

**Thailand Statement on Inclusive Business**  
**“Enabling innovation for inclusive and sustainable development”**

---

Distinguished delegates,

1. Thailand first of all would like to thank UNESCAP for its active role in steering a highly timely agenda on innovation for inclusive and sustainable development in the Asia Pacific Region.
  
2. As we have witnessed, the Great Pandemic of Covid 19 had exposed the widening economic disparities from within and across countries as well as vulnerabilities facing those in the grassroots economy. Among most vulnerable are MSMEs, women entrepreneurs and small scaled farmers who had great difficulties surviving the pandemic. As such, global consensus has emerged towards enabling innovation and high impact inclusive growth model as tool for sustainable recovery, particularly within the grassroots sector.
  
3. During that Pandemic, digital innovation and adoption has helped entrepreneurs overcome varieties of market and financial barriers. Worldwide, small firms with hybrid business models that incorporates both on line and off line operations and services have proven not only to survive the pandemic but also record significant income growth. Thanks to emerging digital markets which have granted MSMEs and small farmers' easier access to supply chains. Meanwhile, digital data made available through digital marketing platforms has facilitated easier access to finance.

■ Yet, the remaining challenge is how to make the recovery and growth inclusive across the economy particularly among the

grassroot sectors. In response to the need for inclusive growth, the Thai Government has issued a 20-Year National Strategy (2018-2037) with the ultimate goal for Thailand to become a digital economy. The core issue is to unleash the grass root farmers and MSMEs from poverty trap with speed and scale.

5. Additionally, Thailand's 13<sup>th</sup> Economic and Social Development 5 year Plan just issued this year has prioritized the restructuring the country towards innovation based economy; while promoting inclusive growth through the policies and measures targeting the needs of MSMEs and the grassroots sector.
6. To enable innovation for Inclusive development, the Office of SMEs Promotion of Thailand, which is in charge of promoting the growth of 3.1 million registered MSMEs and those businesses in the informal sector is now working with the UNESCAP on a 3-year project to promote the growth of "inclusive business model" in Thailand, focusing on the agricultural sector, with support also from the Bill and Melinda Gate Foundation.
7. The goal is to promote an inclusive agricultural transformation in Thailand through the establishment of an enabling environment for the creation of new agribusiness and making agribusiness more inclusive by incorporating MSMEs into global value chain.

## Distinguished delegates,

8. Inclusive businesses are specific innovative business models that explicitly seek to address the needs of low-income groups by “providing goods, services, and livelihoods on a commercially viable basis, either at scale or scalable, to people living at the base of the economic pyramid making them part of the value chain of companies’ core business as suppliers, distributors, retailers, or customers”.
  9. With that It often integrates MSMEs as suppliers, distributors or retailers in their operations and enhances market access for MSMEs. It also abides to fair-trade principles and often offer above-market margins to their MSME partners.
  10. Our collaboration with the UNESCAP for the next 2 years will concentrate on raising awareness among the public and private sectors on the inclusive business model, fostering inclusive business and inclusive investor networks and hopefully, we can eventually introduce impactful measures to incentivize more investment and start ups in inclusive business across Thailand.
  11. Last December, Thailand had participated in the South-South cooperation Forum on Inclusive business organized by UNESCAP in New Delhi, India, where several agritech start-ups presented ideas on how they can help farmers adopt digital transformation and other innovation through platforms that link precision agriculture technology, weather forecast data, buyers or even supply chain financiers to small scale farmers wherever they are.
- 10 . We would like to request and encourage UNESCAP to introduce more of similar forum which involves agritech start

ups working on inclusive businesses model to share their best practices with the public and private sectors including investors in our Asia and Pacific region. As this is the way to accelerate inclusive business start ups in agricultural sector.

12. Meanwhile, Thailand will also observe ASEAN Inclusive Business Framework endorsed in 2017, which targets at MSMEs as major beneficiaries of inclusive business model. Within the ASEAN context, the development of inclusive businesses are set out into 3 tracks:

- 1) Medium scale enterprises are the main proponents of IB in ASEAN
- 2) Small scale enterprises with social impact, can be encouraged to adopt Social Enterprise model and
- 3) Micro and small enterprises can be part of the value chain of bigger IB models, thereby allowing access to market, finance and technical capacity building.<sup>1</sup>

On this final note, Thailand would like to thank UNESCAP and all participants for sharing best practices and information on how to promote innovation in support of inclusive development.

\*\*\*\*\*

---

<sup>1</sup> ASEAN Inclusive Business Framework, 2017