EAST ASIA
PACIFIC

Thailand

World Bank Group

COUNTRY CLIMATE AND DEVELOPMENT REPORT

7.

A roadmap for resilient, low-carbon development

7 A roadmap for resilient, low-carbon development

This section provides a structured, actionable outline of the report's recommendations for policymakers. To guide implementation, the recommendations are prioritized with reference to their direct impacts (on adaptation, mitigation, green growth, and climate financing objectives), their co-benefits for Thailand's broader socio-economic development, and the desired time frame for implementation. Five key sets of measures (highlighted in blue) – on flood mitigation, water security, social protection, carbon pricing, and energy – emerge as the highest priority recommendations most deserving of urgent attention.

Priority Area	Key Actions	Direct impacts*	Development co-benefits	Time frame
Adapting to climate change				
Flood mitigation	Commence full implementation of the "Nine Plans" and complementary flood protection measures	Very high	High	Short-term
Coastal protection	Scale up nature-based solutions as part of an integrated approach to coastal protection	High	Medium	Medium-term
Water security	Pursue a multi-pronged strategy to address water deficits in the EEC. Integrate provincial water planning and mobilize finance to strengthen water storage in the drought prone agricultural areas in the north and north-east.	Very high	High	Short-term
Heat stress	Support policies and investments to help cool indoor public and residential spaces, paying particular attention to the most vulnerable	High	Medium	Medium-term
Agriculture	Repurpose public expenditure in agriculture away from distortionary price support schemes to R&D, extension and supporting climate smart agricultural (CSA) technologies.	High	High	Short-term
Social protection	Increase benefit generosity of programs such as the SWC. Integrate programs through the establishment of unified social registry and improve targeting by hybrid PMTs	Very high	High	Short-term
Supporting low-emissions growth				
Carbon pricing	Expedite the approval of the Climate Change Act to resolve private sector uncertainty and lay the groundwork for a transparent carbon pricing framework.	Very high	High	Short-term
Energy	Pursue market structure reform to promote competition in the power sector and accelerate adoption of renewable energy (RE). Invest in grid modernization and regional integration to enhance energy security and enable a renewables-led transition.	Very high	High	Short-term
Industry	Strengthen energy efficiency standards across buildings, appliances and industrial equipment and provide targeted subsidies and low-interest loans to households and businesses to accelerate adoption of energy efficient technologies. Enforce standards for low-carbon cement, mandating Environmental Product Declarations (EPDs) and incentivize clinker substitution.	High	Medium	Short-term
Transport	Invest in public charging infrastructure to accelerate EV adoption. Implement biofuel incentives for hard-to-electrify vehicles.	Very high	Medium	Short-term
Agriculture	Support investment in biogas digesters, precision agricultural tools, implement anti-crop residue burning regulations and strengthen farmer education on emissions reducing techniques.	High	Medium	Medium-term
Forestry	Invest in afforestation, prioritizing the restoration of critical ecosystems like mangroves in coastal provinces and degraded upland watersheds	High	Medium	Medium-term
Seizing the economic opportunities associated with global decarbonization				
Investment climate	Remove market-entry barriers, ensure fair competition and foster business-friendly regulatory environment to attract FDI	High	Very high	Medium-term
Foreign investment	Ensure that foreign investment in the EV industry builds local capacity	High	High	Short-term
Skills	Prioritize high-tech skill development in digital, engineering and sustainable manufacturing while implementing targeted talent attraction policies to bridge skill gaps in the short run	High	Very high	Medium-term

Priority Area	Key Actions	Direct impacts*	Development co-benefits	Time frame
Fiscal policy	Review government support for green innovation and utilize newer and relatively underutilized instruments such as vouchers for innovation, innovation finance de-risking facilities, partial credit guarantees, early-stage support program for startups etc.	High	Medium	Medium-term
Mobilizing finance for green and resilient development				
Fiscal policy	Explore opportunities to boost domestic revenue mobilization beyond carbon pricing instruments. Efficient and equitable opportunities may exist in VAT exemptions, personal income tax and property taxes	High	Very high	Medium-term
Financial sector	Incentivize financial institutions to deepen offerings of green loans, green bonds and other sustainability-linked products, including products accessible and affordable to suit the needs of MSMEs. Strengthen sustainable finance ecosystem through improved climate finance tracking, taxonomy implementation and enhanced disclosure practices	High	High	Short-term
Carbon market	Strengthen market infrastructure for carbon credit issuance and trading and further promote carbon market innovation	High	Medium	Short-term

*Direct impacts are impacts relevant to Thailand's adaptation, mitigation, green growth and/or climate financing objectives.
The highest priority recommendations to emerge from applying the three criteria set out in this table are highlighted in blue.

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