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2013 Annual Project Review (APR)

Project Implementation Review (PIR) OF UNDP Supported GEF Financed Projects

PIMS 3642 - Project Title: Sustainable Management of Biodiversity in Thailand’s Production Landscape

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| Focal Area | Biodiversity |
| Lead RTA |  |
| Lead Country(ies) | (THA) Thailand |
| Revised Planned Closing Date | 31-Dec-2015 |
| Overall Risk rating | Moderate |
| Overall DO rating | Satisfactory |
| Overall IP rating | Satisfactory |
| GEF grant amount disbursed so far | 443,471 |

Project Summary

Thailand is rich in biodiversity. It is the home of 12,000 vascular plant species, 302 species of mammals, and 982 species of birds. There are more than 2,100 marine and 720 freshwater fish species in the country, accounting for 10 percent of the estimated total fish species worldwide. IUCN Red List indicates that 200 significant portions of several WWF Eco-regions fall inside Thailand - including Northern Indochina Subtropical Moist Forests, Kayah-Karen/Tenasserim Moist Forests, Peninsular Malaysian Lowland and Mountain Forests, and Cardamom Mountains Moist Forests. It has coastal and marine ecosystems of the Gulf of Thailand on one side and the Andaman Sea’s marine and coastal ecosystem on the other side with substantially different species assemblages. The establishment of Protected Areas (PAs), Buffer Zones (BZs) and biodiversity corridors have been the primary approach for biodiversity conservation in Thailand with over 400 PAs currently gazette. However, only 18% of Thailand’s total land area is under PAs. Therefore, much of the globally significant biodiversity in Thailand is found in “production landscapes” outside PAs – in agricultural areas and production forests and wetlands. Increasing population pressures and rapid economic development during recent decades are adding pressure to biodiversity both inside and outside PAs.

 The RTG authorities, with MONRE and MOAC as lead ministries, have made large efforts to arrest this degradation, also outside the PA’s. An important intiative was the establishment of the Biodiversity-based Economy Development Office (BEDO) as a public organization. BEDO was given the mandate of promoting conservation of biodiversity in production landscapes, improving local community knowledge of best practice for sutainable production and enhancing biodiversity-based economic development. The long-term challeneg for BEDO is to ensure that Biodiversity conservation is mainstreamed into production and marketing of agricultural, forestry and fishery business, in order to create community incentives to conserve and enhance biodiversity in Thailand’s land- and seascapes while maintaining appropriate incomes to satisfy family needs for livelihood and wellbeing. There are three main barriers to achieve this: (i) At the national level, the institutional framework is not sufficiently capacitated to address the needs of an emerging biodiversity-based business sector, based on sustainable harvesting and production principles, (ii) At the community-level, sustainable production approaches and biodiversity conservation efforts are inadequate due to low incomes from present product categories, and (iii) Community revenues are limited due to low prices in the commodity market, as well as to high transaction costs in the supply chains.

 The project will directly address these barriers through the three major components of the project:

 1. Building national capacity for support of Biodiversity Business

 2. Piloting Community-based Social Enterprises (CbSE) in valuable Ecoregions

 3. Mainstreaming Biodiversity Business into the supply chains of high-value consumer markets

UNDP-GEF Technical Advisor’s Comments

Explanation for change to Overall DO Rating or Overall IP Rating:

Is this the terminal PIR that will serve as the final project report? No

If the mid-term review (MTR) OR the terminal evaluation (TE) was started but not completed this reporting period, please explain how these are progressing and note if any delays are expected:

If the mid-term review (MTR) OR the terminal evaluation (TE) was completed this reporting period, or if this is the final APR/PIR, please address the following points here:

UNDP Country Office’s Comments

If the mid-term review (MTR) OR the terminal evaluation (TE) was started but not completed this reporting period, please explain how these are progressing and note if any delays are expected:

If the mid-term review (MTR) OR the terminal evaluation (TE) was completed this reporting period, or if this is the final APR/PIR, please address the following points here:

Dates of Project Steering Committee/Board meetings during reporting period:

August 2012 December 2012

PROGRESS TOWARD DEVELOPMENT OBJECTIVES

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| **Description** | **Description of Indicator** | **Baseline Level** | **Target Level at end of project** | **Level at 30 June 2009** | **Level at 30 June 2010** | **Level at 30 June 2011** | **Level at 30 June 2012** | **Level at 30 June 2013** |
| To strengthen national and local capacity for mainstreaming biodiversity into the management of ecologically important production landscapes by transforming the supply and market chain of biodiversity based products. | 1. The national governance system provides positive incentives and effective business facilitation and marketing support for biodiversity business development through BEDO and its partner network, demonstrated by: a. No. of enterprises for community-based biodiversity business assisted b. No and turnover from of commercial supply chain actors from project sites involved in marketing of sustainable biodiversity-based products in target markets | a. National framework for establishment of community enterprises based on local products in place via OTOP program b. BEDO has provided targeted support approx. 35 community enterprises, but with limited focus on mainstreaming c. Very few cases of systematic and comprehensive mainstreaming of biodiversity d. Limited focus on export markets for biodiversity business | - at least 10 pilot products of community-based social enterprises (CbSE) supported in making high-value a)bamboo and other NTFP products, b) agricultural and horticultural products, c) marine products, d) tourism and recreation services successfully mainstreamed into the commercial markets - at least 5 of the pilot products successfully selling into national and export markets |  |  |  |  | N/A - pilot products will be launch in 2014. The project partners, working in 4 pilot areas, have cooperated with communities members to identified biodiversity products which have potential to be pilot Community-based Social Enterprise (CbSE) products. Communities had agreed with 6 products namely, Ranong: processed seafood and eco-tourism, Phang Nga: processed seafood and herbal shampoo, Kanjanaburi: Bamboo particle products, Prachinburi: bamboo charcoal products. - in 2013, study related factors for CbSE establishment |
|  | 2. Community-based social enterprises (CbSE) and commercial supply chains for biodiversity-based products increases family income, biodiversity conservation incentives and market share of certified sustainable production in target areas, demonstrated by a. Percentage of certified sustainable bamboo, marine- and other biodiversity-based products produced from project sites (percentage of total product output) b. Percentage of CbSE revenue allocated for biodiversity conservation and rehabilitation | a. No certification schemes are currently in use in target sites. b. Interviews at target sites indicate Bt 5,000-10,000 per household/month derived from existing biodiversity-based products. c. No systematic community funding specifically allocated for biodiversity conservation. | a) At end-project at least 30% of total product output from target sites is certified sustainable. b) At end-project, percentage of household incomes derived from certified products averages at least 25%. c) At end-project at least 10% of net annual CbSE revenue allocated to conservation and rehabilitation activities. |  |  |  |  | N/A - BEDO\'s \'Bio-responsible product\' label for CbSE has been designed and developed to promote biodiversity products. - Criteria of product standard certification has been developing under BEDO and related paretners\' terms: which are, 1) eco-friendly product 2) Local content 3) Future of the origin. |
|  | 3. Increase in percentage of target landscapes and seascapes under community-based sustainable management or co-management. | Less than 2.5% land- and sea-scapes managed by target communities is under sustainable management. | By end-project at least 5% of land and sea-scape managed by target communities is under sustainable management. |  |  |  |  | Process is in stage of educating communities and coordinating with stakeholders at pilot sites to plan biodiversity conservation and utilization model. This model focuses on portioning out income from sustainable biodiversity products and services to use for ecosystem conservation and rehabilitation. |
| Institutional capacity and staff competences for national support to biodiversity business established. | 1. Enabling national policies, laws and regulations introduced by appropriate government departments with respect to: a) land use rights for biodiversity business b) Community based Social Enterprise establishment and operation c) incentives for community-based biodiversity conservation | a. Overall policies, laws and regulations for biodiversity conservation and for mainstreaming of biodiversity business largely in place b. several unsolved conflicts about community land use rights not settled c. No regulation directly targeted to promote and facilitate CbSEs. | A comprehensive policy and regulatory framework for CbSEs is developed, and submitted to the relevant Government authorities. |  |  |  |  | - BEDO has organised subcommittee for establishing of national policy - Draft final report of the national policy has been developed (finish in July 2013) - Regulatory on biodiversity business will be reviewed for submitting to government within December 2013 |
|  | 2. BEDO has the institutional capacities, organizational structure and resources required to act as national biodiversity business facility to facilitate development of CbSEs, as measured by the Capacity Scorecard. | BEDO has been mandated in law and established, however institutional capacities for business facilitation are at the average level, as indicated in the Capacity Scorecard assessment. | The institutional capacity scores for business facilitation are raised 50% relation to baseline at end of project |  |  |  |  | PMU and BEDO have established \'BioEconomy Academy\' responsible for development and supporting of biodiversity business. This activity is under in the process of site renovation and designing biodiversity business training programs. |
|  | 3. BEDO staff have the technical capacities (skills, technical qualifications and experience) needed by a biodiversity business facility, as measured by the Capacity Scorecard | Baseline technical capacities assessed as low to medium, as indicated in the Capacity Scorecard. | The staff Capacity Scores are raised 50% relation to baseline at end of project |  |  |  |  | N/A - Set up training programs to build capacity of 55 BEDO staff to proceed in for Q3 and Q4 of 2013. The programs consist of 1) study trip in Kasetsart University, Kamphaengsaen campus (July 2013) 2) study trip on PES in Krabi and Naan province (August 2013) 3) study trip on sustainable development by private sector (December 2013) |
| Collaboration with and capacities in Partner Networks of the Biodiversity Business Facility are strengthened | 1. Through the Partner Network, BEDO has the capacity to assess market needs and demands, and to develop targeted solutions to issues such as sustainable harvesting, waste minimization and reuse, low-impact packaging, etc. | Individual and ad-hoc analysis of various aspects of biodiversity business have been undertaken by partners, however no systematic and comprehensive analytical capacity. | By project mid-point, the Partner Network clearly demonstrates the capacity and willingness to partner with BEDO in identifying, analyzing and resolving sustainable production and market development issues identified in the development of CbSEs. |  |  |  |  | The level at June 2013 was TEI (coastal and marine product) and RTF (bamboo product) had studied communities potential and biodiversity resources status to identify pilot biodiversity products for CbSEs, including developed CbSEs\' structure, set up management procedures, gathered subsidy sources and studied market chain to benefit CbSE products in the future. According to project log frame, activities for this outcome will be accomplished at the end of 2013. |
|  | 2. Through the Partner Network, local communities and CbSEs have increased access to extension and business development services, as measured by: a. Number of community enterprises receiving support on sustainable harvesting and production b. Number of community enterprises receiving support for biodiversity business development and management c. Number of communities receiving support on biodiversity conservation and rehabilitation | Limited collaboration mechanism among BEDO partners for providing extension services of biodiversity business development for CbSE | Comprehensive and systematic collaboration mechanism with BEDO partners established to provide the extension services of biodiversity business development for CbSE |  |  |  |  | N/A Activities will be launched in 2014 after establishment of CbSEs. |
| Community-based sustainable production and in-situ biodiversity conservation and rehabilitation is strengthened. | 1. Appropriate methods for community-based monitoring of biodiversity status for data collection. | Inadequate system of biodiversity status collection of data conducted by community. | Appropriate system developed for community monitoring of biodiversity status by the end of second year. At least, 4 communities actively applied by the end of year 3. |  |  |  |  | 100% Biodiversity status has been assessed and monitoring plans have been developed in 4 pilot sites in 2012. The research found out about overall picture of 4 pilot areas, consist of following subjects; - topography - socioeconomic condition - land use - biodiversity in the communities - natural resources utilization - opportunity and threat to natural resources - biodiversity monitoring and evaluation (M&E) Biodiversity M&E will be passed on the communities before the end of the project to be proceed by them in the future. |
|  | 2. Number of biodiversity conservation and rehabilitation projects planned and implemented by communities using revenues derived from CbSEs. | No community-initiated conservation projects financed by CbSEs. | At end-project at least four conservation and/ or rehabilitation projects under way, financed by revenues from CbSEs. |  |  |  |  | N/A Activities will be performed in 2014-2015 |
| Pilot Models for Community-based Social Enterprises (CbSE) with Combined Objectives of Income generation, Sustainable Production and Biodiversity conservation are established. | 1.a.CbSEs are using maximum sustainable yield as a benchmark to set production levels. 1.b.Change in marginal revenue per unit of resource use. | 1. Existing community enterprises do not have capacity to assess maximum sustainable yield. 2. Marginal revenue per unit of resource use varies depending on product. | 1. CbSE business plans incorporate maximum sustainable yield as a variable in setting production levels. 2. Marginal revenue per unit of resource use increases by at least 10% on average across all product lines. |  |  |  |  | N/A - Business plans for pilot products are under development and will be implemented in late 2013. - Marginal revenue per unit of resource use will be evaluated in 2015 |
|  | 2. CbSE business plans and management strategies include explicit objectives to allocate net revenues for conservation and rehabilitation. | Existing community enterprises do not have specific objectives to allocate revenues for conservation or rehabilitation. | Every CbSE supported by the project has explicit objectives to allocate net revenues for conservation and rehabilitation. |  |  |  |  | 2012-2013 was the period of coordination among communities and stakeholders for clear understanding about process of communities strengthening according to project log frame. All related partners and communities members were clarified about concepts of biodiversity conservation and sustainable utilization in local areas. Some amount of revenue have to be used for biodiversity conservation. This agreement has to be explicit in pilot CbSEs management. |
| Human and technological capacities in producer communities are strengthened | 1. CbSEs have the necessary skills and tools to produce products which meet the requirement for certification. | Community has basic skill in product development and productions. | CbSE in 4 communities are producing products which meet relevant certification standard |  |  |  |  | N/A Pilot communities in Kanjanaburi and Prachinburi have been trained on producing value-added products - bamboo piecemeal products /charcoal products Project implementing partners (TEI and RTF) have coordinated with technical specialist and academic to develop manufacturing process, control nutrition and quality for CbSE products from 4 pilot communities. |
|  | 2. CbSEs have a transparent and participatory governance mechanism. | Community enterprises have basic rule and regulation for governance. | Set governance mechanism which clearly includes participation, inclusiveness and gender parity. |  |  |  |  | N/A Activities will start in late 2013 along with CbSEs establishment |
| Demand-driven design and branding of high-value products | 1. Mainstreaming of high-value products from biodiversity businesses is increased through development of appropriate products designs, focused on niche-markets of lifestyle consumers in Thailand and selected export markets, as demonstrated by number of CbSE products successfully designed, branded for introduction into target markets | Present community-based products are designed for local markets with little coherence with high-value consumer demand | a. At least 50% of CbSE products are designed for high-value consumer markets b. 25% of the products from pilot communities are successfully introduced into high-value markets |  |  |  |  | N/A CbSE\'s products will be evaluated in 2014-2015 |
|  | 2. Quality and value of CbSE products have been increased and meet BEDO certification standard for selected markets | No certified CbSE products in the pilot sites | 80% of BEDO certified products recognised by and 20% endorsed by other relevant certifications e.g. FDA, Community Product Industrial standard (มผช) |  |  |  |  | N/A CbSE\'s products accomplishment will be evaluated in 2015 |
| Reduction of transaction costs through transformation in the supply chains | Transformation of supply chains have been demonstrated in relation to products from the target regions, as demonstrated by optimum of alternative supply chains provided. | No data on optimum alternative supply chains available for project sites The wholesale and retail actors keep the majority of value added | a. At least 50% of the pilot cases have introduced optimum alternative supply chains to increase gate revenue; b. Transaction costs are reduced in comparison to the existing transaction costs |  |  |  |  | N/A Activities will start in 2015 |
| Increased investment and subsidy options for Community-based Social Enterprises | 1. Appropriate investment options for pilot CbSE’s have been identified, as demonstrated by a) No. of dedicated investment windows in public and private sector b) No. of non-profit social and environmental investment funds | Numerous public and private investment facilities available but not dedicated to small-scaled investment for CbSE’s | 80% of finance needs for pilot CbSE’s are being met |  |  |  |  | N/A Activities will start in 2014 |
|  | 1.Amount of Subsidies raised for pilot CbSE’s in relation to: • National Government subsidies; • Local Government Organisations; • Private Sector (CSR); • Not-for-Profit organisations/ Foundations | There are several national and local subsidy schemes provided by government and not-for-profit organisations | 10% of costs for biodiversity conservation activities are supported via Government and NGO subsidy programs |  |  |  |  | N/A subsidies and financial support option for CbSEs have been studying and identifying. The lists will be finalized at the end of 2013. |
|  | 2.No. Of projects from increased CSR collaborations on CbSE and biodiversity conservation in the target areas | There is limited collaboration with CSR on CbSE and biodiversity conservation and rehabilitation in the target areas | At least 4 projects from CSR collaboration in the target areas |  |  |  |  | N/A Activities will start in 2014 |
| Strengthened awareness about commercial potentials in biodiversity business. | Types of IEC Materials on the potential of CbSE for biodiversity business for general public | There is limited awareness, campaigns, advocacy, on the potential of CbSE for biodiversity business | IEC Materials developed in the form of print, audio-visual, internet At least 0.5% of the total communities across the country have contacted BEDO for support for possible replication |  |  |  |  | N/A Activities will start in 2014 |

RATINGS OF PROGRESS TOWARD MEETING DEVELOPMENT OBJECTIVES

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| DO Rating: Please review the Development Objective Progress page of this APR/PIR and then answer the questions below. A DO rating will be generated based on your answers. |
| 1 Please rate the cumulative progress being made toward achieving the end-of-project targets as reported in the project results framework in the DO page of this APR/PIR |
| 2 Please rate the likelihood that the project will deliver environmental and social benefits for an extended period after project completion? |
| 3 Please rate the likelihood that social or political risks may threaten the sustainability of project outcomes |
| **Project Manager/Coordinator: Is the person managing the day to day operations of the project.** |
| MANDATORY RATING MUST BE PROVIDED for projects under implementation in one country or regional projects where appropriate. |
| Please justify your rating and address the following points in your comments. Please keep word count between 500 words minimum and 1200 words maximum. |
| 1. | Explain why you gave a specific rating. |
| 2. | Note trends, both positive and negative, in achievement of outcomes as per the updated indicators provided in the DO sheet. |
| 3. | Fully explain the critical risks that have affected progress. |
| 4. | Outline action plan to address projects with DO rating of HU, U or MU. |
| Overall 2009 Rating  |  |
| Overall 2010 Rating  |  |
| Overall 2011 Rating  |  |
| Overall 2012 Rating  |  |
| 2013 Rating | Satisfactory |
| Comments | Project manager has managed day to day operation satisfactorily. However, day-to-day management is just a part of PMU tasks. Key activities affecting project accomplishment are in pilot areas, performing by related partners. Therefore, it is an important responsibility of PM and coordinator to monitor, evaluate and support activities at site levels to be inline with annual work plan and the log frame. In addition, PMU work is also to coordinate among related partners and stakeholders in pilot sites. SMB project has started functioning on January 2013. In early stage, BEDO followed an inception work plan by establishing SMB office, providing necessary facilities, recruiting project staff and appointing project steering committee. BEDO also coordinated with UNDP and related partner to finalize project log frame and 2012 annual work plan through inception workshop. SMB project has started implementing since June 2012 by PMU and BEDO with 2 implementing partners namely Thailand Environment Institute Foundation (TEI) and RaksThai Foundation (RTF). The implementing partners responsible for activities at 4 site levels: TEI for marine and coastal products areas (Ranong and Phang nga) and RTF for bamboo products areas (Kanjanaburi and Prachinburi). For the work progress at June 2013, PMU, under monitoring of project steering committee, has coordinated with TEI, RTF and BEDO to design 2012 and 2013 work plans. PMU also responsible for monitoring and evaluation activities under the partners to be inline with project log frame and time frame, including activities under BEDO responsibility. Major progress of BEDO could be summarized as follows 1. Biodiversity-base development policy revision - BEDO has finished draft final documents 2. Set up focus group meeting to revise biodiversity related laws and regulations 3. Created BEDO\'s promotion mark \'Bio-responsible Product\' and designed its criteria according to BEDO principals 4. TEI and RTF have studied baseline information on biodiversity of 4 pilot sites. They also set up monitoring and evaluation model to be conduct by communities In early 2013, impairment in project management occurred due to project manager resignation. PMU function had been decelerate affecting other management activities to be delayed e.g. project partners contracting out of 2013. However, a new PM has start working since June 2013. PMU and related partners have agreed to revise 2013 work plan to sped up key activities to achieve 2013 milestones, which will benefit activities in 2014 to be conducted within time frame. |
| **UNDP Country Office Programme Officer: Is the UNDP programme officer in the UNDP country office who provides oversight and supervision support to the project.** |
| MANDATORY RATING MUST BE PROVIDED for projects under implementation in one country. Not necessary for regional or global projects.  |
| Please justify your rating and address the following points in your comments. Please keep word count between 500 words minimum and 1200 words maximum.  |
| 1. | Explain why you gave a specific rating, for example, if your rating differs from the rating provided by the project manager please explain why. |
| 2. | Note trends, both positive and negative, in achievement of outcomes as per the updated indicators provided in the DO sheet. |
| 3. | Fully explain the critical risks that have affected progress.  |
| 4. | Outline action plan to address projects with DO rating of HU, U or MU.  |
| Overall 2009 Rating  |  |
| Overall 2010 Rating  |  |
| Overall 2011 Rating  |  |
| Overall 2012 Rating  |  |
| 2013 Rating | (S) Satisfactory |
| Comments | 1. The project is progressing fairly well despite the vacancy of project manager for 6 months as the first project manager resigned in December 2012 and the second project manager who was on board in May 2013 resigned after the first day of taking the position. The project experienced delays during the absence of project manager; but overall, the project still demonstrates a good progress towards outcomes. 2. The positive trend includes: • Strong commitment and sense of ownership of the implementing partner (BEDO): the project forms an integral part of BEDO plan and strategy with added value in strengthening the institution’s staff capacity and its mandates on promoting sustainable utilization of biodiversity resources. The progress towards the achievement of outcomes in Component 1 is in good direction with the process of launching the biodiversity-friendly trademark for products being finalized; the review of policy and legal frameworks to promote sustainable utilization of biodiversity being completed to provide focused entry points for further policy works; and the establishment of Bio-economy Forum to enable policy dialogues and information dissemination among the general public. • Substantive information and tangible progress emerging from the works at the demonstration sites: the two partner organisations (Raks Thai and Thailand Environment Institute) responsible for field works at the site levels have made good progress towards establishing biodiversity baseline at the pilot sites, especially for the bamboo products; facilitating community engagement process to create understanding about the project and participation; exploring existing product potentials and community groupings as a basis for developing community-based social enterprises (CbSE). • Communications among teams: the project shows good communication and interaction among the key partners in planning and addressing constraints to move project forwards together. The negative trend and the critical risks identified include: • Coherence among components: currently, the linkages among the three components are not yet there. It will be crucial for the project team to ensure that outcomes will form a comprehensive whole: that there is clear understanding how the activities at the pilot sites will be linked up to the policy and the institutional framework outcomes and the link to market development for the products, and vice versa. If not, the project could run the risk of producing piecemeal outcomes but not the overall development objectives. This issue has already been raised and discussed among the project teams as well as at the recent project board meeting. • Challenges in identifying products to be developed with value-added-ness: at the moment, the potential products identified are still limited to ‘locally made or business as usual.’ Hence, the value added-ness potential which will enable the links between income generation and conservation of the biodiversity base in the pilot areas are not yet explicit. While it is well-recognised that it takes time to collect data to confirm the products potential to engage and inspire the communities to embark on new initiatives or new products, a key important milestone for 2013 is for the project to have a clear direction on the value added-ness of the products, in case and/or in kind, and how it can be measured and how it can explain the link between income generation and conservation of the natural resource base. |
| **Project Implementing Partner: Is the representative of the executing agency (in GEF terminology). This would be Government (for NEX/NIM execution) or NGO (for CSO Execution) or an official from the Executing Agency (for example UNOPS).**  |
| RECOMMENDED but NOT MANDATORY for projects under implementation in one country and regional projects.  |
| Please justify your rating and address the following points in your comments. Please keep word count between 200 words minimum and 500 words maximum.  |
| 1. | Explain why you gave a specific rating. |
| 2. | Note trends, both positive and negative, in achievement of outcomes as per the updated indicators provided in the DO sheet. |
| 3. | Provide recommendations for next steps. |
| **GEF Operational Focal point: Is the government representative in the country designed as the GEF operation focal point.** |
| HIGHLY RECOMMENDED but NOT mandatory for projects under implementation in one country. Not necessary for regional or global projects. |
| Please justify your rating and address the following points in your comments. Please keep word count between 200 words minimum and 500 words maximum.  |
| 1. | Explain why you gave a specific rating. |
| 2. | Note trends, both positive and negative, in achievement of outcomes as per the updated indicators provided in the DO sheet. |
| 3. | Provide recommendations for next steps.  |
| **Other Partners: For jointly implemented projects, a representative of the other Agency working with UNDP on project implementation (for example UNEP or the World Bank).** |
| RECOMMENDED but NOT MANDATORY for jointly implemented projects. |
| Please justify your rating and address the following points in your comments. Please keep word count between 200 words minimum and 500 words maximum.  |
| 1. | Explain why you gave a specific rating. |
| 2. | Note trends, both positive and negative, in achievement of outcomes as per the updated indicators provided in the DO sheet. |
| 3. | Provide recommendations for next steps.  |
| **UNDP Technical Adviser: Is the UNDP-GEF Technical Adviser.**  |
| MANDATORY RATING MUST BE PROVIDED for all projects. |
| Please justify your rating and address the following points in your comments. Please keep word count between 500 words minimum and 1200 words maximum.  |
| 1. | Explain why you gave a specific rating (do not repeat the project objective). |
| 2. | Note trends, both positive and negative, in achievement of outcomes as per the updated indicators provided in the DO sheet. |
| 3. | Fully explain the critical risks that have affected progress.  |
| 4. | Outline action plan to address projects with DO rating of HU, U or MU.  |
| **UNDP-GEF Technical Adviser** |
| Overall 2009 Rating  |  |
| Overall 2010 Rating  |  |
| Overall 2011 Rating  |  |
| Overall 2012 Rating  |  |
| 2013 Rating | (S) Satisfactory |
| Comments | This is the first PIR of the project and it has shown satisfactory progress towards its overall Development Objectives. There has been good progress towards identifying potential products (6 out of 10). The development of the BEDO’s certification label is also a very good start for the certification process, and needs to be promoted so that there is brand recognition and value in the market. Whilst the establishment of a BioEconomy Academy is an interesting and innovative idea for capacity building of staff and others, BEDO also needs to focus on its own institutional capacity gaps and to identify approaches to address these. Many capacity issues cannot be just addressed by training and may relate to institutional arrangements and processes – and also on partnership modalities. Since BEDO is partnering with a number of national NGOs for this project, there also needs to be a long term vision of how such partnerships might be worked out in absence of external funding support or for BEDO to use its own resources or to work with other government agencies more effectively. One issue that needs to be considered more carefully by the project is the interlink ages of the different indicators of the project. There are separate indicators on sustainable production, business development, marketing, local institutional development and re-investment of a part of the community profits for conservation and sustainable use. The current reporting suggests some progress towards value addition being done – but the project must ensure that these are underpinned by strong resource management plans that are developed with full participation of local communities (and that there is an institutional mechanism at the local level to own and implement the plans), and the plans include provisions for equitable benefit sharing and reinvestment in conservation as well. The biodiversity and other baseline assessments already undertaken by the project must feed into such plans and the plans should also also identify clearly where conservation and rehabilitation work would be undertaken by the community. BEDO should also encourage local communities to partner with local government and others to access additional resources for such activities and they, in turn, should also be strongly involved in the local planning processes, as far as possible. |
| Highly Satisfactory (HS) | Project is expected to achieve or exceed all its major global environmental objectives, and yield substantial global environmental benefits, without major shortcomings. The project can be presented as 'good practice'. |
| Satisfactory (S) | Project is expected to achieve most of its major global environmental objectives, and yield satisfactory global environmental benefits, with only minor shortcomings. |
| Moderately Satisfactory (MS) | Project is expected to achieve most of its major relevant objectives but with either significant shortcomings or modest overall relevance. Project is expected not to achieve some of its major global environmental objectives or yield some of the expected global environment benefits. |
| Moderately Unsatisfactory (MU)  | Project is expected to achieve its major global environmental objectives with major shortcomings or is expected to achieve only some of its major global environmental objectives. |
| Unsatisfactory (U) | Project is expected not to achieve most of its major global environment objectives or to yield any satisfactory global environmental benefits. |
| Highly Unsatisfactory (HU) | The project has failed to achieve, and is not expected to achieve, any of its major global environment objectives with no worthwhile benefits. |

IMPLEMENTATION PROGRESS RATING

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| IP rating: Please review the Implementation Progress page of this APR/PIR and then answer the questions below. An overall IP rating will be generated based on your answers.  |
| 1 Please rate the progress in delivery of outputs. For example, do the annual outputs represent sufficient progress in order to achieve the project outcomes (see DO page of this APR/PIR)? |
| 2 Please rate the efficiency in delivery of outputs. For example, in this reporting period are budget resources being spent as planned? (i.e. is project delivery on target?)  |
| 3 Please rate the quality of risk management. For example, in this reporting period were project risks managed effectively?  |
| 4 Please rate the quality of adaptive management. For example, in this reporting period were actions taken to address implementation issue identified in the APR/PIR last year?  |
| 5 Please rate the quality of monitoring and evaluation. For example, in this reporting period were sufficient financial resources allocated to project monitoring and evaluation |
| **Project Manager/Coordinator: Is the person managing the day to day operations of the project.** |
| MANDATORY RATING MUST BE PROVIDED for projects under implementation in one country or regional projects where appropriate. |
| Please justify your rating and address the following points in your comments. Please keep word count between 500 words minimum and 1200 words maximum. |
| 1. | Explain why you gave a specific rating. |
| 2. | Summarize annual progress and address timelines of projec output/activity completion in relation to annual workplans. |
| 3. | Outline the general status of project expenditures in relation to annual budgets, the effectiveness of project management units in guiding project implementation, and the responsiveness of the project board in overseeing project implementation. |
| **Overall 2009 Rating**  | (-) No rating submitted or requested for this year |
| **Overall 2010 Rating**  | (-) No rating submitted or requested for this year |
| **Overall 2011 Rating**  | (-) No rating submitted or requested for this year |
| **Overall 2012 Rating**  | (-) No rating submitted or requested for this year |
| **2013 Rating** | (S) Satisfactory |
| **Comments** | Although PMU day to day management could be generally rated as satisfactory, former PM resignation and delay of project partners contracting out have slowed down work progress. Activities in pilot areas have to be shifted. PM and BEDO have to sped up all works to achieve 2013 aims and objectives. For more information, please see Development Objective Progress. |
| **UNDP Country Office Programme Officer: Is the UNDP programme officer in the UNDP country office who provides oversight and supervision support to the project.** |
| **MANDATORY RATING MUST BE PROVIDED for projects under implementation in one country. Not necessary for regional or global projects.**  |
| **Please justify your rating and address the following points in your comments. The QORs and delivery data in the ERBM portfolio project monitoring report should inform your rating. Please keep word count between 500 words minimum and 1200 words maximum.**  |
| **1.** | **Explain why you gave a specific rating. If your rating differs from the rating provided by the project manager please explain why.** |
| **2.** | **Summarize annual progress and address timeliness of project output/activity completion in relation to annual workplans.** |
| **3.** | **Outline the general status of project expenditures in relation to annual budgets, the effectiveness of project management units in guiding project implementation, and the responsiveness of the project board in overseeing project implementation.**  |
| **Overall 2009 Rating**  | (-) No rating submitted or requested for this year |
| **Overall 2010 Rating**  | (-) No rating submitted or requested for this year |
| **Overall 2011 Rating**  | (-) No rating submitted or requested for this year |
| **Overall 2012 Rating**  | (-) No rating submitted or requested for this year |
| **2013 Rating** | (S) Satisfactory |
| **Comments** | During the vacuum of project manager, the project managed the transition rather well with the national project director work on the project more closely together with the project coordinator and the project assistant. The project was quick to address this constraint by approaching one of the advisors of BEDO, who has been involved in the project formulation from the start, to assume the role of project manager. The appointment process and procedures are in compliance with the rules and regulations of the national implementing modality and UNDP/GEF requirement. This demonstrates a good adaptive and timely management. Key progress made in this reporting period, which is the first year of the project implementation, includes: • Project management set-up and coordination system put in place with two key partners, despite some delays in the beginning due to the paper works on the contractual processes; • Activities in the field rolled out in the last quarter of 2012, with biodiversity baseline data collection, community engagement process, and exploring products and its market potentials; • Biodiversity baseline and system to monitor it established in some of the demo sites; • Working groups established for the project in each of the pilot site with a good engagement to plan the project activities together; • Promotional trademark for biodiversity friendly products are being developed and near finalization to be applied with the pilot products as well as other potential products. The trademark will be administered and assured by BEDO, following the three key criteria: locally –sourced; biodiversity-friendly produced; part of the income generated given back to conservation of the diversity resources. The project delivered 80% (USD 214,000) of the target last year. As of the Q2/ 2013, the project has delivered approximately 30% of its 2013 target (USD 573,532). The overall status of project delivery is satisfactory, with the project management unit providing good monitoring system. The project board meets according to plan and provided useful guidance. |
| **GEF Operational Focal point: Is the government representative in the country designed as the GEF operation focal point.** |
| **MANDATORY RATING MUST BE PROVIDED for projects under implementation in one country. Not necessary for regional or global projects.**  |
| **Please justify your rating and address the following points in your comments. Please keep word count between 200 words minimum and 500 words maximum.** |
| **1.** | **Explain why you gave a specific rating.** |
| **2.** | **Note trends, both positive and negative.** |
| **3.** | **Provide recommendations for next steps.**  |
| **Other Partners: For jointly implemented projects, a representative of the other Agency working with UNDP on project implementation (for example UNEP or the World Bank).** |
| **RECOMMENDED but NOT mandatory for jointly implemented projects.**  |
| **Please justify your rating and address the following points in your comments. Please keep word count between 200 words minimum and 500 words maximum.**  |
| **1.** | **Explain why you gave a specific rating.** |
| **2.** | **Note trends, both positive and negative.** |
| **3.** | **Provide recommendations for next steps.**  |
| **UNDP Technical Adviser: Is the UNDP-GEF Technical Adviser.** |
| **MANDATORY RATING MUST BE PROVIDED for ALL projects.** |
| **Please justify your rating and address the following points in your comments. The QORs and delivery data in the ERBM portfolio project monitoring report should inform your rating. Please keep word count between 500 words minimum and 1200 words maximum.**  |
| **1.** | **Explain why you gave a specific rating. If your rating differs from the rating provided by the UNDP Country Office Programme Officer and/or the Project Manager please explain why.** |
| **2.** | **Summarize annual progress and address timelines of project output/activity completion in relation to annual workplans.** |
| **3.** | **Outline the general status of project expenditures in relation to annual budgets, the effectiveness of project management units in guiding project implementation, and the responsiveness of the project board in overseeing project implementation.** |
| **UNDP Technical Adviser** |
| **Overall 2009 Rating**  | (-) No rating submitted or requested for this year |
| **Overall 2010 Rating**  | (-) No rating submitted or requested for this year |
| **Overall 2011 Rating**  | (-) No rating submitted or requested for this year |
| **Overall 2012 Rating**  | (-) No rating submitted or requested for this year |
| **2013 Rating** | (S) Satisfactory |
| **Comments** | The implementation progress for the current PIR period is also rated Satisfactory. The project also needs to ensure that the wider stakeholder groups are aware of the national policy on biodiversity business and that they are also included in its review to judge its relevance and implementability. The project obviously needs to implement its activities fully at pilot sites. In order to meet the target of 10 products, additional products need to be identified as well as to ensure that there are sustainable market linkages with national and export markets for the identified products. When undertaking business planning and market linkages, there is a clear deed to develop an institutionalized approach that BEDO can adopt and refine in future rather than just an ad hoc approach or an approach that only relies on external consultants. Local communities need to be strongly involved in market development process as well so that their capacities are also enhanced on this aspect of business development, and they so that are not just focused on production and value addition at the pilot sites. The product development and marketing must be underpinned by community owned plans – that also outlines clear goals for resource management and the use of a part of the benefit for conservation and sustainable use as noted in the RTA comments in the DO progress. Since capacity building will continue to be an important aspect of the project, capacity gaps must be clearly identified and appropriate capacity building needs should be tailored to addressing those gaps. That is, they need to be strategic and sustainable. |
| **Highly Satisfactory (HS)** | **Implementation of all components is in substantial compliance with the original/formally revised implementation plan for the project. The project can be presented as 'good practice'.** |
| **Satisfactory (S)** | **Implementation of most components is in substantial compliance with the original/formally revised plan except for only few that are subject to remedial action.** |
| **Moderately Satisfactory (MS)** | **Implementation of some components is in substantial compliance with the original/formally revised plan with some components requiring remedial action.** |
| **Moderately Unsatisfactory (MU)**  | **Implementation of some components is not in substantial compliance with the original/formally revised plan with most components requiring remedial action.** |
| **Unsatisfactory (U)** | **Implementation of most components is not in substantial compliance with the original/formally revised plan.**  |
| **Highly Unsatisfactory (HU)** | **Implementation of none of the components is in substantial compliance with the original/formally revised plan.** |

PROGRESS IN PROJECT IMPLEMENTATION

|  |
| --- |
| **Outcome 1.1- Key Outputs this Reporting Period: Institutional capacity and staff competences for national support to biodiversity business established.** |
| - Reviewed and assessed the relevant regulatory and institutional framework in relation to community-based biodiversity business, esp. wild animal farming - Established subcommittee to review biodiversity business policy. - Studied and reviewed BEDO structure - Trained BEDO’s staffs on: Community product standards, Importance of standard’s certification and system certification, Environmental label development, Environmental label and green label - Launched BEDO\'s bio-responsible product mark and set up working group responsible for BEDO biodiversity product certification. |
| **Outcome 1.2- Key Outputs this Reporting Period: Collaboration with and capacities in Partner Networks of the Biodiversity Business Facility are strengthened** |
| - Discussed and developed concept of BEDO national assembly on conservation and sustainable use of biodiversity |
| **Outcome 2.1- Key Outputs this Reporting Period: Community-based sustainable production and in-situ biodiversity conservation and rehabilitation is strengthened.** |
| - Trained communities to assess local biodiversity status in pilot sites - Achieved final report on baseline imformation in pilot areas - Created baseline system on biodiversity to use by community to monitor and evaluate biodiversity status - Educated pilot communities about the concept of CbSE and biodiverity-based products |
| **Outcome 2.2- Key Outputs this Reporting Period: Pilot Models for Community-based Social Enterprises (CbSE) with Combined Objectives of Income generation, Sustainable Production and Biodiversity conservation are established.** |
| - Studied existing high-value biodiversity products and identified potential products: bamboo fiber/ decorations/ plywood/ charcoal product/ shrimp paste/ eco tourism |
| **Outcome 2.3- Key Outputs this Reporting Period: Human and technological capacities in producer communities are strengthened** |
| - Assessed the communities’ capacity in improving products, management skills, and conservation and rehabilitation of bio-diversity |
| **Outcome 3.1- Key Outputs this Reporting Period: Demand-driven design and branding of high-value products** |
| - Gathered baseline information of bamboo/ marine product market at local and national levels - Studied quality of existing products in pilot areas |
| **Outcome 3.2- Key Outputs this Reporting Period: Reduction of transaction costs through transformation in the supply chains** |
| - Studied supply chain of biodiversity products in pilot sites |
| **Outcome 3.3- Key Outputs this Reporting Period: Increased investment and subsidy options for Community-based Social Enterprises** |
| Study and comply a list of funding sources the regional and national levels for supporting community enterprise investment, including increase opportunities on capital assessment |
| **Outcome 3.4- Key Outputs this Reporting Period: Strengthened awareness about commercial potentials in biodiversity business.** |
| - Constructed SMB project website - Raised awareness of public for SMB project via public events: Mangrove afforest event at Petchaburi province and Biodiversity product exhibition at Future park Rungsit department store. |

Adjustments

Adjustments to Project Milestones, Project Strategy and Risk Management.

Key Project Milestones

Have significant delays occurred in the project start, inception workshop, Mid-term Review, Terminal Evaluation or project duration?

Yes

If yes, were these changes reported in a previous APR/PIR?

No

|  |  |  |  |
| --- | --- | --- | --- |
| **Key project milestone** | **Scope of delay (in months)** | **Briefly describe change or reason for change** | **Briefly describe the implications or consequences this has had on project implementation** |
| Project Start (i.e. project document signature date) | 3 | Project start date has been delayed due to the process to get endorsement from the cabinet (mandatory for GEF projects in Thailand, during GEF 4 Cycle).  | Delay in processing for project document signing (the signing could only happened after the cabinet endorsement). The signing was made in late December 2011. |
| Inception Workshop | 1 | Preparation for workshop documents were delayed. | The delay in wrapping up the inception phase and the first project board meeting to approve the first year work plan.  |
| Mid-term Review |  |  |  |
| Terminal Evaluation |  |  |  |
| Project Duration (i.e. project extension) |  |  |  |

Adjustments to Project Strategy

Has the project made any changes to its strategy (i.e. logframe/results framework) since the Project Document was signed?

Yes

If yes, were these changes reported in a previous APR/PIR?

No

|  |  |  |
| --- | --- | --- |
| **Change Made to** | **Yes/No** | **Briefly describe the change and the reason for that change** |
| Project Objective | No |  |
| Project Outcomes | No | <strong> </strong> |
| Project Outputs/Activities | Yes | - Combined output 1.1.1 and 1.1.2 (from project document) together - Cancel TBBF establishment  |

Risk Management

List number of critical risks as noted in the ATLAS risk log and briefly describe actions undertaken this reporting period to address each critical risk.

|  |  |
| --- | --- |
| **# of Critical Risks (type/description)** | **Risk management measures undertaken this reporting period** |
| Operational | During the vacuum of project manager, the project managed the transition rather well with the national project director work on the project more closely together with the project coordinator and the project assistant. Once the second manager resigned, the project was quick to address this constraint by approaching one of the advisors of BEDO, who has been involved in the project formulation from the start, to assume the role of project manager.  |
|  |  |
|  |  |
|  |  |
|  |  |

Adjustments general comments:

Finance: cumulative from project start to June 30 2013

DISBURSEMENT OF GEF GRANT FUNDS

How much of the total GEF grant as noted in Project Document plus any project preparation grant has been spent so far? (e.g. PPG + MSP or FSP amount. Do not break down by PPG or project budget.)

|  |  |
| --- | --- |
|  Estimated cumulative total disbursement as of 30 June 2013. (i.e.CDR information up to 20 June 2013) | 443471.00 |
| Add any comments on GEF Grant Funds | Cumulative from project start to 30 June 2013 is 443,471 USD. Project amount = 381,017.15 + PPG amount = 62,454.30 |

DISBURSEMENT OF CO-FINANCING

How much of the total Co-financing as noted in Project Document has been spent so far? Co-financing is the amount committed in the project document for which co-financing letters are available

|  |  |
| --- | --- |
| Estimated cumulative total co-financing disbursed as of 30 June this year. Please breakdown by donor. | 0.00 |
| Add any comments on co-financing including other types and amounts of additional co-financing such as in-kind, private sector, grants, credits and loans. | Type of co-fifnancing from BEDO is in-kind. |

ADDITIONAL LEVERAGED RESOURCES

These additional resources can be from the same donors or new donors.

|  |  |
| --- | --- |
| Estimated cumulative leveraged resources as of 30 June 2013 |  |
| Add any comments on Leveraged Resources. |  |

Other Financial Instruments

|  |  |
| --- | --- |
| Does the project provide funds to other Financial Instruments? | N |
| If yes, please discuss developments that occurred this reporting period only. | SMB project will provide financial support for CbSEs in term of funds after they are established. |

Communications and KM

Tell the Story of Your Project and What has been Achieved this Reporting Period

Until June 2013, SMB project has received good cooperation from all related partner and pilot communities. The concept of generating economic incentive to raise awareness of biodiversity conservation and rehabilitation were agreed by communities\' members. They were eager to further this work plan together with SMB team, also nearby communities have showed interest in the project. However, there were 2 major barriers in project operation, summarized as follows 1. Internal problem: resignation of PM in December 2012 cause substantial delays of 2013 activities in pilot sites. This issue cause PMU to reconsider criteria in recruiting project staff. Staff should have intention to stay with PMU until the end of the project. Moreover, PMU has decided to contact with field coordinators more intensely by creating efficient reporting system. Communication facilities have also been reconsidered. Cell phone, laptop computer etc. are necessary for working outside the office. 2. Problem from project design and formulation: limit choices of pilot CbSE products has constrained project operation. Problems, communities interest and conditions and also market for pilot products, just discovered in pilot areas in implementing period, were different from project document. Therefore, activities in on site levels have to be adapted by the current situation appropriately. (Project achievement will be summarized in Mid-term Evaluation &amp; Review at the end of 2013.)

Adaptive Management this Reporting Period

Until June 2013, project log frame and objectives are remain the same as project document. In addition, there have been closer coordination among related partners (PMU, BEDO, TEI and RTF) to consider and solve problems occurred during project operation, inorder to drive SMB project to its goals. (Project achievement will be summarized in Mid-term Evaluation &amp; Review at the end of 2013.)

Lessons Learned

PMU has experienced important issues that affected on project operation as BEDO\'s first project under GEF financial support. The first one was co-financing issue. PMU and BEDO has confused about definition of the term \'in-kind\'. So we were quite struggle in calculating actual amount of in the co-financing e.g. staff time, direct cost, facilities, transportation etc.. For this reason, we suggest that Counterpart fund (in cash) is more manageable than the current co-financing type (in-kind). (Project achievement will be summarized in Mid-term Evaluation &amp; Review at the end of 2013.)

PARTNERSHIPS

Civil Society Organisations/NGOs

Apart from NGOs namely TEI and RTF, who are our implementing partners working in pilot sites, other NGOs and private sectors were occasionally team up with PMU e.g. Social enterprise groups, women groups, local conservation groups/ activists, eco-tourism groups, etc. PMU will collect their names and contact details to make database for further activities.

Indigenous Peoples

Private Sector

Under the process of cooperation with potential local private sectors for support and extend results of project activities in the future.

GEF Small Grants Programme

Other Partners

PROGRESS IN ADDRESSING GENDER EQUALITY

Has a gender or social needs assessment been carried out?

Yes

If a gender or social assessment has been carried out what where the findings?

Ban Nongkhorn: Loomsoom Sub-district, Saiyok District: Kanchanaburi Province

 Population

 • 432 people, which are 231 male and 201 female for 255 households;

 • Mostly age between 26-49;

 • 24% of population are elders;

 • Education level is mostly grade 4-6 (Prathom 4-6), proximately 20% is uneducated.

 Occupation

 • Main occupation is general employment in their community for an agricultural sector; 30% of community production materials are based on bamboo tree.

 Economy

 • Average community income is 40,494 baht per year.

 Ban Noon: Dongbung sub-district, Prachantakham district: Prachinburi province

 Population

 • Total residents in Ban Noon are 459 people, which are 222 male and 237 female from 140 households; 30% of population are elders;

 • Mostly age between 26-49;

 • Education level is mostly grade 4-6 (Prathom 4-6).

 Occupation

 • Main occupation is general employment in industrial sector outside the community, 15.5% of community occupations are working in rice and bamboo horticulture.

 • The community is semi-urban society.

 Economic

 • Average community income is 43,400 baht annually.

 Baan Sam Nak, Ranong province

 located on the Andaman Sea coast, most of people in

 this area work on coastal fisheries and aquaculture. The remaining are famer

 (palm oil, rubber tree etc.) and trader.

 Baan Bang Tib, PhangNga Province

 Most of villagers in Baan Bang Tib are farmer, orchard, rubber tree and oil

 palm. Some are fisherman which mainly fished in the coastal area. Economic

 importance organisms are Snapper, Grouper, Mud crab, Swimming crab and Black

 tiger prawn.

Does this project specifically target women or girls as direct beneficiaries?

No

Have there been any changes in specifically targeting women or girls as direct beneficiaries this reporting period?

No

If yes, please explain:

Please discuss any of the points above further or provide any other information on the project's work on gender equality undertaken this reporting period

Some points to consider: impact of project on daily workload of women, # of jobs created for women, impact of project on time spent by women in household activities, impact of project on primary school enrolment for girls/boys, increase in women's income etc. Be as specific as possible and provide real numbers (e.g. 100 women farmers participating in sustainable livelihoods programme).

To create pilot products, project team aim to further works of existing local enterprises in 4 pilot sites. Member of those ones appeared to be mostly women from youth to elder. They are key staff who will working with SMB team on CbSEs in pilot sites. CbSEs are expected to be strong and innovative organizations.

ENVIRONMENTAL OR SOCIAL GRIEVANCE

What environmental or social issue was the grievance related to?

What is the current status of the grievance?

How would you rate the significance of the grievance?

Please describe the on-going or resolved grievance noting who was involved, what action was taken to resolve the grievance, how much time it took, and what you learned from managing the grievance process (maximum 500 words). If more than one grievance was addressed this reporting period, please explain the other grievance (s) here: