

World Bank - Grant Reporting and Monitoring (GRM) Report

Report to Donor

Ref. TF0A0984
Printed On: 11/24/2011

Reporting Period: 07/01/2020 to 06/30/2021
Report Type: Progress Report
Report Status: Approved

Assignment: TF0A0984

Thailand - FCPF Readiness Preparation Proposal FCPFR - Forest Carbon Partnership Facility

Task Team Leader: 00000186457 - Lan Thi Thu Nguyen
Approving Manager: 00000175113 - Mona Sur

| Summary Information | |
|------------------------------------|--|
| TF Status | ACTV |
| Recipient Country | Thailand |
| Executed By | Recipient |
| Managing Unit | 9532 - SEAE2 |
| Grant Start Date / End Date | 06/17/2016 to 12/31/2021 |
| Original Grant Amount | 3,600,000.00 |
| Grant Amount | 3,600,000.00 |
| Outstanding Commitments | 0.00 |
| Cumulative Disbursements | 2,146,487.42 (59.62%) as of 06/30/2021 |
| Disbursed 07/01/2020 to 06/30/2021 | 459,511.00 |
| Donor | TF602001 - MULTIPLE DONORS |

This GRM report includes the following sections: Overview, Components, Outcome, Execution, Program (FCPFR), Disbursements.

OVERVIEW

Overall Assessments

Grant Objectives:

The Project Development Objective is to support the development of the Readiness Preparation Activities. This will be achieved by supporting the preparation of its REDD+ strategy, the design of a national MRV system, and by producing technical work and policy advice.

Overall progress from 07/01/2020 to 06/30/2021 with regard to Achieving Grant Objectives:

Comment:

The objective of the Grant is to support the development of the Readiness Preparation Activities. This will be achieved by supporting the preparation of the Recipient's REDD+ strategy, the design of a national MRV system, and by producing technical work and policy advice. The Governments has maintained strong commitment to REDD+ as demonstrated by active participation in international processes around REDD+ within the global FCPF partnership and beyond. Over the past year, substantial progress has been made to all of the grant activities, including completing some large packages, i.e., of CS-7 for Technical Assistance for the Development of REDD+MRV system and Forest Reference Level for Thailand; and CS-5 for Communication Strategy. However, the package of National REDD+ Strategy has not yet completed as planned. New Consultant has been hired since February 2021 to complete the NRS project. In January 2021, the report of forest reference emission levels and forest reference levels (FREL/FRL) was submitted to the UNFCCC for the Technical Assessment of 2021.

Overall progress from 07/01/2020 to 06/30/2021 with regard to Implementation of Grant Financed Activities:

Comment:

Implementation has been slower than anticipated due to i) a long-time shortage of staffing for project implementation in DNP; ii) poor performance of the consulting firm under the largest and key package leading to non-deliverables; and iii) COVID-19 Pandemic impact on field work including consultation activities. Nevertheless, progress has been made following the change in leadership of the Office of Forests and Climate Change and the broader reorganization with DNP as well as restructuring of the non-performing package. Disbursement has increased significantly including initial payments upon effectiveness of major consultant firm contracts for which contracts were signed and results are delivered. Disbursement to date reaches 59% of the total grant amount. Disbursement is expected to significantly improve in the last 6 months of CY2021 as the remaining work will be completed.

Performance is rated as Moderately Satisfactory during the reporting period, with significant progress seen in the last year. The final payment was issued to the CS-7 in September 2021. Activities have largely been completed by June 30, 2021 except for completion of the National REDD+ Strategy package, the Benefit Sharing Mechanism, the Safeguards Information System and the first-ever Strategic Environment and Social Assessment (SESA) for forestry sector which need more time to complete. These deliverables were under the work package CS-6 with a poor performing consulting firm which was replaced by a national consulting institute (CS6.2 package) who is on track to deliver these key reports by the closing date. The Grant closing date was extended by 18 months from June 30, 2020 to December 31, 2021 to enable the Thailand Gov. to complete these critical deliverables. Of the key results of the project, the followings have been completed: i) established institutional arrangements and strengthened capacity for REDD+ implementation; ii) established credible Reference Emission Level against which to measure future emission reductions; iii) putting in place a comprehensive and credible MRV system for GHG emissions and Co-Benefits; and iv) inputs into the National REDD+ Strategy including the assessments of drivers of deforestation and forest degradations and recommendations; and v) draft reports of National REDD+ Strategy, the Benefit Sharing Mechanism and SESA and ESMF have been consulted with stakeholders and are in the stage of finalization.

The Mid-term Progress Report was presented at the PC meeting on October 21, 2020.

Grant follow-up and structure

Description and context of Grant: NA

Expected follow up (if any): Follow up Bank project/loan/credit/grant

Comment on follow up:

- Technical reviewers are to be mobilized to support the DNP to ensure critical deliverables are of high quality. All activities under the largest package (CS6.2) will require DNP's close monitoring and quality assurance. The contracted consultant to review the CS6 Package deliverables will work closely with DNP technical staff, members of the various working groups and relevant steering committee members for best results.

End Date of Last Site Visit: NA

Restructuring of Grant:

The Grant closing date was extended by 18 months to allow the delivery of the grant results. The new closing date is December 31, 2021.

OUTCOME

Comments on outcome achieved from 07/01/2020 to 06/30/2021

- Capacity on REDD+ readiness is continuously enhanced with the establishment of regional REDD offices
- REDD+ readiness preparation in terms of capacity building, communication, MRV, safeguards, and legal frameworks was improved
- Key results of the project have been completed, including: i) established institutional arrangements and strengthened capacity for REDD+ implementation; ii) established credible Reference Emission Level against which to measure future emission reductions; iii) putting in place a comprehensive and credible MRV system for GHG emissions and Co-Benefits; and iv) inputs into the National REDD+ Strategy including the assessments of drivers of deforestation and forest degradations and recommendations.

Grant Outcome Indicators

No Outcome indicators are defined or used for this grant.

COMPONENTS

Output and Implementation by Component

Support readiness organization and consultation

| | |
|------------------------|---|
| Status: | Completed |
| Planned Output: | National REDD+ readiness institutional arrangements, REDD+ Regional Offices established, Outreach program, capacity building and info dissemination |
| Actual Output: | National REDD+ readiness institutional arrangements, REDD+ Regional Offices established, Outreach program, capacity building and info dissemination |

REDD+ Strategy Preparation

| | |
|------------------------|--|
| Status: | Under Implementation |
| Planned Output: | REDD+ strategy incl. identification of drivers and causes of D&D and respective REDD options, SESA, ESMF; Feedback and GRM |
| Actual Output: | REDD+ strategy incl. identification of drivers and causes of D&D and respective REDD options, SESA, ESMF; Feedback and GRM |

Forest Monitoring and Emissions

| | |
|------------------------|--|
| Status: | Completed |
| Planned Output: | Developed reference emission level (#REL#) and monitoring, reporting and verification system (MRV) |
| Actual Output: | Developed reference emission level (#REL#) and monitoring, reporting and verification system (MRV) |

Project Management, Monitoring and Evaluation Framework

| | |
|------------------------|--|
| Status: | Under Implementation |
| Planned Output: | Well functional management and coordination of REDD readiness activities |
| Actual Output: | Well functional management and coordination of REDD readiness activities |

Comment on planned and actual Output Comment on component implementation progress

Component 1: Support Readiness Organization and Consultation. Activities under this component provide support to strengthening national REDD+ readiness institutional arrangements and consultations, including: supporting the establishment and/or operationalization of various partners involved in REDD+ process, including, particularly, the National REDD+ Office and Regional REDD+ Units; developing outreach mechanisms through consultations and communications strategy; developing and implementing REDD+ outreach programs for relevant stakeholders including civil society organizations, forest-dependent local communities, ethnic minorities and youth; establishing and operationalizing technical, stakeholder and cross-sectorial working groups; and publicly disseminating the SESA work. Under this component, the following activities have been carried out:

- About two hundred representatives from the upper Northern, Central, Western, and Eastern regions were trained on REDD+Framework.
- A Communication and outreach strategy was completed with high quality. The workshop on dissemination of the REDD+ Communication Strategy has been planned to organize for the target groups/REDD+ network (for about 100 stakeholders)
- The workshop on dissemination of the FREL/FRL has been planned to organize for the target groups (for about 80 stakeholders) in August 2021

Component 2: Activities under this component support the development of a REDD+ strategy including: supporting analytical work to inform REDD+ strategy development; conducting consultations and studies on key issues related to REDD+, including, identifying drivers and underlying causes of deforestation and forest degradation and respective REDD+ strategy options, forest governance, land tenure, and benefit sharing arrangements; undertaking the SESA and preparing an Environmental and Social Management Framework (ESMF); reviewing existing Feedback and Grievance Redress Mechanisms (FGRMs), and as necessary, establishing or

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strengthening the FGRM(s); designing a safeguard monitoring system; and supporting the elaboration of the draft REDD+ strategy.

CS-6 Package: The CS-6 Contract for REDD+ National Strategy was signed on 12 June 2019. This package has not been completed as expected. Many of the issues relating to timing and sequencing of the deliverables were far behind schedule. The performance of the consulting firm poor and all reports were not qualified.

CS-6.2 Package: The National REDD+ Strategy and the Strategic Environmental and Social Assessment for the REDD+ Mechanism in Thailand, Part II, Contract (CS-6.2) was signed on 10 February 2021. Given the contract period of 300 days which will end on December 7, 2021. The DNP has worked closely with the consultant to ensure that activities will be on track and completed on time and with no delay. There were various committee to review all reports and products, namely, the Technical Working Group and the Evaluation Committee. Additionally, DNP hired an external expert to help review all consultants' reports.

Component 3: Forest Monitoring and Emissions.

Activities under this component support the development of a reference emission level (“REL”) and monitoring, reporting and verification system (“MRV”) , including: supporting the establishment of a REL by, inter alia, reviewing, compiling, analyzing information and developing a national REL estimate; providing technical support to, inter alia, develop models for emissions estimations; supporting the technical design and proposal for enhancing the national forest inventory and monitoring system to support REDD+; compiling, analyzing and disseminating information on the latest national forest inventory; and providing training to government officials and other stakeholders in MRV and software programming. Progress under this component includes:

- DNP signed agreement with FAO for “Technical Assistance for the Development of REDD+MRV system and Forest Reference Level for Thailand” on 6 September 2018 and the closing date was on 30 September 2019. The no-cost extension was approved for the closing date on 30 September 2020.
- The agreement has been completed on 30 September 2020, according to the ToR.
- The FREL/FRL report was submitted for review and approval from the following committee:
 - the REDD+ Task Force Committee on 20 October 2020;
 - the Subcommittee on Climate Change Policy and Planning Integration on 26 November 2020.
 - the National Committee on Climate Change Policy (NCCC) at the national level, chaired by the Prime Minister on 4 January 2021.
- Upon approval from sequence committees, the Office of Natural Resources and Environmental Policy and Planning (ONEP), as the National Designated Authority (NDA), submitted the report of forest reference emission levels and forest reference levels (FREL/FRL) on 8 January 2021 to the UNFCCC for the Technical Assessment of 2021.
- The meeting for Technical Assessment among the Assessment Team (AT) of the UNFCCC, DNP officers and FAO was held during 19-23 April 2021. The DNP revised the FREL/FRL report to meet the comments from the AT sent the “Modified Submission Report” to the UNFCCC on 28 June 2021.

Component 4: Activities under this component support the management and coordination of REDD readiness activities, financial and procurement services, as well as monitoring and coordination of the overall operation.

- The Project’s Financial Statement Fiscal Year 2018 to 2020 has been audited by the External Auditor. The reports were submitted to the WB and related organization, including posting on DNP’s website.

EXECUTION

Bank project related to the grant

Project ID / Name: P130115 - TH FCPF Readiness Preparation Project
Project Status: Lending
Global Focal Area: Climate change
Product Line: CN - Carbon Offset

Implementing agency and contact details

Agency: Ministry of Natural Resources and Environment, Division of Foreign Affairs
Contact: Ms. Sunee Sakseau
Address: Ministry of Natural Resources and Environment, Division of Foreign Affairs
Phone: 025610777 ext. 1431 **Email:** sunee_dnp@hotmail.com

Website:

PROGRAM**Program Specific Questions**

1. Describe progress in how the Grant activities are being coordinated with other REDD+-related initiatives, including those funded by Describe progress in how the Grant activities are being coordinated with other REDD+-related initiatives, including those funded by others.

REDD+ grant activities will be coordinated with other related initiatives via the REDD+ Task Force, which was established for the purpose of inter-ministerial and multi-sectoral coordination. The REDD+ Task Force includes governmental and non-governmental representation. The development of an action plan for 2018-21 has ensured that grant activities are coordinated with other ongoing related activities and initiatives in the country.

2. Describe any important changes in the technical design or approach related to the Grant activities.

There have been no significant changes to technical design of grant activities

3. Describe progress in addressing key capacity issues (implementation, technical, financial management, procurement) related to this Grant.

The assignment of a new coordinator has significantly improved overall grant implementation progress. Further, a financial officer from the DNP has been assigned to maintain and operate project financial and accounting transactions in accordance with the Thailand Accounting Standards and relevant government guidelines. Support on procurement and FM was mobilized within the DNP and has improved the implementation progress

4. Describe progress in addressing social and environmental issues (including safeguards) related to the Grant. Is the SESA conducted in accordance with the Common Approach?

Training on the Strategic Environmental and Social Assessment (SESA), a safeguards instrument specific to REDD+ readiness, has been conducted by the Bank's team during the reporting period. The SESA which is being developed will be in accordance with the Common Approach

5. Is the ESMF prepared in accordance with the Common Approach?

Yes.

6. Describe progress in stakeholder consultation, participation, disclosure of information, and the FGRM related to this Grant.

The project is led by the Department of National Parks, Wildlife and Plan Conservation (DNP) under the Division of Foreign Affairs within the Ministry of Natural Resources and Environment. Responsibility of REDD+ implementation lies with the Office of Forests and Climate Change. Two consultation events with CSOs were held to support the formation of stakeholder working groups. Further, training on the REDD+ readiness for communities and NGOs has been carried out in the Northern, Central and North-Eastern regions of the country during the reporting period.

DISBURSEMENT**Disbursements Summary in USD** *(to be updated using information from Client Connection)*

| Date From | Date To | Planned Cumulative | Planned Period | Actual Cumulative | Actual Period |
|------------|------------|--------------------|----------------|-------------------|---------------|
| 01/01/2016 | 06/30/2016 | 0.00 | 0.00 | 0.00 | 0.00 |
| 07/01/2016 | 12/31/2016 | 0.00 | 0.00 | 300,000.00 | 300,000.00 |
| 01/01/2017 | 06/30/2017 | 0.00 | 0.00 | 300,000.00 | 0.00 |
| 07/01/2017 | 12/31/2017 | 0.00 | 0.00 | 300,000.00 | 0.00 |
| 01/01/2018 | 06/30/2018 | 0.00 | 0.00 | 331,709.40 | 31,709.40 |
| 07/01/2018 | 12/31/2018 | 0.00 | 0.00 | 1,053,245.11 | 721,535.71 |
| 01/01/2019 | 06/30/2019 | 0.00 | 0.00 | 1,065,235.50 | 11,990.39 |
| 07/01/2019 | 12/31/2019 | 0.00 | 0.00 | 1,416,659.86 | 351,424.36 |
| 01/01/2020 | 06/30/2020 | 0.00 | 0.00 | 1,686,976.42 | 270,316.56 |

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|------------|------------|------|------|--------------|------------|
| 07/01/2020 | 12/31/2020 | 0.00 | 0.00 | 2,022,147.65 | 335,171.23 |
| 01/01/2021 | 06/30/2021 | 0.00 | 0.00 | 2,146,487.42 | 124,339.77 |