



**General Terms of NEDA's Financial Assistance**

Type of Loan	Loan Limit (MB)	Interest Rate (%)	Loan Period (Years)	Grant Portion (%)	Grace Period (Years)
Poverty Reduction / Social Impact	2,000	1.50 - 2.50	5 - 30	0 - 30	0 - 10
Trade & Investment Facilitation	2,000	2.00 - 2.50	5 - 30	0 - 30	0 - 10
Environment	2,000	1.50 - 2.50	5 - 30	0 - 30	0 - 10
Emergency / Urgent Assistance	2,000	0 - 2.50	5 - 30	0 - 100	0 - 10

Remark: NEDA's financial assistance is denominated in Thai Baht with an administrative fee of 0.15% of the total loan amount.



**NEIGHBOURING COUNTRIES ECONOMIC DEVELOPMENT COOPERATION AGENCY (PUBLIC ORGANIZATION) (NEDA)**

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## Vision

"NEDA is a leading organization that cooperates with the neighbouring countries in economic and social development to expand trade and investment opportunities among Thailand and its neighbouring countries."

## Missions

1. Support government policies on cooperation with neighbouring countries in sustainable economic development through financial and technical assistance to achieve mutual trade and investment benefits with little dependence on government budgets.

2. Integrate with government and private agencies both inside and outside the country to act as a development partner to promote economic and social connectivity in the region.

## Corporate Values

- Networking Create an affiliate network. Develop closely.
- Energy Work with dedication and seek knowledge at all times.
- Driving Forward Driving Forward Organization with creative idea as a team to accomplish assigned tasks.
- Accountability Work with professional responsibility and take into account the good governance.

## Background

The Government has the policy to enable the stable and sustainable economy and realizes the importance of cooperation with neighbouring countries in developing the regional economic capability and strength by focusing on the development of economic infrastructure and linking the transportation network between Thailand and neighbouring countries, as well as, elevating the quality of life of people in neighbouring countries. Such policy will stimulate the economic growth and enhance the potential for trade, tourism, and investment in the region.

Neighbouring Countries Economic Development Cooperation Agency (Public Organization) (NEDA), an agency under the supervision of the Ministry of Finance, was established on 17 May 2005. NEDA is responsible for the economic and social development cooperation with 7 neighbouring countries including the Kingdom of Cambodia, the Lao People's Democratic Republic, the Republic of the Union of Myanmar, the Socialist Republic of Vietnam, the Democratic Socialist Republic of Sri Lanka, the Kingdom



of Bhutan, and the Democratic Republic of Timor-Leste. The cooperation is in line with the bilateral as well as regional cooperation frameworks such as GMS, ACMECS, BIMSTEC, and ASEAN, using financial and technical assistance as the mechanisms for cooperation.

## Direction of NEDA's Operations

NEDA has been supporting the development of infrastructure in neighbouring countries by focusing on the development of transportation network to link Thai border to neighbouring countries to promote regional trade and investment, and development along the border. For example;

1. The Road Construction Project from Hongsa – Ban Chiang Man (Chom Phet city in Luang Prabang, Lao PDR.), which will enhance people's quality of life, promote economic growth, and help support tourism strategy.
2. Houi Kon – Pak Beng Road Development Project in Lao PDR which links the north of Thailand, with Lao PDR then to Dien Bien Phu of Vietnam and Southern China;
3. the Chiang Rai – Kunming via Lao PDR Road Improvement Project (Route No. 3) which promotes regional trade to Kunming, PRC; and
4. The Construction of Stung Bot Border Crossing Facility and Access Road to National Road No. 5, the Kingdom of Cambodia, which will support transportation linkage within GMS countries, and help promote Thai-Cambodia bilateral cooperation for infrastructure development of Southern Economic Corridor (SEC)

## Future Direction of NEDA

1. Support projects that would enhance mutual benefit for both Thailand and neighbouring countries such as road linkage to special economic zone or road connecting Thailand, neighbouring countries with the third countries. Such projects would enhance trade, investment and tourism activities within the region.
2. Encourage Thai private sector to play an increasing important role in the economic development in the region.

3. Promote urban and special economic zone development projects on major transportation routes in order to transform those transportation routes into full economic corridors.

4. Introduce innovative financing mechanisms to reduce public budgeting burden such as bond issuance, etc.

## Outcomes of NEDA's Operation Between 2005-2018

NEDA has implemented the technical assistance and financial assistance for developing and improving transport infrastructures such as roads, airports, and railways to make travel and transportation links in the region more convenient, faster, and safer as well as promoting investment, trade, and tourism between Thailand and its neighbouring countries.

Moreover, NEDA has supported the development, water supply, electricity, and urban infrastructure to help elevate the quality of life of people in neighbouring countries to the level of other ASEAN Countries, as well as providing technical assistance for (i) the preparation of the project by studying the suitability and feasibility of the project, and designing the details for the construction and (ii) building the capacity of public sector officials of neighbouring countries for such projects.

NEDA has implemented the economic cooperation with neighbouring countries by providing 74 financial assistance and technical assistance projects with the total amount of 15,732.47 million Baht including (i) 23 financial assistance projects in the form of soft loan and grants amounting to 15,466.28 million Baht; (ii) 16 technical assistance (grants) projects amounting to 244.00 million Baht; and (iii) 35 training programs (grants) for 439 officials from neighbouring countries with the total cost of 22.19 million Baht.

## Benefits and Impacts

1. Strengthened relationship with neighbouring countries and better understanding of people in the region.
2. Enhanced transportation network between Thailand and neighbouring countries, promoting more trade, investment, tourism, and cultural exchange among countries.
3. Elevated the quality of life of the people in neighbouring countries and in Thai border areas as well as promoting more economic and social activities.
4. Expansion of mutual Thai trade and services to neighbouring countries