



Living in Next Normal: COVID-19 Lessons Learned and Future Directions

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Effectiveness of Thailand's healthcare system in handling the pandemic

- Currently, many countries, including Thailand, are facing the pandemic situation and spread of new variants of COVID-19. However, the collaboration between public and private sectors has made the situation better. Many measures, for example travel restrictions and partial lockdown, were used to contain the pandemic situation, and already showing the sign of recovery.
- Thai healthcare system has gained worldwide recognitions, among the world's leading healthcare services. The system is well capable of handling the pandemic. For example, in the Phuket sandbox model with over 24,000 travelers, only a few COVID-19 cases were found.

Confidence in vaccine roll-out and business reopening

- Currently, about 30% of Thai population have got their 1st vaccine dose and about 10% got their 2nd dose. In the next 4 months, many more vaccines have scheduled to deliver to Thailand, to cover about 50% of the population, ensuring the soon-coming herd immunity. Also, those who were already vaccinated with Sinovac vaccines might need a booster dose within this year.
- More variety of alternative vaccines have been planned to deliver to Thailand in the 4th quarter of this year. And next year, procurement of the 2nd generation vaccine from top vaccine suppliers has been planned.
- Having the vaccine rolled out, economic reopening has been planned. For example, Phuket Sandbox model is the pilot project, and the government has planned to expand the model to other provinces. Then, the big impact for foreign tourism sector will come in 2022. Another key factor is to decrease the high concentration in few existing tourist attractions, and to increase in other surrounding areas.

Highlights of economic policies in pre and post covid19

- Last year and the first half of 2021, Thai economy is stronger than analysts' consensus. The expansion is likely to be comparable other countries in the region. The unemployment remains low, and the monetary position is resilience.
- Thai export shows a strong growth in the past few months. As a result, the economic outlook for this year and next year is expected to grow further.
- Various economic measures have been launched while having available fiscal space for supporting economic recovery. The 1 trillion-baht stimulus program are reimbursed for 83%, so the economy will be injected by the new money to handle with the pandemic. Additional borrowing money for 0.5 trillion-baht were prepared to support the existing programs in 2021.
- Government debt ceiling could be revised, depending on the pandemic situation and development of the vaccine rollout. Additional fiscal stimulus was essential for short- and medium-term plans to support sustainable infrastructure project, and vulnerable sector like SMEs, while the country infrastructure, like capital market, would play an important role for long term development and recovery plan.

Next normal trends and preparedness for future directions

- During the pandemic, some trends are accelerated and some are falling, making people adapt to the next normal. Also, uneven speed of recovery has been seen across sectors. The pandemic has affected the supply chain disruption, and the most negatively impacted sectors are service sectors especially tourism. Then, these sectors were expected to recover later, depending on the speed of vaccine rollout.
- The pandemic induced acceleration in some areas such as Digital Business, Healthcare, and Smart logistic and forced transformation in many industries. The transition is needed and the government could support by provide tax incentive. Thai infrastructure is quite well prepared, and if the sectors can merge across themselves, for example healthcare and tourism, that would help speed up the recovery.
- For a longer term, the government has been supporting the target industries by promoting investment and upgrading those industries in the Eastern Economic Corridor (EEC) project.