- To other enterprises	566.7	0.0	5.4	0.0	-561.3	-99.0
Transfers	124,428.6	9.2	128,669.5	8.2	4,240.9	3.4
- To other levels of government	31,312.2	2.3	31,524.5	2.0	212.3	0.7
- To nonprofit institutions	11,739.4	0.9	13,783.0	0.9	2,043.6	17.4
- To households	80,019.4	5.9	81,990.8	5.2	1,971.4	2.5
- Transfers abroad	1,357.6	0.1	1,371.2	0.1	13.6	1.0
<i>Miscellaneous items</i>	<i>84,548.7</i>	<i>6.2</i>	<i>122,618.7</i>	<i>7.8</i>	<i>38,070.0</i>	<i>45.0</i>
Revolving funds	84,548.7	6.2	122,618.7	7.8	38,070.0	45.0
II. Capital expenditure	367,044.7	27.0	389,474.7	24.9	22,430.0	6.1
<i>Acquisition of fixed capital assets</i>	<i>213,920.0</i>	<i>15.7</i>	<i>217,591.2</i>	<i>13.9</i>	<i>3,671.2</i>	<i>1.7</i>
<i>Capital transfers</i>	<i>131,612.8</i>	<i>9.7</i>	<i>136,912.1</i>	<i>8.8</i>	<i>5,299.3</i>	<i>4.0</i>
<i>Revolving funds</i>	<i>21,224.5</i>	<i>1.6</i>	<i>34,893.6</i>	<i>2.2</i>	<i>13,669.1</i>	<i>64.4</i>
<i>Purchase equity</i>	<i>287.4</i>	<i>0.0</i>	<i>77.8</i>	<i>0.0</i>	<i>-209.6</i>	<i>-72.9</i>
III. Principal repayment*	34,478.3	2.5	40,737.2	2.6	6,258.9	18.2

N.B. * Excluding principal repayment of public enterprises as it is included under "Subsidies to non-financial public enterprises" for current expenditure and under "Capital transfer" for capital expenditure.

(in million baht)

Economic Classification	Function Classification	Capital Expenditures				Current Expenditures				Principal Repayment			
		2006		2007		2006		2007		2006		2007	
		Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
<i>Economic Services</i>		258,822.5	19.0	217,904.8	13.9	80,961.0	6.0	114,378.1	7.3	-	-	-	-
- Fuel and Energy Affairs, and Services		784.8	0.1	633.3	0.0	1,453.5	0.1	2,213.5	0.2	-	-	-	-
- Agriculture, Forestry and Fishery Affairs and Services		30,637.4	2.2	30,377.8	1.9	40,169.0	3.0	76,997.1	4.9	-	-	-	-
- Mining, and Mineral Resource Affairs and Services, Manufacturing Affairs and Services, and Construction Affairs and Services		3,527.7	0.3	5,726.1	0.4	4,498.8	0.3	5,370.0	0.3	-	-	-	-
- Transportation and Communication Affairs and Services		73,763.8	5.4	71,947.7	4.6	10,756.1	0.8	12,219.2	0.8	-	-	-	-
- Other Economic Affairs and Services		150,108.8	11.0	109,219.9	7.0	24,083.6	1.8	17,578.3	1.1	-	-	-	-
<i>Miscellaneous and Unclassified Items</i>		6,637.2	0.5	33,612.1	2.2	185,225.9	13.6	205,521.2	13.1	43,187.2	3.2	55,490.5	3.5
- Miscellaneous and Unclassified Items		6,637.2	0.5	33,612.1	2.2	185,225.9	13.6	205,521.2	13.1	43,187.2	3.2	55,490.5	3.5
Total		358,335.8	26.3	374,721.4	24.0	958,477.0	70.5	1,135,988.1	72.5	43,187.2	3.2	55,490.5	3.5

N.B. : % as percentage of the total budget

Table III-11
Budget Expenditures and Gross Domestic Product

(in million baht)

Fiscal Year	Budget Expenditures (1)	Current Expenditures (2)	Capital Expenditures (3)	GDP (4)	(1) as percentage of (4)	(2) as percentage of (4)	(3) as percentage of (4)
1993	560,000.0	351,060.8	171,606.7	3,165,222.0	17.7	11.1	5.4
1994	625,000.0	376,382.3	212,975.6	3,629,341.0	17.2	10.4	5.9
1995	715,000.0	434,383.3	253,839.8	4,186,212.0	17.1	10.4	6.1
1996	843,200.0	482,368.2	327,288.6	4,611,041.0	18.3	10.5	7.1
1997	925,000.0	520,453.1	380,050.0	4,732,610.0	19.5	11.0	8.0
1998	830,000.0	519,505.8	279,258.1	4,626,447.0	17.9	11.2	6.0
1999	825,000.0	586,115.1	233,534.7	4,637,079.0	17.8	12.6	5.0
2000	860,000.0	635,585.1	217,097.6	4,922,731.0	17.5	12.9	4.4
2001	910,000.0	679,286.5	218,578.2	5,133,502.0	17.7	13.2	4.3
2002	1,023,000.0	773,714.1	223,617.0	5,450,643.0	18.8	14.2	4.1
2003	999,900.0	753,454.7	211,493.5	5,928,975.0	16.9	12.7	3.6
2004	1,163,500.0	836,544.4	292,800.2	6,503,488.0	17.9	12.9	4.5
2005	1,250,000.0	881,251.7	318,672.0	7,104,200.0	17.6	12.4	4.5
2006	1,360,000.0	958,477.0	358,335.8	7,786,200.0	17.5	12.3	4.6
2007	1,566,200.0	1,135,988.1	374,721.4	8,471,400.0	18.5	13.4	4.4

N.B. 1. Figures for FY 1997 are adjusted downwards according to the approved Budget Act of 984,000 million baht.

Figures for FY 1998 are initially adjusted downwards and later adjusted upwards according to the approved Budget Act of 923,000 million baht

Figures for FY 2004 included additional budget of 135,500 million baht

Figures for FY 2005 included additional budget of 50,000 million baht

2. Current expenditures (2) do not include principal repayment.

Source (4) : Office of the National Economic and Social Development Board

Table III-12
Functional Classification of Expenditures by Development Plan

(in million baht)

Function	Development Expenditures		Non-Development Expenditures		Total							
	2006		2007		2006		2007					
	Amount	%	Amount	%	Amount	%	Amount	%				
General Governmental Services	20,986.2	1.5	22,237.0	1.5	220,674.7	16.3	261,933.1	16.7	241,660.9	17.8	284,170.1	18.2
- General Public Services	18,975.6	1.4	19,467.7	1.3	59,720.6	4.4	62,374.7	4.0	78,696.2	5.8	81,842.4	5.3
- Defense Affairs and Services	0.0	0.0	0.0	0.0	85,107.6	6.3	114,696.2	7.3	85,107.6	6.3	114,696.2	7.3
- Public Order and Safety Affairs	2,010.6	0.1	2,769.3	0.2	75,846.5	5.6	84,862.2	5.4	77,857.1	5.7	87,631.5	5.6
Community and Social Services	466,079.9	34.3	570,297.8	36.4	77,425.4	5.6	84,825.4	5.4	543,505.3	39.9	655,123.2	41.8
- Education Affairs and Services	289,655.6	21.3	352,284.0	22.5	5,967.2	0.4	2,957.1	0.2	295,622.8	21.7	355,241.1	22.7
- Health Affairs and Services	96,122.0	7.1	143,194.7	9.2	4,918.5	0.3	5,509.8	0.3	101,040.5	7.4	148,704.5	9.5
- Social Security and Welfare Affairs and Services	34,345.5	2.6	40,970.7	2.6	61,214.0	4.5	71,428.1	4.6	95,559.5	7.1	112,398.8	7.2
- Housing and Community Amenity Affairs and Services	37,640.4	2.7	22,506.7	1.4	3,698.8	0.3	3,182.7	0.2	41,339.2	3.0	25,689.4	1.6
- Religious, Cultural, and Recreational Affairs and Services	8,316.4	0.6	11,341.7	0.7	1,626.9	0.1	1,747.7	0.1	9,943.3	0.7	13,089.4	0.8
Economic Services	289,242.4	21.3	268,963.2	17.1	50,541.1	3.7	63,319.7	4.1	339,783.5	25.0	332,282.9	21.2
- Fuel and Energy Affairs and Services	1,981.9	0.2	2,512.6	0.2	256.4	0.0	334.2	0.0	2,238.3	0.2	2,846.8	0.2

(in million baht)

Function	Development Expenditures		Non-Development Expenditures		Total	
	2006		2006		2006	
	Amount	%	Amount	%	Amount	%
- Agriculture, Forestry and Fishery Affairs and Services	68,688.9	5.0	104,467.6	6.6	173,156.5	6.8
- Mining and Mineral Resource Affairs and Services,						
Manufacturing Affairs and Services, and Construction	4,929.0	0.4	7,399.6	0.4	12,328.6	0.7
- Transportation and Communication Affairs and Services	42,299.9	3.1	35,901.7	2.3	78,201.6	5.4
- Other Economic Affairs and Services	171,342.7	12.6	118,681.7	7.6	290,024.4	8.1
Miscellaneous and Unclassified Items	1,672.8	0.1	1,941.5	0.1	3,614.3	18.8
- Miscellaneous and Unclassified Items	1,672.8	0.1	1,941.5	0.1	3,614.3	18.8
Total	777,981.3	57.2	863,439.5	55.1	1,641,420.8	100.0

N.B. : % as percentage of the total budget

2. Expenditures classified by Ministry and Organization

The total expenditures of 1,566,200 million baht are allocated to ministries for implementing projects under their responsibilities and according to each ministry's operating plans.

For the fiscal year 2007, Ministry of Education receives the highest budget allocation for providing comprehensive educational services at each level in order to develop foundation for learning organization in the Thai society. Central Fund, Ministry of Interior, Ministry of Finance and Revolving Funds receive the budget allocation in the lower order, respectively, as presented in the following tables.

Table III-13
Expenditures by Ministries

(in million baht)

Ministry	FY 2006		FY 2007		Changes over the FY 2006	
	Amount	%	Amount	%	Amount	%
1 Central Fund	243,185.0	17.9	197,650.6	12.6	-45,534.4	-18.7
2 Office of the Prime Minister	15,078.2	1.1	14,395.7	0.9	-682.5	-4.5
3 Ministry of Defence	85,936.1	6.3	115,024.0	7.3	29,087.9	33.8
4 Ministry of Finance	144,371.5	10.6	172,907.1	11.0	28,535.6	19.8
5 Ministry of Foreign Affairs	6,334.6	0.5	7,321.3	0.5	986.7	15.6
6 Ministry of Tourism and Sports	2,978.6	0.2	3,413.3	0.2	434.7	14.6
7 Ministry of Social Development and Human Security	5,968.3	0.4	8,632.2	0.6	2,663.9	44.6
8 Ministry of Agriculture and Cooperatives	55,150.5	4.1	64,972.7	4.1	9,822.2	17.8
9 Ministry of Transport	66,054.9	4.9	70,546.8	4.5	4,491.9	6.8
10 Ministry of Natural Resources and Environment	16,238.0	1.2	17,515.5	1.1	1,277.5	7.9
11 Ministry of Information and Communication Technology	5,011.8	0.4	4,052.1	0.3	-959.7	-19.1
12 Ministry of Energy	1,705.8	0.1	2,199.3	0.1	493.5	28.9
13 Ministry of Commerce	4,829.8	0.4	5,826.1	0.4	996.3	20.6
14 Ministry of Interior	160,643.5	11.8	179,115.8	11.4	18,472.3	11.5
15 Ministry of Justice	12,449.7	0.9	13,934.9	0.9	1,485.2	11.9
16 Ministry of Labour	18,819.3	1.4	25,228.8	1.6	6,409.5	34.1
17 Ministry of Culture	2,937.3	0.2	4,281.1	0.3	1,343.7	45.7
18 Ministry of Science and Technology	9,995.4	0.7	9,803.9	0.6	-191.5	-1.9
19 Ministry of Education	225,610.7	16.6	282,254.4	18.0	56,643.7	25.1
20 Ministry of Public Health	52,633.8	3.9	62,279.2	4.0	9,645.4	18.3
21 Ministry of Industry	3,908.5	0.3	4,528.4	0.3	619.9	15.9
22 Independent Public Agencies	65,605.0	4.8	73,217.6	4.7	7,612.6	11.6
23 Independent Public Bodies	14,792.7	1.1	14,102.1	0.9	-690.6	-4.7
24 State Enterprises	49,665.9	3.7	80,889.3	5.2	31,223.4	62.9
25 Revolving Funds	90,095.0	6.6	132,107.8	8.4	42,012.8	46.6
Total	1,360,000.0	100.0	1,566,200.0	100.0	206,200.0	15.2

Table III-14
Expenditures by Ministries and Departments

(in million baht)

Ministry/Department	Appropriation	
	FY 2006	FY 2007
Central Fund	243,185.0	197,650.6
1 Expenditure under Royal Development Projects	2,000.0	2,000.0
2 Expenditure for Development of Potentials of Villages and Communities	19,100.0	-
3 Expenditure for Medical Care of Civil Servants, Employees and State Personnel	20,000.0	30,000.0
4 Expenditures for the 60th Anniversary of His Majesty the King Accession to the Throne	400.0	-
5 Expenditure in Connection with Royal Journey and Visits, including Reception of Head of States	450.0	450.0
6 Expenditures for His Majesty the King's 80th Birthday Celebration	-	400.0
7 Expenditures for Maintenance of the Country's Security	496.2	542.2
8 Classified Expenditures for National Security	5.0	5.0
9 Expenditures for Development of Southern Bordering Provinces	5,000.0	5,900.0
10 Pensions and Gratuities	60,000.0	70,000.0
11 Compensation to Government Officials	3,914.0	5,060.0
12 Reclassification	4,000.0	5,000.0
13 Compensation and Contingency Fund for Government Officials	23,650.0	27,440.0
14 Contingency Fund for Permanent Employees	628.0	700.0
15 Annual Bonus Payment	22,310.5	6,960.0
16 Expenditure for Implementation of Projects According to the Development Strategies of Clusters of Provinces and Provinces	40,000.0	-
17 Expenditure for Adjustment of Tactics and Accommodating Changes	27,200.0	-
18 Compensation for Construction Costs	1,000.0	2,000.0
19 Contingency Fund for Emergencies or Immediate Needs	13,031.3	41,193.4

(in million baht)

Ministry/Department	Appropriation	
	FY 2006	FY 2007
Office of the Prime Minister	15,078.2	14,395.7
1 Office of the Permanent Secretary, the Prime Minister's Office	374.5	423.6
2 The Public Relations Department	1,214.2	1,290.4
3 Office of the Consumer Protection Board	117.1	137.3
4 The Secretariat of the Prime Minister	3,636.3	4,083.5
5 The Secretariat of the Cabinet	724.0	723.0
6 National Intelligence Agency	460.5	537.1
7 The Bureau of the Budget	612.2	662.0
8 Secretariat of the National Security Council	134.0	169.4
9 Office of the State Council	238.4	255.9
10 Office of the Civil Service Commission	1,946.0	1,822.0
11 Office of the National Economic and Social Development Board	410.6	460.3
12 Office of the Public Sector Development Commission	237.5	297.7
13 Thailand Research Fund	1,188.2	1,200.0
14 The Office for National Education Standards and Quality Assessment (Public Organization)	382.5	377.4
15 Convention and Exhibition Bureau (Public Organization)	328.7	449.5
16 Designated Areas for Sustainable Tourism Administration (Public Organization)	471.1	252.7
17 Assets Capitalization Bureau (Public Organization)	351.2	185.4
18 Office of Knowledge Management and Development (Public Organization)	2,251.2	1,068.5
Ministry of Defence	85,936.1	115,024.0
1 Office of the Permanent Secretary	3,950.0	4,311.7
2 Royal Aide-De-Camp Department	314.5	424.2
3 Supreme Command Headquarters	7,261.7	9,742.5
4 Royal Thai Army	41,982.0	56,847.9
5 Royal Thai Navy	16,489.9	22,254.6
6 Royal Thai Air Force	15,938.0	21,443.1
Ministry of Finance	144,371.5	172,907.1
1 Office of the Permanent Secretary	394.1	1,178.9
2 The Treasury Department	691.8	726.9

(in million baht)

Ministry/Department	Appropriation	
	FY 2006	FY 2007
3 The Comptroller-General's Department	1,103.9	1,156.1
4 The Customs Department	2,127.6	2,397.4
5 The Excise Department	1,617.2	1,751.5
6 The Revenue Department	6,121.8	7,137.0
7 The State Enterprise Policy Office	258.3	58.2
8 Public Debt Management Office	130,937.4	157,303.0
9 The Fiscal Policy Office	274.3	309.8
10 Neighbouring Countries Economic Development Cooperation Agency	845.1	888.3
Ministry of Foreign Affairs	6,334.6	7,321.3
1 Office of the Permanent Secretary	6,334.6	7,321.3
Ministry of Tourism and Sports	2,978.6	3,413.3
1 Office of the Permanent Secretary	323.6	413.3
2 Office of Sports and Recreation Development	615.9	658.5
3 Office of Tourism Development	577.5	660.5
4 Institute of Physical Education	1,461.6	1,681.0
Ministry of Social Development and Human Security	5,968.3	8,632.2
1 Office of the Permanent Secretary	1,002.5	1,477.6
2 Department of Social Development and Welfare	4,119.9	4,398.6
3 Office of Women's Affairs and Family Development	157.4	253.6
4 Office of Welfare Promotion, Protection and Empowerment of Vulnerable Groups	388.5	508.8
5 Community Organizations Development Insitutue (Public Organization)	300.0	1,993.6
Ministry of Agriculture and Cooperatives	55,150.5	64,972.7
1 Office of the Permanent Secretary	2,364.2	2,986.6
2 The Royal Irrigation Department	28,205.4	33,835.6
3 Department of Cooperative Auditing	807.1	965.0
4 Department of Fisheries	2,699.2	2,872.8
5 Department of Livestock Development	4,012.6	6,445.5
6 Land Development Department	4,412.5	3,705.9

<i>(in million baht)</i>		
Ministry/Department	Appropriation	
	FY 2006	FY 2007
7 Department of Agriculture	3,215.6	2,946.3
8 Department of Agricultural Extension	3,932.2	4,186.1
9 The Cooperatives Promotion Department	2,351.4	3,577.2
10 Office of Agricultural Land Reform	1,681.0	1,712.6
11 National Bureau of Agricultural Commodity and Food Standards	268.3	249.2
12 Office of Agricultural Economics	488.4	505.7
13 Rice Department	668.7	815.4
14 Highland Research and Development Institute (Public Organization)	43.9	168.8
Ministry of Transport	66,054.9	70,546.8
1 Office of the Permanent Secretary	271.6	301.7
2 Marine Department	3,243.9	3,570.4
3 The Department of Land Transport	1,807.1	1,985.7
4 Department of Aviation	1,355.4	791.4
5 The Department of Highways	37,561.5	45,051.7
6 Department of Rural Road	21,442.0	17,858.9
7 The Office of the Transport and Traffic Policy and Planning	373.4	987.0
Ministry of Natural Resources and Environment	16,238.0	17,515.5
1 Office of the Permanent Secretary	787.1	893.8
2 Pollution Control Department	485.8	513.6
3 Department of Marine and Coastal Resources	885.7	1,047.7
4 Department of Mineral Resources	490.8	503.2
5 Department Water Resources	1,753.2	1,728.0
6 Department of Ground Water Resource	980.4	990.7
7 Royal Forest Department	1,777.2	2,281.9
8 Department of Environmental Quality Promotion	478.5	488.7
9 The National Park, Wildlife and Plant Conservation Department	8,377.3	8,817.5
10 Office of Natural Resources and Environmental Policy and Planning	222.0	250.4

(in million baht)

Ministry/Department	Appropriation	
	FY 2006	FY 2007
Ministry of Information and Communication Technology	5,011.8	4,052.1
1 Office of the Permanent Secretary	2,859.2	1,737.1
2 The Meteorological Department	834.2	975.8
3 National Statistical Office	739.8	946.0
4 Software Industry Promotion Agency (Public Organization)	578.6	393.2
Ministry of Energy	1,705.8	2,199.3
1 Office of the Permanent Secretary	145.1	394.7
2 Department of Mineral Fuels	138.9	173.9
3 Department of Energy Business	271.1	302.1
4 Department of Alternative Energy Development and Efficiency	1,097.5	1,238.8
5 Energy Policy and Planning Office	38.0	69.9
6 The Energy Fund Administration Institute (Public Organization)	15.2	19.9
Ministry of Commerce	4,829.8	5,826.1
1 Office of the Permanent Secretary	828.8	1,105.9
2 Department of Foreign Trade	243.3	265.3
3 Department of Internal Trade	498.3	644.0
4 Department of Insurance	219.0	253.0
5 Department of Trade Negotiations	343.4	375.5
6 Department of Intellectual Property	130.7	158.2
7 Department of Business Development	337.6	471.2
8 Department of Export Promotion	1,912.9	2,268.1
9 The SUPPORT Arts and Crafts International Centre of Thailand (Public Organization)	250.3	204.8
10 The Gem and Jewelry Institute of Thailand (Public Organization)	65.5	80.1
Ministry of Interior	160,643.5	179,115.8
1 Office of the Permanent Secretary	3,396.6	3,290.6
2 Department of Provincial Administration	18,266.3	22,172.2
3 The Community Development Department	2,522.4	2,942.5

		<i>(in million baht)</i>	
Ministry/Department	Appropriation		
	FY 2006	FY 2007	
4 Department of Lands	4,246.5	4,512.1	
5 Department of Disaster Prevention and Mitigation	2,437.9	1,948.8	
6 Department of Public Works and Town & Country Planning	2,669.1	3,623.9	
7 Department of Local Administration	111,305.6	124,826.6	
8 Bangkok Metropolitan Administration	14,195.3	14,195.3	
9 Pattaya City	1,603.8	1,603.8	
Ministry of Justice	12,449.7	13,934.9	
1 Office of the Permanent Secretary	744.2	627.6	
2 Department of Probation	883.9	1,208.9	
3 Right and Liberties Protection Department	252.3	340.2	
4 Legal Execution Department	502.7	611.8	
5 Department of Juvenile Observation and Protection	1,015.2	1,165.2	
6 Department of Corrections	6,069.2	7,135.8	
7 Special Investigation Department	718.0	687.9	
8 Office of Justice Affairs	87.2	95.2	
9 Central Institute of Forensic Science	311.2	164.7	
10 Office of the Narcotics Control Board	1,865.8	1,897.6	
Ministry of Labour	18,819.3	25,228.8	
1 Office of the Permanent Secretary	746.8	780.8	
2 Department of Employment	893.8	943.8	
3 Department of Skill Development	1,370.9	1,436.4	
4 Department of Labour Protection and Welfare	856.1	893.1	
5 Social Security Office	14,951.7	21,174.7	
Ministry of Culture	2,937.4	4,281.1	
1 Office of the Permanent Secretary	753.4	882.8	
2 The Religious Affairs Department	323.6	514.0	
3 The Fine Art Department	1,457.3	2,306.5	
4 Office of the National Culture Commission	299.1	415.7	
5 Office of Contemporary Art and Culture	61.4	83.7	
6 Princess Maha Chakri Sirindhorn Anthropology Centre (Public Organization)	42.5	78.4	

(in million baht)

Ministry/Department	Appropriation	
	FY 2006	FY 2007
Ministry of Science and Technology	9,995.4	9,803.9
1 Office of the Permanent Secretary	2,372.2	2,677.9
2 Department of Science Service	413.9	413.7
3 Office of Atomic Energy for Peace	172.2	165.4
4 National Science and Technology Development Agency	3,021.4	3,495.3
5 Geo-Informatics and Space Technology Development Agency (Public Organization)	3,654.7	2,569.5
6. Nuclear Society of Thailand (Public Organization)	361.0	482.1
Ministry of Education	225,610.7	282,254.4
1 Office of the Permanent Secretary	17,529.1	21,771.3
2 Office of the Education Council	148.0	235.7
3 Office of the Basic Education Commission	143,685.7	180,410.5
4 Office of the Higher Education Commission	5,020.1	6,214.9
5 Chulalongkorn University	4,603.1	4,999.1
6 Kasetsart University	2,714.0	2,848.3
7 Khon Kaen University	2,835.4	3,008.8
8 Chiang Mai University	2,862.7	3,218.7
9 Taksin University	599.4	682.9
10 Thammasat University	1,803.0	2,048.5
11 Naresuan University	1,271.3	1,606.8
12 Burapha University	612.4	763.2
13 Maha Sarakham University	793.2	789.9
14 Mahidol University	6,060.6	7,352.2
15 Maejo University	584.0	659.4
16 Ramkhumhaeng University	1,015.7	1,153.9
17 Srinakharinwirot University	1,370.7	1,732.0
18 Silpakorn University	998.5	1,066.4
19 Prince of Songkla University	2,499.4	3,416.1
20 Sukhothaimathahirat Open University	640.3	668.4
21 Ubonrachathani University	396.8	581.5
22 King Mongkut's Institute of Technology Ladkrabang	861.8	963.0
23 King Mongkut's Institute of Technology North Bangkok	711.7	921.5
24 National Institute of Development Administration	366.4	370.3
25 Suranaree University of Technology	658.4	776.8
26 Walailak University	452.7	486.1

(in million baht)

Ministry/Department	Appropriation	
	FY 2006	FY 2007
27 King Mongkut's University of Technology Thonburi	718.0	952.7
28 Mae Fa Luang University	360.1	461.8
29 Mahachula Buddhist University	532.1	582.0
30 Mahamakut Buddhist University	214.3	422.8
31 Kanchanaburi Rajabhat University	120.6	178.2
32 Kalasin Rajabhat University	84.7	107.5
33 Kamphaeng Phet Rajabhat University	118.0	216.9
34 Rajabhat Chandrakasem University	182.3	269.1
35 Chaiyaphum Rajabhat University	56.5	77.1
36 Chiangrai Rajabhat University	130.4	216.8
37 Chiang Mai Rajabhat University	224.4	289.7
38 Thepsatri Rajabhat University	145.1	222.1
39 Dhonburi Rajabhat University	142.8	232.8
40 Nakhon Pathom Rajabhat University	167.7	227.0
41 Nakhon Ratchasima Rajabhat University	195.2	210.8
42 Nakhon Si Thammarat Rajabhat University	116.4	200.6
43 Nakhon Sawan Rajabhat University	171.1	245.7
44 Bansomdejchaopraya Rajabhat University	170.8	271.7
45 Buriram Rajabhat University	141.4	178.5
46 Phranakhon Rajabhat University	203.5	299.3
47 Phranakhon Si Ayutthaya Rajabhat University	121.6	147.4
48 Pibulsongkram Rajabhat University	159.5	247.9
49 Phetchaburi Rajabhat University	131.5	226.5
50 Valaya Alongkorn Rajabhat University Under the Royal Patronage Pathumthani Province	162.8	247.4
51 Phetchabun Rajabhat University	104.8	163.2
52 Phuket Rajabhat University	126.7	200.9
53 Mahasarakham Rajabhat University	206.9	289.5
54 Yala Rajabhat University	136.0	250.6
55 Rajanagarindra Rajabhat University	129.1	161.3
56 Roi-Et Rajabhat University	61.7	94.6
57 Queen Rambhai Bharni Rajabhat University	133.5	215.6
58 Loei Rajabhat University	123.9	195.3
59 Lampang Rajabhat University	158.9	209.7
60 Sisaket Rajabhat University	49.6	93.6
61 Sakon Nakhon Rajabhat University	127.4	222.9

(in million baht)

Ministry/Department	Appropriation	
	FY 2007	FY 2007
62 Songkhla Rajabhat University	202.8	300.5
63 Suan Dusit Rajabhat University	215.0	419.2
64 Suan Sunandha Rajabhat University	203.1	320.1
65 Suratthani Rajabhat University	111.6	189.6
66 Surindra Rajabhat University	139.0	208.0
67 Muban Chom Bueng Rajabhat University	122.1	192.3
68 Udon Thani Rajabhat University	159.1	233.2
69 Uttaradit Rajabhat University	134.7	321.0
70 Ubon Ratchathani Rajabhat University	153.3	221.0
71 Pathumwan Institute of Technology	80.6	114.6
72 Rajamangala University of Technology Thanyaburi	770.1	919.2
73 Rajamangala University of Technology Krungthep	380.5	527.0
74 Rajamangala University of Technology Tawan-Ok	326.3	522.2
75 Rajamangala University of Technology Phra Nakhon	355.8	566.8
76 Rajamangala University of Technology Rattanakosin	260.1	468.8
77 Rajamangala University of Technology Lanna	637.8	828.6
78 Rajamangala University of Technology Srivijaya	427.9	652.9
79 Rajamangala University of Technology Suvarnabhumi	416.3	497.8
80 Rajamangala University of Technology Isan	624.0	771.0
81 Princess of Narathiwat University	100.0	186.3
82 Nakhon Phanom University	157.7	349.0
83 Office of the Vocational Education Commission	10,737.7	13,935.2
84 The Institute of the Promotion of Teaching Science and Technology	1,057.3	1,152.2
85 Mahidol Wittayanusorn School	237.3	206.6
86 Secretarial Office of the Teacher's Council of Thailand	177.4	211.3
87 Office of the Welfare Promotion Commission for Teachers and Education Personnel	130.8	130.8
88 International Institute for Trade and Development (Public Organization)	18.7	36.4
89 National Institute of Education Testing Service (Public Organization)	50.0	197.1
Ministry of Public Health	52,633.8	62,279.2
1 Office of the Permanent Secretary	40,998.4	49,115.1
2 Department of Medical Services	2,937.9	3,421.8

		<i>(in million baht)</i>	
Ministry/Department		Appropriation	
		FY 2006	FY 2007
3	Department of Communicable Disease Control	2,736.3	3,133.2
4	Department of Development of Thai Traditional and Alternative Medicine	113.1	134.1
5	Department of Medical Sciences	891.2	838.2
6	Department of Health Service Support	593.4	651.3
7	Department of Mental Health	1,659.7	1,888.6
8	Department of Health	1,366.7	1,559.5
9	The Food and Drug Administration	613.1	627.0
10	Health System Research Institute	79.0	99.4
11	National Health Security Office	645.0	811.0
Ministry of Industry		3,908.5	4,528.4
1	Office of the Permanent Secretary	1,049.5	1,239.5
2	Department of Industrial Works	455.9	473.8
3	Department of Industrial Promotion	805.9	943.1
4	Department of Primary Industries and Mines	272.0	299.1
5	Office of the Sugarcane and Sugar Board	132.5	140.2
6	Thai Industrial Standards Institute	440.6	599.1
7	The Office of Industrial Economics	230.6	262.9
8	Office of the Board of Investment	521.5	570.7
Independent Public Agencies		65,605.0	73,217.6
1	The Office of His Majesty's Principal Private Secretary	562.1	405.4
2	Bureau of the Royal Household	1,676.9	1,945.1
3	Office of the National Buddhism	2,199.9	3,194.2
4	Office of the Royal Development Project Board	45.1	52.8
5	The National Research Council of Thailand	933.6	962.6
6	The Royal Institute	88.4	105.7
7	The National Police Office	51,843.3	58,668.1
8	Anti-Money Laundering Office	230.9	170.1
9	Office of the Attorney - General	4,041.0	4,775.6
10	The Secretariat of Thailand Senate	1,006.5	1,008.1
11	The Secretariat of the House of Representatives	2,449.0	1,480.5
12	King Prajadhipok's Institute	314.3	200.0
13	Office of the National Economic and Social Advisory Council	214.0	249.4

(in million baht)

Ministry/Department	Appropriation	
	FY 2007	FY 2007
Independent Public Bodies	14,792.7	14,102.1
1 Office of the Election Commission of Thailand	3,203.6	1,735.2
2 Office of the Ombudsman	78.1	98.4
3 Office of the National Human Rights Commission	128.8	146.1
4 Office of the Constitution Court	155.9	100.2
5 The Office of the Court of Justice	8,283.3	8,631.1
6 The Office of the Administrative Courts	1,034.4	1,499.8
7 Office of the National Counter Corruption Commission	784.7	650.5
8 Office of the Auditor-General of Thailand	1,123.9	1,240.8
State Enterprises	49,665.9	80,889.3
1 Bank for Agriculture and Agriculture Co-operatives	2,814.1	24,596.4
2 Export-Import Bank of Thailand	50.0	90.3
3 The Small and Medium Enterprise Development Bank	23.9	18.8
4 The Tourism Authority of Thailand	3,891.0	3,596.3
5 Sports Authority of Thailand	2,367.5	2,914.0
6 National Housing Authority	6,952.1	6,533.6
7 The Marketing Organization for Farmers	36.8	8.8
8 Rubber Estate Organization	696.0	8,299.4
9 Office of the Rubber Replanting Aid Fund Board	946.9	1,031.1
10 Expressway and Rapid Transit Authority of Thailand	8,092.8	10,101.0
11 Civil Aviation Training Center	186.3	234.7
12 The State Railway of Thailand	9,384.7	7,240.7
13 Mass Rapid Transit Authority of Thailand	10,186.0	8,996.9
14 The Forestry Industry Organization	66.4	47.8
15 Botanical Garden Organization	85.0	94.6
16 Waste Water Management Authority	152.5	126.9
17 The Zoological Park Organization	470.3	552.9
18 Public Warehouse Organization	120.0	264.5
19 The Provincial Water Works Authority	2,184.0	2,956.4
20 Thailand Institute of Scientific and Technological Research	719.9	747.6
21 National Science Museum	212.7	357.3
22 Industrial Estate Authority of Thailand	27.0	9.3
23 Express Transport Organization	-	2,070.0

<i>(in million baht)</i>		
Ministry/Department	Appropriation	
	FY 2006	FY 2007
Revolving Funds	90,095.0	132,107.8
1 Village and Town Community Fund	13,145.3	13,158.0
2 Student Loans Fund	25,108.9	31,323.8
3 Income Contingent Loan Fund	4,803.2	4,445.1
4 Grant Fund	690.0	-
5 Fund for Farmers Assistance	2,500.0	2,500.0
6 Fund for Thai Tourism Promotion	375.0	200.0
7 Fund for National Sports Development	120.0	250.0
8 Fund for Boxing	20.0	-
9 Fund for Promotion of Social Security	30.0	60.0
10 Fund for Children Protection	30.0	60.0
11 Fund for Revitalization of the Disabled	30.0	60.0
12 Fund for Senior Citizens	30.0	60.0
13 Revolving Fund for Lending to Farmers and the Poors	200.0	-
14 Land Readjustment Fund	100.0	100.0
15 Fund for Farmers Rehabilitation and Development	102.1	250.0
16 Fund for Restructuring of Agricultural Production to Improve Competitiveness	200.0	100.0
17 Fund for International Trade Promotion	-	200.0
18 Fund for Justice	20.0	-
19 Fund for the Haj Pilgrims	200.0	100.0
20 Fund for Assisting Private School Principals and Teachers	606.0	600.0
21 Revolving Fund for Building Maintenance of Private Southern Islamic Schools	-	50.0
22 Fund for Wisdom on Thai Traditional Medicine	20.0	40.0
23 Revolving Fund for Health Care	39,666.8	75,125.9
24 Fund for Small and Medium Enterprises Promotion	1,797.7	3,000.0
25 Fund for Criminal Investigation	-	375.0
26 Fund for Political Party Development	300.0	-
27 Fund for Laborers	-	50.0
Total	1,360,000.0	1,566,200.0

Table III-15
Budget Appropriations by Ministries and Objects of Expenditures FY 2007

Ministry	Objects of Expenditures						Total
	Personnel	Operations	Investments	Subsidies	Others		
1 Central Fund	11,835.0	38,410.0	35,400.0	98,140.0	13,865.6	197,650.6	
2 Office of the Prime Minister	2,423.5	1,467.9	2,714.2	5,228.8	2,561.3	14,395.7	
3 Ministry of Defence	61,620.6	9,651.9	2,319.4	1,737.1	39,695.0	115,024.0	
4 Ministry of Finance	7,958.9	3,153.5	2,199.7	905.4	158,689.6	172,907.1	
5 Ministry of Foreign Affairs	2,501.2	1,918.7	322.7	885.1	1,693.6	7,321.3	
6 Ministry of Tourism and Sports	934.8	680.3	871.6	688.4	238.2	3,413.3	
7 Ministry of Social Development and Human Security	2,126.6	2,630.6	678.5	3,082.3	114.2	8,632.2	
8 Ministry of Agriculture and Cooperatives	19,917.6	10,469.4	29,199.9	1,147.7	4,238.1	64,972.7	
9 Ministry of Transport	6,856.6	1,398.1	60,828.5	24.1	1,439.5	70,546.8	
10 Ministry of Natural Resources and Environment	6,787.5	4,580.4	3,838.6	98.6	2,210.4	17,515.5	
11 Ministry of Information and Communication Technology	682.2	1,664.3	551.6	556.3	597.7	4,052.1	
12 Ministry of Energy	510.6	279.8	524.4	20.9	863.6	2,199.3	
13 Ministry of Commerce	2,028.9	2,271.6	184.8	522.7	818.1	5,826.1	
14 Ministry of Interior	13,231.5	7,722.2	3,930.3	139,965.0	14,266.8	179,115.8	

(in million baht)

(in million baht)

Ministry	Objects of Expenditures						Total
	Personnel	Operations	Investments	Subsidies	Others	Total	
15 Ministry of Justice	5,106.4	5,751.8	1,258.8	617.8	1,200.1	13,934.9	
16 Ministry of Labour	2,227.8	1,838.6	281.4	20,700.7	180.3	25,228.8	
17 Ministry of Culture	1,580.3	655.2	1,205.7	710.0	129.9	4,281.1	
18 Ministry of Science and Technology	267.3	204.8	87.3	8,895.0	349.5	9,803.9	
19 Ministry of Education	179,421.0	24,004.6	17,333.1	57,946.4	3,549.3	282,254.4	
20 Ministry of Public Health	47,518.7	8,232.4	2,187.5	2,740.9	1,599.7	62,279.2	
21 Ministry of Industry	1,434.0	577.9	301.8	749.1	1,465.6	4,528.4	
22 Independent Public Agencies	49,635.9	13,766.7	4,155.6	4,620.6	1,038.8	73,217.6	
23 Independent Public Bodies	-	-	-	1,833.6	12,268.5	14,102.1	
24 State Enterprises	-	-	9,218.9	19,160.2	52,510.2	80,889.3	
25 Funds and Revolving Funds	-	-	-	-	132,107.8	132,107.8	
Total	426,606.9	141,330.7	179,594.3	370,976.7	447,691.4	1,566,200.0	

Figure 3-7

Objects of Expenditures
FY 2007

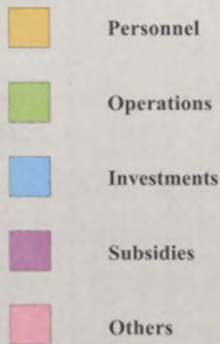
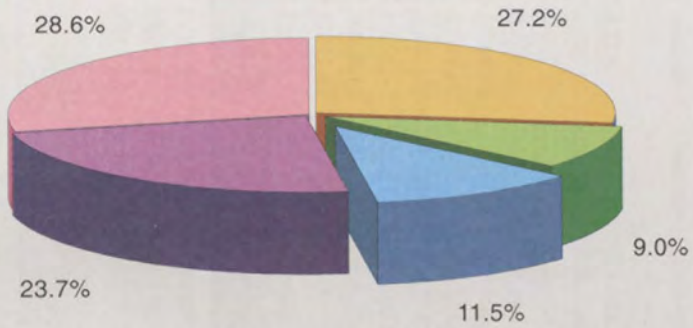


Table III-16
Budget Expenditures and Salaries and Wages

(in million baht)

Fiscal Year	Budget Appropriation	Salaries and Wages	
		Amount	Percentage of the Total Budget
1992	460,400.0	124,481.0	27.0
1993	560,000.0	163,593.9	29.2
1994	625,000.0	174,545.8	27.9
1995	715,000.0	209,609.7	29.3
1996	843,200.0	223,717.0	26.5
1997	925,000.0	242,847.0	26.3
1998	830,000.0	291,580.9	35.1
1999	825,000.0	263,210.9	31.9
2000	860,000.0	275,047.9	32.0
2001	910,000.0	279,940.9	30.8
2002	1,023,000.0	287,494.5	28.1
2003	999,900.0	298,027.1	29.8
2004	1,163,500.0	314,610.5	27.0
2005	1,250,000.0	352,705.8	28.2
2006	1,360,000.0	374,720.0	27.6
2007	1,566,200.0	426,606.9	27.2

- N.B. :*
- 1. Salaries and wages mean payments to civil servants and all types of government's employees on a monthly basis. They also include wages paid to government agencies' permanent employees according to the rates specified in the annual disbursement account and payments specified by the Ministry of Finance as monthly salaries, permanent wages and additional payments to the salaries.*
 - 2. Figures for FY 1995 include adjusted disbursements to salaries of civil servants and employees.*
 - 3. Figures for FY 1997 are adjusted downwards according to the approved Budget Act of 984,000 million baht.*
 - 4. Figures for FY 1998 are initially adjusted downwards and later adjusted upwards according to the approved Budget Act of 923,000 million baht.*
 - 5. Figures for FY 2004 include an amount of 135,500 million baht according to the approved additional Budget Act.*
 - 6. Figures for FY 2005 include an amount of 50,000 million baht according to the approved additional Budget Act.*
 - 7. Figures for FY 2006 include adjusted compensation to public sector personnel.*

Table III-17
Actual Expenditures FY 2001-2005

(in million baht)

Fiscal Year	Budget Appropriation	Actual Expenditures				Balance (Amount)
		Expenditures	Carry-over	Encumbrances	Total	
2001	910,000.0	812,044.4	3,437.3	85,888.8	901,370.5	8,629.5
	% of total budget	89.2	0.4	9.5	99.1	0.9
2002	1,023,000.0	917,767.2	5,861.1	88,856.1	1,012,484.4	10,515.6
	% of total budget	89.7	0.6	8.7	99.0	1.0
2003	999,900.0	898,299.7	4,424.6	90,610.6	993,334.9	6,565.1
	% of total budget	89.8	0.4	9.1	99.3	0.7
2004	1,163,500.0	1,052,659.9	7,590.1	120,162.4	1,180,412.4	-16,912.4
	% of total budget	90.5	0.7	10.3	101.5	-1.5
2005	1,250,000.0	1,140,551.4	-	105,405.9	1,245,957.3	4,042.7
	% of total budget	91.3	-	8.4	99.7	0.3

Note : For FY 2004, the amount in excess of budget appropriation derived from the treasury accounts.

FY 2005's figures are preliminary ones from the GFMS system.

Source: Comptroller-General's Department

3. Budget Allocations for the Local Administrative Organization

The government has given priority to the devolution of power to the Local Administration Organization allowing it to have an autonomy in setting up policy on administration, personnel, financial and fiscal management. It is to be self-reliant and capable of providing efficient public services according to its duty and responsibility. This will reduce the Government's financial burden in providing subsidies to the LAO.

The fact that the government is responsible for providing substantial budget expenditures for the country's development, it is unable to allocate revenue to the LAO during the FY 2007 by the proportion of 35 per cent of its net revenue according to the Determining Plans and Process of Decentralization to Local Administrative Organization Act B.E. 2542 (A.D. 1999). The government has already proposed an amendment to the aforementioned Act. At present, the amending process is in progress and the principal issue involves the setting of proportion of revenue allocated to the LAO for each year at a rate that is not less than that of the current year.

In order for the LAO to perform its duties pursuant to the aforementioned guidelines and principles, the government has increased the allocation from the tax revenue and duties, subsidies and other revenues to the LAO on a continued basis. For FY 2007, the subsidies amount to 139,374.0 million baht. Together with estimated revenues collected by the LAO and revenue sharing from the government of 218,050.2 million baht, the total revenue of the LAO will amount to 357,424.2 million baht, equivalent to 25.17 per cent of the government's net revenue of 1,420,000 million baht, an increase in allocation over that of FY 2006 whose allocation was 327,113.0 million baht, equivalent to 24.05 per cent of the government's net revenue of 1,360,000 million baht.

Table III-18
Budget Appropriations for the
Local Administrative Organizations FY 2007

(in million baht)

Type of Allocation	Appropriation		Changes Over FY2006	
	FY 2006*	FY 2007	Amount	%
1. Revenue collected by Local Administrative Organization and Revenue Sharing from the Government	201,100.0	218,050.2	16,950.2	8.4
2. Subsidies	126,013.0	139,374.0	13,361.0	10.6
2.1 Allocation to Municipalities, Provincial Administrative Organization, Tambon Administrative Organization	110,213.9	123,574.9	13,361.0	12.1
2.2 Allocation to the Bangkok Metropolitan Administration	14,195.3	14,195.3	0.0	0.0
2.3 Allocation to the Pattaya City	1,603.8	1,603.8	0.0	0.0
Total	327,113.0	357,424.2	30,311.2	9.3

4. Multi-Year Commitment Budget

Multi-year commitment budget means an expenditure item which requires an obligated contract and includes an obligated ceiling for the following years. This obligated amount will also cover a contingent budget under the procedures indicated by article 23 of the Budget Procedure Act B.E. 2502 (A.D. 1959)

The multi-year commitment budget which will commence operation in FY 2007 and the total multi-year commitment budget which is inclusive of the FY 2007 portion can be summarised as follows:

4.1 New multi-year commitment budget for FY 2007

During FY 2007, new multi-year commitment budget items of the government agencies and state enterprises which will commence operation amount to 119,445.5 million baht. The amount of 85,868.3 million baht is an approved budget while the amount of 27,889.2 million baht is an extrabudgetary. The balance of 5,688.0 million baht is a contingent budget. The breakdown by ministry is presented in Table 3-19.

4.2 Total multi-year commitment budget

Commitment budget which has already been approved up to the FY 2006 together with new commitment budget for the FY 2007 total 438,039.2 million baht. The amount of 289,232.1 million baht can be classified as an approved budget, 143,119.1 million baht as an extrabudgetary and 5,688.0 million baht as a contingent budget. The breakdown by ministry is presented in Table 3-20.

The total commitment budget up to the FY 2007 of 438,039.2 million baht includes the approved commitment budget up to FY 2006 of 318,593.7 million baht while the remaining 119,445.5 million baht is the new commitment for FY 2007. The annual commitments from FY 2007 and the fiscal years thereafter are exhibited in Table 3-21.

Table III-19
New Multi-Year Commitment Budget to Commence in FY 2007

Ministry	Budget					Extra-budgetary	Contingent Budget	Total Commitment Budget
	FY 2007	FY 2008	FY 2009	FY 2010	Outyears			
	(in million baht)							
1 Office of the Prime Minister	660.6	1,374.6	1,221.3	2.5	-	-	163.0	3,422.0
2 Ministry of Defence	3,224.5	5,625.6	5,627.4	1,200.0	-	-	783.9	16,461.3
3 Ministry of Finance	323.8	1,069.6	-	-	-	-	69.7	1,463.1
4 Ministry of Foreign Affairs	238.9	469.4	346.0	27.0	-	-	54.1	1,135.3
5 Ministry of Tourism and Sports	20.0	20.0	20.0	40.1	-	-	5.0	105.2
6 Ministry of Agriculture and Cooperatives	1,130.4	2,913.2	1,268.5	2.2	-	-	265.7	5,579.7
7 Ministry of Transport	2,223.1	7,575.0	1,327.1	-	-	-	556.3	11,681.5
8 Ministry of Information and Communication Technology	184.0	736.0	-	-	-	-	46.0	966.0
9 Ministry of Energy	38.0	95.0	57.0	-	-	-	9.5	199.5
10 Ministry of Commerce	10.7	10.7	8.5	19.2	-	-	2.5	51.7
11 Ministry of Interior	4,615.0	7,763.6	5,569.2	4,103.7	-	21,039.0	2,154.5	45,245.0
12 Ministry of Justice	185.0	426.5	313.6	-	-	-	46.3	971.4
13 Ministry of Labour	12.0	23.0	23.4	-	-	-	2.9	61.3
14 Ministry of Culture	27.7	69.0	42.0	-	-	-	6.9	145.6
15 Ministry of Science and Technology	516.8	725.6	540.0	408.0	-	-	109.5	2,299.8

(in million baht)

Ministry	Budget					Extra-budgetary	Contingent Budget	Total Commitment Budget
	FY 2007	FY 2008	FY 2009	FY 2010	Outyears			
17 Ministry of Public Health	404.9	865.7	746.2	3.8	-	17.0	101.9	2,139.6
18 Ministry of Industry	36.9	126.9	6.9	13.8	-	-	9.2	193.7
19 Independent Public Agencies	329.5	1,036	177.1	69.2	-	-	82.6	1,693.0
20 Independent Bodies under the Constitution	185.0	455.2	284.8	-	-	-	46.3	971.3
21 State Enterprises	371.1	767.8	665.0	5.9	-	526.4	116.8	2,453.2
Total Commitment Budget	17,795.6	39,536.2	22,089.9	6,446.6	-	27,889.2	5,688.0	119,445.5

Table III-20
Total Multi-Year Commitment Budget by Ministries FY 2006

Ministry	Budget							Extra-budgetary	Contin- gent Budget	Total commit- ment budget
	Up to FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	Outyears	Total			
1 Office of the Prime Minister	1,467.2	2,352.6	1,681.7	1,276.8	35.7	-	-	163.0	6,977.0	
2 Ministry of Defence	3,797.7	9,996.4	10,213.7	6,984.7	1,356.0	-	-	783.9	33,132.5	
3 Ministry of Finance	242.3	507.4	1,217.2	24.2	2.1	-	-	69.7	2,062.8	
4 Ministry of Foreign Affairs	950.7	1,180.0	1,415.6	1,065.4	308.1	-	-	54.1	4,973.9	
5 Ministry of Tourism and Sports	19.4	39.5	39.5	39.5	40.1	-	-	5.0	182.8	
6 Ministry of Agriculture and Cooperatives	5,380.9	12,160.3	11,775.0	2,527.7	17.9	-	-	265.7	32,127.6	
7 Ministry of Transport	11,916.7	34,522.2	27,263.6	3,355.2	6.1	-	9,171.9	556.3	86,792.0	
8 Ministry of Natural Resources and Environment	15.3	60.2	-	-	-	-	-	-	75.5	
9 Ministry of Information and Communication Technology	69.4	251.1	870.8	59.9	0.9	-	-	46.0	1,298.1	
10 Ministry of Energy	266.8	166.8	333.1	389.8	0.7	-	-	9.5	1,166.7	
11 Ministry of Commerce	196.5	245.4	139.8	34.6	49.6	-	-	2.5	668.4	
12 Ministry of Interior	4,104.8	9,590.7	14,482.4	9,786.4	5,351.6	-	37,765.3	2,154.5	83,235.7	
13 Ministry of Justice	426.3	749.8	873.1	389.7	7.3	-	-	46.3	2,492.5	
14 Ministry of Labour	15.0	17.0	75.0	23.4	-	-	-	2.9	133.3	
15 Ministry of Culture	288.6	462.7	341.4	63.5	-	-	-	6.9	1,163.1	

(in million baht)

Ministry	Budget						Extra-budgetary	Contin- gent Budget	Total commit- ment budget
	Up to FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	Outyears			
16 Ministry of Science and Technology	2,978.9	1,955.0	1,188.5	595.3	408.0	-	109.5	7,235.3	
17 Ministry of Education	3,625.1	9,783.0	12,017.1	4,307.5	581.8	-	1,057.4	39,801.9	
18 Ministry of Public Health	598.3	1,478.8	2,190.9	1,286.3	4.2	-	101.9	6,096.5	
19 Ministry of Industry	25.1	98.2	179.4	32.4	28.4	-	9.2	372.6	
20 Independent Public Agencies	642.9	1,000.3	1,708.8	367.9	215.9	-	80.6	4,016.3	
21 Independent Bodies under the Constitution	311.1	697.6	1,191.5	284.8	-	-	46.3	2,531.2	
22 State Enterprises	10,493.1	11,251.3	3,783.2	2,386.6	6,156.8	-	116.8	121,503.5	
Total Commitment Budget	47,831.9	98,566.3	92,981.2	35,281.5	14,571.2	-	5,688.0	438,039.2	

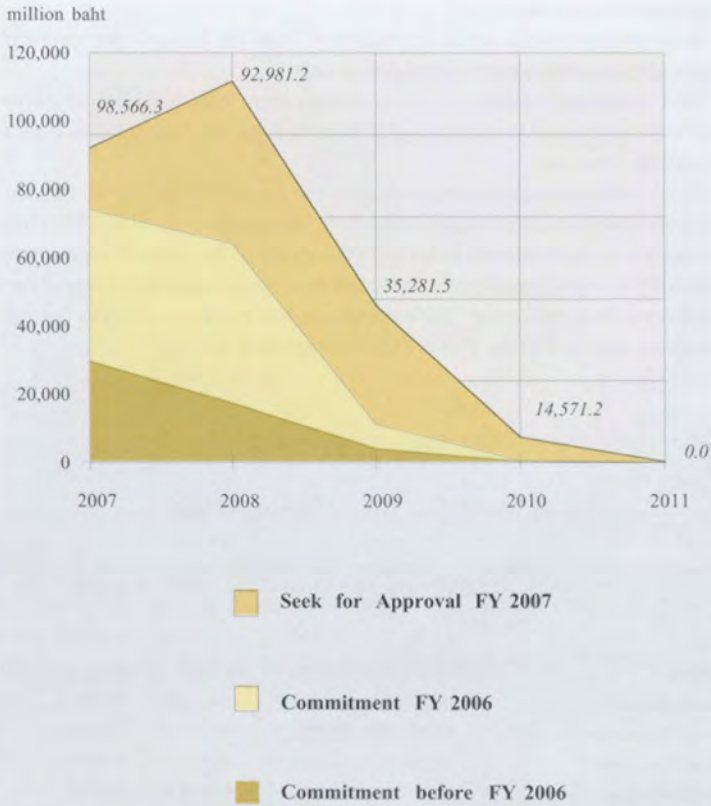
Table III-21
Total Multi-Year Commitment Budget Classified by Approved Commitment Budget and
New Commitment Budget

Item	Budget							Total FY 2007 to End of Project	Extra- budgetary Budget	Contin- gent Budget	Total Commit- ment Budget
	Up to FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	2011 and outyears					
1. Approved Commitment											
Budget up to FY 2006	47,831.9	80,77.7	53,445.0	13,191.6	8,124.6	-	155,531.9	115,229.9	-	318,593.7	
1.1 Commitment											
Budget before											
FY 2006	34,345.2	51,874.3	29,682.5	6,721.0	6,841.5	-	95,119.3	79,835.5	-	209,300.0	
1.2 Commitment											
Budget											
FY 2006	13,486.7	28,896.4	23,762.5	6,470.6	1,283.1	-	60,412.6	35,394.4	-	109,293.7	
2. New Commitment											
Budget FY 2007	-	17,795.6	39,536.2	22,089.9	6,446.6	-	85,868.3	27,889.2	5,688.0	119,445.5	
Total Multi-Year Commitment Budget	47,831.9	89,566.3	92,981.2	35,281.5	14,571.2	-	241,400.2	143,119.1	5,688.0	438,039.2	

(in million baht)

Figure 3-8

Summary of Total Commitment Budget



N.B. : Excluding Non-Budget and Contingent Budget

PART IV

Government Finance

1. Financial Outlook

1.1 Revenues mean actual revenues collected by the government in each fiscal year which consist of taxes and duties, sales of goods and services, share of profits from state enterprises and other revenues.

1.2 Expenditures mean actual expenditures from the budget appropriation in that fiscal year and those carried-over from the prior years.

1.3 Non-budgetary funds mean any funds other than the budget fund, which have been deposited by government offices and organizations with the Ministry of Finance e.g. external loans, revolving fund, etc.

1.4 Borrowing means government borrowing in each fiscal year to finance budget deficit authorized by Article 21 of the Public Debt Management Act B.E. 2548 (A.D. 2005) which authorizes the government to borrow 20 per cent of the annual budget expenditures applicable at the time and a supplementary budget and the additional 80 per cent of the amount allocated for principal repayment. The borrowing can be made according to the regulations and procedures specified in the Public Debt Management Act.

Table IV-1
Treasury Account Balances

(in million baht)

	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005*
Revenues	765,961.2	845,410.9	960,622.4	1,125,130.3	1,214,000.3
Expenditures	901,654.9	1,015,682.7	980,343.0	1,140,121.5	1,245,957.3
Budget cash balances	-135,693.7	-170,271.8	-19,720.6	-14,991.2	-31,957.0
Non-budget cash balances	56,984.9	76,553.3	-27,261.8	4,979.4	-4,184.1
Overall cash balances	-78,708.8	-93,718.5	-46,982.4	-10,011.8	-36,141.1
- Domestic cash balances	82,212.6	113,296.1	82,218.2	32,004.2	-
Treasury cash balances	3,503.8	19,577.6	35,235.8	21,992.4	-36,141.1
Treasury account balances	76,401.8	95,979.5	131,216.5	153,242.4	117,926.2

* Preliminary figures

Source : Comptroller-General's Department

Monthly treasury account balances for the fiscal years 2001 to 2005 are exhibited in the following chart 4-1.

Figure 4-1

Treasury Account Balances
FY 2001-2005

Billion Baht



2. Public Debt

Public debt is the financial obligation of the government arising from direct borrowing or guaranteeing the debts including exchanged funds certified by the government. It can be separated into internal and external debt.

Table IV-2
Principal Outstanding Debt as of September 30, 2006

(in million baht)

Type of Loans	Direct Government Loans	Debt Guaranteed	Total
Internal Debt	1,775,786.6	455,496.6	2,231,283.2
Growth rate ² : increase (+) / decrease (-)	19.5	(17.6)	9.5
% of budget	130.6	33.5	164.1
% of GDP	22.8	5.9	28.7
External Debt¹	161,131.6	209,478.5	370,610.1
Growth rate ² : increase (+) / decrease (-)	(44.6)	(27.8)	(36.2)
% of budget	11.9	15.4	27.3
% of GDP	2.1	2.7	4.8
Total	1,936,918.2	664,975.1	2,601,893.3
Growth rate ² : increase (+) / decrease (-)	9.1	(21.1)	(0.7)
% of budget	142.5	48.9	191.4
% of GDP	24.9	8.5	33.4

N.B. 1. Exchange rate 1 US\$ = 37.4931 baht as of September 30, 2006.

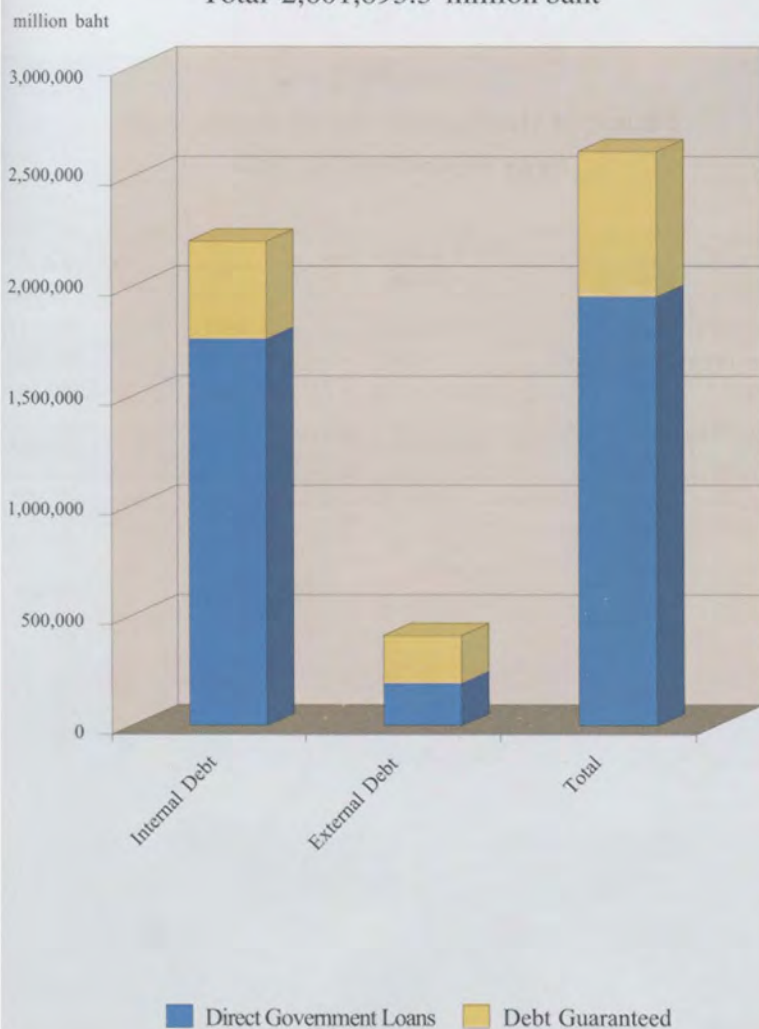
2. Increase/decrease in growth rates in comparison with those of June 30, 2005

Source : Public Debt Management Office, Ministry of Finance.

Figure 4-2

Principal Outstanding Debt
as of September 30, 2006

Total 2,601,893.3 million baht



2.1 Internal Debt

2.1.1 Principal Outstanding

As of September 30, 2006 the outstanding domestic debt of the government stood at 2,231,283.2 million baht consisting of 1,480,786.6 million baht in government bonds, 45,000.0 million baht in promissory notes, 250,000.0 million baht in treasury bills, and 455,496.6 million baht in guaranteed domestic loans of state enterprises.

Table IV-3
Principal Outstanding for Domestic Debt
as of September 30, 2006

(in million baht)

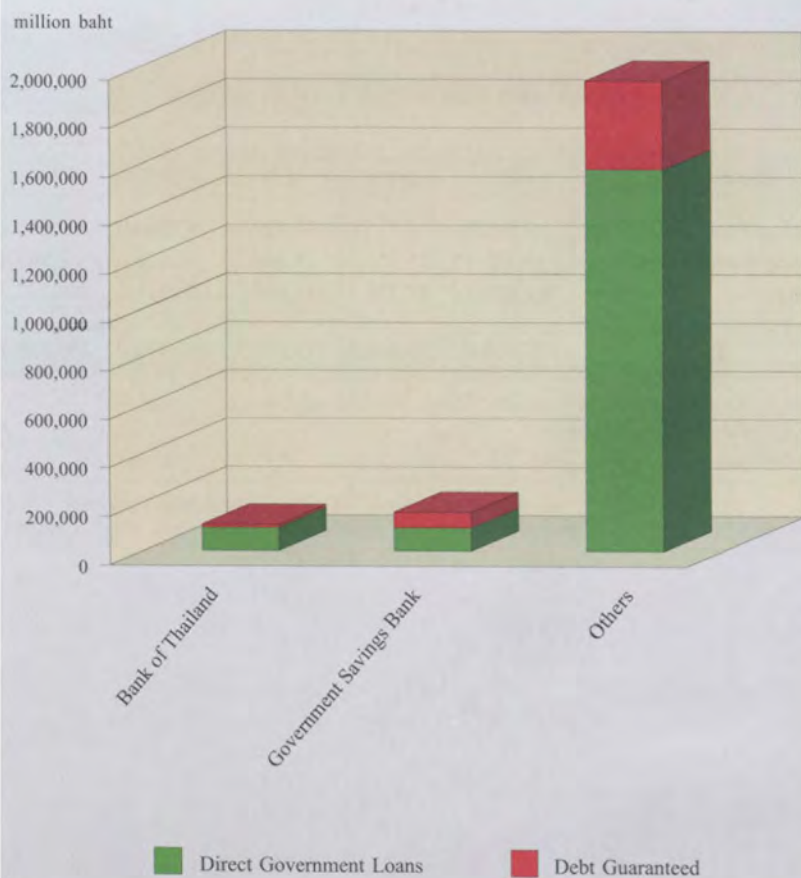
Sources	Direct Govern- ment Loans	Debt Guaranteed	Total
Bank of Thailand	95,388.3	13,649.6	109,037.9
Government Savings Bank	93,984.9	67,879.9	161,864.8
Others	1,586,413.4	373,967.1	1,960,380.5
Total	1,775,786.6	455,496.6	2,231,283.2

Source : 1. Public Debt Management Office, Ministry of Finance.
2. Bank of Thailand.

Figure 4-3

Principal Outstanding for Domestic Debt
as of September 30, 2006

Total 2,231,283.2 million baht



2.1.2 Borrowings for the Fiscal Year

Direct government loans for the fiscal year 2006 was 280,839.1 million baht which comprised 114,500 million baht for the debt management financing authorized by the Public Debt Management Act B.E. 2548 (A.D. 2005) and 50,000 million baht for Financial Institutions Development Fund (FIDF 1) authorized by the Emergency Decree Authorizing the Ministry of Finance to Raise an Administer Loans for the Financial Institutions Development Fund B.E. 2541 (A.D. 1998) and 116,339.1 million baht for FIDF 3 authorized by the same decree for the FIDF Fund Phase II B.E. 2545 (A.D. 2002).

Table IV-4
Annual Borrowings FY 2002-2006

<i>(in million baht)</i>					
Sources	2002	2003	2004	2005	2006
Bank of Thailand	3,692.0	2,715.0	14,427.0	10,563.0	9,768.7
Government Savings Bank	9,382.7	15,755.7	8,540.3	2,626.0	2,948.1
Others	461,925.3	57,529.3	257,020.6	156,211.0	268,122.3
Total	475,000.0	76,000.0	279,987.9	169,400.0	280,839.1

Source : 1. Public Debt Management Office, Ministry of Finance.
2. Bank of Thailand.

2.2 External Debt

2.2.1 External Debt Outstanding

At the end of September 30, 2006, public external debt stood at US\$ 9,884.755 million (approximately 370,610.119 million baht). Direct government loans accounted for US\$ 4,297.634 million (approximately 161,131.643 million baht) while government guaranteed loans were US\$ 5,587.121 million (approximately 209,478.476 million baht)

Table IV-5
Principal Outstanding for External Debt by Sources
as of September 30, 2006

(in million US\$)

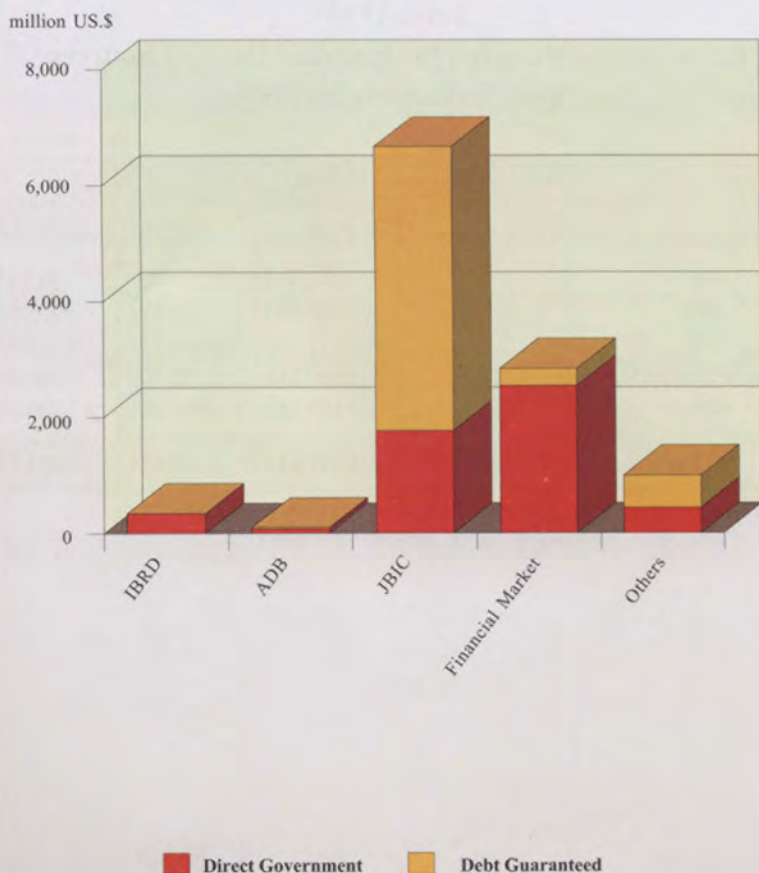
Agencies	Direct Government Loans	Debt Guaranteed	Total
1. IBRD	346.433	-	346.433
2. ADB	69.960	26.591	965.551
3. JBIC	2,121.159	4,664.214	6,785.373
4. Financial Market	1,080.041	300.000	1,380.041
5. Others	680.041	596.316	1,276.357
Total	4,297.634	5,587.121	9,884.755

N.B. Exchange rate 1 US\$ = 37.4931 baht as of September 30, 2006.

Source : Public Debt Management Office, Ministry of Finance.

Figure 4-4

Principal Outstanding for External Debt
as of September 30, 2006
Total 9,884.755 million US\$



2.2.2 Borrowings for the Fiscal Year

Public external borrowing consists of direct government loans and state enterprise borrowings guaranteed by the government. It can be classified by sources as follows :

1. International Bank for Reconstruction and Development (IBRD) / (The World Bank)
2. The Asian Development Bank (ADB)
3. Japan Bank for International Cooperation (JBIC)
4. Money Market
5. Others

During FY 2007, the public external borrowing ceiling was set at US\$ 1,000 million. Under this ceiling, the amount of public external borrowing for FY 2007 was US\$ 550.89 million consisting of government guaranteed loans of US\$ 347.78 million and government non-guaranteed loans of US\$ 203.11 million.

In setting the public external borrowing ceiling for FY 2007, considerations were given to projects which were necessary and appropriate in accordance with the government policy aiming at reducing foreign debts. External borrowings were to be made when deemed necessary and did not affect the government's goal of sustainable fiscal position. Apart from this, domestic borrowings would replace external borrowings of state enterprises whose borrowings were to be from foreign capital market and export credit sources or other sources. The objectives were to reduce foreign exchange risk and costs of borrowings and to promote the development of domestic debt instruments.

Table IV-6
Direct Government Loans

(in million US\$)

Sources	Fiscal Year	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
	IBRD		100.0	-	-	-
ADB		-	-	-	-	-
JBIC		31.0	-	-	-	-
Money Market		-	-	-	-	-
Capital Market		-	-	-	-	-
Other		-	-	-	-	-
Total		131.0	-	-	-	-

- N.B.* 1. The amounts for the FY 2002 resulted from the public external borrowing programme.
 2. During FY 2003-2006, there were no borrowings according to the public external borrowing programme.

Source: Public Debt Management Office, Ministry of Finance.

Table IV-7
Government Guaranteed Loans

(in million US\$)

Sources	Fiscal Year	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
	1. IBRD		-	-	-	-
2. ADB		-	-	-	-	-
3. JBIC		361.8	-	419.8	334.5	-
4. Money Market		-	-	-	-	-
5. Capital Market		-	-	-	-	-
6. Others		-	-	-	32.3	-
Total		361.8	-	419.8	366.8	-

N.B. 1. The amounts for the fiscal years 2002 to 2006 resulted from the public external borrowing programme.

Source: Public Debt Management Office, Ministry of Finance.

2.2.3 Fiscal Year 2007 External Loan Disbursement Plan

Within fiscal year 2007, government agencies plan to disburse direct government loan in the total amount of 940.2 million baht.

Table IV-8
FY 2007 External Loan Disbursement Plan

(in million baht)

Agencies/Projects	Source	FY 2007		
		Loan	Budget (Local Cost Financing)	Total
Total		940.2	1,063.2	2,003.5
1. Ministry of Agriculture and Cooperatives		35.7	8.9	44.6
<i>Office of Agricultural Land Reform</i>		<i>35.7</i>	<i>8.9</i>	<i>44.6</i>
- OECF Loan Project for Revitalization of the Deteriorated Environment in Integrated Agricultural Area	JBIC	35.7	8.9	44.6
2. Ministry of Transport		700.0	1,054.3	1,754.3
<i>The Department of Rural Road</i>		<i>700.0</i>	<i>1,054.3</i>	<i>1,754.3</i>
- Industrial Ring Road Construction Project	JBIC	600.0	883.4	1,483.4
- Parkret Bridge Construction	JBIC	100.0	170.9	270.9
3. Ministry of Science and Technology		204.6	-	204.6
<i>Office of the Permanent Secretary</i>		<i>204.6</i>	<i>-</i>	<i>204.6</i>
- National Metrology System Development Project (I and II)	JBIC	204.6	-	204.6

N.B. 1 USD = 38.0 baht, 100 Yen = 35.0 baht

Source : Bureau of the Budget

3. Foreign Aid

Thailand receives assistance from bilateral and multilateral sources mainly in terms of experts, fellowships, equipment, and grants. The assistance supports development activities through projects in agriculture, community and social development, and education and general administration.

Foreign aid can be classified by source as follows:

Table IV-9
Foreign Aid by Source

(in million baht)

Sources	FY 2003 ^{1/}	FY 2004 ^{2/}	FY 2005 ^{3/}
1. Japan	822.0	559.4	436.4
2. European countries and Canada	718.9	550.6	529.0
3. USA	367.7	210.5	196.7
4. Australia, New Zealand, Middle Eastern and other Asian Countries	145.5	119.7	62.0
5. United Nations	175.4	178.5	414.8
6. European Union	112.1	58.5	44.5
7. Volunteer	187.1	178.0	180.6
8. Non-Governmental Organization	281.4	380.0	354.7
9. Other sources ^{4/}	3.7	2.8	1.4
Total	2,814.0	2,238.0	2,220.2

N.B. ^{1/} Exchange rate for the fiscal year 2003 1 US\$ = 42.0 baht

^{2/} Exchange rate for the fiscal year 2004 1 US\$ = 40.0 baht

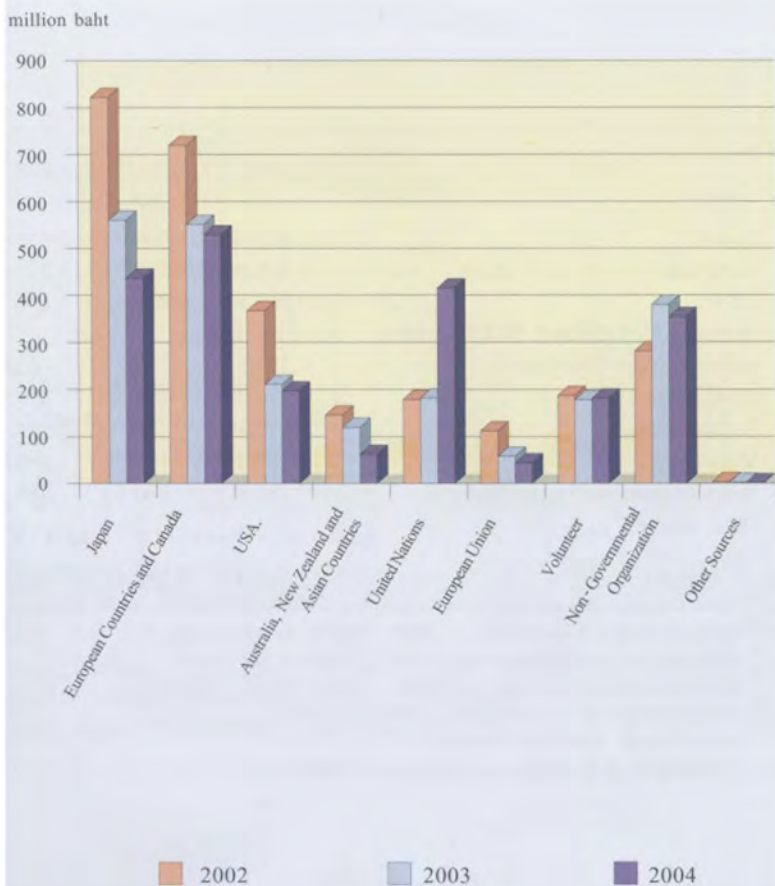
^{3/} Exchange rate for the fiscal year 2005 1 US\$ = 40.0 baht

^{4/} Other sources include SEAMEO, ASEAN countries, and Colombo Plan Staff College

Source : Department of Technical and Economic Cooperation

Figures 4-5

Foreign Aid FY 2003-2005



4. Private Donations

During each year, the government receives cash contributions and materials from the private sector and institutions for various purposes. During FY 2005 (Oct. 1, 2004 - Sep. 30, 2005) and the first 5 months of FY 2006 (Oct. 1, 2005 - Feb. 28, 2006), cash and equipment donated to the government, compiled from documents submitted to the Bureau of the Budget, are as follows:

1. For FY 2005, total donations were 4,957.9 million baht consisting of cash and materials at 2,132.3 million baht and 2,825.6 million baht respectively.
2. During the first 5 months of FY 2006 cash and equipment donated were 1,148.9 million baht and 509.7 million baht respectively, totalling to 639.2 million baht.

Table IV-10
Private Donations

(in million baht)

Fiscal Year	Cash			Materials and Supplies (value)
	Received	Disbursed	Balance	
1997	1,373.5	466.0	907.5	4,223.2
1998	792.8	758.9	33.9	3,038.5
1999	1,046.5	845.5	201.0	4,634.5
2000	831.1	1,229.6	-398.5	3,226.3
2001	705.9	892.5	-186.6	2,068.3
2002	762.2	890.1	-127.9	1,630.9
2003	539.9	545.8	-59	1,491.3
2004	927.4	764.7	162.7	1,300.8
2005	2,132.3	1,817.7	314.6	2,825.6
2006	509.7	392.1	117.6	639.2

