



## PROJECT LESSONS-LEARNED REPORT

Total length of report: 2-3 pages.

Please refer to the [Deliverable Description](#) for more information on the purpose and use of this report

Project Title:	Integrated community-based forest catchment management through an ecosystem service approach (CBFCM)
Country:	THAILAND
Related CPAP Outcome	<p>Expected CP Outcome(s):</p> <ol style="list-style-type: none"> <li>1) Efficient community-based natural resources and environmental management in selected ecosystems with effective engagement of people’s organizations in policy- and decision-making processes affecting the environment and the use of local natural resources;</li> <li>2) Increased capacity of national agencies to set policy priorities and remove barriers to pursuing sustainable management of biodiversity, renewable energy, and water resources in response to national priorities and in compliance with international treaties;</li> <li>3) Promoting community-based knowledge management by supporting the formation of community networks and promoting evidenced-based policymaking at all levels.</li> </ol>
<b>Project Description and Key Lessons-Learned</b>	
Brief description of context	<p>Please give a brief description of the country context.</p> <ul style="list-style-type: none"> <li>o <b>What were the main challenges being faced at the start of the project?</b></li> </ul> <p>Loss of biodiversity in forest and catchment areas from human activities can be regarded as main challenges facing at the start of the project. This included the explicit or implicit policy decisions and government incentives resulted in large-scale conversion of forests into private land. Deforestation was also due to increased market opportunities for cash crops in Northern Thailand, resulting in a vast clearance of forest cover. The threat to mangrove forests within the Gulf of Thailand has been from their conversion into shrimp farms. More than half of all mangrove losses have occurred in three provinces: Samut Sakorn, Chanthaburi and Phan-Nga.</p> <p>The ‘Illegal’ forest conversion through small scale agricultural expansion (via permanent and shifting cultivation) has had a negative impact on Thailand’s forests. The combined effect of declining land productivity and increasing population was resulting in further forest encroachment, even on lands not suitable for cropping activities. This has caused increased need to expand the land area under cultivation, and increased forest fires have resulted from the increased land clearing.</p> <p>Unsustainable harvesting of timber, wildlife and non-timber forest products also affected virtually all forests in Thailand. In the Central Region, forests have been degraded by long-term forest concessions for timber, and oil and resin concessions. Intensive hunting of wildlife and unsustainable harvesting of non-timber forest products were also prevalent. Although the legal domestic supplies for the wood processing industry have been stopped (form the logging ban), as a consequent, the incidences of illegal logging have increased, primarily as a result of the high prices obtained for wood and logs.</p>

	<p>Forest fires are caused by ‘escape’ of fire from swidden agriculture or other agricultural lands, accidental fires set off by poachers and recreational visitors to forests and by storms and lightning. The problem was concentrated in the northern region where the largest forested area existed.</p>
Brief description of project	<ul style="list-style-type: none"> <li>○ <b>What were the issues the project tried to address?</b></li> </ul> <p>The long-term solution that the project tried to address is the sufficient institutional and local capacities are available to harness innovative financing opportunities provided by carbon finance and PES to provide incentives to local land users to conserve and sustainably manage the catchments. There are two main issues that the project tried to address.</p> <p>First is the weak policy environment and systemic capacities to support community involvement in the conservation and management of forests and catchments. There are contradictions between various laws and policies, and in the functioning of different government departments and agencies and the overlap of mandates and directives for the same region and conservation. The coordination within and between local and national government institutions responsible for forests, ecosystems and land management, including line ministries and respective departments and agencies remains ad hoc and ineffective. There is limited capacity of government staff working on natural resources management to effectively interact with land users on an equitable basis for forest and catchment management. The limited inclusion of clauses supporting community participation through CBFCM, and no mention of economic incentives such as PES and bio-carbon financing as instruments for sustainable forest and catchment management and GHG emission reduction and/or sequestration.</p> <p>Second is the limited capacities and incentives for the sustainable management of forests and catchments. Due to poor legal basis for community forestry, local communities do not have strong legal tenure over forests and thus have limited direct incentives to sustainably manage them. There is also a lack of tangible economic benefits from conservation capacity in integrated land-use planning and monitoring at both the community level and within the responsible government agencies. Ecosystem services provided are important for maintaining services that support local livelihoods, such as the harvesting of NTFPs. Tangible economic benefits are becoming primary incentives for household and community investment in forest catchment management. Ecosystem services have not been monetized or cost accounted for, The Government does not have the necessary means to ensure the sustainable provision of environmental services. Existing training extension, communication and mapping do not provide adequate incentive to local land users to engage the conservation and sustainable management of natural forest ecosystems. Market-based instruments are not widely known or available to senior policy makers, government officers, NGOs or to local communities. Consequently, there is an obvious need to assign economic value to some of the most critical environmental services that Thailand’s forests provide, and to compensate or reward those that are directly involved in their restoration or maintenance.</p> <ul style="list-style-type: none"> <li>○ <b>What solutions the project tried to offer? What were its major outputs?</b></li> </ul> <p>The major outputs include the PES conceptual framework contains in the National Environmental Quality Plan (2017-2022) and that the Regional Natural Resource and Environmental Management Strategies include PES. Besides, some TAOs have adopted PES into their development plans. The solution of the project also includes the achievement of local stakeholders (including municipalities, private sector operators, government agencies, CSOs, local communities and etc.) have enhanced capacity to work together. This has also worked towards creating a common understanding about how sustainable livelihoods is linked to and dependent upon ecosystem services and health. The</p>

	<p>result of this is likely to improve and more empower and resilient community-based ecosystem management which can be financed through PES and bio-carbon financing schemes.</p>
Key project successes	<ul style="list-style-type: none"> <li>○ <b>What have been the key successes of this project?</b></li> </ul> <p>The key success of the project is the participation of the community and private sector particularly at pilot sites. This can be seen in the achievement of the signed 11 Memorandum of Agreement (MoA) between communities and other stakeholders in form of ‘buyer-seller’ for PES schemes. The capability of communities and its participation (community-based forest management) in all pilot sites on management of the natural resources and environment is also a key success of this project.</p> <ul style="list-style-type: none"> <li>○ <b>What factors supported this success?</b></li> </ul> <p>The role of Regional Environmental Offices (REOs) in the pilot areas is among the factors that support to the success of the project. REOs has the roles to i) strengthening the capacity of communities to develop community action plan and PES scheme (Buyer menu), ii) facilitate the process of negotiation between the communities (as seller) and potential stakeholders (as buyer) and iii) supervise the community on the community-based forest management knowledge and iv) act as data collector using as monitoring indicator for the project success.</p>
Project shortcomings and solutions	<ul style="list-style-type: none"> <li>○ <b>What have been the main challenges/ shortcomings/ unforeseen circumstances of this project?</b></li> </ul> <p>In general, the working concept of PES is normally a supply-driven PES approach in which the private sector (as supplier to PES) always identify its own area of work with the focus on their agenda (through CSR scheme). The challenge is that the community (as seller) finds the difficulty to approach the private sector and offer the PES scheme that meet with community’s need on the management of natural resources and environment.</p> <ul style="list-style-type: none"> <li>○ <b>How were they overcome (if they were).</b></li> </ul> <p>Through the work of REOs as a facilitator and coordinator, private sectors were introduced to consider a demand-driven PES approach in which community is able to present and negotiate based on the needs of the community to manage natural resource and environment while the private sector provide its financial support through their CSR with the consideration of the need of community as a main.</p> <ul style="list-style-type: none"> <li>○ <b>Were the project results attained? If not, what changes need to be made to achieve these results in the future?</b></li> </ul> <p>The project results were partially achieved.</p>
Lessons learned	<p><b>Project Design</b></p> <ul style="list-style-type: none"> <li>• The process and time required for scoping and designing of PES scheme was underestimated in the project design. This also resulted in the project having too many pilot sites, and spreading itself too thin with the resource available (USD 1.7M), as well as its lack of technical support focus.</li> <li>• The capacity of the “change agent” to champion new ideas and concept such as PES, was not thought through with integrated approach to build the necessary capacities and incentives right in the beginning of the project before any PES scheme is to be designed.</li> <li>• The entry points (both at the policy and the pilot level) should have been more focused and specific. Or to use the current parlance, the ‘Theory of Change’ is not articulated and thought through.</li> </ul>

	<p><b>Project Implementation:</b></p> <ul style="list-style-type: none"> <li>• Although the project does not achieve its intended results, CBFCM has made contribution to the understanding and has generated dialogues on PES application in the Thai context: whether it is applicable or not; what are the constraints/ opportunities, what kind of capacities should be put in place. The project is one among a few projects in Thailand during the past 5 years, attempting to put PES idea into actions and learn from it. Therefore, if well-documented, lessons-learned from each of the 4 pilot sites in the following aspects could provide a good basis to understand the opportunities that PES can provide in natural resource management in Thailand: <ul style="list-style-type: none"> <li>• <b>SCOPING</b> to design viable PES schemes</li> <li>• <b>DATA SYSTEM</b> to support the design and to convince 'buyers'</li> <li>• <b>CAPACITIES OF CHANGE AGENTS</b> to be the facilitators, intermediaries of PES schemes</li> <li>• <b>COMMUNITY READINESS AND RECEPTION</b> of PES ideas and natural resource management in general. PES seems to work better as a step up for communities that are already strong in their natural resource management and have good management system of their group.</li> <li>• <b>PARTNERSHIP BUILDING</b> with the private sector, state-enterprises, starting with CSR – how could this lead to a more meaningful and long-term agreements of support. The MOU with the Provincial Waterworks Authority in Chiang Mai (REO1) has a potential to be a model to be replicated.</li> <li>• <b>SOCIAL MARKETING</b> – how it could be used to create partnership of support</li> <li>• <b>NATURE OF AGREEMENTS</b> - in the form of bilateral MOUs or as PES fund</li> <li>• <b>M&amp;E SYSTEM and REPORTING</b> - to support the result-based reporting of a PES scheme (the project has not reached this level yet, but there have been some ideas generated in the exchanges with other PES projects)</li> </ul> </li> </ul> <p><b>Project Assurance:</b></p> <ul style="list-style-type: none"> <li>• As the project is in fully nationally-implemented modality (NIM), UNDP has very limited avenues to intervene when the project does not progress as planned, when the project management unit did not function, when the project gets deviated from its original objective. There are other NIM projects we managed under GEF 4, but they are well-managed because of strong ownership as well as good understanding on UNDP role as project assurance, hence the productive collaboration in project implementation. However, it is not the case with this project due to the lack of continuity and ownership as mentioned above. When facing this circumstance, it also results in ineffective project assurance. I would very much appreciate if the TE team can provide some recommendations to UNDP on what can be done if this kind of circumstances, what measures UNDP should have in place to be able to intervene more effectively and timely, based on your experiences of other GEF-supported projects.</li> </ul>
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Follow-up Actions	<p>There is an applied PES mechanism and Bio-carbon for the conservation in the policy and plan in relation to the management of watershed and catchment. There is also the set-up of the responsible unit to manage PES within the Ministry and have the working group consisting with the Office of Permanent Secretary, MoNRE, REOs, Provincial Regional Offices and the Department of Water Resources working at the policy level.</p> <p>There is the set-up of database mechanism at national level. The database is using for the coordination between related departments and regional offices by presenting the option to establish the multi-partner unit to implement PES and Bio-carbon at national level as a key agency under the Office of Permanent Secretary, MoNRE.</p> <p>REOs plays a vital role in transforming the policy to practice at pilot site. There is a training curriculum that applied the economic instrument for the management of natural resources and environment including PES as a part of the training curriculum for the Ministry to trained government officials.</p> <p>Applied the PES and Bio-carbon mechanism in 4 pilot sites through the knowledge management and sharing experience generated from the implementation of PES from the pilot sites. This is to emphasise on the procedure, methodology and element that lead to the project achievement. REOs continue to provide recommendation to community network in developing result-based monitoring mechanism and record lesson learned from the implementation according to the signed MOA.</p>

<b>Project Information</b>	
Award ID:	00061756
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Partners:	Office of the Permanent Secretary of the Ministry of Natural Resources and Environment
Project resources:	Please refer to the signed CDRs uploaded.
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