

CLIMATE ACTION IN THAILAND

Country context

The Government of Thailand already had a robust policy framework to address climate change in place when the Low Emission Capacity Building (LECB) Thailand project started in 2013. The National Committee on Climate Change Policy (NCCC) had been established in 2007 to formulate national climate change policy and guide Thailand's position in international climate negotiations. The Climate Change Master Plan (CCMP):2012–2050, issued by the NCCC, was the country's first comprehensive, long-term strategic framework to address climate change. It set out Thailand's vision for a low carbon, climate resilient development pathway along the lines of the country's economic and socio-cultural contexts, as well as a 'sufficiency economy' philosophy and sustainable development agenda. Climate change considerations and low carbon strategy were also incorporated into Thailand's 11th National Economic and Social Development Plan (2012–2016).

The Ministry of Energy initiated activities in 2012 to identify domestic Nationally Appropriate Mitigation Action (NAMA) opportunities for the energy sector, the dominant source of the country's greenhouse gas (GHG) emissions.

The government together with international development partners were designing a national energy efficiency plan that could contribute to future mitigation targets.

Meanwhile, **after the Copenhagen Accord of December 2009, private sector actors were increasingly interested in engaging on climate change action.** Key industry institutions came forward to propose a climate change strategy to the government. Thailand had experience in designing and implementing climate mitigation projects under the clean development mechanism (CDM), particularly in the cement industry. The Thai cement industry, notably, had set voluntary GHG emission reduction targets to keep pace with global targets and standards. Thailand now sought to apply more comprehensive sectoral approaches, such as NAMAs, in the cement and iron and steel sectors, given their high contribution to industrial emissions.

The LECB project strove to support and progress Thailand's initiatives on climate mitigation.



LECB THAILAND at a glance



Total financing

US \$1,177,000

5

Timeframe

5 years (2013-2018)



Sectors

Energy, waste and industry



Counterparts

Ministry of Natural Resources and Environment (MONRE) through the Office of Natural Resources and Environmental Policy and Planning (ONEP); and the Thailand Greenhouse Gas Management Organization (TGO)



Thematic areas

- Institutional frameworks
- GHG inventory systems
- NAMAs
- LEDS
- INDC support
- MRV systems
- Private sector involvement
- Climate finance

LECB ASIA

Strengthened national GHG inventory system for the transport and waste sectors

Through the LECB project technical capacity and institutional coordination in the national GHG inventory process for the transport and waste sectors has been strengthened. The project leveraged complementarities with the Third National Communication and Biennial Update Report preparation projects and supported the NCCC's national inventory working group in mapping and documenting activity data collection, emission factors, data flow analysis, and quality control using the 2006 IPCC Guidelines. The support has enabled the government to transition to the use of improved Tier 2 methods and 2006 IPCC Guidelines in its national GHG inventory. Under LECB's direction, data collection templates and guiding manuals have been prepared in the local language to aid quick and accurate data processing.

32

Government officials

trained through 20 workshops on GHG inventory for the transport and waste sectors

Established mitigation action plans and roadmaps for iron and steel, and cement industries

LECB crafted detailed mitigation action plans and strategic roadmaps along with monitoring, reporting and verification (MRV) approaches for the iron and steel and cement sectors, thus establishing a foundation for future NAMA proposal development. Through LECB key enterprises and industry actors in the two sectors were engaged to gather entity-level data; establish emission baselines and projections; identify mitigation measures; set emission reduction targets; and formulate mitigation roadmaps and MRV parameters. These activities were underpinned by a targeted approach to create a knowledge base and disseminate key results and learnings within each industry.

+4,000

Industry sector members

reached in dissemination of project results and learnings

11

Iron and steel enterprises

where field assessments were carried out to support formulation of mitigation action plans

RESULTS

Analysed private climate finance flows for renewable energy

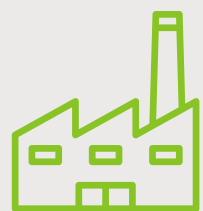
A private climate expenditure and institutional review (PCEIR) study was undertaken to map private finance flows and assess the effectiveness of existing public support mechanisms in driving private investment in the renewable energy sector. Trainings were conducted on the use of the tracking tool developed under the PCEIR to build institutional capacity for independently conducting the exercise again, as well as replicating it in other sectors going forward.

IMPACTS



Strengthened Thai capacities and systems for climate-related policy, planning and reporting

This is evidenced by the improved GHG inventory estimates, particularly for the transport and waste sectors; greater transparency of the GHG inventory in its Second National Communication; and improved potential for planning of future national communication reports. LECB's support on mapping of data flows and clear documentation of data sources were instrumental in this process.



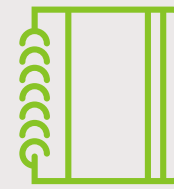
Improved policy design to stimulate private investments into climate action

This was achieved through enhanced institutional capacities to track and analyse private finance flows and a heightened appreciation of the PCIER approach's utility.



Enhanced collaboration between public and private actors

The public sector is better-placed to apply appropriate policy tools to drive private climate action while the private sector is cognizant of opportunities emerging from mitigation targets. There is also an overall improved understanding of key drivers and incentives for the cement and iron and steel industries, given LECB's efforts for sustained engagement and trust-building with leading enterprises in these two sectors.



Baselines prepared for future integration into policies and NAMA proposals

The baselines and mitigation action plans prepared for the cement, and iron and steel sectors served as inputs to the NDC and have created a basis for their integration into policies and future NAMA proposal development. There is a high likelihood of replication of these outcomes in other industry sectors.



General overview of the UNDP Low Emission Capacity Building Programme

Since its inception, the UNDP LECB programme has paved the way for effective and lasting climate action by building capacities of government staff to develop policies, strategies and tools that help implement their climate change goals. Focusing specifically on essential building blocks such as strengthening GHG inventory data and systems; formalization of institutional arrangement for climate actions; development and alignment of low emission development strategies (LEDS); and the creation of Nationally Appropriate Mitigation Actions (NAMAs), LECB provided much of the enabling environment necessary for countries to respond quickly to emerging needs, such as the submission of Intended Nationally Determined Contributions (INDCs) and socialization of the Paris Agreement. Given its flexible nature and strong country ownership, often the originally-envisaged and measurable LECB outputs have been exceeded, leading to some unplanned but highly welcomed additional impacts.

CASE STUDY

EVALUATING AND STIMULATING PRIVATE FINANCE FLOWS FOR RENEWABLE ENERGY

The LECB project selected Thailand as a pilot country for the PCEIR as the government showed keen interest in driving private sector investment in the clean energy sector. Renewable energy was selected over energy efficiency because of its larger scale of implementation, better data availability, and higher impact on Thailand's GHG reduction targets. This review was undertaken by the United Nations Development Programme (UNDP) and ONEP, with a working group set up for sustained engagement between government agencies and the private sector.

Data sources were identified and country-specific methodological approaches were developed to assess the effectiveness of public policy mechanisms in driving private renewable energy investment, and to track this investment against the country's renewable energy targets. Existing public mechanisms on renewable energy, such as feed-in-tariffs, tax incentives, soft loans, and investment grants were examined in the context of stimulating private investment.

Based on the assessment and its findings, recommendations were provided to promote private sector investments in renewable energy,

including on enhancing capacities and designing effective and balanced policies and supporting mechanisms. The PCEIR also contributes to creating a more robust and sustainable reporting platform that allows for improved tracking of private sector financial flows, and facilitates better public-private policy making over time, thereby supporting Thailand's renewable energy investment targets going forward. Lessons learned from undertaking this exercise will be useful in the future in carrying out similar assessments in other key NDC target areas, such as energy efficiency and transportation.



PCEIR can become the standard approach in assessing the effect of multiple public support mechanisms in stimulating private investment in a given sector.



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LECB Thailand made possible by:

The UNDP Low Emission Capacity Building (LECB) Programme was launched in January 2011 as part of a joint collaboration between the European Union, the Governments of Germany and Australia and UNDP. It is a global programme that helps countries build the public and private sector capacities needed to scale up country-driven mitigation actions.



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