

**Intervention on  
Effective Financial and Economic World Governance Structures  
By Hon. Mr. Phairoj Tanbanjong  
The Thai Parliamentary Delegation  
At the Sixth Asia-Europe Parliamentary Partnership Meeting  
27 September 2010, Brussels, Belgium**

---

**Mr. Chairman,  
Distinguished Guests,  
Ladies and Gentlemen,**

Along the way to recovery from the crisis that rocked the world economy in the second half of 2008, many countries have revamped their fiscal and monetary policies to retrieve their economic stability. However, the existing recovery measures are seen uneven and fragile, reflecting through unemployment, debt and the reoccurrence of economic crisis in the EU. Meanwhile, such global threatening issues as climate change, natural disasters, illegal migration, communicable disease, food and energy security and aging society pose serious impediments to sustainable development in long run.

A developing country as Thailand, economic hardship brought about higher number of people who become victims of new debt instruments and money - deceiving scams. The government has launched many economic stimulus packages to assist the low-income groups and to promote dynamic money circulation. At international level, Thailand is working closely with the international community to tackle impacts of the crisis and to restore sustainable economic recovery through regional and international forums, such as ASEAN and ASEAN+3, G-20, the United Nations as well as the World Economic Forum (WEF) driven by the private sector.

One of the two important components which Thailand has stressed on to promote the resilient international financial system is the regional cooperation, particularly through such initiatives as Chiang Mai Initiative Multilateralization (CMIM), the Asian Bond Markets Initiative (ABMI) and the ASEAN Economic Community (AEC). Another component is to implement the reform of the global regulatory system on the basis of global consultation and coordination in a way that avoids unilateralism and fragmentation of markets, protectionism, and regulatory arbitrage.

**Mr. Chairman,  
Distinguished Guests,  
Ladies and Gentlemen,**

To ensure prompt remedial actions can be put in place on time in order to restore our economic stability are required for better supervision over financial institutions in accordance with situations.

We, parliamentarians, should give priority to collective bonds in

- encouraging the government and banking sectors to manage their policy with more regard to challenges to the repeated occurrences of economic crisis in order to prevent the increasing of public debt that might affect economic stability and economic management and thwart the future national policy to upgrade quality of life in terms of basic infrastructure, education and public health.

- monitoring the budget allocation and administration in order that they might fit the country's economic status and response to the coming of aging society,

- reviewing related rules and regulations, standard of account and tools of risk management. The consideration of systemic risks should be viewed in financial and economic system with the cooperation among agencies and governmental sector,

- developing ethical environment for the effective financial governance audit, in terms of laws and regulations concerned as well as the practice guideline for financial governance auditor,

- adopting more new severe legal instrument and measures to penalize domestic business sectors that commit fraudulent financial reporting and, at international level, take actions against tax haven countries,

- promoting the balanced, inclusive and green economic activities and detaching one's respective nation from the dependency on imported fuels in order to achieve sustainable economic growth and avoid stagflation,

- supporting the establishment of a coordination mechanism between the UN and the G20 is required to bridge the missing gaps in international cooperation in order to ensure the effectiveness and relevance of both the G20 and the UN in tackling the global financial crisis.

Thank you for your kind attention.