



STRATEGIC PLAN (2024 – 2027)
**THAILAND-MALAYSIA COMMITTEE ON JOINT
DEVELOPMENT STRATEGY FOR BORDER AREAS (JDS)**
**ON CONNECTIVITY, COMPETITIVENESS AND
HUMAN CAPITAL**

May 2024

Introduction

- The Thailand-Malaysia Committee on Joint Development Strategy for Border Areas (JDS) was established on 16 January 2004 with the objective to enhance economic cooperation and improve the well-being of the people in border areas based on a win-win strategy and mutual interests. In doing so, the Committee endorsed the JDS Action Plan as the guideline for project implementation, which covered 7 fields of cooperation, namely: (1) development of basic infrastructure and transportation linkages, (2) human resource development including education, (3) tourism, culture and promotion of people-to-people relations, (4) trade and investment, (5) agriculture including fisheries, livestock and irrigation, (6) monetary and finance, particularly the development of Islamic banks in Thailand especially in the southernmost provinces, and (7) energy.
- The Committee is comprised of three levels, namely: (1) JDS Ministerial Meeting (MM) co-chaired by Ministers of Foreign Affairs, (2) JDS Senior Officials' Meeting (SOM) co-chaired by Senior Officials of Ministry of Foreign Affairs, and (3) JDS Working Group Meeting (WGM) co-chaired by Thailand's Secretary-General of the National Economic and Social Development Council (NESDC) and Malaysia's Secretary-General of Ministry of Economy.

Rationale

- Thailand and Malaysia have realised that the COVID-19 pandemic has negatively impacted economic activities and people's well-being, especially vulnerable groups in border areas, while the global megatrends including urbanisation, demographic transition, net-zero GHG emissions, renewable energy, climate change, and technology transformation also play larger roles in the current global context.
- To respond to these challenges, Thailand and Malaysia are therefore committed to turning the challenges into opportunities and agreed to build upon the previous JDS Action Plan by drafting this **JDS Strategic Plan 2024-2027** as a new framework and guideline to better cope with the challenges as well as to expand and deepen economic and social development cooperation in border areas. The JDS Strategic Plan is drafted, taking into consideration Thailand's and Malaysia's National Strategies and related National Plans.

Vision and Objective

- Thailand and Malaysia reaffirm their commitments to further strengthen constructive economic and social cooperation between the two countries to “connect sustainable prosperity” with an objective towards “enhancing the sustainability of economic and social development in order to improve the well-being of people along the border areas where no one is left behind.”

Reviews of the Relevant Plans

- **Review of the National-level Strategies**

- **Thailand**

- **Thailand's National Strategy 2018-2037**

Thailand's vision as specified in the National Strategy is "to become a developed country with security, prosperity and sustainability in accordance with the Sufficiency Economy Philosophy" with the goals to maintain national security and ensure people's welfare; boost multidimensional national competitiveness to ensure consistent economic growth; empower human capital at each and every stage of life to manifest competent and moral citizenry; broaden opportunities to improve social equality; promote environmentally friendly growth with improved quality of life; and improve government efficiency for greater public benefits. The six key national strategies are (1) security, (2) competitiveness enhancement, (3) human capital development and strengthening, (4) social cohesion and equity, (5) eco-friendly development and growth, and (6) public sector rebalancing and development.

- **Malaysia**

- 'Membangun Negara MADANI' or 'SCRIPT for a Better Malaysia' is a national strategic plan to build a sustainable and prosperous Malaysia based on care and compassion, mutual respect, innovation and trust, where inclusiveness and equality are embraced by the whole nation – ultimately a just Malaysian society. It is a holistic vision and policy framework for a viable, dynamic and inclusive Malaysia. This plan also focuses on prosperity within a sustainable and future-oriented framework. The concept mainly targets the following eight domains: economy/finance, legislation, institution, education, community, culture, urban and rural.

- **Review of the National Development Plans**

- **Thailand**

The 13th National Economic and Social Development Plan 2023-2027 aims to achieve the objective of "Transforming Thailand towards Sustainable and Value-driven Advanced Society" which is focused on four key development dimensions including Targeted Manufacturing and Service Sectors, Socio-Economic Opportunity and Equity, Natural Resources and Environmental Sustainability, and Key Enablers for Thailand's Transformation. In order to successfully transform Thailand, key Milestones are indicated which the JDS Strategic Plan could contribute especially to the following: (1) Quality and Sustainable Tourist Destination, (2) Regional Strategic Gateway for Investment, Trade, and Logistics, and (3) Strong, High-potential, and Competitive SMEs.

Malaysia

- The 12th Malaysia Plan 2021-2025 (Twelfth Plan), a medium-term plan with the objective of ‘A Prosperous, Inclusive, Sustainable Malaysia’, is the start of a new phase in Malaysia’s development journey alongside the new concept of ‘Membangun Negara MADANI’ or ‘SCRIPT for a Better Malaysia’. Policies under this Plan are structured to achieve sustainable economic growth, with a focus on equitable wealth distribution, the well-being of the people and environmental sustainability. The Twelfth Plan introduces a new transformative approach based on three themes, four catalytic policy enablers and 14 game changers. The three themes of the Twelfth Plan are resetting the economy; strengthening security, well-being and inclusivity; and advancing sustainability. JDS Strategic Plan is also in line with this Plan in terms of the promotion of economic growth and equitable wealth distribution. Based on the Mid-Term Review of the 12th Malaysian Plan, more emphasis will be given to border development.

- **Review of the Regional-level Plans**

Thailand

- **Southern Border Provinces Development Plan**

The Southern Border Provinces Development Plan 2023-2027 aims to promote economic development and inclusive growth in the region. The Plan emphasises the development of high-quality agricultural products, cultural-based tourism, and border trade. Additionally, The Plan intends to leverage people's well-being, high income, education quality, labour capacity, peace, and sustainability.

Malaysia

- **The East Coast Economic Region (ECER) Development Master Plan 2.0:** This comprehensive plan lays out a strategic roadmap, encompassing high-impact projects and people-centric programmes, all aimed at advancing the Region up the value chain. The EMP 2.0 places a strong emphasis on six strategic pillars: increasing labour productivity, diversifying economic bases, facilitating economies of scale, mobilising the labour force, leveraging connectivity, and enhancing enabling infrastructure such as ICT broadband connectivity. Situated in close proximity to Southern Thailand and the Indochina region, Kelantan, one of the four states within ECER, assumes a pivotal role as the Cross-Border Gateway and a vital logistics hub for the northeastern region of Peninsular Malaysia. Kelantan's economic landscape thrives on a diverse array of activities, with a focus on agriculture, urban tourism, ecotourism, arts, culture, and heritage tourism as well as manufacturing activities to further promote economic growth. Moreover, **the Northern Corridor Economic Region (NCER) Strategic Development Plan (2024-2030)** that covers

Pulau Pinang, Kedah, Perak and Perlis, Malaysia aims to continue the region's upward trajectory by outlining the future direction and strategies to further advance economic growth and reduce regional imbalances. Anchored by the theme of "Growth with Equity", this strategic framework aims to narrow the regional imbalances by achieving balanced and sustainable economic growth, increasing quality investments and jobs, expanding employment opportunities, and increasing household income.

The JDS Strategic Plan (2024-2027)

Development Approaches

Thailand and Malaysia acknowledged the 7 main fields of JDS cooperation agreed in 2004. However, to advance cooperation in these fields in a more thematic outlook in order to achieve the JDS Strategic Plan's vision and objective, both sides agreed to formulate a new development approach, which incorporates all fields of cooperation, **or the "3E's" approach**. This will serve as a guideline for the implementation of relevant border projects, and will cover: (1) **"Enhancing the Connectivity"** which aims to maximise the potential of connectivity which plays a significant role in improving supply chain efficiency and facilitating the movement of people through sustainable infrastructure development, and harmonising regulations and standards in order to encourage greater economic activities between the two countries; (2) **"Ensuring the Competitiveness"** which aims to promote competitiveness as a key fundamental for regional inclusive growth, by promoting capacity-building and digital innovation in regional businesses especially rubber, oil palm, fishery, and halal, strengthening Micro, Small and Medium Enterprises (MSMEs) capacity and promoting thematic tourism routes, as well as creating a friendly ecosystem for businesses; and (3) **"Enriching the Human Capital"** which intends to increase workforce capacity for regional businesses and MSMEs by focusing on preparing essential and innovative skills for the workforce, and promoting the cooperation between educational institutions and the private sector which further uplifts the well-being and prosperity of the people.

1. Strategy on Enhancing the Connectivity

1.1 Introduction

As the backbone of development, the Connectivity Development covering all modes of transport and logistics network are to be the main elements in the JDS Sub-corridors, which may generally be referred to as western and eastern JDS areas. The western JDS area covers (1) Songkhla-Kedah, (2) Songkhla-Perlis, and (3) Satun-Perlis sub-corridors. These are the areas where numerous economic activities have taken place. At the same time, the eastern JDS area covers (1) Pattani-Narathiwat-Kelantan and (2) Pattani-Yala-Perak (Pengkalan Hulu) sub-corridors. These are where

opportunities for more trade and additional gateways of connectivity can be created. It can also be noted that some JDS sub-corridors correspond and complement with IMT-GT Economic Corridors, namely: EC1: Southern Thailand-Northern Malaysia (Songkhla-Kedah-Perlis-Penang), EC2: Andaman Sea-Straits of Malacca (Satun-Selangor-Penang-Melaka), and the most recent EC6: Southeasternmost Thailand-Eastern Malaysia (Pattani-Yala-Narathiwat-Perak-Kelantan). Both national and subregional corridor developments complement each other; thus, expanding opportunities for prosperity and security of the people in the border areas.

1.2 Development Goals

- 1) To enhance linkages of hard and soft infrastructures contributing to economic and people activities; and
- 2) Easing regulations and synergising the process to facilitate border trades, and providing incentives for investment.

1.3 Strategic Guidelines

- 1) Undertaking the joint connectivity planning and implementation based on a comprehensive study of the areas; and
- 2) Maintaining existing, and developing new transportation linkages.

1.4 Expected Outcome

Number of people traveling via 9 CIQ/ICQS steadily increases every year.

1.5 Suggested Potential Projects

Projects	Organisation/ Country	Expected Period
Construction of a new road alignment linking new CIQ Sadao - ICQS Bukit Kayu Hitam and road linkages inside CIQ / ICQS	(1) Southern Border Provinces Administrative Centre / Songkhla Provincial Administrative Organization / Thailand (2) Ministry of Works / Ministry of Home Affairs / Malaysia	2024-2027
Construction of the Project for Upgrading of Bridge Linking Rantau Panjang - Sungai Golok	(1) Ministry of Transport / Thailand (2) Ministry of Work / Ministry of Transport / Malaysia	2024-2026

Projects	Organisation/ Country	Expected Period
Double-track rail link between Hat Yai – Padang Besar and the electrified double-track between Padang Besar – Ipoh	(1) Ministry of Transport / Thailand (2) Ministry of Transport / Malaysia	2024-2028
Hat Yai-Sadao intercity motorway with a spur line to Hat Yai International Airport and road linkage to CIQ Sadao	Ministry of Transport / Thailand	2024-2027
Reactivating the railway link from Sungai Golok to Rantau Panjang – Pasir Mas – Tumpat – Kota Bharu	(1) Ministry of Transport / Thailand (2) Ministry of Transport / Malaysia	2024-2030
Detailed design of the new Satun airport	Ministry of Transport / Thailand	2024-2027
Maintenance of national highway no.410 linking Yala (Betong) - Pattani	Ministry of Transport / Thailand	2024-2030
Upgrading the Betong airport to an international airport	Ministry of Transport / Thailand	2024-2027
The construction of double track rail linking between Chumpon-Suratthani and Suratthani-Hat Yai-Songkhla	Ministry of Transport / Thailand	2025-2029
The Malaysia - Thailand Border Joint Geological Survey Project	(1) Ministry of Natural Resources and Environment/ Thailand (2) Ministry of Natural Resources and Environmental Sustainability (JUPEM) / Malaysia	2024-2027
Maintaining and enhancing the connectivity between Thai CIQ and Malaysian CIQS along border areas	Thailand and Malaysia	2024-2027

Projects	Organisation/ Country	Expected Period
Construction of Tok Bali International port and relevant infrastructures	East Coast Economic Region Development Council / Malaysia	2024-2027
Upgrading Kota Bharu Airport to international airport	Ministry of Transport / Malaysia	2024-2027
Perlis Inland Port	Perlis State Government / Northern Corridor Implementation Authority / Malaysia	2024-2027
Upgrading Wang Kelian checkpoint to ICQS and improvement of road linkages within Perlis	Ministry of Home Affairs / Malaysia	2024-2027
Establishment of value chain linkages between Thailand – Malaysia Special Economic Zones (SEZs); Thailand’s Southern SEZ, Malaysia’s Kota Perdana Delapan SBEZ and Chuping Valley Industrial Area, and other potential SEZs and industrial zones	Thailand and Malaysia	2024-2027
Construction and maintenance of a single barrier in the area of BP 20A/12 and BP 23/205 in AREA III (BP16-BP27) (Bukit Kayu Hitam-Sadao)	Thailand and Malaysia	2025-2030
Upgrading of security fence to security wall from Perlis to Perak, Malaysia	National Security Council (Prime Minister’s Department) / Malaysia	2025-2030

2. Strategy on Ensuring the Competitiveness

2.1 Introduction

Business sector is considered as another significant dimension of development with a view to revive economies in the context of post COVID-19. Competitiveness, therefore, plays a role as key element in strengthening a business conduct in border areas.

2.2 Development Goals

- 1) To create an enabling environment for business sector;
- 2) To stimulus tourism activity in border areas which will benefit tourism industries and local businesses; and
- 3) To encourage and support agricultural sectors to use technological and digital innovations in their value chains to increase efficiency and productivity.

2.3 Strategic Guidelines

- 1) Developing Special Economic Zones (SEZs) and Industrial Parks;
- 2) Enhancing tourist attractions and jointly promoting concepts of single tourism destination and sustainable tourism; and
- 3) Exchanging of knowledge and experience between businesses and researchers to encourage the use of technology in agriculture.

2.4 Expected Outcomes

Thailand-Malaysia trade value will reach USD 30 billion by the end of the Plan.

2.5 Suggested Potential Projects

Projects	Organisation/ Country	Expected Period
Development of Songkhla SEZ	NESDC / Thailand	2024-2027
Development of Narathiwat SEZ	NESDC / Thailand	2024-2027
Rubber Ring – strengthening our rubber alliance - Co-campaign on natural rubber - Co-campaign on environmental standards of rubberwood	Rubber Authority of Thailand and Malaysia	2024-2027
Local Link – Platform for local identity – Fashion of Pakaian Melayu	(1) Yala City Municipality (2) Ministry of Tourism, Arts and Culture / Malaysia	2024-2027

Projects	Organisation/ Country	Expected Period
Development of Pasir Mas Halal park	East Coast Economic Region Development Council / Malaysia	2024-2027
Development of Chuping Valley Industrial Area	Perlis State Government / Northern Corridor Implementation Authority / Malaysia	2024-2027
Development of Delapan SBEZ Phase 1 & 2	Ministry of Finance / Northern Corridor Implementation Authority / Malaysia	2024-2039
Tok Bali Industrial Park	East Coast Economic Region Development Council / Malaysia	2024-2027
Tok Bali Integrated Fisheries Park	East Coast Economic Region Development Council / Malaysia	2024-2027
Promoting eco-adventure, cultural and heritage, agritourism, community-based tourism, food and gastronomy, halal, medical and wellness tourism	Thailand and Malaysia	2024-2027
Promoting self-drive tourism across Thailand and Malaysia	Thailand and Malaysia	2024-2027
Promoting tourism destinations in potential areas through thematic joint tourism routes.	Thailand and Malaysia	2024-2027
Collaboration between rubber cities across borders focusing in Songkhla Rubber City and Kedah Rubber City	Thailand and Malaysia	2024-2027

3. Strategy on Enriching the Human Capital

3.1 Introduction

In addition to enhancing connectivity and competitiveness, Human Capital Development would be a catalyst of the strategic plan in order to achieve the goals of uplifting the livelihood of local people in the border areas. The IMT-GT UNINET and other existing university networks as well as workforce capacity training and career development programmes could be utilised and developed in response to market demand.

3.2 Development Goals

- 1) To increase the capacity of local workforce to meet challenges and immediate demand of the market;
- 2) To create a long-term career development plan to meet the future needs of companies; and
- 3) To encourage the exchange of information relating to labour, employment and vocational training at the policy and organisational levels.

3.3 Strategic Guidelines

- 1) Providing reskilling and upskilling for workers as well as equipping new sets of skills;
- 2) Engaging educational institutions and private sectors in designing educational curricula to reflect the market needs; and
- 3) Developing skill standards for labour in key regional industries.

3.4 Expected Outcomes

Unemployment rate of provinces/states below 2 percent.

3.5 Suggested Potential Projects

Projects	Organisation/ Country	Expected Period
Student exchange programme	Thailand and Malaysia	2024-2027

4. Project Implementation

- The JDS Strategic Plan 2024 – 2027 reflects the mutual aspirations of both countries in promoting social harmony, increasing economic opportunities, and improving the well-being of the people living in the border areas. The implementation of projects requires strong bilateral actions; aligning of resolves and policies, together with allocation of sufficient resources and budgets.

- Taking national level strategies into consideration, both countries would initially propose a priority list of projects with an indication of timeframe for their implementation. Once the list receives high-level approval, NESDC and Ministry of Economy would mutually identify responsible ministries/agencies to implement the projects. Later, designated ministries/agencies, with best efforts, should cooperate to carry out the projects and report the progress annually to the JDS Working Group Meeting (WGM).

5. Monitoring and Evaluation

- Monitoring and Evaluation (M&E) system should be mutually agreed upon. Regular monitoring of progress and assessment of the objectives' fulfilment must be done at operational and policy levels. Adjustment of implementation and direction of strategies may also be considered. The Annual JDS Progress Report will be co-authored by NESDC and Ministry of Economy and submitted to the JDS Ministerial Meeting.
- Consequently, at the end of this strategic plan, a Summary report on the JDS Projects Implementation shall be presented at the JDS Ministerial Meeting. Subsequent planning in the future could draw lessons from the implementation report.

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