

UNDP-UNEP Poverty and Environment Initiative (PEI)

Overall goal: *To contribute to poverty reduction and improved well-being of poor and vulnerable groups through mainstreaming of poverty-environment linkages into national development processes.*

Objectives at country level:

- *Inclusion of environmental sustainability as a central objective in national development strategies, such as poverty reduction strategy papers (PRSPs), MDG implementation plans or equivalents;*
- *Increasing national budget allocations in support of pro-poor environmental outcomes;*
- *Building the long-term capacity of the government to integrate poverty-environment concerns into the design and implementation of development plans.*

Basic Facts of PEI Thailand

- The PEI in Thailand aims to strengthen inclusive planning and budgeting at national and provincial level for natural resource and ecosystem management to achieve pro-poor growth.
- The Ministry of Interior will lead implementation of the PEI by building on recent reforms to integrated provincial planning. These reforms provide new opportunities for local communities to participate and influence public and private investments that affect natural resources use. Ecosystem assessments will demonstrate the value of ecosystems that sustain local livelihoods and recommend policy options.
- The PEI country programme Phase 1 in Thailand was signed by the Government and officially launched in March 2010. The programme will run over a period of 20 months, until December 2011.
- The programme of work was prepared jointly by the Government of Thailand, UNDP-Thailand and PEI regional programme Asia-Pacific.
- In line with the Millennium Ecosystem Assessment Framework, a sub-global integrated ecosystem assessment is being carried out in selected pilot provinces to provide science based evidence in support of PEI interventions.
- The budget for Phase I (2010-2011) is US\$ 661,550. PEI contributes US\$ 400,000, UNEP (through its sub-global ecosystem assessment programme) US\$ 178,550 and UNDP through TRAC funds US\$ 83,000.
- The PEI effort is incorporated into the overall UNDP Thailand programme under the One UN programme strategy.

The context of mainstreaming environment in Thailand

- The intense exploitation of forest, land and water resources, especially during the rapid economic growth during the 1990's, has led to severe deterioration of natural resources. Strong export-led industrialization and rising consumption levels and demands for food and raw materials have further exacerbated the depletion of natural resources. Unsustainable use of natural resources is the one United Nations MDGs that Thailand is in danger of missing across the entire country.
- Overall distribution of income in Thailand is uneven and incidences of poverty remain high amongst rural populations in particular. Agriculture is the mainstay of the rural economy of Thailand. Around 87% of the poor are farmers in rural areas and farming, forestry and fishing still provide over half of all jobs and livelihoods for those still living under the poverty line.
- Forest cover fell from 53% in 1961 to 25% in 1998. The legacy of deforestation includes conversion to dry lands, sedimentation of rivers and loss of natural habitats and water scarcity. In the fisheries sector, over-harvesting of marine fisheries has reduced fishing

yields by 90%, and coastal areas have been seriously degraded by expansion of capture fishing, shrimp aquaculture, industry and tourism. Of particular concern is the tremendous pressure on Thailand's available water resources. The impact of environmental degradation falls disproportionately on the poor.

- The expansion and intensification of agriculture has placed enormous strain on ecosystem functioning. Intensification of agriculture has also led to social problems, increasing landlessness, joblessness and urban migration. There is a strong link between changes in agricultural sector and poverty in the rural areas of Thailand.
- Thailand's development agenda is guided by a Five-year National Economic and Social Development Plan (NESPD). The current one NESDP-10 (2007-2011) is based on the Sufficiency Economy Philosophy and focuses on sustainable development. NESDP-10 is also considered the national sustainable development strategy for Thailand – it covers the three dimensions of the sustainable development concept, and incorporates a Green Accounting component. The Thai government is currently in the process of drafting the 11th plan (2012-2016).

Activities of PEI Phase 1

- The PEI aims to strengthen inclusive planning and budgeting at national and provincial level for natural resource and ecosystem management to achieve pro-poor growth. The initiative provides technical and financial support to:
 - Increase coherence of national development plans and policies
 - Integrate pro-poor environmental priorities into development decision-making and budgeting processes at sub-national levels
 - Strengthen community capacity to advocate for pro-poor natural resources management in provincial planning
 - Share lessons learned among member states of the ASEAN.
- Coherence of national plans will include technical support for the elaboration of the 11th National Economic and Social Development Plan to enhance the integration of pro-poor environment and sustainable development principles and policy measures, including improved indicator systems. The PEI will conduct sub-global ecosystem assessments in all pilot provinces with the objective to provide concrete scientific evidence on linkages between ecosystem services and human well-being to influence the 11th NESD process.
- Pro-poor environmental priorities will be integrated into decision-making by capacity building for provincial and local administration planning officials in supervision and monitoring of national directives related to pro-poor environmental policies. This will include application of appropriate planning and budgeting tools including spatial planning, scenario planning, economic analysis and ecosystem assessment. This work will also improve coordination and transparency of decision-making procedures between national, provincial and community political authorities through improved communication channels and measures.
- Capacity development for local communities will be provided to improve organizational capacities, networking and advocacy skills as well as technical and political know-how for planning and budgeting policies through training and sharing of good practices.
- The PEI will also support regional knowledge-sharing, media outreach and networking on public and private investment plans, pro-poor and sustainable economic analysis and sustainable natural resources management within the ASEAN context.

What has been achieved to date?

- Ministry of Interior has taken active ownership of the programme

- Provincial level task forces have been set up in three pilot provinces of Samut Songkram, Nan and Khon Kaen, which will report to the main planning committee chaired by the Provincial Governor.
- The sub-global assessments have started in the three pilot provinces

Lessons Learned

- The Ministry of Interior is willing to take an active role in improving public and private investment for pro-poor environment and climate outcomes – providing that it receives sustained technical support in ways that strengthen ongoing processes
- Provincial pilots makes the mainstreaming approach more meaningful to central Ministries and allows a chance to demonstrate the variety of poverty environment linkages

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