



**UNDP-UNEP POVERTY-ENVIRONMENT INITIATIVE**  
**PNUD-PNUE Initiative Pauvreté-Environnement**  
**PNUD-PNUMA Iniciativa Pobreza-Medio Ambiente**



## Thailand

### Basic facts of the PEI in Thailand

- The PEI Thailand programme Phase I was jointly signed by UNDP, UNEP and the Government of Thailand and was officially launched in March 2010. The programme will run until December 2012. The PEI Project Manager has worked since May 2010 in the Ministry of the Interior (MOI).
- Phase I of the PEI Thailand programme aims to strengthen inclusive planning and budgeting processes at national and provincial level for environmentally sustainable, pro-poor development.
- Phase I outcomes include:
  - Increased coherence of national development plans and policies which do not undermine pro-poor environment and natural resources planning and budgeting
  - Provincial planners and local governments are better able to integrate pro-poor environmental priorities in the development planning and budgeting processes
  - Communities have strengthened their capacity in advocating for pro-poor natural resource and environmental management concerns in the provincial planning and budgeting processes
  - Lessons learning for ASEAN partners and other Asian countries to integrate pro-poor environment and natural resource management in planning and budgeting processes
  - Related objectives include benefit sharing arrangements from ecosystem services, awareness raising and the engagement of the private sector to support pro-poor sustainable development.
- The lead partner for the PEI Thailand is the Ministry of Interior, and is implemented in close collaboration with other partners, including the Ministry of Natural Resources and the Environment, the National Economic and Social Development Board and the Community Development Department.
- The programme of work was prepared jointly by the Government of Thailand, UNDP Thailand and the joint UNDP-UNEP PEI Asia-Pacific regional team.
- PEI Thailand is incorporated into the overall UNDP Thailand programme under the One UN programme strategy.
- In line with the Millennium Ecosystem Assessment Framework, a sub-global integrated ecosystem and human well-being assessment (SGA) is being carried out by PEI Thailand in collaboration with UNEP-DEPI and with financial support from SwedBio and SIDA in selected pilot provinces. This will provide science-based evidence and social process for inclusive planning in support of PEI interventions.
- The Phase I total budget is USD 701,550: PEI USD 400,000, UNEP-DEPI USD 220,000 and UNDP TRAC funds USD 83,000.

## **The context of poverty-environment mainstreaming in Thailand**

- The intense exploitation of forest, land and water resources, especially during the rapid economic growth during the 1990s, 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. Sustainable use of natural resources is the MDG that Thailand is most in danger of missing.
- Overall distribution of income in Thailand is uneven and incidences of poverty remain high amongst rural populations. Agriculture is the mainstay of the rural economy of Thailand. Around 87 per cent 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 per cent in 1961 to 25 per cent 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, overharvesting of marine fisheries has reduced fishing yields by 90 per cent, 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 together with efforts to increase forest coverage through natural resource and environment policy have 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.
- Recent political reforms and a shift in Thailand's development paradigm offer a key policy entry point for PEI Thailand. The political and administration reforms enhance inclusive planning in terms of integrated provincial and provincial clustered strategic plans.
- Thailand's development agenda is guided by a five-year National Economic and Social Development Plan (NESDP). The current NESDP-10 (2007–2011) is based on the Sufficiency Economy Philosophy and focuses on the three dimensions of sustainable development. NESDP-10 is therefore considered the national sustainable development strategy for Thailand and it also incorporates a Green Accounting component.
- The Thai Government is currently in the process of drafting the 11th NESDP (2012–2016). The recent decree on integrated local planning and commitment to greater decentralization constitute entry points for the Ministry of Interior, through PEI Thailand activities and achievements. The focus is on better management of both public and private investment in selected provinces in ways that promote poverty reduction through better ecosystem and natural resource management.

## **Main activities**

- As part of PEI Thailand, a sub-global assessment (SGA) has been launched in collaboration with UNEP-DEPI's Millennium Assessment Follow-up Project and with financial support from SwedBio and SIDA. The aim is to define available ecosystem services, possible future scenarios, and what policies to use to reach a preferred scenario.
- The SGA process in each pilot province is conducted by local institutions: 1) Khon Kaen University in Khon Kaen Province; Thailand Environment Institute in Nan Province, and the Thai Research Fund in Samut Songkram Province. The process of designing and assessment of SGA also provides capacity building process for the local counterparts in making the links between ecosystem services and human well-being as well as between assessments and development plans.

- Build capacities and train provincial and local administration officials in the application of appropriate planning and budgeting tools including spatial planning, scenario planning, economic analysis, and ecosystem assessment.
- Improve coordination and transparency of decision-making procedures between national, provincial and community political authorities through improved communication channels and measures.
- Provide capacity development support for local communities to improve organizational capacities, networking and advocacy skills as well as technical and political know-how for planning and budgeting policies for poverty-environment mainstreaming through training and sharing of good practices.
- 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?**

- The programme was launched in March 2010 and the PEI Project Manager has worked since May 2010 in the Ministry of Interior.
- The cross-departmental Committee in the Ministry of Interior is setup to work on improving the provincial planning indicators to incorporate poverty-environment linkages into the integrated provincial planning process, as well as to consolidate experiences learned from Provincial pilots as evidences to inform policy and scaling up.
- In Nan province (northern Thailand), the PEI/SGA process has provided technical and financial support for local people to explore alternatives to maize mono-cropping towards more integrated and sustainable farming, while still maintaining their income security. The process of PEI and SGA is enabling the Provincial Administrative Organization to support the provincial planning and budget process to better manage pressure from agribusiness linked to corn-based livestock through investments in watershed management and more secure land tenure.
- In Khon Kaen province in northeast Thailand, the Regional Environmental Office is working with the local government officials to support the provincial planning and budget process to better manage expansion of ethanol production, given the limited carrying capacity of the area in the Phong River Basin. PEI-SGA process in Khon Kaen is providing information and tools for provincial and local planners to make better decisions on provincial and local development strategies that consider the balance between income generation and environmental management.
- In Samut Songkram province in the Gulf of Thailand, the Regional Environment Office is working with local government officials and the private sector on provincial planning and budgeting to better manage pressures for rapid industrialization and mass tourism.
- MOI officials led by the Director of the Bureau of Policy and Planning visited Nan Province Deputy Governor to forge closer relations and linkages between the central and provincial MOI PEI teams.

### **Lessons learned**

- Consensus building and agreement on programme activities has proved to be a very time-consuming and intensive process because of the different agendas of the many stakeholders. The challenge is to match provincial planning and budgeting entry points, which are under the Ministry of Interior's mandate; the local implementing partner in each pilot site, which are local government organizations; and the regional environmental offices. The set-up is designed to encourage more interagency coordination in support of more integrated provincial planning, but it has also proved to be a major challenge for project implementation. There is a need to be flexible and tactically identify

ways to bring players together around common objectives. In some situations, difficult decisions must be made.

- PEI country programmes offer the opportunity for UNDP and UNEP to collaboratively address country-level issues and to pilot policy-relevant initiatives, such as the sub-global assessment implemented through the PEI Thailand Programme.

### **Way forward**

- There remains a need to further fine-tune PEI objectives between local partners and entry points of the PEI project to match environmental management function with the development function. The first year of PEI implementation has established a coordination mechanism to keep several stakeholders on the same page and it is important to maintain this regular exchange and coordination among key implementing partners.
- Complete the SGA activities in the three pilot provinces, including the ecosystem assessments, scenarios formulation, and policy responses;
- Disseminate the results of the SGA in the three pilot provinces to provincial and local administration planning officials and the Ministry of Interior. This will enable PEI to: 1) introduce SGA as an integrated environmental and socio-economic planning tool for provincial development policies and plans; 2) inform priorities, plans and budgets of forthcoming provincial and sub-district development plans; and 3) scale up and institutionalize results from the pilot provinces through the Ministry of Interior.