

**Summary of the Government’s Relief and Recovery Plan and Package
(as of 25 October 2011)**

The Royal Thai Government has endeavoured to alleviate the current flood situations, with respect to water management and flood victim rescue efforts. On 25 October 2011, the Cabinet has approved flood relief measures and instructed the relevant ministers to carry out responsibilities during the four phases of flooding, namely, **in the immediate term, in the period of the most significant flooding** (about 4 – 6 weeks), **in the period when the flooding recedes, and in the long term.**

1. For the Immediate Response Phase Immediate measures (already implemented) focus on ensuring people’s safety and diminishing damage to businesses, e.g., construction of water dykes in severely flooded areas, installing water pumps, transporting materials, devices, and care packages to flood victims in many areas including temporary shelters and flood affected areas.

2. For the Flood Assistance Phase Measures to help people and businesses adjust to the current flood situations over the next 4 – 6 weeks are summarised as follows:

Measures
<p>2.1 Database for Infrastructure Rehabilitation</p> <ul style="list-style-type: none"> ▪ Integrate satellite data, geo-informatics, and basic information from the authorities concerned to identify flooded areas, water drainage directions, and flood damaged areas in details.
<p>2.2 Integration of Activities in Temporary Shelters</p> <ul style="list-style-type: none"> ▪ Offer food and consumer products, as well as mental rehabilitation ▪ Support transportation of necessary materials, devices, and care packages from the authorities concerned, e.g., Flood Relief Operation Centre (FROC), to many areas.
<p>2.3 Social Rehabilitation Activities</p> <ul style="list-style-type: none"> ▪ Improve water quality in total areas of 3,520 square kilometres by instructing local communities how to produce Effective Micro-organism (EM) balls. ▪ Prevent pandemic diseases by dispatching mobile medical units to treat patients residing in the flood affected areas to reduce the possibility of critical conditions. ▪ Provide job skill to generate alternative means of income in case flood victims are not capable of carrying on with their previous professions. ▪ Restore damaged historical sites and estimate losses of temples and schools. ▪ Rehabilitate teachers, students, and schools by providing necessary supplies, ease students’ commute to schools, procure school materials, and restore facilities within the budget of 50,000 baht. After the flooding recedes, relief measures including debt moratorium, and loans with low interest rates for teachers and government officials of the Ministry of Education affected by the flooding will be provided for their residence restoration within the budget of 3,000,000 baht.
<p>2.4 Main Economic Measures</p> <p>(1) Industrial Sector</p> <ul style="list-style-type: none"> ▪ Drain water from factories and industrial estate areas as soon as possible, and start the infrastructure restoration process. ▪ Compile information on the damages to machinery and equipment, and

compensation by insurance companies; expedite claims payments and resolving conflicts between factories and insurance companies; as well as provide appropriate assistance by the government such as seeking cooperation from commercial banks in easing loans.

- Provide assistance in moving machinery, equipment, and inventory from affected areas to a safe place to minimize damage.
- Facilitate visa procedures for foreign experts and mechanics and gathering local experts from academic and private sectors for repair of machinery, equipment, and infrastructure.
- Implement a plan to supplement import-export document processing; 3 locations will be set-up at Suvarnabhumi Airport, Ministry of Commerce Service Link on Rachadapisek Road, and the Department of Foreign Trade – Chonburi Office.

(2) Provide assistance to laborers through skill-development programs for affected workers to help them return to their jobs, to meet the demands of employers, and to help workers gain new skill sets.

(3) Restore and repair roads and infrastructure; expedite the process to improve accessibility of flooded streets to allow commuting, reparation of damaged roads and bridges to allow access as early as possible.

(4) Water Management

- Design a plan and process for draining water from affected areas within 2 months, taking into consideration issues such as water pathway, required tools and drainage equipment, and appropriate timeframe.
- Compile information on water levels to inform households and businesses in each area, build walls that match the water level in each area; the information will be accessible on the websites of governmental agencies.

(5) Approaches to monitoring, rationing, and regulating prices of goods and services

- (Ministry of Commerce) Coordinate with the Airports of Thailand Public Company (AOT) in opening access to Donmuang Airport as a temporary distribution center of goods for retailers in affected areas – CP-All (7-11 store), Siam Makro, Ekchai Distribution (Tesco Lotus), Big-C Supercenter, and Central Food Retail Company (TOPS Supermarket), which are in .
- (Ministry of Commerce) Coordinate with the army in using 120 of their trucks to transport goods from the temporary distribution center to other branches to avoid shortage in the market.
- Restore retail of highly-needed goods in Bangkok and the provinces; set up a mobile unit to distribute necessary consumer goods to areas with difficulty access.
- Set up a coordination center for distribution of goods, linking producers to distributors and retailers to ensure sufficient supply of necessary goods, and expedite the distribution of goods to retailers.
- Monitor price level to prevent retailers from taking advantage of consumers by sending monitoring teams to ensure fair pricing and prevent stocking of inventory, and receiving complaints through a hotline on a 24-hour basis and through the offices of the Department of Internal Trade in each province.

3. For Post-Crisis Rehabilitation Phase

3.1 Measures concerning loans for people and business operators affected by the flood, within the budget of 325 billion Baht (10.3 billion USD)

Measures
(1) Individual loans provided by the Government Saving Bank (GSB), the Government Housing Bank (GHB) and the Bank for Agriculture and Agricultural Cooperatives (BAAC) (80 billion Baht), comprising of: <ul style="list-style-type: none">▪ Loans for individual groups: 20 billion Baht by GSB▪ Housing Mortgage: 30 billion Baht by GHB and GSB▪ Loans for affected farmers: 30 billion Baht by BAAC
(2) Individual loans provided by Social Security Program (10 billion Baht), comprising of: <ul style="list-style-type: none">▪ Individual loans for affected business enterprises for reconstruction: 2 billion Baht, up to 1 million Baht each, 3% interest rate p.a. (fixed 3 years)▪ Individual loans for affected self-insured for reparation of residence: 8 billion Baht, up to 50 thousand Baht each, 2.5% interest rate p.a. (fixed 2 years)
(3) Loan guarantees for SMEs (120 billion Baht) <ul style="list-style-type: none">▪ Small Business Credit Guarantee Corporation (SBCG) provides loan guarantee (120 billion Baht, 7 years) for business operators seeking business reconstruction loans from commercial banks.
(4) Soft loans from business operators (50 billion Baht) <ul style="list-style-type: none">▪ GSB and commercial bank jointly provide soft loans amounting to 40 billion Baht from affected business operators, whereby the GSB deposits 50% of the amount to be granted through commercial banks.▪ Loans for promotion of employment, amounting to 10 billion Baht, whereby the Social Security Office, through commercial banks, grants loans to business operators for the purpose of reconstruction or labor productivity enhancement.
(5) Loans provided by Japan Bank for International Cooperation (JBIC) (50 billion Baht) <ul style="list-style-type: none">▪ The Ministry of Finance will coordinate with the JBIC with regards to the provision of soft loans for affected business operators through commercial banks. The condition of the loan provision will be further discussed.
(6) Loans for development of flood-protection system (15 billion Baht) <ul style="list-style-type: none">▪ The Government will seek for and provide for supplementary budget for soft loans for the Industrial Estate Authority of Thailand (IEAT) and business operators for the construction of flood-protection system. The system and the infrastructure to be constructed shall be in accordance with the regulations to be established by the Government, so as to be coherent with the nationwide flood-protection system.

3.2 Measures concerning taxes and investment incentives and other measures, such as;

(1) The BOI considers extending the incentive period and the investment benefits for affected investors

(2) Facilitation of visa application and employment licensing procedures.

3.3 On 24 October 2011, the Deputy PM and Minister of Commerce, Mr. Kittirat Na-Ranong, has discussed with the representatives of affected industrial

estates on the drafting of a plan of action for dewatering and reconstruction of industrial estates with the aim of resuming business operation within 45 days after the flood has receded. The drafting will be done by joint public-private working committee in each industrial estate.

4. For the Long Term Phase The Government is in the process of planning a comprehensive reconstruction of water management system for flood prevention in 2012, and formalizing management that can effectively resolve flood problems in the long run by identifying nationwide rehabilitation after the current flood crisis as national agenda, consisting of (at this stage):

(1) Development of water management system:

- **The government will draft a water management master plan** in order to resolve both flood and drought problems in a sustainable manner, as well as the integrated management and development plan for 25 river basins, also taking into account geo-ecological and geo-social factors and the effects of climate change

- **Accelerate the development and construction of dams, reservoirs, irrigation system and water network system** in the specific areas to control water flow and respond to water demand.

(2) Accelerate the construction of permanent flood-prevention system to ensure industrial confidence. The warning system and permanent flood-prevention system in industrial estates and important economic zones in the central and eastern parts of Thailand should be built.

(3) Designate the development areas in compliance with the appropriateness of each area and implement comprehensive urban planning in residential areas, industrial estates, and economic zones.

(4) Design, construct and restore infrastructure: roads, bridges, railway tracks, water supply system, electricity network system – to ensure water flow and better risk management in case of flood.

(5) Change agricultural production practices of farmers: by adjusting the cultivation period and agricultural production process to be adaptable to seasonal change, developing seeds and agricultural production technology that is proper to land and water resources in each area, and providing drainage basin areas.

(6) Improve warning system for efficient flood emergency management to monitor and analyse information on disaster situation from the meteorological satellite and to communicate and warn affected areas. The national and local information centre should be established to link the communication and warning system. The handbook of disaster and emergency policies should be published and distributed to every national and local organisations. It is also necessary for researchers to study and address important risk factors in Thailand such as effects of climate change, high sea level, land subsidence in Bangkok and vicinity to develop a comprehensive plan to prevent possible disaster.

(7) Review and revise laws and regulations on water resource management to ensure the up-to-date status, and the relevancy to the changing situation. Law enforcement and more severe penalty should be imposed to the construction in drainage area or water blockage, the land reclamation in public canal and deforestation, etc.

(8) Enhance the people's participation in national water and water resource management through the process of making provincial development plan and callurival plain development by facilitating consultations and public hearings to

link the people in communities and public organizations, local administration, private sectors and communities.