



**Panel T19-P07Session 1**

*Roles and Functions of Social Enterprises in Social Policy*

**From Policy to Practice: The Evolution of Social Enterprises  
under Thailand's Pracharath Initiative**

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**Date of presentation**

**July 3, 2025**



## **From Policy to Practice: The Evolution of Social Enterprises under Thailand's Pracharath Initiative**

**Key Keywords:** Social Enterprises (SEs), Public-Private Collaboration, Social Policy, Community Development, Institutional Framework, Sustainability

### **1. Introduction**

In recent years, **social enterprises (SEs)** have gained increasing prominence as hybrid organizations that combine **market-based mechanisms with social objectives** to address pressing societal challenges. Globally, **SEs have emerged as important agents of innovation, inclusivity, and sustainable development**, filling gaps where traditional state and market actors fall short. In Thailand, the evolution of SEs has been closely intertwined with **national development goals and shifting political landscapes**. While early efforts to promote SEs were largely informal, the enactment of the **Social Enterprise Promotion Act B.E. 2562** provided a formal legal and institutional framework to support these enterprises, signaling the government's recognition of their potential as key partners in advancing social policy.

This paper explores the **evolution, impact, and challenges of SEs in Thailand**, focusing specifically on the **Pracharath Rak Samakkee Provincial SEs** established under the “**Sarn Palang Pracharath**” (**Public-Private Collaboration**) framework. By examining how these SEs have contributed to **local development through employment generation, community empowerment, and environmental stewardship**, the study sheds light on the ways SEs complement public policy objectives. It also analyzes the **unique role of private-sector partnerships** in driving SE success, while critically reflecting on the **sustainability and political vulnerability** of these models. Drawing on **mixed-methods research**, including **policy analysis and case study examination**, this paper offers a nuanced assessment of how SEs function as both economic and social actors in Thailand's evolving policy landscape. Ultimately, the findings provide **important lessons for policymakers, practitioners, and**



**researchers** seeking to harness the transformative potential of SEs in promoting **inclusive, resilient, and sustainable social change**.

## 2. Theoretical Framework and Literature Review

This section reviews key theoretical and empirical work related to the roles and significance of social enterprises (SEs) in addressing economic and social challenges. Drawing on both international and Thai literature, it identifies foundational ideas, highlights central debates, and establishes the conceptual base for this study's analysis of SEs' interaction with social policy in Thailand.

**First, SEs are widely recognized for their capacity to address complex societal and environmental problems by combining market-based approaches with social missions.**

According to Defourny and Nyssens (2008), SEs represent a hybrid model that has gained international attention, particularly in Europe and the United States. These enterprises can tackle multiple social and environmental dimensions while functioning within the broader economy. **SEs are especially notable for their focus on job creation and labor market integration, particularly for marginalized groups.** Their ability to operate across diverse sectors under a unified social purpose makes them powerful instruments for promoting social inclusion and sustainable development (Bozhikin, 2019).

**Second, the role of SEs as innovative social problem-solvers has been widely emphasized.**

Spear (2005) argues that SEs often act as experimental laboratories, testing new methods for solving social exclusion and inequality. Their operations often reflect innovative organizational forms and governance mechanisms that prioritize participatory decision-making and community engagement. This flexibility and innovation position SEs as important complements to traditional public and private sector interventions.

Recent global assessments, such as the British Council (2022) survey, highlight that **SEs are not merely a passing trend but a durable component of social and economic systems.** They play a vital role in areas like community development, cultural preservation, education, healthcare, and food production. Particularly, SEs are known for providing services and goods to niche or underserved markets, often focusing on small-scale or localized groups, including



vulnerable or special-needs populations. These enterprises offer tailored solutions that large-scale public policies or private market actors may overlook.

**Third, SEs are viewed as critical actors in advancing economic democracy and resilience.**

Pacut (2020) emphasizes that SEs bridge the gap between market logic and social needs by developing innovative methods for generating social value while remaining financially viable. SEs are not merely service providers but also catalysts for social transformation, engaging diverse stakeholders in co-creating solutions. **They embody a vision of social development that relies less on state intervention and more on multi-sectoral collaboration, combining the strengths of governments, businesses, and civil society.**

Within the Asian context, **studies highlight how SEs adapt to local institutional and cultural environments.** For example, research by Richardson (2015) on SEs in Southeast Asia shows that, despite operating under different legal and policy frameworks, SEs across this region share common goals of addressing pressing local challenges such as child welfare, health access, and waste management. Similarly, Lee (2015) notes the importance of SEs in South Korea for addressing labor market exclusion and welfare gaps, suggesting that SEs fill critical roles in contexts where government or market actors fall short.

In Thailand, **literature points to the emergence of SEs as part of a broader shift toward socially oriented business models, particularly following the 2008 global financial crisis.** Thai Scholars such as Lamson Lertkulprayad (2012) and Kewalin Mali (2014) emphasize that SEs play a vital role in addressing social inequality and fostering inclusive development. These enterprises prioritize solving social issues over maximizing profit, aiming to close the gap between economically powerful groups and vulnerable populations. Moreover, SEs are instrumental in job creation and income redistribution across various sectors of Thai society.

Additional studies by Sakda Siriphatsophon (2015) and Phiphatphong Masiri (2020) further underscore the role of SEs in enhancing quality of life and contributing to sustainable development. **They argue that SEs provide financially sustainable, scalable solutions to pressing social, environmental, and health-related challenges—distinguishing them from conventional social projects that often lack long-term viability.** Moreover, SEs in Thailand



have shown potential to address persistent societal issues in at least four domains: poverty alleviation, aging populations, natural resource management, and environmental protection.

**With respect to the factors influencing the success and growth of SEs in Thailand, both internal and external dynamics are significant.** Studies by Sanit Noonin (2012) and Lamson Lertkulprayad (2012) identify two core determinants. Internally, SEs must possess a clear strategic vision, suitable operational goals, and a strong drive for social innovation. Externally, their development depends heavily on meaningful support and collaboration from key stakeholders, especially government agencies and private-sector actors.

In sum, the literature affirms that SEs play **a critical, multifaceted role in modern economies, blending market-based tools with social and environmental objectives.** They are seen not only as service providers but also as transformative agents capable of reshaping how societies approach persistent challenges. **However, the long-term effectiveness and sustainability of SEs rely on a constellation of factors, including institutional support, enabling policies, and cross-sectoral partnerships.**

### **3. Policy and Institutional Context in Thailand**

**This section examines the policy and institutional landscape that shaped the development of social enterprises (SEs) in Thailand, divided into two key periods: before and after the enactment of the Social Enterprise Promotion Act B.E. 2562.** Prior to the Act, the government had already made preliminary efforts to promote SEs through regulations and committee-based mechanisms, reflecting early recognition of their potential. However, the passage of the Act significantly accelerated SE development by providing clearer legal frameworks, institutional structures, and targeted support. Importantly, the rise of this formal legislation was closely tied to political agendas that sought alternative tools to advance social policy goals, seen in the early involvement of the Department of Social Development and Welfare. While these developments positioned SEs as a promising bridge between business efficiency and social objectives, concerns remain about their long-term sustainability, particularly given their political associations with the previous government and the recent policy shift toward OTOP and Soft Power models.



### 3.1 Before Social Enterprise Promotion Act B.E. 2562

Early Thai government policies aimed at strengthening community-level economies were manifested in various forms. **One of the most prominent and enduring initiatives was the One Tambon One Product (OTOP) program, launched in 2001.** The OTOP program was designed to empower local communities by encouraging them to apply indigenous knowledge and traditional skills to develop marketable products. Its overarching goal was to enhance local livelihoods through grassroots economic development, transforming locally available resources into high-quality, culturally distinctive, and economically viable products.

The implementation of OTOP was supported by the establishment of several key institutional and regulatory mechanisms. These included the Prime Minister’s Regulation on the National One Tambon One Product Steering Committee, B.E. 2544 and its amendments. The Steering Committee was tasked with formulating policies, strategies, and operational guidelines for the promotion of OTOP products. It also played a coordinating role among various stakeholders across public, private, and community sectors. To facilitate day-to-day operations, a coordinating office was set up under the Office of the Permanent Secretary, Office of the Prime Minister. Furthermore, a number of subcommittees were established to oversee areas such as program administration, production enhancement, and market development.

With regard to policy efforts directly related to the promotion of SEs, it is important to note that **before the enactment of the Social Enterprise Promotion Act B.E. 2562, the Thai government had already taken steps to promote SEs, though efforts were less formalized.** Under Prime Minister Abhisit Vejjajiva, the government introduced important policy instruments, notably the Prime Minister’s Regulation on National Social Enterprise Promotion B.E. 2554. This regulation, alongside the Thai Health Promotion Foundation regulation on the establishment of the Thai Social Enterprise Office B.E. 2553, created two key institutional mechanisms: the National Social Enterprise Promotion Committee and the Thai Social Enterprise Office (TSEO). **These mechanisms aimed to foster a more enabling environment for SEs, even before legal frameworks were formally put in place.**

**The government’s strategy under these early frameworks was to support private-sector engagement in socially oriented businesses and improve operational efficiency through**



**multi-stakeholder collaboration.** The regulation identified core features that defined SEs, including commitment to long-term social and environmental well-being, incorporation of the sufficiency economy philosophy, financial sustainability, profit reinvestment for community benefit, diverse organizational forms, and good governance. These characteristics reflected a hybrid identity, positioning SEs between private enterprises and civil society organizations.

Moving forward to the administration of Prime Minister Prayut Chan-o-cha, the government introduced more concrete policy actions. In August 2016, the Cabinet adopted a policy with objective to increase the number of SEs, with the dual goal of improving people’s quality of life and encouraging greater private-sector participation in social development. One landmark was the issuance of Royal Decree (No. 621) B.E. 2559 under the Revenue Code, which provided tax exemptions to SEs and companies that supported SE activities. **This fiscal incentive was a critical milestone, signaling a shift toward a more supportive legal and regulatory environment for SEs.**

Additionally, in late 2017, the Cabinet implemented the updated Prime Minister’s Regulation on National Social Enterprise Promotion (No. 2), B.E. 2560. This revision aimed to enhance the efficiency, appropriateness, and sustainability of SE promotion activities. It assigned the Department of Social Development and Welfare as the secretariat of the National Social Enterprise Promotion Committee, ensuring better institutional coordination. This structural reform reinforced the government’s commitment to embedding SEs into national development strategies and creating a clear institutional home for their promotion.

**Another important development occurred in 2018 when the National Social Enterprise Promotion Committee issued a significant regulation detailing the criteria and procedures for SE registration.** This regulation outlined eligibility requirements such as having formal organizational objectives focused on addressing or improving social or environmental issues, including measurable indicators aligned with promotion goals. For example, registered SEs were required to ensure that at least 20% of their permanent workforce consisted of marginalized groups such as disadvantaged individuals, persons with disabilities, or elderly. Furthermore, at least 75% of revenue had to come from activities directly addressing social or



environmental issues, such as organic farming, clean energy, affordable services for vulnerable populations, or cultural preservation.

These early efforts also clarified the roles of government agencies in supporting SEs. The Department of Social Development and Welfare was tasked with coordinating support measures across ministries, informing SEs of available benefits, and ensuring alignment between government actions and National Social Enterprise Promotion Committee policy directives. This institutional groundwork was essential in preparing for the passage of the Social Enterprise Promotion Act, which would formalize and expand these efforts in 2019. In short, the pre-Act period laid a vital policy and institutional foundation, moving Thailand from informal encouragement of social enterprises toward a more structured and strategic national approach.

### **3.2 After Social Enterprise Promotion Act B.E. 2562**

The passage of the Social Enterprise Promotion Act B.E. 2562 in May 2019 marked a significant turning point in Thailand's institutional support for SEs. Prior to this, SE promotion had largely relied on government regulations and committee-level mechanisms. The new law introduced clearer criteria, measures, and concrete incentives designed to formalize and expand the ecosystem, particularly targeting enterprises that sought official registration. As a result, not only did it provide stronger legal grounding, but it also set in motion the development of additional announcements, ministerial regulations, and institutional structures dedicated to systematically advancing SEs in Thailand.

Under the Act, SEs could register under two categories: those that chose not to distribute profits to shareholders or partners and those that allowed partial profit distribution. Regardless of type, registered SEs were required to meet several key characteristics, such as a clear social mission, minimum revenue thresholds, reinvestment of at least 70% of profits toward social or environmental goals, good governance practices, and an absence of past registration revocations. These stipulations aimed to ensure that SEs aligned with their core purpose and maintained credibility in both social impact and business practices. Importantly, the law offered a balance between social mission and business sustainability, reflecting the hybrid nature of SEs.



**In terms of tangible benefits, registered SEs gained access to a range of supports previously unavailable or limited.** These included financial assistance from the Social Enterprise Promotion Fund, tax incentives, preferential treatment in government procurement, and eligibility for benefits under other legal frameworks. **Additionally, the law established two new institutional bodies: the Social Enterprise Promotion Committee and the Office of Social Enterprise Promotion (OSEP).** These organizations were tasked with jointly steering national strategies, developing action plans, and managing SE-related initiatives, ensuring that promotion efforts were not only well-funded but also strategically coordinated.

The Social Enterprise Promotion Committee, as the main policymaking body, was responsible for setting national strategies, policies, and master plans, which were then submitted to the Cabinet for approval. It also reviewed operational plans, proposed legal adjustments to align with SE development goals, and supported SE-focused research. Meanwhile, OSEP took on an operational role: drafting policy proposals, preparing and submitting operational plans, providing technical and managerial support to SEs, analyzing sectoral challenges and successes, and serving as a central information hub. **Together, these bodies created a robust governance structure that could both set strategic direction and oversee practical implementation.**

**One major outcome following the Act's enactment was the development of the National Social Enterprise Promotion Action Plan (2024–2027).** This plan articulated five core strategic pillars aimed at boosting SE potential and competitiveness. The strategies covered capacity building, data governance, market and investment development, ecosystem strengthening, and cross-sectoral collaboration. These strategies signaled the government's intent to position SEs as not merely supplementary actors but as central players in Thailand's broader socio-economic development.

**Notably, the strategic framework emphasized the importance of collaborative partnerships, recognizing that SE success depends on the collective efforts of government agencies, private-sector allies, academic institutions, civil society, and international networks.** By fostering these partnerships, the Thai government sought to create a fertile ground for SE growth, innovation, and sustainability. Moreover, the inclusion of digital



platforms and mechanisms for market integration demonstrated a forward-looking vision, positioning SEs to take advantage of technological and global market trends.

On the other hand, under the administration of Prime Minister Srettha Thavisin, **a new flagship government policy has gained increasing attention and presents potential linkages with social-purpose enterprises: the Soft Power Policy.** This policy aims to strengthen eleven key soft power industries—such as food, tourism, and fashion—by enhancing Thai citizens’ knowledge, creativity, and skills to generate value and income. Institutional mechanisms supporting this agenda include the establishment of the National Soft Power Strategy Committee and the Thailand Creative Content Agency (THACCA), both of which operate under the Office of the Prime Minister. These entities are tasked with coordinating efforts to implement the soft power agenda across sectors.

In summary, when considering the key institutional mechanisms for promoting SEs in Thailand, it can be argued that the Social Enterprise Promotion Act B.E. 2562 fundamentally transformed the landscape for SEs in Thailand. It moved the country from fragmented, regulation-based support toward a comprehensive, legally anchored system. By defining SEs, formalizing their eligibility, offering clear benefits, and creating dedicated institutions, the Act strengthened the foundation for long-term SE development. While challenges remain, such as ensuring effective implementation, monitoring outcomes, and maintaining political and financial commitment, the legal and institutional reforms initiated under the Act represent a major advancement in integrating SEs into Thailand’s national social and economic policy frameworks. Moreover, the continuing evolution of related policies (OTOP and Soft Power) further illustrates the prominent institutional role of the Thai state in designing and driving diverse mechanisms aimed at **generating tangible social and economic outcomes.**

## 4. Methodology

This study employs a **mixed-methods research design** that integrates both qualitative and quantitative approaches to provide a comprehensive understanding of the roles and functions of SEs in Thailand’s social policy landscape. By combining **policy analysis, case studies, and stakeholder analysis**, the research aims to capture not only institutional and regulatory frameworks but also practical impacts on communities and the dynamics of cross-sector



collaboration. The mixed-methods approach is chosen to ensure a well-rounded examination that balances:

- **Documentary and policy analysis** (qualitative)
- **Empirical observations and quantitative data** (where available)
- **Stakeholder perspectives** gathered through secondary data, reports, and prior research

This design is particularly suitable because the research questions concern institutional structures (laws, policies, mechanisms), requiring multiple types of data sources and analytical lenses.

#### 4.1 Policy Analysis Approach

A core component of this study is the **policy analysis** of the legal and institutional frameworks governing SE development in Thailand. This includes:

- Reviewing national policies such as the Social Enterprise Promotion Act B.E. 2562
- Analyzing related regulatory instruments, such as royal decrees, prime ministerial regulations, and committee announcements
- Examining the roles and functions of key institutional actors, including the Social Enterprise Promotion Committee and the Office of Social Enterprise Promotion (OSEP)
- Mapping the historical evolution of SE support mechanisms and their alignment with broader social policy objectives

The policy analysis seeks to clarify how these formal structures shape SE operations, enable or constrain innovation, and interact with other state-led initiatives like the OTOP (One Tambon One Product) program and emerging Soft Power strategies.

#### 4.2 Case Study Selection and Rationale

The study focuses on the **Pracharath Rak Samakkee Provincial SEs** as the central case study. This initiative was selected because:

- It represents one of the most prominent SE models promoted under the “Sarn Palang Pracharath” framework during the government of Prime Minister Prayut Chan-o-cha



- It accounts for approximately one-third of all SEs in Thailand, making it a critical part of the national SE landscape
- It offers rich insights into how SEs operate at the provincial and community levels, combining government support, private-sector involvement, and local engagement

By focusing on this initiative, the study can assess both the institutional design and practical outcomes of one of Thailand’s flagship SE programs.

### 4.3 Data Sources and Limitations

The study relies primarily on **secondary data** collected from:

- Official government documents, policy texts, and regulatory announcements
- Annual reports and public communications from OSEP, the Social Enterprise Promotion Committee, and the Pracharath Rak Samakkee network
- Prior academic research, evaluation studies, and media reports
- Statistical data available up to 2023

A notable limitation is that following the **change in government after Prime Minister Prayut Chan-o-cha**, there has been a lack of updated public data related to Pracharath Rak Samakkee Provincial SEs. As a result, the analysis is based largely on information available **up to 2023**, and it cannot account for more recent policy shifts, strategic realignments, or operational changes post-government transition. This limitation restricts the ability to assess current developments or emerging trajectories, though it still provides valuable insights into the institutional setup and early impacts.

In summary, the chosen methodology allows the study to investigate not only **what** institutional and regulatory frameworks exist but also **how** they function in practice and **who** is involved in driving SE outcomes in Thailand. The combined analytical approaches strengthen the study’s ability to contribute nuanced findings about the potential and challenges of SEs as social policy instruments.



## 5. Case Study Analysis: Pracharath Rak Samakkee Provincial SEs

The **Pracharath Rak Samakkee Provincial SEs** emerged as one of the most significant social enterprise (SE) initiatives under the “Sarn Palang Pracharath” (Public-Private Collaboration) framework during the administration of Prime Minister Prayut Chan-o-cha. This section provides a detailed analysis of the initiative’s operational structure, the role of large firms, and the social impacts achieved, highlighting how these SEs became a central tool for promoting local development and social policy in Thailand.

### 5.1 Description of the Initiative and Operational Structure

The “Sarn Palang Pracharath” initiative was conceived as a national-level strategy to harness the combined strengths of the public sector, private corporations, academic institutions, civil society, and local communities. **Its core goal was to create an inclusive mechanism that would tackle social problems and meet community needs, while simultaneously strengthening Thailand’s grassroots economy.** The overarching vision was centered on improving community well-being, building local economic resilience, and ensuring that people enjoyed higher incomes and better quality of life.

**At the heart of this model were two key operational components: (1) national-level coordination and (2) provincial-level SE implementation.** The first component involved the establishment of a central coordinating body, **Pracharath Rak Samakkee Social Enterprise (Thailand) Co., Ltd.**, which served as the national backbone organization. This entity was responsible for providing overarching support, resource mobilization, capacity building, and national-level branding for SE activities.

The second component was the creation of **76 provincial-level SEs**, known as **Pracharath Rak Samakkee Provincial SEs**, each structured as a formal company registered as a social enterprise. These provincial SEs were tasked with directly engaging communities in three main sectors:

- **Agriculture:** supporting local farmers in improving production, adding value, and reaching markets.



- **Processing (value addition):** helping communities turn raw materials into higher-value products.
- **Community-based tourism:** developing and promoting local tourism initiatives that highlight cultural, natural, and social assets.

Operationally, the provincial SEs had several core responsibilities, such as:

- Identifying and selecting target communities ready to participate in development projects.
- Acting as advisors and consultants for product development, business management, and organizational strengthening.
- Developing and securing market channels at the provincial level, ensuring that local products and services reached buyers effectively.
- Serving as the communication link between local actors and the national-level coordinating body, aligning local initiatives with national policy directions and development strategies.

## 5.2 Role of Large Firms

One of the defining features of the Pracharath Rak Samakkee model is its deliberate integration of large firms into the SE ecosystem. Unlike many SE initiatives globally, which often rely predominantly on civil society or community-driven models, the Thai approach positioned corporate actors as key partners.

Large firms contributed in several critical ways:

- **Resource Mobilization:** Corporations provided financial backing, either through direct investments, grants, or in-kind support such as technology, marketing tools, or infrastructure.
- **Capacity Building:** Many private firms shared business expertise, offering training and mentorship in areas like product design, supply chain management, branding, and financial planning.



- **Market Access:** Corporations helped open market doors for community products by integrating them into their supply chains, retail platforms, or export channels. This was particularly valuable for rural or marginalized communities that traditionally struggled to access broader markets.
- **Reputation and Legitimacy:** Corporate backing lent credibility and visibility to provincial SEs, signaling to consumers, investors, and government agencies that these initiatives were professionally run and impactful.

This corporate engagement, formalized through the Pracharath Rak Samakkee Social Enterprise (Thailand) Co., Ltd., marked a strategic shift in Thailand’s approach to SE development — blending business strategies with social missions to create a hybrid model that leveraged the strengths of both sectors.

### 5.3 Social Impacts

The social impact generated by SEs operating within the Pracharath Rak Samakkee network can be analyzed from two key perspectives: **economic contribution and social outcomes**. From a financial standpoint, data from 2017 to 2022 indicate that the Pracharath Rak Samakkee Provincial SEs generated substantial social and economic impacts across Thailand. According to official data, the network engaged over **110,000 households**, demonstrating broad geographic and demographic reach. Across the three main sectors, the initiatives collectively generated over **2.1 billion baht** in community income, with especially strong growth observed in the community-based tourism segment. (Table 1)

**Table 1** Community Income Generated from SE Operations in the Pracharath Rak Samakkee Network (2017–2022) (Unit: thousand baht)

Year (B.E.)	Sector			Total
	Agriculture	Processing	Community Tourism	
2017 (2560)	51,095.01	125,451.94	37,139.68	213,686.63
2018 (2561)	126,616.19	91,971.39	69,539.04	288,126.61



Year (B.E.)	Sector			Total
	Agriculture	Processing	Community Tourism	
2019 (2562)	175,424.83	159,626.28	38,321.78	373,372.89
2020 (2563)	205,333.26	206,939.91	139,928.42	552,201.59
2021 (2564)	131,740.91	123,800.93	43,933.30	299,475.14
2022 (2565)	148,901.97	152,770.25	112,537.70	414,209.91
<b>Total</b>	<b>839,112.18</b>	<b>860,560.68</b>	<b>441,399.92</b>	<b>2,141,072.78</b>

**Source: Working Group on Grassroots Economic Development and Pracharath (2022), compiled by the author**

In terms of the positive social outcomes, the social impacts can be summarized across three key dimensions:

- **Economic Empowerment:**
  - Increased household income through expanded market opportunities and value-added production.
  - Enhanced local employment, particularly by promoting local hiring and creating demand for local goods and services.
- **Community Development:**
  - Strengthened community networks by facilitating collective action, building local leadership, and fostering shared goals.
  - Revitalized local cultures and traditions through community tourism projects, which often incorporated cultural heritage preservation as part of their offerings.
- **Environmental Stewardship:**
  - Encouraged sustainable agricultural practices and eco-friendly tourism models, aligning with broader environmental goals.
  - Supported community initiatives aimed at natural resource management and environmental conservation.



Examples from across the country illustrate the diversity of impacts. In Khon Kaen, the provincial SE focused on poultry processing and packaging, improving local agricultural value chains. In Chonburi, efforts centered on job creation by supporting local businesses and service providers. In Chiang Rai, the SE facilitated the distribution of community products, while in Songkhla, activities blended agriculture, processing, and tourism to create diversified income streams. (Table 2)

**Table 2** Examples of Operational Objectives of SEs in the Pracharath Rak Samakkee Network

Company Name	Objective
1. Pracharath Rak Samakkee Social Enterprise (Thailand) Co., Ltd.	Selling products, management, consulting services
2. Pracharath Rak Samakkee Khon Kaen (Social Enterprise) Co., Ltd.	Producing and packaging fresh or frozen poultry meat
3. Pracharath Rak Samakkee Chonburi (Social Enterprise) Co., Ltd.	Selling products or providing services, focusing on promoting local employment
4. Pracharath Rak Samakkee Chiang Rai (Social Enterprise) Co., Ltd.	Selling community products
5. Pracharath Rak Samakkee Songkhla (Social Enterprise) Co., Ltd.	Engaging in agricultural products, processing, and promoting community tourism

Note: Based on the 2022 financial statement submission from DBD DataWarehouse+

Source: Compiled by the author

In addition, recent years have demonstrated tangible outcomes generated by SEs within the Pracharath Rak Samakkee network, illustrating their connection to multi-sectoral collaboration. These achievements are linked to support from various stakeholders, including **provincial development budget allocations, joint implementation of government-aligned initiatives**



such as local OTOP policies, and funding contributions from large private-sector companies (Table 3).

**Table 3** Example of Performance Outcomes of Social Enterprises in the Pracharath Rak Samakkee Network, Categorized by Sector

Sector	Company Name	Example of Performance Outcomes
Agriculture	1. Pracharath Rak Samakkee Chiang Mai (Social Enterprise) Co., Ltd.	Facilitated market access for rice-farming groups by linking directly to Lanna Hospital, generating total revenue of 470,000 THB, with further partnership negotiations ongoing.
	2. Pracharath Rak Samakkee Trang (Social Enterprise) Co., Ltd.	Received 1.5 million THB from provincial development funding to support abalone aquaculture on Libong Island.
Processing	1. Pracharath Rak Samakkee Chanthaburi (Social Enterprise) Co., Ltd.	Enabled local community products to be sold at Jing Jai Market within Tops Supermarket, Central Chanthaburi, involving 10 community producers and generating 290,000 THB in income.
	2. Pracharath Rak Samakkee Tak (Social Enterprise) Co., Ltd.	Partnered with various stakeholders to organize the “OTOP Nationwide and Local Treasures of Tak” fair, providing booth space for community groups, resulting in total sales of 2.1 million THB.
Community Tourism	1. Pracharath Rak Samakkee Pathum Thani (Social Enterprise) Co., Ltd.	Promoted and developed community tourism areas under “the OTOP Nawatwithi model” in Ban Khlong Sam and Ban Khlong Ha, including supplementary livelihood initiatives, generating 5.1 million THB.
	2. Pracharath Rak Samakkee Phrae (Social Enterprise) Co., Ltd.	Created the “Tung Saen Suk” community handicraft initiative to generate income for the elderly, used in the annual Phra That Cho Hae



Sector	Company Name	Example of Performance Outcomes
		ceremony, with funding support of 500,000 THB from Thai Beverage Public Co., Ltd.

**Source: Working Group on Grassroots Economic Development and Pracharath (2023), compiled by the author**

While numerical tables summarizing operational objectives and financial outcomes are available and would enhance the empirical robustness of this analysis, they are optional in the main body of the text. Including such tables (e.g., a table detailing SE objective across selected provinces or a table summarizing income generated per sector over five years) would strengthen the reader’s understanding by offering concrete, visual evidence of the initiative’s scope and achievements.

In summary, the Pracharath Rak Samakkee Provincial SEs exemplify an ambitious, cross-sectoral approach to social enterprise development in Thailand. By integrating national policy design, provincial implementation, corporate partnership, and community participation, the initiative has created a multi-layered system with the potential to drive significant social and economic change. **The following sections will explore the lessons learned from this model and the challenges it faces, particularly regarding sustainability, political transitions, and long-term viability.**

## 5.4 Lessons and Challenges

Despite the ambitious design and early successes of the Pracharath Rak Samakkee Provincial SEs, several important lessons and challenges have become evident, particularly when examining their long-term effectiveness and sustainability. While the initiative effectively mobilized multi-sector collaboration to support grassroots economic and social development, questions remain about how well these models can endure over time, especially under shifting political and institutional landscapes.

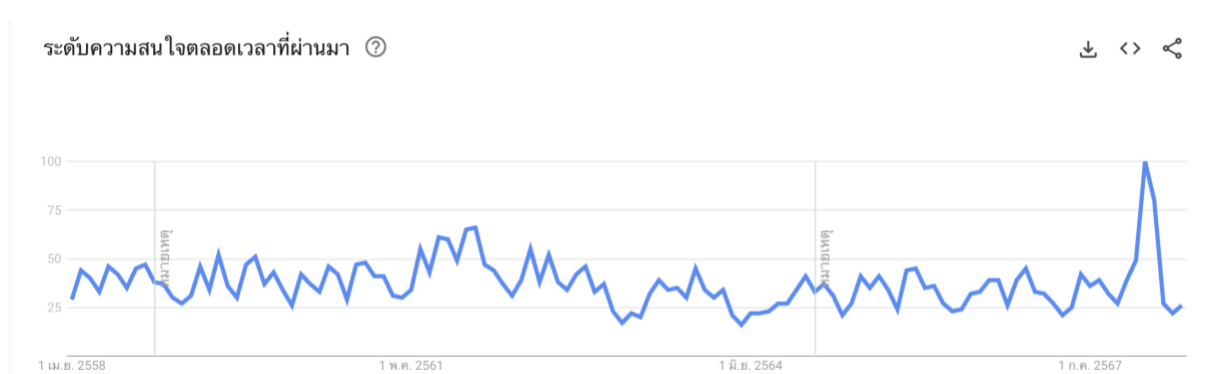
One major societal concern revolves around the **efficiency and sustainability** of these SEs. For example, several projects under the Pracharath Rak Samakkee network have been criticized for their dependence on government backing or large corporate partnerships, raising doubts about



whether they can survive independently once such supports diminish. Without stable internal business models, some SEs risk becoming short-term interventions rather than enduring drivers of local change. This points to a broader structural vulnerability: many of these enterprises were created within a political framework, rather than emerging organically from community-driven needs, making them susceptible to political shifts.

An especially revealing observation comes when comparing the trajectory of the Pracharath Rak Samakkee network to other grassroots-focused programs, such as **OTOP (One Tambon One Product)**. Following the political transition to the Paetongtarn Shinawatra administration, the prominence of “Sarn Palang Pracharath” projects has sharply declined, while OTOP initiatives have quickly regained national visibility. This is supported by Google Trends data (**Figure 1&2**), which show sustained and even increasing search interest in OTOP, while public attention to Sarn Palang Pracharath has dropped to near zero. This contrast highlights a critical issue: the sustainability of SE initiatives appears deeply tied to political support, and without institutional mechanisms to safeguard continuity across political cycles, promising models risk being sidelined or abandoned when administrations change.

**Figure 1** Public Interest Trends for the OTOP Program in Thailand



**Source:** Google Trends (2025)

**Note:** This figure shows the sustained and periodically rising public interest in the OTOP (One Tambon One Product) program over the past decade. Notably, there is a sharp increase in search interest around mid-2024, reflecting the renewed national attention and policy emphasis placed on OTOP under the new government. The steady visibility of OTOP suggests its deep-rooted



presence in Thailand’s social and economic landscape and its ability to maintain relevance across political cycles.

**Figure 2** Public Interest Trends for the Sarn Palang Pracharath Concept in Thailand



**Source:** Google Trends (2025)

**Note:** This figure illustrates the sharp rise in public attention toward the Sarn Palang Pracharath initiative during its early introduction, followed by a steep decline and near disappearance from public search activity after 2021. The pattern reflects how this initiative was closely tied to the specific political environment under Prime Minister Prayut Chan-o-cha. Its declining trend signals both the fragility of politically embedded programs and the lack of institutional continuity when political leadership changes.

Another core limitation relates to the **implementation challenges** faced when translating national policy into effective local action. Even though the “Sarn Palang Pracharath” framework aimed to harmonize the efforts of government, private sector, and communities, its on-the-ground application has been uneven. Key operational issues include:

- **Lack of clear monitoring and evaluation systems:** There is no uniform framework or shared indicators to assess SE performance across provinces. This makes it difficult to measure success, share best practices, or adjust strategies effectively. Without rigorous assessment mechanisms, learning loops remain underdeveloped.
- **Resource inequalities:** Smaller, locally embedded SEs often struggle to access the same levels of financial support, technical expertise, or market linkages as larger, better-



connected enterprises. This creates structural imbalances where some SEs thrive while others are left behind, undermining the goal of inclusive development.

A concrete example of **resource inequalities** among SEs in Thailand can be seen in official government documents related to the *Thai Pracharath Market* initiatives. For instance, the urgent memorandum from the Secretariat of the Cabinet (นร 0505/34593, dated **October 20, 2017**) outlines the government’s approval of the Pracharath Market project, aimed at promoting SEs through collaboration among multiple agencies. The project assigned key responsibilities—such as **marketing, publicity, trade facilitation, and sales stimulation**—to the Ministry of Commerce, **Pracharath Rak Samakkee Social Enterprise (Thailand) Co., Ltd.**, and **provincial Pracharath Rak Samakkee SEs**. Furthermore, another urgent memo from the Treasury Department (นร 0316/ว 136, dated **November 14, 2019**) highlights measures to support these SEs by providing access to **public land** for temporary markets, at least once a month, and **waiving competitive bidding requirements** for eligible SEs. However, while these policy tools created **special access channels for well-connected SEs, smaller and locally embedded SEs—especially those outside the official Pracharath network—often struggled to benefit from such state-supported opportunities**. Without the necessary **institutional ties or formal recognition**, many grassroots SEs were effectively left out, reinforcing **structural imbalances** and undermining the broader goal of **inclusive and equitable SE development across Thailand**.

Beyond these immediate challenges, there are deeper questions that merit further exploration:

- **How can SEs balance innovation with institutionalization?** While formal support structures can provide stability, they can also stifle grassroots creativity by imposing rigid frameworks. Finding the right balance between bottom-up innovation and top-down support is essential.
- **What is the impact of corporate influence on SE missions?** The heavy involvement of large firms brings expertise and resources but may also shape SE priorities in ways that tilt toward marketable or high-profile projects, potentially sidelining less profitable but socially vital initiatives.



- **How scalable is the model?** While success stories exist in some provinces, they may rely on unique local conditions or leadership. Scaling these models nationally requires careful attention to context and adaptive approaches.

In summary, the lessons from the Pracharath Rak Samakkee SE network underscore both the potential and the fragility of politically embedded social enterprise models. Without long-term institutional support, consistent performance evaluation, and mechanisms to protect initiatives from political shifts, the promise of SEs as a transformative tool for social policy may remain unrealized. Future research and policy efforts should focus on strengthening resilience, ensuring equitable resource distribution, and building systems that can withstand the inevitable tides of political change.

## 6. Discussion

This section discusses the study's key findings by reflecting on the political, institutional, and comparative dimensions that shape Thailand's social enterprise (SE) landscape. It addresses four main discussion points: (1) the political drivers behind SE development; (2) the Sarn Palang Pracharath model and its innovative private-sector collaboration; (3) governance, accountability, and sustainability concerns; and (4) comparative insights from OTOP (One Tambon One Product) as a parallel national initiative.

### 6.1 Political Drivers Behind SE Development

One of the most striking observations from this study is how **political will can greatly accelerate the development of SEs in Thailand**. When political leaders embrace SEs as part of national strategies, accompanying mechanisms and institutional tools—such as laws, committees, funding schemes, and regulatory bodies—tend to follow swiftly. This is evident in the enactment of the Social Enterprise Promotion Act B.E. 2562 and the formation of the Office of Social Enterprise Promotion (OSEP), which were largely the result of top-level political endorsement.

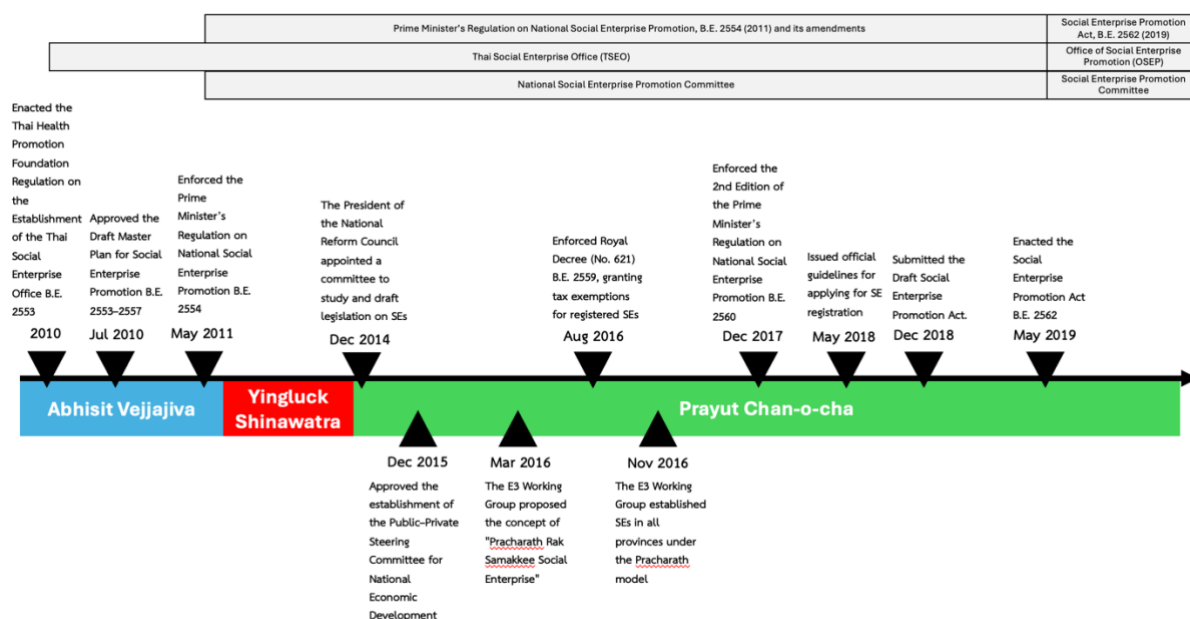
Notably, there were efforts even before the law's passage, including studies by the National Reform Council, which identified SEs as potential solutions to national socio-economic challenges. However, many of these early proposals stalled due to institutional bottlenecks and



lack of political momentum. It was only when political leaders—particularly under the Prayut government—explicitly backed SE initiatives, like the **Sarn Palang Pracharath** program, that significant movement occurred.

This relationship can be visualized through a process diagram (**Figure 3**), showing how political endorsement acts as the primary trigger, setting off chains of institutional formation, funding allocation, regulatory creation, and public-private collaboration. While this political “shortcut” can expedite SE development, it also introduces risks, particularly around long-term stability if political support shifts or evaporates.

**Figure 3** Timeline of Policy and Institutional Developments for Social Enterprises in Thailand (2010–2019)



Source: Compiled by the author

## 6.2 Private-Sector Collaboration in the Sarn Palang Pracharath Model

A defining feature of the Sarn Palang Pracharath initiative was its **ambition to mobilize private-sector collaboration**. The core idea was to create social impact without relying solely on state budgets or resources—**positioning SEs as vehicles for national policy delivery through non-governmental means**. This approach is compelling, as it brings several clear advantages:



- **Cost efficiency:** Government expenditures are minimized by leveraging private capital and expertise.
- **Speed:** Private-sector actors can move faster in product development, service delivery, and market responses compared to often slow-moving public agencies.
- **Cross-sector collaboration:** Building partnerships across government, business, and civil society strengthens networks and broadens solution sets.

However, **the success of this model hinges on key conditions.** Private companies must see clear value whether reputational, economic, or strategic in participating. In the case of Sarn Palang Pracharath, the early financial backing came largely from major corporate groups, notably Thai Beverage (ThaiBev), which covered salaries and core operating costs for foundational activities. Without this robust network and initial funding, it is unlikely that the model could have launched or scaled so rapidly.

At the same time, important concerns emerge. Unlike traditional SEs that often arise organically from local “pain points” or community-identified needs, many of these SEs were top-down creations tied to **national policy agendas.** While this can create scale and alignment, it raises sustainability questions: **What happens if corporate partners withdraw or shift focus? Can these SEs continue without external financial lifelines?** These are structural vulnerabilities not typically present in grassroots or independently founded SEs.

### 6.3 Governance, Accountability, and Sustainability Challenges

Given these dynamics, **strong governance and oversight mechanisms become critical.** Without proper monitoring, SEs supported by state mechanisms risk misusing public resources, becoming inefficient, or even perpetuating inequalities by favoring well-connected actors.

The establishment of the Office of Social Enterprise Promotion (OSEP) was intended to provide institutional support and oversight. However, it is worth questioning whether OSEP has effectively fulfilled its mandate. There is limited public awareness or clarity about OSEP’s role, and much of its work appears confined to insider networks rather than engaging broad societal participation. **Improved communication and transparency about OSEP’s activities, impact**



**assessments, and policy roles are urgently needed** to avoid reinforcing the perception that SE promotion is only accessible to a narrow group of actors.

Additionally, **resource allocation inequalities** remain a persistent concern. As discussed earlier, government policies like the Pracharath Thai Helps Thai Market projects and land access waivers under the Treasury Department primarily benefited SEs within the official network. Smaller, independent SEs often lacked the institutional ties needed to access such resources, creating an uneven playing field that undermines inclusive development goals.

#### **6.4 Comparative Insights: SEs vs. OTOP**

A valuable comparative lens comes from examining SE initiatives alongside **OTOP**, another flagship Thai policy for grassroots economic development. Google Trends data presented earlier show that public interest in OTOP has remained consistently high, even experiencing renewed spikes under the current administration. In contrast, search interest in Sarn Palang Pracharath has declined, especially after political transitions.

**This comparison offers critical insights into institutional durability.** While both initiatives aim to empower local economies, OTOP has demonstrated resilience across political cycles, partly due to its institutional embedding and broad public recognition. It has become a culturally embedded program with a clear value proposition for local producers and communities.

By contrast, Sarn Palang Pracharath and its affiliated SE network appear more politically contingent. Once tied to the political leadership of the Prayut administration, these SEs have struggled to maintain visibility and institutional support under subsequent governments. This underscores the need for SE policy frameworks to be designed for **cross-administration stability**, reducing dependence on specific political figures or factions. Without such resilience, even well-intentioned SE initiatives risk fading away as political winds shift.

In summary, the discussion highlights several interconnected themes. **Political backing is a powerful catalyst for SE development, but it also creates vulnerabilities if initiatives become over-politicized. Private-sector partnerships bring speed and efficiency but require careful attention to sustainability and alignment with social goals. Strong governance and inclusive resource distribution are essential to prevent elite capture and**



**ensure societal benefit. Finally, comparative lessons from OTOP show that enduring success depends on building institutional resilience that transcends political cycles.**

The Thai experience with SEs, particularly under the Sarn Palang Pracharath framework, provides valuable insights for both national and international audiences interested in how social enterprises can complement public policy and drive inclusive development. Addressing the challenges identified here will be key to ensuring that SEs remain a meaningful force for social change in Thailand’s evolving policy landscape.

## **7. Conclusion and Future Research**

This study has explored the evolving role of social enterprises (SEs) in Thailand, with a focus on the Pracharath Rak Samakkee Provincial SEs initiative. Drawing on policy analysis, case studies, and comparative insights, it has sought to understand how SEs contribute to social policy and local development, as well as the challenges they face. This conclusion summarizes key findings, reflects on the broader significance of SEs in Thailand’s policy landscape, and offers recommendations for policymakers, practitioners, and researchers.

### **7.1 Summary of Key Findings**

The findings show that SEs in Thailand have become powerful instruments for advancing social policy goals, particularly through hybrid public-private models. The Pracharath Rak Samakkee network exemplifies how coordinated efforts between government, large firms, and local communities can generate tangible social and economic impacts. Between 2017 and 2022, these SEs engaged over 110,000 households and generated more than 2.1 billion baht in community income across agriculture, processing, and tourism sectors.

However, the study also highlights critical vulnerabilities. Many of the SEs under this model were politically driven, emerging from the Prayut administration’s top-down strategy rather than grassroots demands. As a result, their sustainability is closely tied to political leadership. Evidence from Google Trends analysis shows that public interest in the Sarn Palang Pracharath initiative has sharply declined following the 2023 political transition, whereas OTOP programs have maintained—and even increased—their visibility.



Another key finding is the unequal access to resources across SEs. Well-connected SEs, especially those formally registered under the Pracharath network, benefited from state-backed support, including access to public land and preferential market opportunities. In contrast, smaller, locally embedded SEs often lacked the financial, technical, or institutional resources to scale or sustain their operations, undermining the goal of inclusive development.

Finally, the study finds that despite the creation of formal governance structures—such as the Office of Social Enterprise Promotion (OSEP)—there is a persistent lack of clarity about institutional roles, weak monitoring and evaluation systems, and limited public communication. These gaps hinder the system’s ability to ensure accountability, foster continuous learning, and deliver sustained impact.

## 7.2 Reflection on SEs’ Contributions to Social Policy in Thailand

SEs in Thailand have made valuable contributions to social policy by offering **alternative, flexible, and locally relevant solutions** that complement traditional government programs. They bring innovation, community engagement, and market-based tools into the social policy space, addressing issues such as rural poverty, employment, cultural preservation, and environmental sustainability.

One of their most important contributions has been to **create a multi-sectoral approach** where government, businesses, and communities collaborate toward shared development goals. The Pracharath Rak Samakkee SEs are a prominent example of this, demonstrating how private-sector actors can take on active social roles, beyond corporate social responsibility, by directly partnering in social enterprise models.

At the same time, the study reveals that the **politicization of SE development** poses risks. When SEs become too closely tied to political projects, they risk losing stability and continuity when political leadership changes. This reduces their long-term policy contribution and can erode public trust. The comparison with OTOP, which has shown resilience across multiple administrations, underscores the need for SE models to embed themselves more deeply into national development frameworks and public consciousness, beyond partisan or short-term political agendas.



### 7.3 Recommendations for Policymakers, Practitioners, and Researchers

To strengthen the role and impact of SEs in Thailand’s social policy landscape, several recommendations emerge from this study:

- **For Policymakers**

- Enhance governance mechanisms by improving monitoring and evaluation systems, setting clear performance indicators, and publicly communicating results. This will increase accountability and allow for adaptive policy learning.
- Address resource inequalities by designing funding mechanisms and technical assistance programs that target smaller, less connected SEs, ensuring that development benefits are distributed more equitably.
- Foster stronger integration between SEs and broader national policies, such as the Soft Power and OTOP frameworks, to leverage synergies and create coherent development pathways.

- **For Practitioners**

- Strengthen internal organizational capacities by investing in business planning, financial management, and social impact measurement, to reduce over-reliance on government or corporate partners.
- Build collaborative networks across SEs to share knowledge, pool resources, and amplify collective voice when engaging with policymakers and funders.
- Innovate in community engagement strategies, ensuring that local voices and needs remain central to SE operations, even when scaling or formalizing activities.

- **For Researchers**

- Conduct longitudinal studies tracking the long-term impacts of SE initiatives, particularly under different political regimes, to assess resilience and adaptability.
- Investigate the comparative performance of different SE models (e.g., Pracharath Rak Samakkee vs. independent grassroots SEs) to identify best practices and scalability conditions.



- Explore the role of corporate partners in shaping SE missions, ensuring that private-sector involvement supports, rather than distorts, social objectives.

## 8. Final Thoughts

Social enterprises have emerged as a promising mechanism for advancing Thailand's social policy goals, offering new pathways for inclusive development and community empowerment. However, to fully realize their potential, **SEs must move beyond political cycles and structural inequalities**. By strengthening institutional frameworks, deepening public engagement, and fostering multi-stakeholder collaboration, Thailand can position SEs as enduring agents of positive social transformation. Future research and policy efforts will play a critical role in ensuring that these enterprises remain not just tools of the moment, but sustainable pillars of Thailand's long-term development strategy.

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