

COMPONENT 3

INFORMATION-SHARING, AWARENESS-RAISING AND NETWORKING TO MAINSTREAM NATURAL CAPITAL ACCOUNTING



THE INTEGRATION OF NATURAL CAPITAL ACCOUNTING IN PUBLIC AND PRIVATE
SECTOR POLICY AND DECISION-MAKING FOR SUSTAINABLE LANDSCAPES

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COMPONENT 3

INFORMATION-SHARING, AWARENESS-RAISING AND NETWORKING TO MAINSTREAM NATURAL CAPITAL ACCOUNTING

OUTPUT 3.1.4

PROJECT PERFORMANCE
MONITORING AND REPORTING



Author

Adis Israngkura, Thailand Development Research Institute (TDRI)

Thippawan Keawmesri, Thailand Development Research Institute (TDRI)

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Executive Summary

The Integration of Natural Capital Accounting in Public and Private Sector Policy and Decision-making for Sustainable Landscapes project has established a comprehensive monitoring and reporting system to ensure that its objectives are effectively achieved. From the inception phase in 2022 through the subsequent years, the project has consistently documented progress, challenges, and lessons learned through Half-Yearly Progress Reports, Project Implementation Reports (PIRs), and an independent Mid-Term Review. These outputs collectively provide a clear picture of how the project has evolved and how it is contributing to Thailand's transition toward sustainable landscape management.

In 2022, the project focused on laying the institutional and operational foundations. Governance structures such as the National Working Group and Provincial Working Group were established, partnerships with provincial authorities and local stakeholders were initiated, and baseline assessments were conducted in Krabi Province. This period was crucial in building ownership and preparing the ground for technical development. By 2023, the project had moved into the technical development and policy engagement phase. The Conceptual Framework for Natural Capital Accounting was completed, a preliminary roadmap was prepared, and ecological assessments were undertaken in Krabi. Stakeholder engagement expanded significantly, with the national kick-off meeting “Ripples of Changes” bringing together government agencies, academia, civil society, and the private sector. Knowledge products such as the NCA framework, roadmap, and environmental assessments provided a strong foundation for policy integration.

The reporting period of 2024 marked a transition from framework development to technical refinement and policy mainstreaming. Advanced ecological and economic analyses were finalized, including GIS-based mapping, pollution assessments, and water stress indices. The National NCA Framework was refined based on feedback from UNEP and the Project Steering Committee. Extensive consultations with national agencies strengthened the integration of NCA into tourism satellite accounts and water resource policies. The Mid-Term Review provided strategic guidance, highlighting both achievements and areas requiring improvement, and adaptive management measures were introduced to address these findings. Capacity-building activities and the development of an online knowledge portal further enhanced knowledge dissemination and stakeholder awareness.

By 2025, the project had advanced into piloting and scaling. A Payment for Ecosystem Services model was developed and endorsed, focusing on birdwatching tourism as a sustainable financing mechanism. Public–Private Partnerships were strengthened to support conservation of watershed forests and coastal ecosystems, while ecosystem restoration activities expanded to cover more than 44,000 hectares in Krabi Province. Sustainable financing mechanisms for the Green Fins programme were successfully developed, with dive operators demonstrating willingness to contribute financially. Technical assessments of wastewater management for small tourism enterprises were conducted, and policy dialogues promoted the integration of NCA into provincial planning and budgeting. Despite challenges in data collection and institutional coordination,

the project demonstrated substantial progress in embedding natural capital considerations into decision-making processes.

The PIRs from 2023 to 2025 consistently highlighted strong institutional foundations, inclusive stakeholder engagement, and technical outputs, though they also noted challenges in data integration, policy mainstreaming, and mobilization of co-financing. The Mid-Term Review in 2024 rated the project as moderately satisfactory, recognizing strong administrative management but identifying weaknesses in technical supervision, stakeholder engagement, and efficiency. Recommendations included strengthening oversight, scaling up stakeholder engagement, prioritizing achievable activities, and engaging international expertise to support technical management.

Overall, the monitoring and reporting system has shown that the project is steadily progressing toward its objectives. It has established governance structures, developed national and provincial frameworks, piloted innovative financing mechanisms, and expanded ecosystem restoration activities. While challenges remain in technical expertise, data availability, and institutional continuity, adaptive management measures are being implemented to address these issues. The project is well positioned to deliver its intended outcomes, contributing to Thailand's long-term commitment to a Nature Positive Economy and advancing global commitments under the SDGs 6, 14, and 15

1. Introduction

The implementation of the Integration of Natural Capital Accounting in Public and Private Sector Policy and Decision-making for Sustainable Landscapes project requires systematic monitoring, evaluation, and reporting to ensure the effective achievement of its intended outcomes. Throughout the project implementation period, progress, results, and lessons learned are continuously documented and assessed. Project performance indicators and expected outcomes are regularly monitored, while the impacts of project investments are evaluated on an ongoing basis. Information on project performance, implementation progress, and lessons learned is communicated periodically to the project's key stakeholders to facilitate adaptive management, knowledge sharing, and informed decision-making.

Throughout the implementation period, the following monitoring and reporting outputs have been completed:

1. Half-Yearly Progress Reports (July–December): Four reports were prepared, covering the reporting periods for 2022, 2023, 2024, and 2025.

2. Project Implementation Reports (PIRs) (July – June): Four reports were prepared for the reporting periods of 2023, 2024, 2025, and 2026. Each report was reviewed and subsequently endorsed by the Office of Natural Resources and Environmental Policy and Planning (ONEP) and the United Nations Environment Programme (UNEP), respectively.

3. Mid-Term Review (MTR): An independent Mid-Term Review was conducted by an evaluator appointed by UNEP to assess the project's progress, implementation performance, and the likelihood of achieving its intended outcomes.

2. Half-Yearly Progress Reports (July–December)

2.1 Key Achievements from the Half-Yearly Progress Reports (July–December) 2022

The reporting period primarily focused on the **project inception phase**, laying the institutional and operational foundation for the implementation of the *Integration of Natural Capital Accounting in Public and Private Sector Policy and Decision-making for Sustainable Landscapes* project. Significant progress was achieved in establishing governance structures, engaging key stakeholders, initiating technical preparations, and conducting baseline assessments.

The key achievements are summarized as follows:

1. Establishment of Project Governance and Institutional Arrangements

- Initiated the establishment of the **National Working Group (NWG)** and the **Provincial Working Group (PWG)** to provide institutional oversight and technical coordination for project implementation.
- Commenced coordination with relevant government agencies to formalize working arrangements and strengthen inter-agency collaboration at both national and provincial levels.

- Formed the project implementation team and engaged national and international experts to provide technical support for the development of Natural Capital Accounting (NCA).

2. Initiation of the National Natural Capital Accounting Framework

- Began the preparation of Thailand's **National Framework for Natural Capital Accounting**, including the review of the United Nations System of Environmental-Economic Accounting (UN-SEEA) standards and the compilation of relevant technical information.
- Established the groundwork for the subsequent development of a national NCA roadmap and policy integration framework.

3. Stakeholder Engagement and Baseline Assessments in Krabi Province

- Conducted inception missions and field assessments in **Krabi Province**, the project's pilot area, to establish partnerships with provincial authorities and local stakeholders.
- Held consultation meetings with the Deputy Governor of Krabi, provincial environmental authorities, national park offices, local administrative organizations, tourism operators, community enterprises, and traditional fishing communities.
- Undertook preliminary assessments of priority ecosystems, tourism sites, community-based tourism initiatives, and protected areas to inform the development of provincial Natural Capital Accounts.

4. Strengthening Multi-stakeholder Collaboration

- Established initial communication and collaboration mechanisms among government agencies, local communities, the private sector, and academia.
- Increased stakeholder awareness of the objectives, scope, and expected outcomes of the project, thereby fostering ownership and support for future implementation activities.
- Initiated networking efforts to facilitate long-term collaboration on Natural Capital Accounting and sustainable landscape management.

5. Initiation of Communication and Knowledge-sharing Activities

- Commenced the development of communication materials, including fact sheets, newsletters, and public information products to promote awareness of Natural Capital Accounting.
- Began planning the establishment of an online knowledge platform and capacity-building programme to support future dissemination of technical guidance and best practices.
- Initiated regular engagement with key decision-makers and institutions to strengthen policy dialogue and mainstream Natural Capital Accounting into development planning.

6. Monitoring, Evaluation and Adaptive Project Management

- Conducted baseline field assessments in target areas to support future monitoring and evaluation activities.

- Identified potential implementation risks, particularly those related to inter-agency coordination and technical expertise, and initiated mitigation measures through enhanced coordination and expert engagement.
- Established the foundation for systematic project monitoring, reporting, and adaptive management throughout the implementation period.

7. Overall Assessment

Overall, the reporting period successfully completed the **project inception and institutional establishment phase**. The project established the necessary governance mechanisms, initiated technical preparations for Natural Capital Accounting, built strong partnerships with key national and provincial stakeholders, and completed preliminary baseline assessments in the pilot province. These achievements provided a solid foundation for the subsequent development of Natural Capital Accounts, policy integration, and capacity-building activities in the following implementation phases.

2.2 Key Achievements from the Half-Yearly Progress Reports (July–December) 2023

During the reporting period, the project transitioned from the inception phase to the **technical development and policy engagement phase**, with substantial progress made in developing the Natural Capital Accounting (NCA) framework, strengthening institutional coordination, expanding stakeholder engagement, and advancing technical studies to support policy integration. The key achievements are summarized as follows:

1. Development of the National Natural Capital Accounting Framework

- Significant progress was made in developing the **Conceptual Framework for Natural Capital Accounting** in accordance with the **United Nations System of Environmental-Economic Accounting (UN-SEEA)**.
- A preliminary **Roadmap for Natural Capital Accounting** was prepared to guide short- and medium-term implementation and institutionalization of NCA in Thailand.
- Technical studies and supporting documentation were developed to facilitate the application of NCA in the tourism and water resources sectors.

2. Strengthening Scientific Evidence for Natural Capital Accounting

- Comprehensive assessments of **Krabi Province's environmental and ecological systems** were completed to establish the scientific baseline for Natural Capital Accounts.
- Technical analyses were undertaken to identify ecosystem assets, ecosystem services, and environmental-economic linkages relevant to tourism and water resources management.
- Studies on **Market-Based Instruments (MBIs)** for environmental management were initiated to support sustainable financing and incentive mechanisms.

3. Enhanced Stakeholder Consultation and Institutional Coordination

- The project convened the first **Provincial Working Group (PWG)** meeting to review project progress, discuss technical approaches, and strengthen collaboration among provincial agencies.
- A national **Kick-off Meeting** entitled "*Ripples of Changes: Harnessing Natural Capital for Sustainability*" was successfully organized, bringing together representatives from government agencies, academia, development partners, civil society organizations, and the private sector.
- Multi-stakeholder consultations strengthened institutional ownership and fostered a common understanding of the role of Natural Capital Accounting in sustainable development planning.

4. Expansion of Multi-sectoral Partnerships

- The project significantly broadened stakeholder participation by engaging representatives from national and provincial government agencies, universities, research institutions, tourism organizations, water utilities, business associations, and civil society organizations.
- Collaboration mechanisms were strengthened to facilitate data sharing, technical cooperation, and policy dialogue across sectors.
- The broad representation of stakeholders demonstrated growing national commitment to integrating natural capital into planning and decision-making processes.

5. Knowledge Generation and Communication

- A series of key knowledge products were completed, including:
 - the **Conceptual Framework for Natural Capital Accounting under the UN-SEEA Standards**;
 - the **Natural Capital Accounting Roadmap**;
 - the **Environmental and Ecological Systems Assessment of Krabi Province**;
 - the **Market-Based Instruments for Environmental Management** report; and
 - meeting reports and communication materials supporting stakeholder engagement and knowledge dissemination.
- These outputs established the technical foundation for subsequent NCA development and policy mainstreaming.

6. Advancing Policy Integration and Future Implementation

- The reporting period concluded with preparations for selecting pilot intervention areas and identifying priority market-based instruments for implementation in Krabi Province.
- The project established a strong evidence base and institutional framework to support the next phase of developing Natural Capital Accounts and integrating their findings into national and provincial policy processes.

7. Overall Assessment

Overall, the reporting period marked a significant advancement in the project's technical and institutional development. The completion of the conceptual framework, NCA roadmap, ecological assessments, and supporting analytical studies, together with strengthened stakeholder engagement and governance mechanisms, provided a robust foundation for piloting Natural Capital Accounting, promoting evidence-based policy development, and mainstreaming natural capital considerations into sustainable landscape management in Thailand.

2.3 Key Achievements from the Half-Yearly Progress Reports (July–December) 2024

Key Achievements from the Half-Yearly Progress Report (July–December 2024)

The reporting period represented a significant transition from framework development to **technical refinement, policy mainstreaming, and preparation for project scaling-up**. The project made substantial progress in finalizing key technical outputs, strengthening evidence-based policy integration, enhancing stakeholder engagement, and incorporating recommendations from the independent Mid-Term Review to improve project implementation.

The key achievements are summarized as follows:

1. Finalization of Technical Studies and Natural Capital Accounting Framework

- Significant progress was achieved in preparing the **Draft Final Report on the Environmental and Ecological Systems of Krabi Province**, including comprehensive assessments of ecosystem types, ecosystem services, environmental conditions, natural capital values, water resources, and the tourism sector.
- The **National Framework for Natural Capital Accounting (NCA)**, developed in accordance with the **UN System of Environmental-Economic Accounting (UN-SEEA)**, was further refined based on recommendations from the Project Steering Committee and UNEP, moving the framework closer to completion.

2. Strengthening Policy Integration and Institutional Collaboration

- Extensive consultations were conducted with key national agencies, including the **Office of the National Economic and Social Development Council (NESDC)**, the **Ministry of Tourism and Sports**, the **Pollution Control Department (PCD)**, and former ONEP experts to strengthen the integration of Natural Capital Accounting into national accounts, tourism satellite accounts, sectoral policies, and planning processes.
- Technical discussions also focused on improving the linkage between Natural Capital Accounting, environmental-economic accounting, and sectoral decision-making for tourism and water resources management.

3. Enhancement of Scientific Evidence and Analytical Tools

- Technical studies advanced considerably through:
 - development of GIS-based ecosystem mapping for Krabi Province;
 - assessment of marine and coastal pollution sources;
 - analysis of seawater quality and ecosystem conditions;
 - development of the **Water Stress Index (WSI)** for Krabi Province;
 - impact analysis of alternative policy scenarios; and
 - further assessment of appropriate **Market-Based Instruments (MBIs)** to support sustainable natural resource management.
- These analytical products substantially strengthened the scientific evidence base for Natural Capital Accounting and future policy applications.

4. Expanded Stakeholder Engagement and Provincial Collaboration

- The project continued extensive consultations with provincial authorities, technical agencies, local governments, community leaders, environmental organizations, tourism operators, and local resource users throughout Krabi Province.
- Field consultations covered priority issues including marine conservation, seagrass restoration, migratory bird habitats, community fisheries, landfill management, coastal pollution, and ecosystem restoration.
- These consultations enhanced local ownership, improved data collection, and strengthened partnerships for implementing Natural Capital Accounting at the provincial level.

5. Mid-Term Review and Adaptive Project Management

- The project successfully supported the **independent Mid-Term Review (MTR)** commissioned by UNEP.
- Close coordination among ONEP, UNEP, the independent evaluator, and TDRI facilitated the review process, including field missions, technical consultations, and discussions on preliminary findings and recommendations.
- The Mid-Term Review provided strategic guidance to further strengthen project implementation during the remaining implementation period.

6. Capacity Development and Knowledge Management

- Capacity-building activities continued through technical training on the **UN-SEEA framework**, GIS applications, and Natural Capital Accounting methodologies delivered by national and international experts.
- Progress was also made in developing the **Natural Capital Accounting online knowledge portal**, designed to provide public access to project information, technical resources, publications, and knowledge-sharing materials.

- Communication and outreach activities were further strengthened through project brochures, newsletters, and other awareness-raising materials to promote understanding of Natural Capital Accounting among policymakers and stakeholders.

7. Overall Assessment

Overall, the July–December 2024 reporting period marked a major milestone in consolidating the project's technical, institutional, and policy achievements. The refinement of the National Natural Capital Accounting Framework, completion of advanced ecological and economic analyses, strengthened engagement with national and provincial stakeholders, successful completion of the Mid-Term Review process, and expansion of capacity-building and knowledge management activities collectively positioned the project for its final implementation phase. These achievements significantly enhanced the readiness for mainstreaming Natural Capital Accounting into national and provincial policy, planning, and decision-making processes, while providing a robust scientific foundation for sustainable landscape management in Thailand.

2.4 Key Achievements from the Half-Yearly Progress Reports (July–December) 2025

During the reporting period (July–December 2025), the project made significant progress in advancing the integration of Natural Capital Accounting (NCA) into policy and decision-making processes in Krabi Province. Implementation focused on strengthening the evidence base for sustainable financing, promoting multi-stakeholder collaboration, piloting innovative market-based instruments, and supporting ecosystem conservation and restoration. While several activities experienced implementation delays due to coordination and data collection constraints, overall progress remained on track toward achieving the project outcomes.

Key Achievements

1. Strengthened Sustainable Financing through Market-Based Instruments (MBIs)

- The project refined its approach to Market-Based Instruments following recommendations from the Project Working Group (PWG), replacing previously proposed financing mechanisms with a more practical and locally appropriate **Payment for Ecosystem Services (PES)** model.
- A pilot PES mechanism based on **migratory birdwatching tourism in Khlong Prasong Sub-district** was developed as an innovative financing mechanism to generate sustainable revenue for ecosystem conservation while supporting local livelihoods.
- The proposed mechanism received endorsement from the PWG, and coordination with local stakeholders has commenced to support implementation in the next phase.

2. Enhanced Public–Private Partnerships for Ecosystem Conservation

- Comprehensive assessments identified opportunities to strengthen Public–Private Partnerships (PPPs) for conserving watershed forests and coastal and marine ecosystems.
- Stakeholder consultations demonstrated strong commitment from local communities and the private sector to participate in environmental conservation initiatives.

- The project also identified institutional challenges, including fragmented mandates, limited human resources, weak enforcement capacity, and insufficient inter-agency coordination, highlighting the need for stronger governance mechanisms.
- A dedicated PPP dialogue on wastewater management and ecosystem conservation established a platform for future collaborative actions.

3. Progress in Sustainable Water Resource Management

- Reviews of existing water pricing policies, municipal water tariffs, irrigation charges, and wastewater treatment fees were undertaken to assess whether current pricing adequately reflects the environmental costs of watershed conservation and restoration.
- Initial analyses have established a foundation for developing recommendations on environmentally sustainable water tariff principles that internalise ecosystem management costs.

4. Continued Support for Ecosystem Restoration and Biodiversity Conservation

- The project supported a broad portfolio of conservation and restoration activities across forests, mangroves, seagrass beds, coral reefs, and coastal ecosystems.
- Collaboration with government agencies, NGOs, and the private sector successfully mobilised technical and financial support for restoration activities.
- Conservation interventions now contribute to improved management across approximately **44,650 hectares** of natural ecosystems in Krabi Province while strengthening community participation and sustainable tourism practices.

5. Successful Development of Sustainable Financing for the Green Fins Programme

- The project successfully completed the development of a sustainable financing mechanism for the Green Fins programme.
- Capacity-building activities strengthened the participation of dive operators through Green Fins and Reef Watch training programmes.
- Survey findings demonstrated strong willingness among dive operators to financially support environmental certification, providing evidence for long-term financial sustainability of the programme.

6. Improved Wastewater Management for Tourism Enterprises

- Technical assessments evaluated wastewater management challenges affecting small tourism enterprises located outside municipal wastewater service areas.
- Appropriate small-scale wastewater treatment technologies were identified and technical consultations were conducted with tourism operators.
- Water quality monitoring at 28 sampling sites provided important evidence to strengthen future wastewater management interventions and pollution control measures.

7. Increased Awareness and Policy Engagement on Natural Capital Accounting

- High-level consultations with provincial leaders, government agencies, academia and private sector representatives strengthened awareness of Natural Capital Accounting.
- Policy dialogues promoted the integration of NCA into provincial planning, budgeting, tourism development and water resource management.
- Targeted engagement with decision-makers has laid the foundation for mainstreaming Natural Capital Accounting within government policy processes.

8. Key Implementation Challenges

- Delays in data collection resulting from limited availability of government agencies and stakeholders.
- Lengthy coordination processes required for consultations with public and private sector partners.
- Institutional constraints, including fragmented responsibilities, limited technical capacity, and weak enforcement mechanisms.
- Several analytical reports remain under preparation, particularly those related to water tariff assessment and wastewater quality analysis.

9. Overall Assessment

The reporting period demonstrated substantial progress in advancing Natural Capital Accounting through evidence-based policy development, sustainable financing mechanisms, ecosystem restoration, and stakeholder engagement. The successful refinement of the Payment for Ecosystem Services (PES) approach, expansion of conservation partnerships, progress in sustainable tourism initiatives, and strengthened policy dialogue represent important milestones toward integrating natural capital considerations into provincial development planning. Continued efforts during the next reporting period should prioritise completing ongoing analytical work, piloting the selected market-based instrument, operationalising the trust fund mechanism, and further institutionalising Natural Capital Accounting within public and private sector decision-making processes.

3. Project Implementation Reports (PIRs) (July – June)

3.1 Key Achievements from the Project Implementation Reports (PIRs) (July – June) 2023

The Integration of Natural Capital Accounting (NCA) in Public and Private Sector Policy and Decision-making for Sustainable Landscapes project, financed by the Global Environment Facility (GEF) and implemented by the Office of Natural Resources and Environmental Policy and Planning (ONEP) in collaboration with UNEP and the Thailand Development Research Institute (TDRI), has advanced significantly during the reporting period July 2022 – June 2023.

1. Institutional and Governance Progress

- **National Working Group (NWG)** and **Provincial Working Group (PWG)** were formally established, providing structured platforms for coordination across ministries, provincial agencies, academia, and civil society.
- The **Project Steering Committee (PSC)** convened in February 2023, ensuring high-level oversight and alignment with national strategies.
- These governance structures have strengthened inter-agency collaboration and created ownership among both central and provincial stakeholders.

2. Framework and Technical Development

- Drafting of the **National Framework for Natural Capital Accounting in Thailand** was completed, accompanied by a **short-term roadmap (2–3 years)**.
- Expert focus groups were convened to refine methodologies, ensuring alignment with **UN-SEEA standards** and relevance to Thailand's tourism and water resource sectors.
- Initial steps were taken to tabulate data into NCA spreadsheets, beginning with **Geographic Information System (GIS) mapping**, followed by ecosystem service valuation and economic assessment.

3. Stakeholder Engagement and Participation

- **Multiple consultations** were held at national and provincial levels, including:
 - Kick-off meetings with Krabi provincial authorities and local communities (November 2022).
 - PSC meeting (February 2023) with broad representation from ministries and agencies.
 - Focus Group on NCA conceptual framework (June 2023) with participation from government, academia, and international organizations.
 - PWG meeting in Krabi (July 2023) involving provincial agencies, NGOs, and private sector representatives.
- Local communities demonstrated strong interest in the application of **economic instruments** for natural capital management, recognizing potential livelihood improvements.
- Collaboration initiated with Krabi's **Bird Watching group**, highlighting opportunities to integrate eco-tourism into NCA activities.

4. Gender Mainstreaming

- Gender inclusion has been a notable achievement:
 - **44% of professional staff** are women.
 - **55% of PSC members** and **45% of PWG members** are women.
 - Women actively participated in focus groups (63% of attendees), field visits, and community consultations.

- This reflects UNEP’s commitment to gender-responsive implementation and equitable participation in decision-making.

5. Financial Status

- **GEF Financing:** USD 2,000,000.
- **Disbursement (as of June 2023):** USD 88,978.63.
- **Expenditure (as of June 2023):** USD 131,778.63.
- Planned co-financing from central and provincial agencies has yet to fully materialize, representing a key challenge for scaling implementation.

6. Safeguards and Risk Management

- Environmental and social safeguard risks were assessed as **low** across all categories.
- Precautionary measures were adopted during meetings and field visits, ensuring inclusivity and minimizing potential impacts.
- The project applies the **human rights principle**, ensuring participation of vulnerable and marginalized groups in decision-making processes.

7. Progress Towards Outcomes

- **Outcome 1 (National Level):**
 - Draft national NCA framework prepared; integration into national policies and budgetary systems is underway but not yet finalized.
 - Early progress in aligning NCA with the **Medium-Term Expenditure Framework (MTEF)** and the **13th National Economic and Social Development Plan (NESDP 2023–2027)**.
- **Outcome 2 (Provincial Level – Krabi):**
 - Provincial NCA development initiated, focusing on tourism and water resources.
 - Adoption into provincial policies, plans, and budgets remains pending, with emphasis on strengthening local government capacity.
- **Outcome 3 (Capacity and Awareness):**
 - Awareness-building activities initiated, including baseline surveys and planning for dissemination materials (fact sheets, posters, media campaigns).
 - Specialized training and knowledge portal development are planned but not yet operational.

8. Overall Performance Assessment

- **Rating towards Outcomes (DO):** Highly Satisfactory (HS).
- **Rating towards Outputs (IP):** Highly Satisfactory (HS).
- **Risk Rating:** Low (L).

9. Conclusion and Strategic Implications

The project is progressing as planned, with strong institutional foundations, inclusive stakeholder engagement, and early technical outputs. Key challenges remain in:

- **Data integration** into NCA systems.
- **Policy mainstreaming** at both national and provincial levels.
- **Mobilization of co-financing** to sustain and expand implementation.

Moving forward, emphasis will be placed on:

- Strengthening provincial application in Krabi to demonstrate tangible benefits.
- Accelerating capacity-building and knowledge dissemination.
- Ensuring gender-responsive and inclusive participation.
- Aligning NCA outputs with Thailand's long-term **20-Year National Strategy (2018–2037)** and global commitments under the **Kunming-Montreal Global Biodiversity Framework**.

By embedding natural capital into economic and policy systems, Thailand is advancing toward a **Nature Positive Economy**, contributing to the achievement of **SDGs 6, 14, and 15** and reinforcing its leadership in biodiversity conservation and sustainable development.

3.2 Key Achievements from the Project Implementation Reports (PIRs) (July – June) 2024

The Integration of Natural Capital Accounting (NCA) in Public and Private Sector Policy and Decision-making for Sustainable Landscapes project, financed by the Global Environment Facility (GEF) and implemented by the Office of Natural Resources and Environmental Policy and Planning (ONEP) in collaboration with UNEP and the Thailand Development Research Institute (TDRI), has advanced significantly during the reporting period July 2023 – June 2024.

1. Institutional and Governance Progress

- The **Project Steering Committee (PSC)** convened on **22 February 2024**, with broad participation from 16 government agencies and UNEP.
- The PSC reviewed the **Natural Capital Account frameworks for tourism and water resources**, discussed the 2023 implementation results, and endorsed the **2024 operational plan**.
- Feedback emphasized clearer communication of NCA integration into national policy, classification of buyers and sellers in market-based instruments, and stronger stakeholder role definition in conservation and resource use.
- Continued collaboration among **TDRI, ONEP, and UNEP** was reinforced through a tripartite meeting on **19 June 2024** to monitor progress.

2. Technical and Capacity Development

- Development of **ecosystem asset accounts** for Krabi Province, including **extent tables, maps, and accounting entries**.

- **Training and capacity building:**
 - Online tutorials on NCA under the **UN-SEEA framework** delivered by international experts (May–June 2024).
 - On-the-job training in Krabi using **Q-GIS** facilitated by GISTDA (May 2024).
- Field surveys conducted in Krabi (January 2024) to identify pilot activity areas in tourism and water resources for testing market-based instruments.
- Progress in assessing interdependencies between tourism, water resources, and ecosystem services, alongside evaluation of alternative **market-based instruments (MBIs)**, with one viable instrument selected for further development.

3. Stakeholder Engagement

- **National-level consultations:**
 - Meetings with the Ministry of Tourism and Sports on the **Tourism Satellite Account – System of Environmental Economic Accounting (TSA-SEEA)**.
 - Discussions highlighted challenges such as lack of environmental accounting, reliance on secondary data, and absence of budget allocations.
- **Provincial-level engagement:**
 - Krabi PSC meeting (July 2023) reviewed the conceptual framework for NCA in tourism and water management, incorporating data on municipal water supply, economic crops, disguised population, and ecosystems such as seagrasses.
 - One-on-one meetings with provincial agencies and private sector representatives strengthened local ownership and alignment with provincial development priorities.

4. Financial Status and Co-financing

- **GEF Financing:** USD 2,000,000.
- **Planned Co-financing:** USD 6,150,000.
- **Actual Co-financing (to date):** USD 3,057,217.
- Major contributions included:
 - Royal Forest Department (USD 1,707,290).
 - Krabi Provincial Environment and Natural Resources Office (USD 546,268).
 - Department of Marine and Coastal Resources (USD 214,402).
 - Department of National Parks, Wildlife and Plant Conservation (USD 300,034).
- While co-financing commitments are materializing, challenges remain in mobilizing full resources across agencies.

5. Gender Mainstreaming

- Women continue to play a strong role in project implementation, with representation across PSC, PWG, and focus groups.

- Gender considerations are being integrated into the design of economic instruments for natural capital management in Krabi Province.

6. Risks and Safeguards

- **Risk rating:** Moderate (M).
- While implementation is progressing, challenges include data gaps, reliance on secondary sources, and the complexity of integrating NCA into policy frameworks.
- Environmental and social safeguard risks remain low, with precautionary measures adopted during meetings and field activities.

7. Knowledge and Learning

- Knowledge-sharing activities expanded through training, focus groups, and dissemination of project brochures.
- Local communities expressed strong interest in economic instruments, recognizing their potential to improve livelihoods.
- Collaboration with eco-tourism groups, such as Krabi's **Bird Watching association**, highlights opportunities to integrate biodiversity conservation with tourism development.

8. Progress Towards Outcomes

- **Outcome 1 (National Level):**
 - Draft national NCA framework and short-term roadmap prepared.
 - TSA-SEEA discussions advanced, though challenges in environmental data integration persist.
- **Outcome 2 (Provincial Level – Krabi):**
 - Ecosystem asset accounts under development.
 - Pilot testing of MBIs planned for tourism and water resources sectors.
- **Outcome 3 (Capacity and Awareness):**
 - Significant progress in training and awareness-building.
 - Dissemination materials and knowledge portals under preparation.

9. Overall Performance Assessment

- **Rating towards Outcomes (DO):** Satisfactory (S).
- **Rating towards Outputs (IP):** Satisfactory (S).
- **Risk Rating:** Moderate (M).

10. Conclusion and Strategic Implications

The project has moved from **conceptual framework development** to **practical implementation**, with ecosystem accounts, training, and pilot activities underway. Key priorities for the next phase include:

- Accelerating integration of NCA into national and provincial policy frameworks.

- Strengthening data systems to reduce reliance on secondary sources.
- Expanding co-financing mobilization to meet planned commitments.
- Ensuring gender-responsive and inclusive participation.
- Advancing pilot testing of market-based instruments to demonstrate tangible benefits.

3.3 Key Achievements from the Project Implementation Reports (PIRs) (July – June) 2025

The Integration of Natural Capital Accounting (NCA) in Public and Private Sector Policy and Decision-making for Sustainable Landscapes project, financed by the Global Environment Facility (GEF) and implemented by the Office of Natural Resources and Environmental Policy and Planning (ONEP) in collaboration with UNEP and the Thailand Development Research Institute (TDRI), has continued to progress during the reporting period July 2024 – June 2025, despite challenges in technical expertise and data availability.

1. Institutional and Governance Progress

- The **Project Steering Committee (PSC)** convened on **13 March 2025**, with participation from 16 government agencies and UNEP.
- Amendments were made to committee membership, including the renaming of the Department of Environmental Quality Promotion to the **Department of Climate Change and Environment**, and the addition of representatives from the **Office of the Permanent Secretary, Ministry of Tourism and Sports** and the **Office of National Water Resources**.
- The PSC reviewed progress on national and provincial NCA frameworks, endorsed operational plans, and emphasized the need for clearer communication of NCA integration into policy and budgeting systems.

2. Technical and Capacity Development

- **National Framework for NCA:** Draft completed and presented to stakeholders.
- **Tourism and Water Resources Assessments:** Conducted for Krabi Province, providing baseline data for provincial accounts.
- **Market-Based Instruments (MBIs):** Evaluation of alternatives completed; preparation underway to pilot instruments such as:
 - Beach Land Tax
 - Municipal Waste Collection Fee
 - Small-Scale Wastewater Treatment Systems
 - Tourist Donation/Fee System
- **Restoration Activities:**
 - Conservation and restoration of degraded habitats in watershed forests and coastal ecosystems (target: 40,000 ha).
 - Collaboration with **Krabi Urban Forest, EnLive Foundation, and GreenFin**.

- Sustainable financing mechanisms developed for the **GreenFins program** in partnership with DMCR, Reef-World Foundation, and GreenFins-Thailand.
- Technical support provided for installation of **small-scale wastewater treatment systems** in tourism enterprises (e.g., Koh Sri Boya Subdistrict, Krabi).
- **Capacity Building:**
 - Launch of project website: <https://naturalcapital.care>.
 - Production of communication materials, including GreenFins video media, signage, and training courses for diving/snorkeling operators.
 - GreenFins Assessor Training Course conducted to expand monitoring capacity.

3. Financial Status and Co-financing

- **GEF Financing:** USD 2,000,000.
- **Planned Co-financing:** USD 6,150,000.
- **Actual Co-financing to date:** USD 3,057,217.
- Strong cooperation from agencies including DMCR, ONEP, Krabi Provincial Natural Resources Office, NESDC, Ministry of Tourism and Sports, and Land Development Department.
- Co-financing contributions included support for conservation activities, data provision (GIS land use data), and coordination of PSC/PWG meetings.

4. Stakeholder Engagement

- PSC meeting (March 2025) reaffirmed stakeholder commitment and reviewed project progress.
- Stakeholders emphasized the importance of integrating NCA into both national and provincial policy frameworks, with Krabi Province serving as a pilot.
- Local engagement included consultations with provincial agencies, tourism operators, and community groups to ensure inclusive participation.

5. Gender Mainstreaming

- Women continue to play a significant role in project implementation, with representation across PSC, PWG, and training activities.
- Gender considerations are being integrated into the design of MBIs, ensuring equitable benefit-sharing in tourism and water resource management.

6. Risks and Challenges

- **Moderate risk rating (M)** maintained.
- Key challenges include:
 - Limited expertise in NCA methodologies, requiring extensive training in ecosystem accounting and GIS.

- Data limitations: irregular collection cycles, incomplete datasets, and inconsistent formats across agencies.
- Institutional continuity: frequent changes in government leadership and agency representatives affecting stakeholder engagement.
- Fundraising difficulties for co-financing national-level accounts.

7. Progress Towards Outcomes

- **Outcome 1 (National Level):**
 - Draft national NCA framework completed.
 - Tourism and water resource interdependencies assessed.
 - Work ongoing to embed NCA into national policy and budgeting systems.
- **Outcome 2 (Provincial Level – Krabi):**
 - Tourism and water resource situation assessments completed.
 - PWG meeting scheduled for July 2025 to advance provincial account integration.
 - Pilot MBIs under development, with business cases being prepared.
- **Outcome 3 (Capacity and Awareness):**
 - Dissemination activities expanded through website, media, and training.
 - Engagement with Krabi’s Governor to present project progress and receive feedback.
 - Broad-based capacity building underway, including GreenFins training and Reef Watch monitoring.

8. Overall Performance Assessment

- **Rating towards Outcomes (DO):** Satisfactory (S).
- **Rating towards Outputs (IP):** Satisfactory (S).
- **Risk Rating:** Moderate (M).

9. Conclusion and Strategic Implications

The PIR 2025 demonstrates that the project has moved from **framework development** to **practical implementation**, with restoration activities, pilot MBIs, and capacity-building programs underway. Despite challenges in expertise, data, and institutional continuity, the project is delivering tangible progress in Krabi Province and laying the foundation for national integration.

Strategic priorities for the next phase include:

- Accelerating policy mainstreaming of NCA at national and provincial levels.
- Strengthening data systems and technical expertise.
- Expanding co-financing mobilization.
- Ensuring inclusive and gender-responsive participation.
- Demonstrating the effectiveness of MBIs to secure sustainable financing for biodiversity conservation.

4. Mid-Term Review (MTR)

4.1 Strategic Relevance

- The project is strongly aligned with **UNEP's Nature Action Subprogramme**, Thailand's **20-Year National Strategy (2018–2037)**, and the **Kunming-Montreal Global Biodiversity Framework**.
- It directly supports **SDGs 6, 14, and 15**, focusing on clean water, sustainable oceans, and biodiversity conservation.
- By targeting **tourism and water resources**, the project addresses sectors most dependent on natural capital and most responsible for ecosystem pressures.
- Country ownership is evident, but sustainability will require continued government engagement and external financing beyond GEF support.

4.2 Project Design and Theory of Change

- The design is logical and builds on lessons from earlier initiatives, narrowing scope to two sectors and two ecosystems for depth and feasibility.
- A **Theory of Change (ToC)** was developed at inception and remains valid, linking NCA frameworks to improved policy integration and biodiversity outcomes.
- Weaknesses in design include limited gender analysis and insufficient planning for marginalized groups, which has reduced inclusivity in implementation.

4.3 Effectiveness

- **Achievements:**
 - PSC and PWG established.
 - National framework focus group held.
 - Provincial accounts for Krabi initiated, with **extent accounts completed** and **condition accounts underway**.
 - GIS-based pollution maps developed; several assessments completed for tourism and water resources.
- **Limitations:**
 - Progress uneven—heavy focus on provincial accounts slowed delivery of national-level outputs.
 - Limited evidence of enhanced stakeholder capacity for integrated coastal management at mid-term.
 - Some outputs require revision due to quality concerns.

4.4 Efficiency

- Administrative and financial management is strong: clean audits, timely reporting, and sex-disaggregated data in PIRs.
- However, efficiency is undermined by:

- Activities implemented in silos, reducing synergies.
- Weak supervision of subcontractors, leading to delays and uneven quality.
- Inflated perception of progress based on reports, not actual ground-level outcomes.

4.5 Stakeholder Engagement

- Engagement has been limited compared to expectations.
- Government stakeholders interviewed expressed strong commitment, but participation in training and awareness activities has been modest.
- Changes in government personnel have disrupted continuity, highlighting the need for stronger institutional mechanisms to retain knowledge.

4.6 Gender and Inclusivity

- Gender balance among staff and meeting participants is good.
- However, proactive integration of gender and marginalized groups into frameworks and outputs is weak.
- Future phases must ensure that women and vulnerable communities benefit equitably from NCA-informed policies and instruments.

4.7 Monitoring and Reporting

- Monitoring and reporting requirements are being met:
 - Regular PIRs submitted.
 - Mid-Term Review conducted on schedule.
 - Expenditure and progress reports timely and accurate.
- Adaptive management elements are visible, but reporting sometimes overstates progress relative to actual outputs.

4.8 Sustainability

- Socio-political sustainability is promising due to strong alignment with national priorities.
- Financial sustainability remains uncertain—continued reliance on external funds is likely, though complementary initiatives suggest potential for co-financing.
- Institutional sustainability requires stronger government involvement and stakeholder ownership.

4.9 Conclusions

- The project is rated **Moderately Satisfactory** at mid-term.
- Strengths: committed management team, strong administration, progress in provincial accounts.
- Weaknesses: limited stakeholder engagement, uneven progress across outputs, efficiency challenges, and weak technical supervision.
- With corrective actions, the project can still achieve its objectives within the remaining timeframe.

4.10 Lessons Learned

1. Government agencies must remain actively engaged even when non-government actors lead implementation.
2. First-time GEF grantees require additional technical support, especially for gender and human rights integration.
3. MTRs serve as valuable opportunities to reconnect with partners and strengthen collaboration.
4. Frequent changes in government personnel necessitate engaging both senior and technical staff to preserve institutional knowledge.

4.11 Recommendations

1. **Strengthen oversight and supervision** at all levels (UNEP–ONEP–TDRI–consultants) to ensure quality outputs.
2. **Scale up stakeholder engagement and coordination** to improve country ownership and sustainability.
3. **Prioritize activities and streamline ambition**, focusing on achievable outputs and stronger gender/marginalized group integration.
4. **Engage a part-time international expert** to provide technical guidance on NCA integration into policies and plans.

4.12 Final Assessment

The MTR confirms that the project is on track administratively but requires **stronger technical management, stakeholder engagement, and inclusivity** to achieve its intended outcomes. With corrective measures, the project can deliver meaningful contributions to Thailand’s transition toward a **Nature Positive Economy**, aligned with global biodiversity and sustainable development goals.

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