

## Abstract

---

**Project Code: MRG5380124**

**Project Title: Problem and Solving Approach of Finance and Fiscal  
Decentralization to Tambon Administrative Organization (TAO.)  
in Nonthaburi Province**

**Investigator and Institute:** Dr. Jitprapat Saisopa, Suan Dusit Rajabhat University  
Prof. Dr. Phaibul Changrien, The Eastern University of  
Management and Technology

Thailand has commenced finance and fiscal decentralization program more than 10 years, the implementation is under guideline of the Plan and Process for Decentralization Law 1999. It is the first time in Thailand history to have a law to specify framework, direction, and most important is timing to fulfill the fiscal decentralization directive. As the law has accelerated finance and fiscal decentralization process many weaknesses that resulted from improper preparation at policy and implementing levels of the program are emerged. Realizing the problem and solving approach of finance and fiscal decentralization; therefore the researcher selects the Tambon Administrative Organization (TAO) in Nonthaburi province for unit of study. The research aim to 1) studies the operation of TAO follow as the finance and fiscal decentralization policy, and the operation of that policy in 3 aspect such as the income sufficiency aspect, the administration aspect, and the project operation aspect 2) analyze the problem from the operation in 4 aspects such as the law/regulation/rule aspect, the officer aspect, the citizen aspect, and the administrative resource aspect follow as the finance and fiscal decentralization policy to TAO 3) analyze the participation role of the citizen in local area toward the achievement of the finance and fiscal decentralization policy to TAO in 5 aspects such as the taxes and fees payment aspect, the checking and payment budget making aspect, the procurement aspect, the payment/money deposit/money saving aspect, the indemnity claim right of the citizen who gotten the damage from the officers infraction aspect 4) suggest and developing the solving approach of finance and fiscal decentralization to TAO. The research found that though the fiscal decentralization

program has succeeded in increasing local government revenue autonomy and vertically equalized revenue disparities among local government units. Although the revenue allocation scheme help improve budget condition of local government but it fails to become a mechanism to enhance local fiscal accountability between local administrators and their people. Instead revenue allocation formula shows unexpected effect of being crowded out local revenue collection efforts in TAO. It is essential, then to improve local revenue generating condition. This includes introducing new revenue (taxes) sources additional to existing ones and systematically develop supportive environment for fiscal decentralization started from well managing budget appropriation good fiscal management and most of all central monitoring and evaluation system of local performance.

**Keywords: Problem and Solving Approach, Finance and Fiscal Decentralization, Tambon Administrative Organization (TAO.), Nonthaburi Province**