PROJECT DOCUMENT Global Project

Project Title: Investments in Tiger Landscapes

Implementing Partner: United Nations Development Programme (UNDP) & United Nations Educational, Scientific and

Cultural Organization (UNESCO)

Start Date: 01/01/2024 End Date: 31/12/2028

Brief Description

Tigers are an umbrella species and indicate the health of the ecosystem on which millions of people depend. To address the threats to tigers and their habitats in the Tiger Ranger Countries (TRCs) as well as to strengthen the sustainable livelihoods of forest-dependent communities that co-exist with tigers, the programme leverages a blended financing approach.

Several nature-positive investment opportunities exist across the two target landscapes – Taman Negara in Malaysia and Western Forest Complex in Thailand - presented in this document. To invest in these nature-positive opportunities, the programme will establish a Tiger Ecosystems Fund, build the capacity of local enterprises and support the development of a robust pipeline.

At the same time activities, such as improving protected area governance, ranger patrolling, removing snares and building the capacity of the local communities on sustainable livelihoods, although critically important both for conservation outcomes and creating an enabling environment for nature-positive investments, do not yield financial returns and require financial support. The programme will directly support these activities.

The Nature Facility's contribution will go toward directly supporting conservation activities and creating an enabling environment. The programme particularly focuses on landscapes and areas of outstanding biodiversity values. In Thailand, the target landscape has one World Heritage Site, which plays a crucial role in strengthening and improving ecological processes with and biodiversity of adjacent sites and the wider landscape. In Malaysia, the target landscape (Taman Negara) has well-documented outstanding biodiversity, which is among the highest in the world.

In addition, *The Nature Facility* will play a pivotal role in establishing a Tiger Ecosystems Fund and building a pipeline of nature-positive investable projects. UNDP believes unlocking institutional investments is fundamental to achieving global biodiversity and climate goals. The Fund and the process followed will provide a blueprint for such instruments and approaches that could be replicated in the region and beyond.

Contributing Outcome (UNSDCF, CPD, RPD): Indicative Output(s) with gender marker:

- 50,000 ha of degraded land restored.
- US\$ 50 million capitalised (and >40 million invested) for investment into nature-positive investments.
- 10 new enterprises (with >50% women ownership) established
- 2400 snares removed from the tiger habitat
- 37,800 km of ranger patrol conducted
- 70 families shift to sustainable agroforestry production
- 8 new community conserved areas established

Total resources required:	US\$ 4,995,488	
	Cartier for Nature ¹	2,100,000
Unfunded	US\$ 2,895,488	

Parallel co-	SIDA & TRAC:	250,000 ²
financing	BIOFIN (UK):	325,000
Total co-finance:	l	JS\$ 575,000

Agreed by (signatures):

¹ For UNDP, this Tiger Landscape programme is part of the wider Nature Pledge Programme. Results and resources are included in the Nature Pledge Programme Document under pillar six for Nature Finance.

² Parallel co-finance from ongoing projects reflected here are included in the Nature Pledge portfolio and contribute to the outcome-level results.

Project Document

UNDP	UNESCO	Nature Investment Facility Steering Committee Chair
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Date: 25-Nov-2024	Date: 26/11/2024	Date: 26/11/2024

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1. DEVELOPMENT CHALLENGE

1.1. Context: State of tiger landscapes and financing across all tiger ranger countries

The story of humans, climate, and tigers is interconnected. Home to nearly 15% of the world's tropical forests, Southeast Asia experiences some of the highest rates of habitat and biodiversity loss in the world³. The loss of forests over the past 20 years, as seen in Figure 1 below, negatively impacts the communities dependent on the forest for its resources and services, as well as releases significant amounts of greenhouse gas emissions (GHGs) that contribute to global climate change⁴. The challenges to conserving biodiversity, and the natural ecosystems it underpins, vary across the region; however, what is common across all biodiversity landscapes is the critical need to strengthen the relationship between people and nature through nature-based livelihoods that benefit people and nature.



Figure 1. shows the scale of forest loss and corresponding GHG emissions in Tiger Range Countries (TRCs) in Southeast Asia

One hundred years ago, over 100,000 tigers roamed the landscapes of Asia⁵. Today, less than 5800 are left in the wild, struggling to survive in less than 5% of their historical range⁶. Over the last 12 years, the global population of tigers has increased. However, this success is skewed, and the future of tigers has become bleaker in most tiger range countries (TRCs). In three of these countries – Vietnam, Cambodia and Laos -, tigers have gone locally extinct and are close to the brink in at least three other Southeast Asian nations – Myanmar, Malaysia, and Indonesia.

A deeper analysis of the tiger landscapes demonstrates the interconnectivity among sustainable and resilient livelihoods, climate, biodiversity and tigers. For instance, unsustainable livelihoods and encroachment are major drivers of land use change in Northern Thailand and require an integrated approach that strengthens the governance and management of natural resources by communities, while providing safe spaces and corridors for wild animals, including tigers. In India, the effective management of human-tiger conflict through the restoration of ecological corridors, interventions to reduce the likelihood of conflict, and improving livelihoods through a resilient and sustainable tiger economy will be critical.

In several countries, sustainable and inclusive conservation agenda relies on overseas development aid. As this type of funding is often uncertain, limited, and of shorter duration, organisations leading conservation struggle to develop and implement long-term, ambitious, coordinated and inclusive nature conservation and restoration programmes that benefit both local communities and biodiversity. Although countries individually allocate some domestic public budgets

³ https://www.nature.com/articles/s41467-019-09646-4

⁴ Global Forest Watch(<u>https://www.globalforestwatch.org</u>)

⁵ https://www.worldwildlife.org/species/tiger

⁶ https://www.theguardian.com/environment/2022/jul/22/wild-tiger-numbers-40-higher-than-thought-says-conservation-group

for nature conservation, they remain chronically underfunded. Currently, domestic budgets for biodiversity conservation amount to US\$76 billion globally, while the amount needed to be effective is more than ten times that figure⁷. The gap is expected to be much higher in Southeast Asian TRCs. Therefore, a new approach to financing tiger landscape conservation needs to be piloted and scaled up.

Biodiversity conservation requires a holistic approach to integrated landscape management. Ecological processes that underpin a tiger landscape often take place at a large scale. These processes include the dispersal of tigers or the movement of elephants. The processes maintain and regenerate both the composition and function of the ecosystem, benefiting local communities and strengthening their climate resilience. However, integrated landscape management or landscape approach requires a long-time horizon and appropriate allocation of resources to be able to deliver permanent results at scale. Unfortunately, the existing grant model doesn't meet that requirement, which tends to be relatively small in scale and short in duration.

Unlocking private financing for nature conservation and sustainable development is one of the fundamental challenges that need to be addressed. Many existing financing mechanisms such as wildlife bonds, debt for nature swaps, and impact funds, although important, need to be completed with new financing approaches to bridge the gaps these instruments are not able to meet.

A new approach that brings together the landscape approach and appropriately designed private-sector financing is critical. Such a financing mechanism should accelerate integrated landscape management that would include reducing habitat loss, restoring ecological connectivity, elevating law enforcement, strengthening the governance and management of natural resources, and, where needed, reintroducing tigers and creating suitable habitats. Such a financing mechanism will bring together the interconnected challenges related to climate, biodiversity and livelihoods, and offer an integrated solution to catalyse sustainable development goals.

The following section details the tiger and biodiversity challenges in the two target landscapes of Malaysia and Thailand.

1.2. Malaysia:

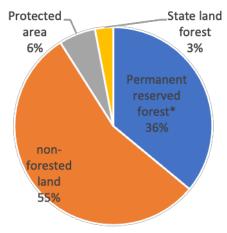


Figure 2. Forest classification in Malaysia⁸

At the turn of the nineteenth century, primary rainforest covered approximately 90% of Peninsular Malaysia⁹. At the turn of the 19th century, primary rainforest covered over 90% of Peninsular Malaysia (Collins et al., 1991). By 1957, the estimated forested cover had declined to 74% (Myers, 1980). Since then, vast areas of lowland forest (<300 m altitude) have been converted to agricultural use by the Federal Land Development Authority (FELDA) and other state agencies.

⁷ https://www.paulsoninstitute.org/conservation/financing-nature-report/

⁸ Malaysia classifies forests based on FAO guidelines. Thus, Permanent reserved forest includes rubber plantation.

⁹ Collins NM, Sayer JA, Whitmore TC. The Conservation Atlas of Tropical Forests: Asia and Pacific. London: Macmillan Press; 1991

Forest cover declined further during the 1970s (61%) and 1980s (47%) with an annual loss of around 7,000 km² (Lanly, 1982). By the mid-1980s, there were little remaining lowland dipterocarp forests outside of protected areas available for large-scale conversion and the overall proportion of the forest cover has remained steady during the past two decades under the National Forestry Act 1984¹0. Most of the remaining forests are found in mountainous regions (which, naturally, support a lower density of large ungulates), which are unsuitable for oil palm development. By 1985, only 9.8% or 13,000km² of the land area was intact primary forest (Collins et al., 1991). In Peninsular Malaysia where the deforestation rate has stabilised and its main economy has moved from the forestry sector to industry to service, it is not necessarily the loss of habitat per se but cumulative impacts of forest fragmentation due to the construction of roads, pipelines and railways that impose a greater lasting threat to the tiger.

Most of the forests are managed by state forestry departments as permanent reserved forests, which are further classified into protection (for soil and water) and production (for timber and fibre extraction) forests. About 6% of the total land area in Malaysia is classified as totally protected and includes areas of national parks and wildlife reserves managed by the Department of Wildlife and National Parks (DWNP), and state parks managed by the state governments. The key challenges to increasing the protected area coverage are (a) governance structure and (b) lack of economic incentives, both of which are further detailed below.

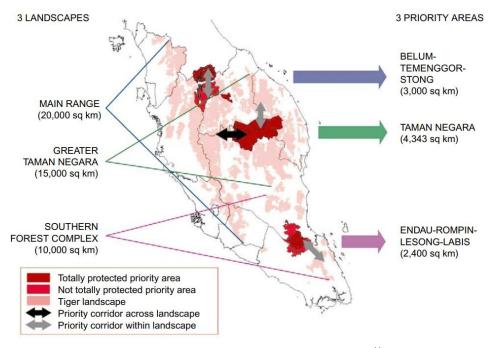


Figure 3. Map of three tiger landscapes in Malaysia¹¹

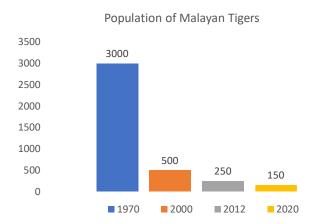
Within Malaysia, tigers are found only on the peninsula and mainly in three landscapes. The Main Range Landscape (20,000 km²) is in the west of the mainland and, runs from the Malaysia-Thai border to Negeri Sembilan. It is connected to the second landscape, the Greater Taman Negara (15,000 km²) to the east, which includes Taman Negara National Park, the country's largest protected area. Finally, the Southern Forest Landscape (10,000 km²) can be found south of the Pahang River but it is isolated from both the former landscapes. These forest landscapes form the basis for spatial planning in tiger conservation in Malaysia and each has a priority core area: Belum-Temengor Stong, Taman Negara, and Endau-Rompin Complex, respectively. The priority core areas are too small and disconnected from each other 12.

¹⁰Forestry Department. Forestry Statistics Peninsular Malaysia. Kuala Lumpur, Malaysia: Forestry Department; 2005

¹¹ Source: MyCATS

¹² Malaysia Tiger Action Plan (2008 – 2020) https://globaltigerforum.org/wp-content/uploads/2017/04/malaysia.pdf

In Malaysia, the tigers have been in decline ever since the measurements started. By the turn of this century, Malaysia's tiger population declined from 3,000 to 500 individuals. The nation needed a strategy to save it from imminent extinction. The Malaysia Tiger Action Plan (2008-2020), developed as a result of Malaysia's commitment to the St. Petersburg Declaration on Tiger Conservation¹³, aimed to double the population of tigers by 2020 to 1000 individuals. However, the 2020 nationwide surveys of Tigers concluded that less than 150 tigers remain in the wild ¹⁴. The number of Malaysia's wild tigers continues to shrink.



Malaysia's economic development, based on unsustainable extraction of natural resources, has come at a high price. Several species of charismatic mammals have gone extinct in the near past. The Javan rhinoceros (Rhinoceros sondaicus) is extinct, the Banteng (Bos javanicus) is ecologically extinct in Peninsular Malaysia (Aiken and Leigh, 1992), the Sumatran rhinoceros is extinct¹⁵ and the gaur exists in functionally extinct (IUCN, 2016). The fate of the tigers is sealed unless urgent and unprecedented actions are taken.

1.2.1. Greater Taman Negara (Taman Negara National Park)

This project will focus on specific geographical areas (detailed in the strategy section) within the Greater Taman Negara landscape. This landscape, with a size of 15000 km², consists of Taman Negara National Park (2627 km²), Tasik Kenyir Protected Forest Reserve (419 km²), Sungai Ketiar Protected Forest Reserve (141 km²) and several production forest reserves

The Taman Negara National Park is classified as one of the world's oldest rainforests. Older than either the Amazon or the Congo, it has remained undisturbed for 130 million years. Located near the equator it is the most extensive protected area of pristine, evergreen rainforest in the country. The four biggest interconnected threats and underlying drivers to this landscape (ubiquitous across all tiger landscapes of Malaysia), for the conservation and recovery of Tigers are,

• **Poaching and hunting:** Illegal trade is a more urgent threat, having the greatest potential to do maximum harm in a short time (Nowell and Jackson, 1996). Tiger populations have been decimated in many parts of their former range due to illegal hunting for their skins, bones and other body parts (Banks and Newman, 2004; Shepherd and Magnus, 2004; EIA-WPSI, 2006; Nowell and Xu, 2007).

Poaching is not just pertinent to Greater Taman Negara or Malaysia, throughout Southeast Asia, one of the main threats comes from the trade in tiger parts for use in traditional Chinese medicines. Many different cultures use tiger parts for their purported medicinal qualities (Chalifour, 1996), including the bones, blood, sexual organs and other parts. Bones are the most valuable part of the tiger, more so than the skin (Sunquist

¹³ https://globaltigerforum.org/wp-content/uploads/2023/05/st petersburg declaration english.pdf

¹⁴ Malaysia: Is there still a chance to save the Malayan tiger? | Wildlife News | Al Jazeera

 $^{^{15} \,} https://www.free malaysia to day.com/category/nation/2015/08/21/sum at ran-rhino-now-extinct-in-malaysian-wild/nation/2015/08/21/sum at ran-rhino-now-extinct-in-malaysian-now-extinct-in-malaysian-now-extinct-in-malaysian-now-extinct-in-malaysian-now-extinct-in-malaysian-now-extinct-in-malaysian-now-extinct-in-malaysian-now-extinct-in-malaysian-now-extinct-in-malaysian-now-extinct-in-malaysian-now-extinct-in-malaysian-now-extinct-in-malaysian-now-extinct-in-malaysian-now-extinct-in-malaysian-now-extinct-in-malaysian-now-extinct-in-malaysian-now-extinct-in-malaysian-now-extinct-in-malaysian-now-extinc$

and Sunquist, 2002). In several countries, skins, skulls, claws and canine teeth are traded as trophies and talismans, and meat is consumed in restaurants serving exotic dishes. Records show that between 2011 and 2020 a total of 5,287 body parts of Malayan Tiger were confiscated.

The frequency of apprehension of tiger poachers or finding poached tigers (the individual) has been on average less than one case per year, excluding the cases about the illegal possession of tiger body parts for which the origin is unknown. The actual number is suspected to be higher, but the detection of "red-handed" cases is difficult and more realistic figures are not available. Despite the lack of actual figures on tigers poached, it is obvious that tiger poaching continues and is likely to have an adverse impact on Malaysia's tiger populations. Unlike poaching of elephants for ivory or rhinos for horns, wherein the body of the animal is left at the crime scene and provides evidence of poaching, the entire body of the tiger is taken by poachers, making it very difficult to assess the number of incidents. The majority of the poachers for tigers are foreigners coming from Vietnam, Cambodia, Thailand and Myanmar¹⁶. Poachers stay in the forests for weeks setting up snares and using visual clues such as tiger scat to narrow down the location where snares are set. A poacher may be able to make as much as US\$ 20,000 from selling the full animal. And the subsequent combined value of tiger body parts is anticipated to be much higher¹⁷.

Tigers are also killed in retaliation to livestock depredation (due to low prey density in the wild, see the threat below). It is suspected that some of these "conflict" tigers also enter the illegal trade, as was found to be the case in Sumatra (Shepherd and Magnus, 2004), but the relationship between these mortalities, the trade and their impact on the wild population are unclear.

• Low prey density: The most important ecological determinant of tiger density is the abundance of large (>20kg) prey in a given area (Sunquist, 1981; Seidensticker, 1986; Karanth and Sunquist, 1995; Karanth and Stith, 1999; Sunquist et al., 1999; Karanth et al., 2004). Karanth and Stith (1999) used a stochastic demographic model to show that prey depletion has a strong impact on tiger populations by reducing the carrying capacity for breeding females, decreasing cub survival and, ultimately, decreasing population size. Tropical rainforests, particularly those dominated by dipterocarps, tend to have low primary productivity at the ground level and, as a result, the diversity and abundance of browsers, such as deer, is naturally low (Eisenberg, 1980). The low density of ungulates coupled with the low visibility of the rainforest affects the hunting strategy of tigers that use visual cues to locate prey (Schaller, 1967). Understanding of the basic large mammal energetics also tells us that tigers cannot live on only smaller mammals, such as mousedeer (Tragulus spp) and pangolins (Manis javanica) (Sunquist et al., 1999). In rainforests where very large ungulates (> 40kg) are less common (for the reasons mentioned above), medium-size and abundant mammals such as wild pigs are also likely to be important prey species for tigers.

The population density of the three primary prey species – wild pigs, barking deer and sambar deer – is very low. They are all protected species under the Wildlife Act but can be legally hunted with an appropriate licence from DWNP. Based on thirteen separate studies, that jointly expended nearly 35,000 trap nights between 1998 and 2005¹⁸, the most abundant ungulate prey species, appear to be the wild pig, followed by barking deer and tapir. Photographs of sambar deer, serow and gaur were all rare with the majority of them taken in the protected area, Taman Negara.

In Taman Negara National Park, the prey biomass was roughly estimated to be between 270 to 430 kg/km2 and consists mainly of wild pigs and barking deer. These biomass estimates are an order of magnitude less

¹⁶ https://www.bharian.com.my/berita/nasional/2019/03/542157/perang-diisytihar-ke-atas-pemburu-haram-untuk-selamatkan-harimau

¹⁷ https://crownridgetigers.com/the-illegal-trade-in-tiger-parts

¹⁸ (Laidlaw et al., 2000; DWNP/DANCED, 2002; Mohd Azlan and Sharma, 2003; Kawanishi and Sunquist, 2004; Ahmad Zafir et al., 2006; Darmaraj, 2007; Lynam et al., 2007

than biomass estimates from semi-tropical or seasonal forests in India that support ten times as many tigers in a unit area (Karanth et al., 2004). A decline in prey density is likely to change the Malayan tiger's status in specific areas from rare to extinction. It is even more important in Malaysia's forests that the prey species are protected.

Snaring crisis:

The underlying driver of poaching and low prey densities (besides natural reasons) is snaring. The statistics obtained from DWNP provide evidence that the snaring situation is worsening. In operations during the 2013-2018 period, Malaysian officials destroyed 3,500 snares and arrested 162 individuals, of whom 64 (40%) were foreign¹⁹. This proportion of non-nationals apprehended for such activities was up to 60% during the first four months of Operasi Bersepadu Khazana (OBK), a special operation spearheaded by the police and DWNP which was launched in September 2019 to curb poaching. The results of OBK during this time included 460 snares destroyed, and the arrest of 82 individuals; 49 of whom were foreign nationals (14 from China, 12 from Cambodia, six each from Myanmar and Bangladesh, four each from Indonesia and Viet Nam, and three from Thailand). It is important to highlight again that, given the limited law enforcement capacity of the Malaysian government, a majority of these crimes are anticipated to go undetected.

• <u>Habitat loss and fragmentation:</u> Only about 10% of the Taman Negara National Park is lowland. The loss of the majority of lowland forests has caused a great decline in the numbers of many large mammals, including tigers. Although tigers can survive in upland forests, the prey population prefer low-land forests, which provide richer food and navigable terrain. Moreover, the dried riverbeds, often found only in low-land areas, are an important source of natural salt, which is critically important for herbivores' survival.

Life history traits of large carnivores generally make them more vulnerable to the effects of forest fragmentation and smaller populations are more susceptible to extinction due to stochastic events (Soule et al., 1979; Eisenberg and Harris, 1989). To support a minimally viable population of six breeding females suggested by (Karanth and Stith, 1999), under strict protection with no poaching of tigers and tigers' prey, a reserve must be at least 1,000 km² in tropical rainforest. This argument uses 1.6 adult tigers/100 km² as the typical tiger density in tropical rainforests (Griffiths, 1994; O'Brien et al., 2003; Kawanishi and Sunquist, 2004). However, this study assumes that the forests are at full carrying capacity of pre-species. In Malaysia, the realistic tiger density is between 0.4-0.6 adult tigers/100 km².

Of 42 Protected Areas in Peninsular Malaysia, only Taman Negara and Belum are greater than 1000 km². At the current prey density, the park can carry a population of 10-15 tigers, which isn't big enough to maintain a viable population. The reserve forests surrounding the protected areas are not conducive for tigers' and prey's survival and recovery due to extensive economic activities. It is clear that the long-term survival of the Malayan tiger largely depends on expanding the protected areas, improving protection mechanisms within the country's Forest Reserves (PRFs) and improving the ecological connectivity across different habitats.

The map demonstrates that extensive economic activities are taking place in the forest reserves in the south, adjacent to the Taman Negara NP. To expand the habitat of tigers and improve ecological connectivity between different protected areas, some of these production forests and agricultural land uses need to be brought under protection.

¹⁹ https://www.bharian.com.my/berita/nasional/2019/03/542157/perang-diisytihar-ke-atas-pemburu-haram-untuk-selamatkan-harimau

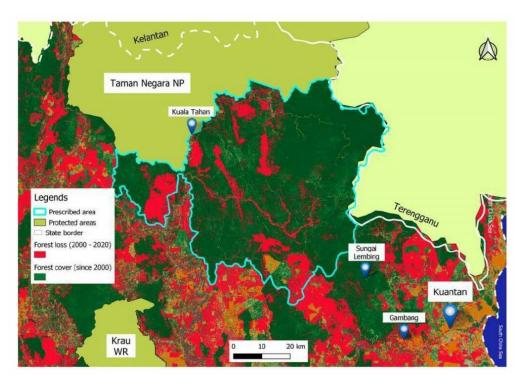


Figure 4. Taman Negara NP and the adjacent forest reserves

Governance structure: The existing governance structure and sharing of roles and responsibilities between the federal government and the state governments make tiger conservation particularly challenging for Malaysia.
 On one hand, it is the federal government that has committed to UNFCCC, CBD and the St. Petersburg Declaration, the federal government depends on the state governments to implement policies and mechanisms to achieve those goals and targets.

The constitution provides the states with the rights and responsibilities to manage their natural resources and generate revenues through the allocation of land for productive purposes. The states have used this governance structure to allocate land for timber, oil palm and rubber as they provide important sources of revenue to the state government.

The states have the legal framework and authority to reclassify and designate a parcel of land as a protected or conserved area and they have done so in certain cases (such as Royal Belum State Park). However, the protected areas generate limited revenue and contribute little to the economic development of the state. Therefore, the protected area coverage in Malaysia – at 6% - remains among the lowest in the world. Therefore, any proposal to designate protected areas must provide economic opportunities to the states and people within.

1.3. Thailand

Once a symbol of pride, the tiger in Thailand faced a daunting history. Roaming freely across vast forests and grasslands in the early 1900s, their estimated population of 3,000 dwindled rapidly to a mere 400 by the 1970s. Habitat loss, driven by unchecked logging and agricultural expansion, forced tigers into isolated pockets, while poaching and prey depletion further threatened their survival.

In 1980, recognizing the dire situation, the Thai government established protected areas, such as the iconic Huai Kha Khaeng Wildlife Sanctuary in 1981, providing tigers with a much-needed sanctuary. The formation of the National Tiger Conservation Committee in 1992 marked a significant step towards coordinated conservation efforts. Stricter laws like the Wildlife Conservation and Protection Act of 1997 aimed to curb poaching and wildlife trafficking, but the population of tigers continued to decline.

Despite these advancements, the 1990s witnessed further decline, with tiger numbers reaching a critical low of 250 in the early 2000s. The urgency of the situation propelled Thailand to join the global Tx2 initiative in 2008, aiming to double the world's wild tiger population by 2022. This ambitious goal, adopted with a seriousness that also matched the financial resources to some extent, reignited the nation's commitment to tiger conservation.

The 2000s witnessed a shift towards holistic and community-based conservation approaches. The Department of National Parks, Wildlife, and Plant Conservation (DNP) launched the "Saving Thailand's Tigers Project" in 2006, implementing a multi-pronged strategy encompassing habitat restoration, anti-poaching patrols, and education programs. However, the 2000s also saw the disappearance of tigers from most of Thailand's protected areas such as the Kaeng Krachan Forest Complex.

The 2010s saw Thailand take significant strides in safeguarding tiger habitats. The creation of the Western Forest Complex (WEFCOM) in 2010, spanning a vast 19,000 square kilometres, provided tigers with a vital corridor for movement and population expansion. Additionally, Thailand's revised Tiger Action Plan, released in 2016, outlined a comprehensive roadmap for conservation strategies for the next decade.



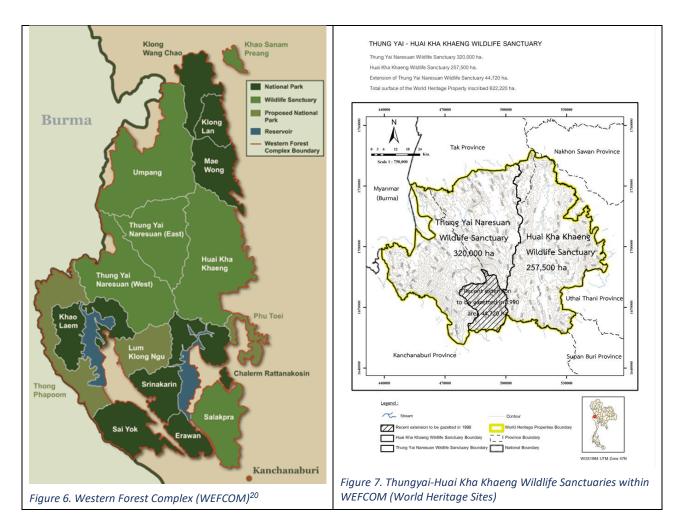
Figure 5. Priority landscapes under the Thailand Tiger Action Plan 2022-34

The journey towards a brighter future for tigers continued in the 2020s. The tiger numbers have continued to increase in Western Forest Complex (WEFCOM), making it the first and only place in the entire Southeast Asia where the population of tigers have increased. The updated Tiger Action Plan 2022-2034 significantly expands on the vision and proposes to scale up the success of WEFCOM to four additional landscapes across the country. The plan place places renewed emphasis on habitat protection, prey management, and community involvement.

Today, Thailand has a growing tiger population of approximately 200 individuals. This achievement is a testament to the unwavering dedication of conservationists, government agencies, and local communities who have tirelessly worked to protect this majestic species.

However, the fight for tiger survival continues. Habitat encroachment, poaching threats, and the ongoing climate crisis pose challenges. Yet, Thailand's unwavering commitment and innovative conservation approaches offer hope for the future. For this project, the most important priority landscape for tiger conservation is considered.

1.3.1. Western Forest Complex



This complex is a network of ecologically connected protected areas, hosting the only secured-source population²¹ in the Mekong region. This complex, with a total size of over 18,000 km², offers the greatest potential for tiger recovery in Thailand, including opportunities for translocation to other parts of Thailand. Three protected areas — Huai Khakhaeng (2,780 km²), Thungyai Naresuan West (2,118 km²), and Thungyai Naresuan East (1,572 km²) — make up the core area. Recognized as a UNESCO World Heritage Site in 1991, this core area is the most important stronghold for wildlife in the complex. In addition to many regional endemic species and some 28 internationally threatened species, at least one-third of all mainland Southeast Asia's known mammals are represented within the boundaries of this World Heritage site, providing the major stronghold for the long-term survival of many species, including tigers.²²

²⁰ Source: Elephant Conservation Network

²¹ With more than 25 breeding female population

²² UNESCO. 2013. Retrospective Statement of Outstanding Universal Value, Thungyai-Huai Kha Khaeng Wildlife Sanctuaries. https://whc.unesco.org/en/list/591/

WEFCOM's flora and fauna, many of which are rare, endangered, or endemic, is a unique mix of four regions and therefore unparalleled in Southeast Asia. Species disperse from other zoogeographical ranges, such as the rufous-necked hornbill from the Indian subregion and tapir from the Sundaic subregion. With its large size and as the zoogeographical range centre, WEFCOM is home to 150 mammals, 490 birds, 90 reptiles, 40 amphibians, and 108 fish species²³. The following chart shows the population of tigers within the area.

Conservation area	Area (km²)	Population of tigers
Huai Kha Khaeng Wildlife Sanctuary	2817	59-77
Thungyai West Wildlife Sanctuary	2117	16-31
Thungyai East Wildlife Sanctuary	1572	9-13
Umpang Wildlife Sanctuary	2587	
Mae Wong National Park	896	
Erawan National Park	530	23-27
Khuan Si Nakharin National Park	1843	
Sai Yok National Park	962	
Klong Lan National Park	300	
Thong Phapoom National Park	1235	
Khao Laem National Park	1497	Not enough data
Lum Klong Ngu National Park	672	
Salakpra Wildlife Sanctuary	859	

Table 1. Tiger population in the Western Forest Complex (WEFCOM)²⁴

The WEFCOM presents the only case of a successful tiger conservation and recovery programme in SE Asia. It offers a beacon of hope and a source of technical expertise and insights, for tiger recovery not just in Thailand but also in South East Asia. However, socio-economic challenges remain.

The threats across the landscape vary to some extent. For instance, in the core zones, threats are low due to decades of effort and include poaching as the main threat. However, along the western boundary of the landscape, the threats are significant due to encroachment, hunting and poaching. The Thailand-Myanmar border is porous and the Karen ethnic group, which is a heterogenous group, have been living on both sides of the border for centuries. The Karen communities have a traditional and ancestral relationship with forestland and its resources²⁵. Due to internal conflicts, thousands of Karen communities have been displaced and have chosen to cross the border and temporarily settle along the eastern border of Umpang Wildlife Sanctuary and Thungyai East Wildlife Sanctuary. As of October 2023, the UNHCR reported that 128,000 Karen refugees reside in refugee camps on the Thai-Burma border. However, this number doesn't account for those who fled after the coup and may not be formally registered as refugees. However, the number of communities that are settled inside the boundaries of the protected areas is not known.

²³ Wildlife Conservation Society https://thailand.wcs.org/en-us/Wild-Places/Western-Forest-Complex.aspx

²⁴ Thailand National Tiger Action Plan (2022-2034) (Draft)

²⁵ https://www.jstor.org/stable/27206657

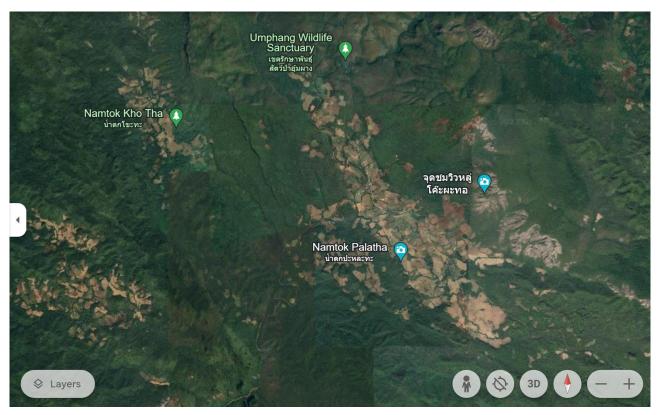


Figure 8. Maize cultivation inside Umpang WS

• Habitat loss due to unsustainable livelihoods: Several communities living inside the protected areas practice unsustainable agriculture. It is also important to note that several communities, at the same time, continue to engage in sustainable practices as they have been doing for centuries. A complex set of factors perpetuates the short and chemical-intensive cycle of maize production. This production approach rapidly degrades the land and forces communities to find new areas to cultivate. Due to displacement and lack of legal and customary access to natural resources, communities have been left with no choice but to adopt an "extractive" production system. The dominant driver is the lack of security in terms of rights to use land, which naturally creates incentives to invest less in land management and produce short-cycle cash crops. Moreover, the local traders provide hybrid maize seeds, chemical fertilizer and pesticides to the communities at the beginning of the plantation cycle and buy the produce at a discount, while charging a hefty interest rate. The maize value chain is connected to some of the largest global corporates. It is important to note that this is a very sensitive topic in Thailand and requires careful communication and diplomacy with the authorities. A constructive approach that brings different sides together, rather than an activist approach, is the only viable option to address this complex challenge. The presence of the settlements also reduces the suitable habitat for prey species of tigers such as sambar deer, gaur, and banteng²⁶.

 $^{^{26}\,}https://www.sciencedirect.com/science/article/pii/S1617138120301424$

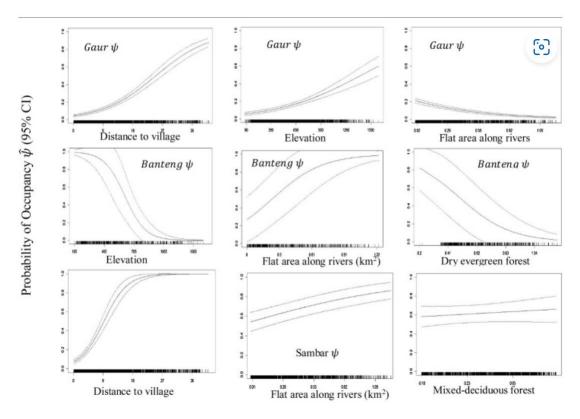


Figure 9. Research indicating the occupancy of prey animals in relation to the distance from the nearest village

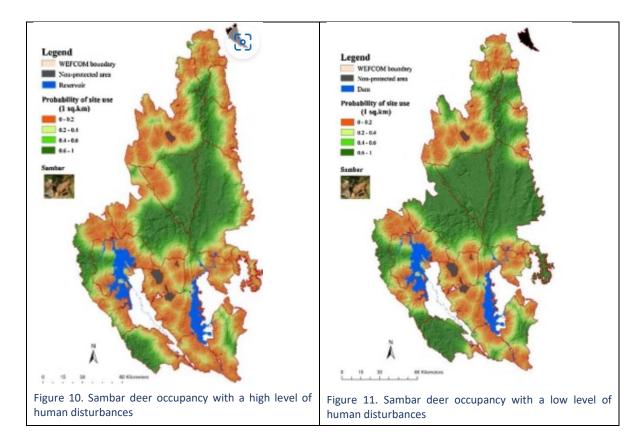
• <u>Subsistence poaching:</u> Several communities living in the protected area and the buffer zone practice subsistence poaching. The main species hunted for wild meat include langur, wild boar, sambar deer, civet cat, and muntjac²⁷. The poaching of prey animals is for both household consumption and sale at the local restaurant. Some of these animals, particularly sambar deer and wild boar, are important prey species for wild tigers. The recovery of sambar deer is considered critical for the recovery of tigers in WEFCOM and other tiger landscapes in Thailand²⁸.

In addition to reducing the population of prey species, subsistence poaching reduces the occupancy of prey species in areas that are frequented by poachers, as shown in the map.

Dogs are often used to locate the prey and guns are used by the subsistence poachers to shoot down the prey animals. However, snares are also being increasingly used, which is indiscriminate and thus much more damaging than guns. Based on the interview, there is a general recognition among the communities that hunting is not good for wildlife. Subsistence hunting is usually not the primary livelihood of the communities.

²⁷ Based on key informant interviews

²⁸ Coexistence of large carnivore species in relation to their major prey in Thailand (November 2021, Worrapan Phumanee et. Al.),



- Poaching and illegal wildlife trade: Poaching for tigers remains a serious threat in the complex. Between the 2000s and 2010s, poaching incidents continued to be reported, particularly in protected areas like Thungyai Naresuan Wildlife Sanctuary and Huai Kha Khaeng Wildlife Sanctuary. TRAFFIC, the wildlife trade monitoring network, reported that over 1,755 tigers were seized globally from 2000 to 2015, highlighting the critical issue of poaching. In 2020, tiger skin and skeletal remains were seized from a temple in Kanchanaburi province, a major tourist destination, demonstrating the persistence of the illegal trade. In 2023, several tiger poaching incidents were reported, including:
 - 1. A poacher was arrested in possession of a tiger skin and body parts in Nakhon Sawan province.
 - 2. Five poachers received five years imprisonment each for killing a female tiger and her cub in Kanchanaburi province.
 - 3. A tiger was found dead in Thungyai Naresuan Wildlife Sanctuary, with suspicion of poisoning by poachers.

Through a series of workshops and meetings with communities living within Thung Yai Naresuan Wildlife Sanctuary in Thailand, it was revealed that for all species, and in every village zone, commercial hunting contributed more heavily than subsistence hunting to animal population declines. Furthermore, this gap between commercial and subsistence hunting was largest for larger mammals, such as tigers and bears. It was also determined that networks of urban Thai traders were largely behind this commercial poaching.

2. STRATEGY

The project proposes an integrated strategy that addresses the threats and underlying drivers to the conservation and recovery of tigers and their landscape in Malaysia and Thailand. The document first details the strategies that need to be deployed in each of the two landscapes and then details the structure and management of the innovative financial instrument.

2.1. Malaysia: Greater Taman Negara Landscape

In Malaysia, providing a safe habitat for tigers and their prey as well as expanding the protected areas and corridors is vitally important and is the only possible way to bring the tigers back from the brink. As mentioned earlier, the population of tigers are dependent on the abundance of large prey such as sambar deer and wild boar. Malaysia's existing protected areas are too small to sustain a viable population of tigers. In addition to that, poaching and hunting have further reduced the density of tigers and prey.

2.1.1. Improve law enforcement

Improving law enforcement has proven to be an effective strategy (WCS, 2019), particularly in areas that are heavily snared. Based on the experience of WEFCOM, the recovery of the prey population, once the habitat is reasonably secured takes between 3-5 years.

The monitoring of the forests can also be done by a non-government entity; however, any engagement and apprehending the poachers can only be done by a government official. A law enforcement unit that patrols the forest usually has eight (8) members. A common practice in Asia is to patrol for about 15-16 days a month. Patrolling in Tropical rainforests is much more tiring (as compared to Savanna grassland) due to the insects, mosquitos, and leeches and a terrain that is tenuous to navigate through. Depending on the terrain, a unit can cover between 10-25 km per day. Moreover, in a place like the Taman Negara landscape, one unit can area of size 100 km² secure from poachers. The units use the SMART patrol system to plan their patrols, track their progress, account for any signs of animals and poachers, and any encounters with poachers. The SMART software generates reports, which provide a qualitative and quantitative assessment of the progress and effectiveness of the patrols.

In Malaysia, the responsibility to protect the state parks lies with the state park authorities. The state park authorities have a limited number of rangers because the state often sees it as a cost centre, without any financial benefits. However, if the financial costs of the rangers are covered through other sources (for instance, donors), the state park authorities are willing to hire additional rangers. Currently, 30% of the Taman Negara protected area and surrounding buffer zones are effectively protected. The project will contribute to increasing the protection and strengthening the law enforcement.

2.1.2. Remove snares from the tiger habitat:

Removing snares is one of the priorities that needs to go together with improving law enforcement. The local communities (*Orang Asli*) have been catching wild animals for wild meat. However, the practice is now much less common and as mentioned earlier, most of the snares in Malaysia are set by poachers coming from other countries. Moreover, the local hunters that set snare are often linked to international criminals. At the same time, the local communities have incredible knowledge and skills in detecting snares. The project will employ the local communities to remove snares.

The snare removal team consists of 4-6 individuals who spend between 10 - 12 days in forests removing snares. It is done over two trips, each lasting 5-6 days. The snare removal team coordinates with the government but doesn't necessarily need to consist of a government official. A team can cover 5-12 km a day and are often able to detect and recover 60-80% of the snares in their path. A snare removal team is sufficient to keep an area of size 70-100 km² clear of snares.

In addition to the salaries, the snare removal team needs to be fully equipped to be able to walk through a dense forest and sleep there at night. The equipment includes boots, appropriate clothing, waterproof jackets, GPS devices, food, water, tents, mosquito nets, medicines and a cook stove.

2.1.3. Turn unproductive economic land into protected and conserved areas

As mentioned earlier in detail, Malaysia's protected areas are highly fragmented by oil palm, rubber and timber concessions. Not all these concessions are economically viable. For instance, when an oil palm plantation reaches about 25 years of age, the production starts to go down. Moreover, the cost of removing the unproductive trees is also not small. Similarly, oil palm is not highly productive and is expensive to maintain on hilly terrain. Several such areas exist in Malaysia. One such area, detailed below, has been currently under assessment.

The Al-Sultan Abdullah Royal Tiger Park was designated as a protected area in August 2023. The designation also signifies a commitment of the Government of Malaysia to protect and recover its national animal – The Malayan Tiger. The Park is to the south of Taman Negara National Park and, therefore, it increases the total contiguous protected habitat available for tigers and their prey.

Two areas – one to the west of the Park and one to the south of the Park – have been identified as potential extension areas that are currently under economic land use but could potentially be brought under conservation if economic incentives are aligned.

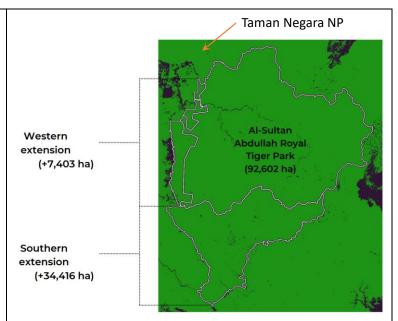
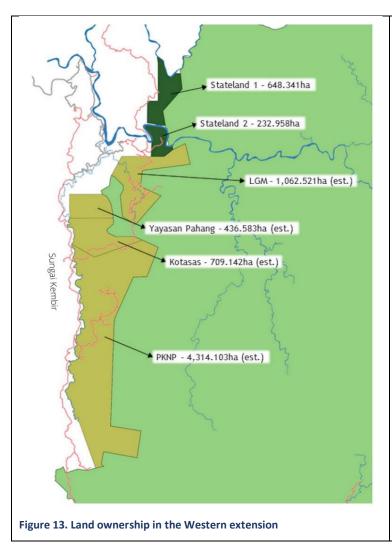


Figure 12. Royal Tiger Park is a newly established park in the south of Taman Negara NP



The western extension area is primarily designated for oil palm development and is owned by six national companies in total. It is a hilly train and the companies have planted the oil palm. The land has been cleared; however, after planting, the plantation wasn't taken care of. Over 80% of the area is grassland with sparsely planted oil palm trees.

Initial discussion with the two companies shows their interest in selling the land for conservation purposes.

If brought under conservation, a part of the area could be restored into natural forest and a part could be maintained as grassland. Moreover, artificial salt licks could be added. Grasslands with artificial salt-licks can sustain a much higher population of prey animals. With appropriate law enforcement, the site also offers opportunities to develop wildlifeviewing-based eco-tourism.

Similar opportunities exist for the Southern extension, which is dominated by timber concessions.

<u>Investment opportunity:</u> If the non-productive land could be acquired at low costs, there could be a business opportunity. An initial financial investment (debt or equity or mix) could provide resources to purchase the land, start the restoration work and build eco-tourism infrastructure. The revenue will be generated through eco-tourism, carbon credits and biodiversity credits, which could be used to pay back the investors.

UNDP is currently conducting a macro-level business analysis to assess the financial viability of investments. It is important to note that this approach offers a completely new approach to establishing new protected and conserved areas.

2.2. Thailand: Western Forest Complex (WEFCOM)

In Thailand, the tiger conservation programme requires a significantly more community-centric approach.

2.2.1. Strengthening the participation of local communities in forest governance:

It has been demonstrated through several studies that the inclusive governance and management of natural resources by communities, results in positive conservation outcomes²⁹. However, the communities face several

²⁹ https://www.iucn.org/sites/default/files/2022-06/es-2021-12625.pdf

challenges in this regard. These challenges include limited knowledge of the existing legal framework and the process, steps and approaches to constructively engage with the authorities to legally strengthen their governance and management of natural resources. Moreover, the capacity of the local stakeholders to map, document and monitor the community-managed areas is also limited. The institutional barriers in submitting necessary documents and securing access rights to be able to legally access natural resources for sustainable use are also the main barriers. The project will support the local communities in addressing these challenges by providing a platform to engage in constructive dialogue with different stakeholders to improve the land and nature resource rights of the local communities inside the protected area and the buffer zone.

There are limited opportunities to leverage private investments to scale up this strategy. Strengthening the governance of natural resources by local communities will need to continue to rely on grant funding.

2.2.2. Climate-resilient livelihoods of local communities strengthened

There are opportunities to shift from the current short cycle and chemically intensive production system to an agroforestry system. Several agroforestry models have been developed and piloted by Chiang Mai University, in partnership with the World Agroforestry Centre (ICRAF). These systems include a combination of different perennial crops such as rubber, timber, cocoa, coffee, citrus, durian, areca, papaya, and banana³⁰. The project will support the local community in and around Umpang and Thung Yai Wildlife Sanctuaries to shift from short, intensive semi-annual crops to an agroforest system. This will be done in ways that don't undermine the communities' income over the short term.

The project will identify local entrepreneurs and support them in establishing community-based enterprises. The community enterprise will add value to the product. The products will include coffee, cocoa, fruits and biodegradable plates. The capital costs of establishing enterprises range from US\$ 50,000 to US\$ 500,000. It is not cost-effective to invest in smaller ticket sizes, therefore, the project will consolidate social entrepreneurs to be able to reach the minimum ticket size of the Tiger Ecosystems Fund. The project will identify social entrepreneurs based on specific criteria (including prior experience), build their capacity for business planning and enterprise development, and help them with access to financing through the Fund. The project will also support market access by facilitating buyers-sellers' meetings. The project will ensure that at least 50% of the entrepreneurs are women.

<u>Investment opportunities</u>: Investment into enterprises offers viable opportunities for private investors. The grant funding will provide opportunities to build the capacity of the entrepreneurs and support market linkages. The Tiger Ecosystems Fund will provide financing for investments.

Note that strategies 1 and strategies 2 will support communities with the requirements to reduce dependence on subsistence poaching.

2.2.3. Improve Law Enforcement

Improving law enforcement has been instrumental in putting the tigers back onto the path of recovery in the WEFCOM³¹. Law enforcement in Thailand is strictly carried out by the authorities i.e., the Department of National Parks (DNP). A law enforcement unit that patrols the forest usually has eight (8) members. A common practice in Asia is to patrol for about 15-16 days a month. Patrolling in Tropical rainforests is much more tiring (as compared to Savanna grassland) due to the insects, mosquitos, and leeches and a terrain that is tenuous to navigate through. Depending on the terrain, a unit can cover between 10-25 km per day. Moreover, in a place like the Western Forest

https://worldagroforestry.org/publication/opportunities-and-limitations-agroforestry-systems-highlands-north-thailand
https://nmbu.brage.unit.no/nmbu-xmlui/bitstream/handle/11250/2443264/Masterthesis Sugiyama.pdf?sequence=1&isAllowed=y
https://www.wwf.or.th/en/scp/reforestation activity/flr 349/

³⁰ http://www.mcc.cmu.ac.th/Seminar/pdf/667.pdf

 $^{{\}color{red}^{\bf 31}}\,\underline{\text{https://thailand.wcs.org/en-us/About-Us/Publications.aspx}}$

Complex, one unit can keep an area of size 150 km² secure from poachers. The units use the SMART patrol system to plan their patrols, track their progress, account for any signs of animals and poachers, and any encounters with poachers. The SMART software generates reports, which provide a qualitative and quantitative assessment of the progress and effectiveness of the patrols. DNP has gained significant and sufficient capacity on SMART patrols, thanks to continued support from partners such as WCS, WWF, UNDP and others.

In Thailand, the government rangers also specialize in detecting and removing snares. Thus, no separate snare-removing team is required. The rangers are paid by the Thailand government. DNP spends about 60% of its patrolling budget to cover the salaries of the rangers³² and, thus, has limited resources to keep equipment and facilities in good condition. Therefore, the project will support DNP to cover some of these costs. The equipment includes boots, appropriate clothing, waterproof jackets, GPS devices, batteries, food, water, tents, mosquito nets, medicines and a cook stove.

<u>Investment opportunities:</u> Thanks to decades of efforts, the linkages between improved patrolling and impact on biodiversity are fairly well understood in the case of WEFCOM. This offers opportunities to quantify the gains in biodiversity into biodiversity credits and sell them to businesses and other investors. Therefore, investments in improving patrolling could potentially offer a viable business opportunity.

Gender considerations: Management and governance of natural resources must be inclusive and ensure that women and vulnerable groups are appropriately represented. In the mapping and documentation stage, the project will ensure that these groups are appropriately represented. This will be done through separate focus group discussions. This will inform women's current decision-making role, needs and aspirations, the relationship between women and natural resources, the impact of the degradation of natural resources on women, households and communities, and appropriate measures to strengthen inclusive governance. Moreover, in the governance of community forests and community-managed areas for the legal management of natural resources, women need to be appropriately represented. The project will ensure that at least 40%, and ideally over 50%, of the management committee of community areas are represented by women.

2.3. Administration, structuring and management of the project

The Project will be managed by UNDP, together with UNESCO.

The Project will support the establishment of the Tiger Ecosystems Fund to catalyse private investments in the tiger landscapes. The structure of the Tiger Ecosystems Fund and the efforts required to set up the fund are detailed in section 2.4.

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³² Based on key informant interviews

Figure 14. An integrated approach to financing tiger conservation and recovery

To achieve this the Project will work with local organizations and authorities to create enabling conditions for creating successful investable projects. These enabling conditions include strengthening the governance of the local communities of natural resources and supporting a shift from monoculture to mixed agroforest systems. These enabling conditions, critically important for the long-term conservation outcomes, are critically important; however, they tend to have limited to no financial returns.

Moreover, the Project will work with the local stakeholders to support a high-quality pipeline of projects, particularly in the early years of the Tiger Ecosystems Fund. The project will coordinate with the Tiger Ecosystems Fund in the pipeline development and once the financial viability is assessed as favourable, unlock private investments into those projects. The nature positive investments are anticipated in the following thematic areas, which have already been summarized earlier.

At a global level, the Project will seek implementation support, via Responsible Party Agreement, for the financial structuring of the Fund from Bankers Without Borders (BWB). BWB is an NGO with expertise in financial transactions and structuring and previous experience working with UNDP and other UN Agencies.

> 1. Turn unproductive economic land into protected and conserved areas (Taman Negara Landscape, Malaysia): The Project will coordinate with the Fund to identify degraded areas that could be restored. The project will conduct an initial business analysis to assess the financial viability and identify key stakeholders. Once the viability is established, the Tiger Ecosystems Fund will work with the project developer to conduct due diligence, refine the business plan, assess E&S impact, prepare a work plan and invest. The Project will continue to provide technical support during the restoration of the areas.

Figure 15. Local businesses would invest in four different areas

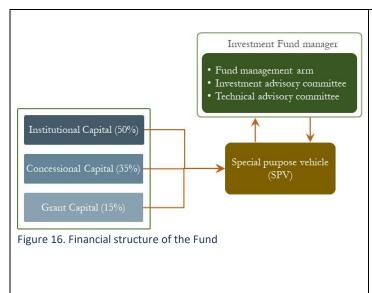
2. Eco-tourism infrastructure (Taman Negara Landscape, Malaysia; Western Forest Complex, Thailand): The project will help identify the project developers, and the sites and help prepare a business plan for eco-tourism infrastructure development. The Tiger Ecosystems Fund will invest in eco-tourism infrastructure. The Project will support the initial business analysis and continue to provide technical support in the implementation stage. These may include both increasing the outreach to potential tourists and improving the ecological features of the site.

- 3. Climate-resilient livelihoods of local communities strengthened (Western Forest Complex, Thailand): The Project will support in identifying local entrepreneurs, build their capacity, help develop the business plan, and facilitate market access. The Tiger Ecosystems Fund will invest in social enterprises and revenue will be generated through the sale of sustainable and value-added agroforestry products.
- 4. Biodiversity and carbon credits (Ranger patrolling): Although the revenue from biodiversity credits is unlikely to cover the costs of patrolling, the fact is that law enforcement increases the biodiversity against the baseline, which can be quantified into biodiversity credits and sold into the market to provide additional resources for conservation. Therefore, there could be a potential investment model that the Project will explore.

2.4. Financial structure of the Tiger Ecosystems Fund

The Fund will raise blended capital through private and concessional sources. The fund will be managed at the regional level, reducing the costs of fund management in individual countries. Discussions are ongoing in terms of financial structure and fund management with private investment banks and regional and global multilateral development banks such as the Asian Development Bank, World Bank, and European Investment Bank.

2.4.1. Tiger Ecosystems Fund



A Special Purpose Vehicle would be set up in close collaboration with a well-established investment bank. The financial structure of the SPV would be relatively simple, where a cohort of investors will provide capital by investing in the SPV. The SPV will be managed by the Fund Manager. Based on an initial modelling done by UNDP, a capital stack of 50%, 35% and 15% by institutional investors, concessional capital investors and grant capital providers respectively, will be required to achieve an anticipated rate of return of 9%, 1.5% and N/A, respectively. Modelling is done for the four investment sectors mentioned above — namely restoration, livelihoods enterprises, eco-tourism and Protected area management.

The Fund management structure will have a Fund management arm, Investment advisory committee and Technical advisory committee. The fund management arm will be responsible for the day-to-day financial management of the fund. The investment advisory committee will consist of representatives from organisations with appropriate expertise nature financing (for instance, UNCDF is anticipated to be a part of the investment advisory committee). The investment advisory committee will advise on the financial viability of a particular investment proposal received by the Fund. The committee will also receive regular financial and E&S reports and recommend adaptive management decisions. The technical advisory committee will provide technical support to the landscapes in the implementation of the strategic plan.

Institutional capital

In the initial stages of the Tiger Ecosystems Fund, without a proof-of-concept and no investment records, it is important to consider the right target for institutional investors. Based on the discussions with key investment banks, the Fund

could be *very attractive* to certain types of investors, particularly family offices and high-net-worth individuals who have strong impact requirements. The recommendation was also to not target mainstream institutional investors such as pension funds in the early stages of the capitalization of the fund. A cost of capital of 9%, under the current market conditions, is also considered realistic and appropriate based on the feedback from the investment banks.

Concessional capital:

A concessional capital with be instrumental in reducing the risks to institutional investors. A concessional debt of 35% in the capital stack with a cost of capital of 1.5% is modelled and believed to be sufficient to secure the interest of the institutional investors. Moreover, the concessional capital investors, usually a Multilateral Development Bank or a Development Financial Institution (DFI), will significantly increase the confidence of the institutional investors to invest.

UNDP has been in discussions with several multilateral and bilateral institutions. While no firm commitment has been secured, there is a good interest in continuing the discussions. The key concerns mentioned are the development of a high-quality pipeline with a positive biodiversity impact and the ticket size.

Grant capital:

Given the limited financial viability of investment in nature and limited track record of fully commercial investment vehicle for nature conservation, the Tiger Ecosystems Fund will require a small amount of grant capital (anticipated 15% in the capital stack based on the modelling) for the Fund to be financially viable and de-risk the investments of the institutional investors.

It is important to note that UNDP reached out to conservation organizations such as WWF, IUCN, WCS, Panthera, Traffic, ZSL, and FFI to collaborate and partner on the Tiger Ecosystems Fund. The response has been positive and the roles and responsibilities will need to be worked out. These organizations are anticipated to play a key role in pipeline development given their outreach in the landscapes.



Figure 17. Capital stack, sector investments and CoC

Project Document

3. RESULTS AND PARTNERSHIPS

Figure 18. The overall theory of change

3.1. Protection and Restoration Outcomes

Outcome 1: Inclusive and community-driven conservation approaches to protecting and restoring ecosystems

Outcome 1 intends to address the threats and underlying drivers of tiger conservation and restore ecological corridors and buffer zones. Some of the outputs under this outcome, which do not generate financial returns, will be funded through grant instruments and the remaining will be financed through the Tiger Ecosystems Fund. This outcome aims to strengthen inclusive governance of natural resources by local communities to promote socially sustainable and effective approaches to conservation that protect human rights, enhance local ownership, support marginalized stakeholders (women, youth and elderly), and contribute to sustained livelihoods and nature-positive outcomes, and support the safeguarding of sites of outstanding universal value³³.

While recognizing that snaring and poaching remain the biggest threats to tigers' survival in many landscapes, if urgent actions are not taken the tigers may go locally extinct. This is particularly an existential threat for the Malayan

³³ Including the World Heritage Sites

sub-species of tigers. In addition to that, this outcome also aims to support the local nature-positive businesses and entrepreneurs to build capacity to be able to access commercial capital.

Output 1.1. Management of community forests and territories improved by strengthening forest land rights and governance, contributing to effective and equitable conservation of the Thungyai-Huai Kha Khaeng Wildlife Sanctuaries UNESCO World Heritage property

As mentioned earlier, several protected areas in the Western Forest Complex have been inhabited and used by local communities. In some cases, there has been a discrepancy between an exclusionist legal framework and the reality on the ground in the activities that would drive positive conservation outcomes³⁴.

Since 2019, new legislation enables certain rights for and involvement of, local communities. However, the reorientation of the protected areas approach implied in new legislation for national parks and wildlife sanctuaries will undoubtedly require substantial time, effort and mutual trust-building to produce concrete results. The new options to provide communities regulated access to natural resources are particularly promising, but to ensure proper implementation of the new laws, clear operational guidance and careful consultations and analyses will be required.

The management of all protected areas in Thailand is supported by Protected Area Committees (PACs), which consist of representatives from nine distinct groups, including i) regional administration agencies, ii) local administration agencies, iii) relevant government agencies, iv) local communities, v) DNP's local units, vi) Protected Area officials, vii) local spiritual/religious/academic leaders, viii) local media, and ix) NGOs. These PACs advise on the implementation of the management plans of each protected area, including on issues related to local community participation in management 3536.

This output intends to support the building of trust between local communities (while ensuring the inclusion of women, youth, and vulnerable groups) and authorities, through the established convening platforms, and by developing pilot projects to be decided by the PACs.

Focus areas include two protected areas within the Western Forest Complex – (a) Huai Kha Khaeng Wildlife Sanctuary and (b) Thungyai Wildlife Sanctuary. Note that historically the space for such kind of activities has been rather limited in Thailand, therefore (i.e. a fortress approach to conservation has been the key pillar), careful consideration and a constructive approach are paramount.

The ultimate objective of this output is to strengthen the legal rights of the local communities over the governance and management of natural resources, which would provide an incentive for them to shift from intensive short-cycle agricultural production to an agroforestry production system.

Output Indicators

- Number of meetings of the Protected Area Committees for two protected areas within the Western Forest Complex in which local communities and authorities participated
- Number of women, youth and vulnerable groups who participated in the meetings of the Protected Area Committees
- Number of pilot projects set up in WEFCOM to help build trust between local communities and authorities³⁷
- Number of documentation and management guidance created in the WEFCOM landscape to facilitate
 engagement with authorities and indigenous natural resource use and management as the basis for a more
 collaborative approach to sustainable natural resource governance and biodiversity conservation

Activities

³⁴ IUCN, 2016, Report on the mission to Dong Phayayen-Khao Yai Forest Complex, Thailand, from 13 to 19 December, 2016

³⁵ IUCN, 2023, Kaeng Krachan Forest Complex IUCN World Heritage Advisory Mission 21 – 28 November 2022

³⁶ UNESCO, 2023, Analysis and Conclusion by World Heritage Centre and the Advisory Bodies in 2023, Kaeng Krachan Forest Complex: <u>UNESCO World Heritage Centre - State of Conservation (SOC 2023) Kaeng Krachan Forest Complex (Thailand)</u>

³⁷ This indicator is also linked with output 1.2 and output 2.3, where various livelihood components are supported.

- 1.1.1. Enhance meaningful participation of local communities and constructive engagement with authorities and through facilitating greater involvement in the Protected Area Committees and other awareness-raising activities
- 1.1.2. Support the development of pilot projects to explore better ways to reconcile legitimate economic, social, cultural and spiritual needs of communities living in and/or using protected areas and conservation objectives
- 1.1.3. Within the landscapes support local communities to collaborate with authorities in mapping and documentation of indigenous natural resource use and management as the basis for a more collaborative approach to sustainable natural resource governance and biodiversity conservation

1.2. Climate resilience and livelihoods of local communities are strengthened through sustainable livelihoods

As mentioned earlier, some communities in the tiger landscapes are forced to practice unsustainable livelihoods. This output focuses on three sets of activities. The project will support the communities to build technical skills in agroforestry and provide step-by-step guidance and handholding to shift from the current production system to a mixed agroforestry production system. This will be done by identifying and building the capacity of a community agroforestry technician so the capacity remains and continues to be used within the community when the project exits

Based on the surveys done, supporting better access to the market is critical to strengthening the livelihoods of these communities. Matchmaking between buyers and sellers, better branding and packaging are identified as top priorities. Second, local value addition is possible for certain commodities. Examples include elephant foot yams, biodegradable plates, fruit jams, and wild honey. Therefore, the identified agroforestry system should be complemented with the opportunity to add value and access better markets.

While this output will work with the local social entrepreneurs for local enterprise development for value addition, the investments into the enterprise will be made by the Tiger Ecosystems Fund.

Output indicators

- Number of families shifting to mixed agroforest system
- Number of entrepreneurs with skills, passion and business plans for developing local enterprises (note that the number of new enterprises established is an output under Outcome 2)

Activities

- 1.2.1. Identify local ecological agricultural products with market potential and develop a menu of sustainable agroforestry systems
- 1.2.2. Support smallholder farmers to shift to a mixed agroforestry system
- 1.2.3. Build capacity of and support local entrepreneurs to establish local community enterprises
- 1.2.4. Support community enterprises in branding and matchmaking through buyers-sellers meets

1.3. Poaching threats to wild animals, including tigers, is significantly reduced

In Thailand, due to intensive ranger patrolling based on the SMART (Spatial Monitoring And Reporting Tool) patrol, poaching pressure has been significantly reduced in several protected areas. In WEFCOM innovative approaches such as the Network-Centric Anti-Poaching System (NCAPS), which is based on camera traps using the mobile telecommunications network, have been some of the key reasons for the decline. However, poaching threats can return anytime if protection and law enforcement are weakened. It is therefore important to ensure continued support for ranger patrols, including equipment, in the WEFCOM.

The rangers are employed by the government and receive regular salaries from the authorities; however, their equipment tends to be in poor condition. These include boots, appropriate clothing, waterproof jackets, GPS devices, batteries, food, water, tents, mosquito nets, medicines and a cook stove. The project will support rangers with the equipment to be able to effectively carry out patrolling and removing snares.

In Malaysia, the capacity – both in terms of technical capacity and as well as the resources allocated – is limited. Often local communities have better knowledge of forests than government rangers, which are very few. The local communities, sometimes due to their own experience, could be employed to remove snares. This strategy has worked wonderfully well in Malaysia and the number of animals caught in the snares has significantly reduced and their population has increased.

Output indicators

- Number of KMs of ranger patrol supported
- Number of snares removed (note that reduction in snares found doesn't mean lack of effective patrolling)

Activities

- 1.3.1. Regularly train rangers on smart patrol
- 1.3.2. Identify community rangers and prepare the standard operating procedure for snare removal
- 1.3.3. Purchase necessary equipment required for effective patrolling
- 1.3.4. Regularly support and train the community rangers on snare removals

3.2. Financial Innovation Outcomes

Outcome 2: Tiger Ecosystems Fund structured and provides financing for nature-positive businesses

Outcome 2 intends to structure and deploy a Fund to finance nature-positive businesses and investments in the two tiger landscapes.

Output 2.1. Enabling environment and capacity for commercial investments into nature established

Before the Fund is structured, it is important to identify the key sectors and investment opportunities and engage key stakeholders in the landscapes. Without having a clear understanding of the landscapes, the interests of stakeholders and key investment sectors, the investors are unlikely to invest in the Fund.

Under this outcome, the project would engage with key stakeholders – including the governments, local businesses and conservation organizations – to build a shared understanding and to conduct a high-level assessment of the scale and scope of investable opportunities.

Output Indicators

- All key stakeholders agree to the need for a Tiger Ecosystems Fund
- Key investment sectors and opportunities, along with the business case, are identified.

Activities

- 2.1.1. Identify and engage key stakeholders and build a shared understanding of the need for a Fund
- 2.1.2. Conduct high-level business analysis to fully understand the potential investment sectors and the relevant legal framework.

2.2. Tiger Ecosystems Fund, a blended finance mechanism, is capitalized with private and concessional capital

Once the enabling framework for investment into nature-positive businesses is fully assessed and investment opportunities identified, the Fund will be structured and set up by the financial institution partners. The Fund will be set up at a regional level but will be compartmentalized for Malaysia and Thailand. This will reduce the costs of management while providing flexibility to investors to invest in their priority countries.

The Fund will be set up in collaboration with an investment bank and managed by a Fund manager. An existing fund manager with experience in such investments will be partnered with to minimize the costs. The investment bank will raise commercial funds through its network of investors. The target investors have been detailed in the previous sections.

Output indicators

- A Fund is set up, and managed by an existing fund manager.
- The Fund is capitalized with private and concessional capital.

Activities

- 2.2.1. Continue to engage the investment banks to identify and set up a Fund
- 2.2.2. Continue engagement with the bilateral and multilateral institutions to unlock anchor investments into the Fund
- 2.2.3. Launch the fund at a high-level event to leverage more concessional capital into the structure

2.3. A robust pipeline of nature-positive projects developed and financed with a strong impact on climate, nature and people

The project will closely work with the Fund to develop a pipeline of projects. For instance, the project will provide technical assistance and financial support to conduct a cost-benefit analysis of investment into restoration. The project will provide technical assistance and financial support to bring social agricultural enterprises to an investment-ready stage.

Output indicators

- 10 Native positive investments are made into the identified four sectors
- 50,000 ha of degraded agricultural land is bought into the natural forest and mixed agroforestry system
- At least four new community enterprises (50% women-managed) provide improved livelihoods to the communities

Activities

- 2.3.1. Support local businesses and the Fund to develop a pipeline of projects
- 2.3.2. Provide technical inputs on the environmental and social aspects of the project during the pipeline development

3.3. Sector Transformation Outcomes

Outcome 3: The Fund offers a blueprint to scale up private financing for climate and biodiversity

Recently, several countries have become interested in debt instruments for conservation. This is a positive development and offers opportunities to share a blueprint for the approach that countries can take to scale up private financing for biodiversity. Given that the context of countries is different, the debt financing solutions should be decided based on those considerations. Rather than prescribing one specific solution, the blueprint and case studies will offer opportunities, to learn the process.

Output 3.1. Tiger Ecosystems Fund case study is published in the media channels and provides a blueprint for financing biodiversity conservation in other parts of the world

In several countries, the silos between the ministries of finance and ministries of environment also deter the deployment of innovative financing mechanisms. It is best to demonstrate through examples how the two ministries can work together and innovate financing solutions that meet the requirements of both ministries.

Based on the Tiger Ecosystems Fund, case studies will be developed to document the process, which could be used by other countries.

Output indicators

- The Tiger Ecosystems Fund case study prepared and shared in at least three events
- Significant interest from Jaguar and other Tiger range countries for UNDP's support on big-cat fund

Activities:

- 3.1.1. Prepare a case study and publish it in one of the top finance publications
- 3.1.2. Present the case studies in at least 3 major events, including biodiversity COP and UNESCO World Heritage Committee.

3.4. Activities in detail

1.1.1. Enhance meaningful participation of local communities and constructive engagement with authorities and through facilitating greater involvement in the Protected Area Committees and other awareness-raising activities

This activity will include bi-laterally engaging with different stakeholders of the PACs and ensuring appropriate support as well as convening and facilitating a series of multi-stakeholder meetings of the PACs. As communities have a limited understanding of the new legislation about their rights and involvement as well as the process to legally access natural resources in the protected area management, this activity will help raise that awareness.

1.1.2. Support the development of pilot projects to explore better ways to reconcile legitimate economic, social, cultural and spiritual needs of communities living in and/or using protected areas and conservation objectives

This activity will provide appropriate support through mapping and documenting evidence of sustainable natural resource management to ensure meaningful and effective participation and engagement of communities in the PACs. The mapping and documentation will include their economic, social, cultural and spiritual needs, the governance within the communities, as well as the interrelationship between these needs, governance, actions and sustainable natural resources outcomes.

1.1.3. Within the landscapes support local communities to collaborate with authorities in mapping and documentation of indigenous natural resource use and management as the basis for a more collaborative approach to sustainable natural resource governance and biodiversity conservation

The activity will include facilitating workshops between communities and authorities, building technical capacity on sustainable natural resource management as well as mapping and documenting those management, governance and outcomes and, where relevant working with communities to map and document the local community territories.

1.2.1. Identify local ecological agricultural products with market potential and develop a menu of sustainable agroforestry systems

Sufficient research and studies have already been done on the potential and optimum agroforestry system in the landscape. However, there is limited understanding of the social aspects in terms of the conditions, enabling factors and approaches for communities to shift from current agricultural practices to the agroforestry system. The project will engage with communities to develop a plan to shift from existing practices to sustainable agroforestry systems.

1.2.2. Support smallholder farmers to shift to a mixed agroforestry system

The project will identify pilot plots and identify a few village-level technicians from the target communities. Through the pilot plots, the project would build the practical skills and capacity of the technicians and local communities to shift to a sustainable agroforestry system. The practical and on-the-field training is critical to also demonstrate to communities a better system of agricultural production. The same technicians will continue to support the communities and help in scaling up the adoption of agroforestry practices.

1.2.3. Build capacity of and support local entrepreneurs to establish local community enterprises

The project will engage with local entrepreneurs and entrepreneurship service providers (including start-up incubators) to support local entrepreneurs in building their capacity for enterprise development. It is expected that existing entrepreneurs such as those currently operating enterprises are most suitable for this programme. The project will build their capacity for organization management, marketing, business planning, access to the market and other relevant skills. This will be done with the recommendation and advice of the Fund to ensure that the business plan they develop is fully aligned with the investment criteria of the Fund.

1.2.4. Support community enterprises in branding and matchmaking through buyers-sellers meets

The project would also provide support to the enterprises in accessing the market. This will be done through facilitating buyers sellers meetings, developing branding and packaging, facilitating field visits and helping in contractual agreements.

1.3.1. Regularly train rangers on smart patrol

Improving ranger patrol is critically important where snaring, poaching and unsustainable hunting have significantly wiped out the population of tigers and the prey species. The rangers are employed by the government on their payroll. However, in some countries, their capacity needs to be significantly strengthened. The capacity development includes preparing the patrol plans, and standard operating procedures for patrolling, recording activities and encounters in the patrol sheet, and preparing SMART reports. As mentioned in the country-specific strategies, capacity development is particularly important for rangers in Malaysia.

The training will include both classroom training and field training.

1.3.2. Identify community rangers and prepare the standard operating procedure for snare removal

The government rangers aren't sufficient in numbers in many of the tiger range countries. In Malaysia, the rangers aren't enough to both patrol the areas and remove snares. Employing community members to remove snares has proven to be a very effective approach in Malaysia.

The activities will include establishing community ranger groups (6 members each) and spending 5-15 days/month in the forests removing snares. Since the community rangers aren't paid by the government, they are provided with a daily stipend. Note that removing snares does not and should not substitute the primary livelihoods of these communities.

1.3.3. Purchase necessary equipment required for effective patrolling

The lack of proper equipment to carry out effective patrols has been a chronic issue³⁸. The most common equipment includes boots, uniforms, backpacks, mosquito nets, sleeping bags, hammocks, and communications devices. The project will support the rangers with some of the equipment in both countries.

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³⁸ https://www.worldwildlife.org/publications/life-on-the-frontline-2019-a-global-survey-of-the-working-conditions-of-rangers

1.3.4. Regularly support and train the community rangers on snare removals

The activities include providing both classroom training and field training on how to remove snares. The training also includes how to use SMART patrol to keep track of snares encountered and their locations. Experience demonstrates that regular training and the provision of appropriate equipment are the two most important determinants of effectiveness in patrolling and removing snares. Under this activity, the project will also provide an allowance to the communities to be able to continue to remove snares in Malaysia.

2.1.1. Identify and engage key stakeholders and build a shared understanding of the need for a Fund

Stakeholders in Malaysia have already been identified and there is a significant interest in having an "off-balance-sheet" financing vehicle such as a tiger ecosystems fund that could finance nature-positive investments in the priority landscapes. In Thailand, the discussions are ongoing.

Building a shared understanding is critical to gaining the interest and support of key stakeholders, particularly the government. This will also be important in building a robust pipeline of projects. In terms of activities, this will involve a series of bilateral meetings and multistakeholder workshops.

2.1.2. Conduct high-level business analysis to fully understand the potential investment sectors and the relevant legal framework

Before the investors – both private and concessional - commit capital to the Fund, they would need to see a high-level assessment of the investment opportunities across the targeted sectors. UNDP has identified four sectors mentioned earlier and prepared a high-level financial model for commercial investments in those four sectors. An assessment is also currently ongoing in Malaysia to assess the potential of restoring degraded land and to verify the assumptions of the financial model. In terms of activities, this will involve an expert doing desktop research and interviewing different stakeholders (land owners, government, project developers, and conservation NGOs) to assess the costs and revenue opportunities of investments in those four sectors.

2.2.1. Continue to engage the investment banks to identify and set up the Fund

This activity will involve working with an investment bank and multilateral development banks to set up the Fund. A fund manager with experience in nature-positive investments in the region will be prioritized. Together with UNDP, the fund manager will establish the structure and governance of the Fund. Identified concessional investors such as ADB will also be involved in setting up the structure. A non-exhaustive list of activities to be completed before the Fund is officially launched include

- a. Create fund investment thesis
- b. Develop legal and governance architecture for the fund
- c. Develop risk assessment framework
- d. Draft Terms of References for Fund Manager
- e. Hire investment fund manager
- f. Continue investor outreach and secure an anchor investor
- g. Identify donors and philanthropists for the grant fund part of the Tiger Ecosystems Fund
- h. Hire a fund manager for the grant fund of the Tiger Ecosystems Fund
- i. Develop an investable project pipeline
- j. Develop a standardised project evaluation framework

2.2.2. Continue engagement with the bilateral and multilateral institutions, including ADB, to unlock anchor investments into the Fund

The activities will involve preparing communications assets and reaching out to different public and private institutions to capitalize the Fund. The activities will also involve projecting the cumulative E&S impact of the Fund and presenting the Fund at several events on nature and climate.

2.2.3. Launch the Fund at a high-level event to leverage more concessional capital into the structure

With this activity, the Fund will be launched at a high-level event. The target will be to launch it at the Biodiversity or Climate COP. The launch will be done to leverage further private and concessional capital into the fund.

2.3.1. Support local businesses and the fund to develop a pipeline of projects

This activity strongly links with Activity 1.2.3 and will support the local entrepreneur and the fund manager in developing a pipeline of projects. The activity (together with 1.2.3) will include identifying entrepreneurs with interest and passion for restoration, eco-tourism and restoration to develop a business plan and build their capacity. The activity will also support strengthening the governance and management of the enterprises and improving transparency to be able to meet the investment requirements. The entrepreneurs will have to meet clear E&S criteria that will be developed during the establishment of the Fund. These criteria will include, for instance, zero deforestation/conversions sourcing of agricultural products, and sustainable management of forests where Non-Timber Forest Products are sourced from.

2.3.2. Provide technical inputs on the environmental and social aspects of the project during the pipeline development and project implementation

Under this activity, the project will further support the entrepreneurs to strengthen their environmental and social impact and deploy safeguards during the pipeline development as well as during the implementation. The entrepreneurs face several challenges. For instance, if communities they are sourcing from continue to deforest natural habitats, then what action should the entrepreneurs take? The project will provide support to the entrepreneurs and the Fund Manager to navigate through these challenges.

3.1.1. Prepare a case study and publish it in one of the top finance publications

What makes this initiative different from others is the focus on a landscape approach. The project will publish the approach in different finance publications, including successes and lessons learnt. The publications will provide a blueprint for other stakeholders on how to develop an innovative financing mechanism for landscape-scale biodiversity conservation. The activity will involve preparing and publishing communications assets.

3.1.2. Present the case studies in at least 3 major events, including biodiversity COP and UNESCO World Heritage Committee

The project will present the case study of this Fund in some of the reputable events to have as far outreach as possible. The activities will include travel and preparation of communications assets.

1. Resources Required to Achieve the Expected Results

The UNDP Nature Investment Advisor, under the guidance of the UNDP Senior Nature Economist, will provide the overall oversight and technical support for programme implementation. Nature Investment Advisor will also coordinate efforts with partners, such as Asian Development, World Bank, private investment banks, and other relevant

institutions, at the HQ level. The Advisor will technically support the countries to get the necessary endorsement from stakeholders.

At the country level, project officers, under the guidance of the Deputy Resident Representatives will oversee and support the implementation of the Programme on the ground and liaise with the country-level partners. The project officers will be overall responsible and accountable for developing and implementing the work plan at the country level, overseeing the budget, and ensuring inclusive and frequent engagement with relevant stakeholders.

2. Partnerships

The main partners supporting the implementation of the project in both Malaysia and Thailand are drawn from the Government, private sector, civil society/NGO and United Nations Agencies. The name and role of each are briefly described below:

- (Malaysia) Department of Wildlife and National Parks (PERHILITAN): placed under the purview of the Malaysian Ministry of Natural Resources and the Environment, PERHILITAN is responsible for the protection and recovery of tigers and for delivering the agenda of the global biodiversity framework. The entity remains the focal point for engagement in tiger and biodiversity conservation.
- (Malaysia) State Parks Authorities (Perak State Parks Corporation and Pahang State Parks Corporation): The
 state parks corporations are responsible for planning and management of the state parks such as Royal Belum
 State Park and Gunung Stong State Park. The anticipated role of the state park authorities, along with
 conservation NGOs, is to implement specific activities in the target landscapes.
- (Malaysia) Federal Treasury department: placed under the Ministry of Finance, the Federal Treasury is
 responsible for public debt management, including providing credit enhancement and guarantees to public or
 private entities.
- (Malaysia) Malaysian Conservation NGOs: several conservation NGOs have already been identified and engaged. The organizations include the Habitat Foundation, Wildlife Conservation Society (WCS), Panthera, and World Wildlife Fund (WWF). The anticipated role of the conservation NGOs, along with the authorities, is to implement specific activities in the target landscapes.
- (Thailand) Department of National Park, Wildlife and Plant Conservation (DNP): placed under the purview of the Thailand Ministry of Natural Resources and Environment, DNP is responsible for the protection and recovery of tigers and for delivering the agenda of the global biodiversity framework. DNP is also responsible for the planning and management of the protected areas. The anticipated role of the DNP, along with conservation NGOs, is to implement specific activities in the target landscapes.
- The Public Debt Management Office: placed under the Ministry of Finance, the debt management office, along with the treasury, is responsible for public debt management, including providing credit enhancement and guarantees to public or private entities. The anticipated role of the treasury, with the endorsement of the debt management office, is to provide concessional capital to the Tiger Ecosystems Fund over the long term.
- (Thailand) Conservation NGOs: several conservation NGOs have already been identified and engaged. The
 organizations include the Wildlife Conservation Society (WCS), Panthera, Fauna and Flora International, and
 the World Wildlife Fund (WWF). The anticipated role of the conservation NGOs is to implement specific
 activities in the target landscapes.
- Asian Development Bank (ADB): In addition to ADB, several multi-lateral development banks (MDBs) and
 Development Financial Institutions (DFIs) have been engaged. These institutions include the World Bank,
 European Investment Bank (EIB), KFW Development Bank (KFW), British International Investment (BII), and
 Agence Française de Développement (AFD). The ongoing engagement with these institutions indicates a
 positive response and interest in the Fund. The anticipated role of these institutions is to provide concessional
 capital to the Fund.
- a. The United Nations Development Programme (UNDP) role as Project Implementor

Project Document

UNDP works in about 170 countries and territories, helping to achieve the eradication of poverty and the reduction of inequalities and exclusion. UNDP supports countries to develop policies, leadership skills, partnering abilities, and institutional capabilities and forge resilient pathways to sustain development results.

Due to its convening role at all institutional and systems levels, UNDP is uniquely situated to build multi-stakeholder engagements across public and private sectors. Through this initiative, UNDP will play a critical role in addressing the underlying barriers to nature-positive investment. It will do so at the landscape level and the investment level.

At the landscape level, it will convene key stakeholders and build shared visions, strategies and business plans for the target landscapes. It will strengthen the capacities at the local, regional and national levels and provide an enabling environment for access to sustainable opportunities. UNDP's strong relations with Governments at the sub-national and local levels in 170 countries and territories, including 60 UNDP country offices, make mapping potential markets, including sourcing partners, local deals, and pipelines, efficient and feasible. Furthermore, UNDP is uniquely situated to convene, support and incentivize the implementation of nature-positive financing mechanisms wherein local and high-level political buy-in is necessary to enable large-scale investment and innovation.

At the investment level, it will convene public and private sector financial institutions to enable the most appropriate financial structures for the target landscapes. UNDP's in-house technical expertise on both financial structuring and biodiversity conservation enables UNDP to speak both languages and facilitate the structuring of financial solutions that are fit for contextually appropriate, large-scale landscape investments. UNDP's existing relationships with investment banks, multilateral development banks and development financial institutions also uniquely position UNDP.

b. The United Nations Educational, Scientific and Cultural Organization (UNESCO) role as project implementor

The Convention Concerning the Protection of the World Cultural and Natural Heritage (World Heritage Convention) was adopted by the UNESCO General Conference in 1972 and aimed at the identification, protection, conservation, presentation and transmission to future generations of the cultural and natural heritage considered to be of outstanding universal value to humanity. It has now been ratified by 195 States Parties making it among the international legal treaties with the most parties. To date, 1,199 World Heritage sites are included on the UNESCO World Heritage List providing for a global network in 168 States Parties. While the primary responsibility to implement the Convention is within States Parties, they are assisted by UNESCO World Heritage Centre as the Secretariat and other partners.

The World Heritage Convention protects some of the most outstanding heritage sites on the planet for their cultural and natural value and recognizes that nature and culture are two interconnected dimensions of our heritage. World Heritage sites recognised for their natural value cover over 460 million ha of land and sea across the globe, in all ecosystems, making a significant contribution to biodiversity conservation, and helping to safeguard the important ecosystem services and benefits these sites provide. Therefore, the sites contribute to people's well-being in various ways, towards environmental sustainability, resilience and climate change adaptation and mitigation. The World Heritage Convention further supports international cooperation and intergovernmental decision-making and the governance of cultural and natural heritage through its governing bodies, the World Heritage Committee and the General Assembly of States Parties who adopt strategic resolutions and decisions for the implementation of the World Heritage Convention.

The state of conservation of the properties included on the UNESCO World Heritage List is regularly reviewed through the Reactive Monitoring and Periodic Reporting processes. Properties inscribed on the World Heritage List that face imminent and ongoing threats are placed on the List of World Heritage in Danger to encourage corrective measures. With focused technical assistance from the World Heritage Centre and other partners, and efforts by State Parties, properties can be removed from the List of World Heritage in Danger. Efforts are also made to provide specific support for sites in post-conflict countries.

The World Heritage Convention, with the support of UNESCO and others, also provides support in developing relevant policies and programmes to facilitate the conservation of sites as well as the integration of the sustainable development perspective in the broader framework of management of sites. This has a particular focus on the engagement of communities in the life and management of World Heritage sites and their long-term aspirations for sustainable development at a time when cultural and natural heritage are increasingly exposed to a variety of threats.

The UNESCO World Heritage Centre encourages and assists the States Parties to the World Heritage Convention to take appropriate measures to anticipate, avoid and minimise harm to natural and cultural heritage, consistent with their obligations under the Convention, and has also been encouraging them to mainstream the protection of World Heritage into their national policies, strategies, and processes relating to the environment, disaster reduction, and climate change. Furthermore, States Parties should ensure that biological and cultural diversity, as well as ecosystem services and benefits for people that contribute to environmental sustainability, are protected and enhanced within World Heritage properties, their buffer zones and wider settings, including through the use of environmental, social and cultural impact assessment tools when planning and undertaking projects.

Building on its ongoing work in the region, UNESCO, through its UNESCO Bangkok Office and with the support of the World Heritage Centre, will lead the implementation of Output 1.1. in support of improved forest management by strengthening the participation of local communities in forest governance through constructive engagement with authorities, for what concerns the Thungyai-Huai Kha Khaeng Wildlife Sanctuaries World Heritage site (at the core of the WEFCOM).

UNESCO will further use the Reactive Monitoring process which tracks the state of conservation of World Heritage sites to assist in monitoring the effectiveness of the financial flows to create positive outcomes for the target World Heritage landscapes and species. Acting as the Secretariat to the World Heritage Convention, UNESCO further facilitates the discussion with the Governing Bodies of the World Heritage Convention including the intergovernmental World Heritage Committee.

C. The United Nations Capital Development Fund (UNCDF) role

The role of UNCDF at the implementation level within the landscapes or the countries will be limited. Given UNCDF's experience in nature-positive investment, UNCDF will be on the investment advisory committee of the Tiger Ecosystems Fund. The main role of the committee is to provide recommendations on the financial viability and environmental and social (E&S) impact of the fund. The ToR of different committees will be developed in the preparation stage of the Tiger Ecosystems Fund.

3. Risks and Assumptions

#	Description	Likelihood	Impact	Mitigation Strategy
	Political and governance			
	Lack of political will and support hinders the efforts to improve ecosystem management.	Low	High	The engagement with different ministries in Thailand and Malaysia indicates support for the Fund. The level to which the ministries support the initiative varies. Moreover, UNDP has other options at hand, such as engagement through multilateral development banks, that could be leveraged should be a significant roadblock.

	Lask of sanasity and			A major shallongs LINDD fraguently appayeters is that
2	Lack of capacity and coordination among different ministries.	Medium	Medium	A major challenge UNDP frequently encounters is that the Ministries of Environment tend to have limited technical capacity in finance and vice-versa. This tends to elongate the time necessary to coordinate among key stakeholders and agree on a financial solution that meets key requirements. To navigate through this challenge, in Malaysia the Securities Commission (SC) has offered to co-convene, together with UNDP, different stakeholders. Similar
			Social	efforts are underway in Thailand.
	landas efficienta de la disconta		Social	
3	Land conflict or land dispute about the zoning of protected areas and buffer zones could potentially lead to adverse economic, social, and cultural impacts on local communities as it restricts their access to natural and cultural resource use.	Medium	High	A purposeful application of a human rights approach to social and environmental sustainably will be implemented to minimize social and cultural impacts. Extensive consultations will be carried out. The implementing partner will need to follow a clear strategic framework that is well-accepted by all beneficiaries and stakeholders. Free, Prior and Informed consent will be mandatory for all relevant activities and a redress mechanism to provide local stakeholders opportunities to voice issues encountered will be established. These strategies should be based on best practices, include the interests of local communities, and be driven by performance indicators. UNDP Environmental and Social Safeguards (ESS), often recognised as best in class, will be deployed in all the projects.
4	Resistance or low levels of participation of local communities in the funded initiatives.	Low	High	Community buy-in and interest will be critical to the successful implementation of the project. It will be implemented with community participation and extensive community engagement wherever possible. Investment in the bottom-up and demand-driven initiatives, identified by the communities themselves, will be prioritised. To ensure community support, the focus will be placed on meeting the economic and social needs of communities through investing in a wildlife-based economy, 'green jobs' creation, and development of investable local development projects. The UN and conservation organisations' experience with working on these issues will be fully utilised to identify the most appropriate interventions (culturally, environmentally, and economically).
			Econom	ic Risks
6	Lack of concessional resources to support investments	Medium	High	Resource mobilization strategy is highly tailored and fully aligned with cross-functional priorities. Buy-in of public-private partners is prioritized from the outset. Several multilateral development banks (MDBs), development financial institutions (DFIs) and donors have been engaged so far and aware of the needs and ask and have continued to show interest in the Fund structure. The engagement will be continued and strengthened in the coming months.

	Price volatility of carbon and biodiversity credits			Through partnerships with MDBs and DFIs, a minimum price is expected to be guaranteed. Moreover,
7		Med	High	engagement with corporates on the purchase of the credits is ongoing. Note that the biodiversity credits are adapted appropriately in Malaysia and are likely to take the form of habitat banking to comply with RSPO requirements.

4. Stakeholder Engagement and main beneficiaries

This project embraces a human-centred and rights-based approach to address the threats and underlying drivers of biodiversity loss. The stakeholder engagement is applicable at two levels.

At the landscape level, the project has identified key stakeholders in both countries. It will be ensured that these stakeholders, particularly the communities, are appropriately represented in the multistakeholder groups and mechanisms exist, such as focus groups and individual discussions, to raise their concerns and provide insights on biodiversity conservation issues and how they need to be addressed. In this way, the project aims to deploy a locally driven approach to biodiversity conservation, wherein the needs and aspirations of the communities are central to biodiversity conservation.

These stakeholders will also lead the implementation of specific activities. This will ensure cultural appropriateness, effective implementation, and strengthening of local governance. Furthermore, this strategy will foster the capacity of young women and men to participate in landscape management and reconciliation processes to strengthen their ability to act as agents of change. The specific ways through which local communities will lead the implementation will vary depending on the activities. For instance, removing snares, which is mentioned as one of the strategies, is critical to recovering the prey population. Only local communities from the same area will be employed as rangers. This will strengthen the governance and management of the community forests and protected areas. Moreover, it will be a cost-effective strategy since the communities know the local geography and terrain very well. Let us consider another example. Community-based Forest management is prioritized as one of the activities to be supported through the Fund. Common challenges faced by communities are the lack of legal recognition of their governance and management of natural resources. In the process of legal recognition, the project will build the capacity of the local stakeholders for mapping and documentation. The project will also strengthen the capacity of the local stakeholders on assisted natural regeneration, and nursery management. These are just two examples of how the project aims to take an inclusive conservation approach.

In Thailand, the project will work closely with communities in the target landscape. In Malaysia, the project will work with the Orang Asli indigenous people and other local communities in the target landscape.

The project will follow UNDP's social and environmental safeguards. The key elements of the framework include

- a. Free, Prior and Informed Consent (FPIC) that follows best practices.
- b. Grievance redress mechanism that is effective and functional
- c. Enduring compliance with relevant ILO standards or national laws and policies, whichever is stricter.

Key project beneficiaries

Thailand	Communities surrounding the	1. Communities will benefit from the
	protected areas will participate in	recognition of community-conserved areas.
	activities that will promote	2. Through the deployment of the Fund, the
	sustainable and conservation-aligned	community will benefit from improvements
	livelihoods. Examples include snare	in sustainable livelihoods through
	removals, agroforestry, access to	agroforestry, better access to market, eco-

	market, eco-tourism, community forests and community areas.	tourism, and community-based local enterprises.
Malaysia	Indigenous peoples – Orang Asli - around the protected areas will work with the authorities to remove snares.	 Communities will benefit from being directly employed to remove snares from the forests. Through the deployment of the Fund, the community will benefit from improvements in sustainable livelihoods through agroforestry, better access to market, ecotourism, and community-based local enterprises.
Women	Women's governance and decision- making power over the governance of natural resources and management of the rural agri-food value chain is strengthened.	 Women will occupy at least 40% and ideally >50% seats in the governance of community areas Women will hold the majority in the governance and management of community enterprises.
Youth	Youth lack access to economic opportunities. Youth have a great knowledge of the Forest and can be trained and deployed as community rangers.	The goal of 30% of job opportunities to be provided to youth

Table 2. Key project beneficiaries in Thailand and Malaysia

5. South-South and Triangular Cooperation (SSC/TrC)

Significant South-South exchange is envisioned in the project. Several countries, such as the Philippines and to some extent Indonesia, have advanced further in the framework conditions related to effective governance and management of natural resources by communities and, over time, built capacity on mapping, documentation and effective and inclusive governance and management of community areas.

As mentioned earlier, the project anticipates knowledge exchange among countries in Southeast Asia through several channels including through participation in relevant events and conferences, inviting community experts/representatives from the Philippines on capacity strengthening on policies, mapping and documentation, and study tours.

PROJECT MANAGEMENT

Cost Efficiency and Effectiveness

The Theory of Change is aimed at addressing constraints and enabling factors by targeting various barriers and key stakeholders within the ecosystem at the same time. By stacking interventions that are interlinked and activating co-financing across the target landscapes, the project expects to deliver the maximum results with the available resources. Rather than starting a new initiative, the project aims to scale up existing efforts based on strategies that are widely accepted as inclusive and accurate. The project will not create new implementation channels but will use existing relationships that conservation NGOs and CSOs have to engage communities and other key stakeholders both for the design and implementation of the strategies. This will ensure not just a cost-effective implementation but also inclusive governance and long-term biodiversity conservation outcomes.

The project will also deploy new blended finance instruments to de-risk opportunities to enable the market to develop towards a more nature-positive and inclusive one. The project aims to unlock private financing for biodiversity

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conservation and will only deploy the amount of concessional capital that is necessary and sufficient to de-risk private investment. This will allow leveraging scarce public resources to catalyse as much private financing as possible.

RESULTS FRAMEWORK³⁹

The Results Framework is prepared in the context of two landscapes (1) Greater Taman Negara Landscape in Malaysia and (2) Western Forest Complex in Thailand

Intended Outcome as stated in the UNSDCF/Country [or Regional] Programme Results and Resource Framework:

Outcome indicators as stated in the Country Programme [or Regional] Results and Resources Framework, including baseline and targets:

Applicable Output(s) from the UNDP Strategic Plan:

Project title and Quantum Project Number:

EXPECTED	OUTPUT INDICATORS ⁴⁰	DATA	BASE	LINE	T.	ARGETS (b	y frequen	cy of data	collection	n)	DATA COLLECTION
OUTPUTS		SOURCE	Value	Year	Year 1	Year 2	Year 3	Year 4	Year 5	FINAL	METHODS & RISKS
Output 1.1. Management of community forests	1.1.1 Number of meetings of the Protected Area Committees for WEFCOM in which local communities and authorities participated	Meeting minutes	0	2023	4	8	12	16	20	20	Meeting minutes Risks: negligible
and territories improved by strengthening forest land rights and	1.1.2 Number of women, youth and vulnerable groups who participated in the meetings of the Protected Area Committees	Meeting minutes	0	2023	20	40	60	80	100	100	Meeting minutes Risks: negligible
governance, contributing to effective and	1.1.3 Number of pilot projects set up in WEFCOM to help build trust between local communities and authorities	Project documents	0	2023	2	4	6	8	10	10	Project documents. Risks: negligible
equitable conservation of the Thungyai-Huai Kha Khaeng Wildlife Sanctuaries UNESCO World Heritage property	1.1.4 Number of documentation and management guidance created in the WEFCOM landscape to facilitate engagement with authorities and indigenous natural resource use and management as the basis for a more collaborative approach to sustainable natural resource governance and biodiversity conservation	Management plans	0	2023	0	2	4	6	8	8	Management plan Risks: negligible
Output 1.2. Climate-resilient livelihoods of local	1.2.1 Number of families shifting to mixed agroforest system	Project documents (MTR)	0	2023	0	10	20	40	70	70	Details of the new agroforestry system

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³⁹ UNDP publishes its project information (indicators, baselines, targets and results) to meet the International Aid Transparency Initiative (IATI) standards. Make sure that indicators are S.M.A.R.T. (Specific, Measurable, Attainable, Relevant and Time-bound), provide accurate baselines and targets underpinned by reliable evidence and data, and avoid acronyms so that the external audience clearly understands the results of the project.

⁴⁰ It is recommended that projects use output indicators from the Strategic Plan IRRF, as relevant, in addition to project-specific results indicators. Indicators should be disaggregated by sex or for other targeted groups where relevant.

EXPECTED	OUTPUT INDICATORS ⁴⁰	DATA	BASE	LINE	T	ARGETS (L	y frequen	cy of data	collection	n)	DATA COLLECTION
OUTPUTS		SOURCE	Value	Year	Year 1	Year 2	Year 3	Year 4	Year 5	FINAL	METHODS & RISKS
communities strengthened	1.2.2 Number of entrepreneurs with skills, passion and business plan for developing local enterprises	(MTR)	0	2023	0	5	10	15	20	20	Details of the technicians
Output 1.3 Poaching threats to wild animals, including tigers, are significantly reduced	1.3.1 Number of KMs of ranger patrol supported	Data provided by park authorities	0	2023	6300	12600	18900	25200	31500	37800	SMART patrol reports Risks: sensitivities around data sharing
	1.3.2 Number of snares removed	Data provided by park authorities	0	2023	~600	~1400	~1900	~2200	~2400	~2400	SMART patrol reports Risks: sensitivities around data sharing
Output 2.1. Enabling environment and	2.1.1. All key stakeholders agree to the need for a Tiger Ecosystems Fund (no. of landscapes)	Meeting minutes	0	2023	2	2	2	2	2	2	Meeting minutes and formal documents prepared by UNDP Risks: Negligible
capacity for commercial investments into nature established	2.1.2. Key investment sectors and opportunities, along with the business case, are identified	Meeting minutes	0	2023	3	4	4	4	4	4	Business analysis done for the investment sectors Risks: Negligible
Output 2.2. Tiger Ecosystems	2.2.1. A Fund is set up, and managed by an existing fund manager.	Public media	0	2023	0	1	1	1	1	1	Public launch Risks: Negligible
Fund, a blended finance mechanism, is capitalized with private and concessional capital	2.2.2. The Fund is capitalized with private and concessional capital	Investors' written commitment	0	2023	0	10 mil	30 mil	50 mil	50 mil	50 mil	Public information Risks: Negligible
Output 2.3. A robust pipeline of	2.3.1. 10 Native positive investments are made into the identified four sectors	Investment brief	0	2023	0	1	3	6	10	10	Legal Agreement Risks: Negligible
nature-positive projects developed and financed with a	2.3.2. 50,000 ha of degraded agricultural land is bought into the natural forest and mixed agroforestry system	E&S impact report	0	2023	0	5000	15000	30000	50000	50000	E&S impact report
strong impact on climate, nature and people	2.3.3. At least four new community enterprises (50% women-managed) provide improved livelihoods to the communities	Information about enterprises	0	2023	0	0	1	3	5	5	Public information Risks: Negligible
Output 3.1. Tiger Ecosystems Fund	3.1.1. The tiger ecosystems fund case study prepared and shared in at least three events	Public information	0	2023	0	0	1	2	3	3	Public information Risks: Negligible
offers a blueprint to scale up private financing for climate and biodiversity	3.1.2. Significant interest from Jaguar and other Tiger range countries for UNDP's support on big-cat fund	Active discussions with jaguar range countries	0	2023	0	0	2	4	6	6	Letter of exchange between UNDP and Jaguar range countries

MONITORING AND EVALUATION

In accordance with UNDP's programming policies and procedures, the project will be monitored through the following monitoring and evaluation plans: [Note: monitoring and evaluation plans should be adapted to project context, as needed]

Monitoring Plan

Monitoring Activity	Purpose	Frequency	Expected Action
Track results	Progress data against the results indicators in the RRF will be collected and	Quarterly, or in the	Slower-than-expected progress will be addressed
progress	analysed to assess the progress of the project in achieving the agreed	frequency required	by project management.
progress	outputs.	for each indicator.	
	Identify specific risks that may threaten the achievement of intended		Risks are identified by project management and
Monitor and	results. Identify and monitor risk management actions using a risk log. This		actions are taken to manage risk. The risk log is
Manage Risk	includes monitoring measures and plans that may have been required as per	Quarterly	actively maintained to keep track of identified
ivialiage Nisk	UNDP's Social and Environmental Standards. Audits will be conducted in		risks and actions taken.
	accordance with UNDP's audit policy to manage financial risk.		
	Knowledge, good practices and lessons will be captured regularly, as well as		Relevant lessons are captured by the project team
Learn	actively sourced from other projects and partners and integrated back into	At least annually	and used to inform management decisions.
	the project.		and used to inform management decisions.
Annual Project	The quality of the project will be assessed against UNDP's quality standards		Areas of strength and weakness will be reviewed
Quality Assurance	to identify project strengths and weaknesses and to inform management	Annually	by project management and used to inform
Quality Assurance	decision-making to improve the project.		decisions to improve project performance.
Review and Make	Internal review of data and evidence from all monitoring actions to inform		Performance data, risks, lessons and quality will be
Course Corrections	decision making.	At least annually	discussed by the project board and used to make
course corrections			course corrections.
	A progress report will be presented to the Project Board and key	Annually, and at	
	stakeholders, consisting of progress data showing the results achieved	the end of the	
Project Report	against pre-defined annual targets at the output level, the annual project	project (final	
	quality rating summary, an updated risk long with mitigation measures, and	report)	
	any evaluation or review reports prepared over the period.	Терогіј	
	The project's governance mechanism (i.e., project board) will hold regular		
	project reviews to assess the performance of the project and review the		Any quality concerns or slower-than-expected
Project Review	Multi-Year Work Plan to ensure realistic budgeting over the life of the	Specify frequency	progress should be discussed by the project board
(Project Board)	project. In the project's final year, the Project Board shall hold an end-of-	(i.e., at least	and management actions agreed to address the
(Froject Board)	project review to capture lessons learned and discuss opportunities for	annually)	issues identified.
	scaling up and socialize project results and lessons learned with relevant		issues identified.
	audiences.		

Evaluation Plan⁴¹

Evaluation Title	uation Title Partners (if joint) Related Strategic Plan Output Completion Date		Key Evaluation Stakeholders	Cost and Source of Funding	
Mid-Term Evaluation	TBD	Entire project	2025	UNDP, UNESCO, Habitat Foundation, direct and indirect beneficiaries	USD 35,000 (Funded by Cartier and Foundation)
Final evaluation	TBD	Entire project	2027	UNDP, UNESCO, Habitat Foundation, direct and indirect beneficiaries	USD 44,000 (Funded by Cartier and Foundation)

⁴¹ Optional, if needed

MULTI-YEAR WORK PLAN

All anticipated programmatic and operational costs to support the project, including development effectiveness and implementation support arrangements, need to be identified, estimated and fully costed in the project budget under the relevant output(s). This includes activities that directly support the project, such as communication, human resources, procurement, finance, audit, policy advisory, quality assurance, reporting, management, etc. All services which are directly related to the project need to be disclosed transparently in the project document.

EXPECTED OUTPUTS	PLANNED ACTIVITIES		Planned E	Budget by Y	ear		RESPONSI BLE PARTY	F	PLANNED BUDG	ET
		Y1	Y2	Y3	Y4	Y5		Fundi ng Sourc e	Budget Description	Amou nt
Output 1.1: Management of community forests and territories improved by strengthening forest land rights and governance,	Activity 1.1.1 Enhance meaningful participation of local communities and constructive engagement with authorities and through facilitating greater involvement in the Protected Area Committees and other awareness-raising activities	45,000	45,000	45,000	45,000	45,000	UNESCO	MPT F	Meetings, travel, workshops	225,00
contributing to effective and equitable conservation of the Thungyai-Huai Kha Khaeng Wildlife Sanctuaries UNESCO World Heritage property	Activity 1.1.2. Support the development of pilot projects to explore better ways to reconcile legitimate economic, social, cultural and spiritual needs of communities living in and/or using protected areas and conservation objectives	45,000	45,000	45,000	45,000	45,000	UNESCO	MPT F	Individual consultant, meetings, travel, workshops	225,00

EXPECTED OUTPUTS	PLANNED ACTIVITIES		Planned B	udget by Yo	ear		RESPONSI BLE PARTY	ı	PLANNED BUDG	ET
		Y1	Y2	Y3	Y4	Y5		Fundi ng Sourc e	Budget Description	Amou nt
	Activity 1.1.3. Within the landscapes, support local communities to collaborate with authorities in mapping and documentation of indigenous natural resource use and management as the basis for a more collaborative approach to sustainable natural resource governance and biodiversity conservation	45,000	45,000	45,000	45,000	45,000	UNESCO	MPT F	Meetings, travel, workshops	225,00 0
Output 1.2: Climate-resilient	Activity 1.2.1: Identify									
livelihoods of local communities strengthened	local ecological agricultural products with market potential and develop a menu of sustainable agroforestry systems	60,000	0	0	0	0	UNDP	TBC	Individual consultant, Consultation s, discussions, travel	60,000
	Activity 1.2.2: Support smallholder farmers to shift to a mixed agroforestry system	45,000	80,000	90,000	90,000	90,000	UNDP	TBC	Individual consultant, training, travel	395,00 0
	Activity 1.2.3: Build capacity of and support local entrepreneurs to establish local community enterprises	0	60,000	90,000	90,000	90,000	UNDP	ТВС	Individual consultant, training, travel	330,00 0

EXPECTED OUTPUTS	PLANNED ACTIVITIES		Planned E	Budget by Ye	ear		RESPONSI BLE PARTY	ı	PLANNED BUDG	ET
		Y1	Y2	Y3	Y4	Y5		Fundi ng Sourc e	Budget Description	Amou nt
	Activity 1.2.4: Support community enterprises in branding and matchmaking through buyers-sellers meets	0	40,000	60,000	60,000	60,000	UNDP	ТВС	Individual consultant, training, travel	220,00
							T	r	1	
Output 1.3: Poaching and hunting threats to wild animals, including tigers, is significantly reduced	Activity 1.3.1: Regularly train rangers on smart patrol	60,000	60,000	60,000	60,000	60,000	UNDP	MPT F	Sub-grant to NGOs (RPA)	300,00
	Activity 1.3.2: Identify community rangers and prepare the standard operating procedure for snare removal	30,000	30,000	0	0	0	UNDP	MPT F	Sub-grant to NGOs (RPA)	60,000
	Activity 1.3.3: Purchase necessary equipment required for effective patrolling	70,000	70,000	70,000	70,000	70,000	UNDP	MPT F	Sub-grant to NGOs (RPA)	350,00 0
	Activity 1.3.4: Regularly support and train the community rangers on snare removals	100,000	100,000	100,000	100,000	100,000	UNDP	MPT F	Sub-grant to NGOs (RPA)	500,00
	Activity 1.3.5: Country- level operations	8,912	8,912	8,912	8,912	8,912	UNDP	MPT F	DPC	44,560
									•	
Output 2.1: Enabling environment and capacity for commercial investments into nature established	Activity 2.1.1: Identify and engage key stakeholders and build a shared understanding of the need for a fund	50,000	40,000	0	0	0	UNDP	MPT F	Individual consultant, workshops, travel	90,000

EXPECTED OUTPUTS	PLANNED ACTIVITIES		Planned B	udget by Ye	ear		RESPONSI BLE PARTY	ı	PLANNED BUDG	UDGET	
		Y1	Y2	Y3	Y4	Y5		Fundi ng Sourc e	Budget Description	Amou nt	
	Activity 2.1.2: Conduct high-level business analysis to fully understand the potential investment sectors and the relevant legal framework	50,000	50,000	0	0	0	UNDP	MPT F	Individual consultant, workshops, travel	100,00	
	Activity 2.1.3: Country-level operations	8,912	8,912	8,912	8,912	8,912	8,912	MPT F	DPC	44,560	
		ľ					T	T			
Output 2.2: Tiger Ecosystems Fund, a blended finance mechanism, is capitalized with private and concessional capital	Activity 2.2.1: Continue to engage the investment banks to identify and set up a Fund	150,000	80,000	0	0	0	UNDP ⁴²	MPT F	Responsible party agreement, workshops, travel	230,00	
	Activity 2.2.2: Continue engagement with the bilateral and multilateral institutions to unlock anchor investments into the Fund	30,000	20,000	10,000	10,000	10,000	UNDP	MPT F	Workshops, meetings, travel	80,000	
	Activity 2.2.3: Launch the Fund at a high-level event and leverage more concessional capital into the structure	0	65,000	65,000	65,000	65,000	UNDP	MPT F	Workshops, meetings, travel, even fees.	260,00	

 $^{^{42}}$ UNDP aims to seek support from an NGO, Bankers without Borders (BWB), to deliver elements of this activity in 2024 and 2025.

EXPECTED OUTPUTS	PLANNED ACTIVITIES	Planned Budget by Year					RESPONSI BLE PARTY	DI ANNIED RITUGET		
		Y1	Y2	Y3	Y4	Y5		Fundi ng Sourc e	Budget Description	Amou nt
Output 2.3: A robust pipeline of nature-positive projects developed and financed with a strong impact on climate, nature and people	Activity 2.3.1: Support local businesses and the Fund to develop a pipeline of projects	30,000	80,000	140,000	140,000	140,000	UNDP	MPT F	Service agreement (based on a competitive call), travel, meetings	530,00
	Activity 2.3.2: Provide technical inputs on the environmental and social aspects of the project during the pipeline development	0	40,000	60,000	60,000	60,000	UNDP	MPT F	Service agreement (based on competitive call), travel, meetings	220,00
	Activity 2.3.3: Country-level operations	8,912	8,912	8,912	8,912	8,912	UNDP	MPT F	DPC	44,560
Output 3.1: Tiger Ecosystems Fund offers a blueprint to scale up private financing for climate and biodiversity	Activity 3.1.1: Prepare a case study and publish it in one of the top finance publications	0	0	5,000	5,000	10,000	UNDP	MPT F	Travel, meeting, individual consultant	20,000
	Activity 3.1.2: Present the case studies in at least 3 major events, including biodiversity COP and UNESCO World Heritage Committee	0	0	9,000	9,000	18,000	UNDP	MPT F	Travel, meetings, event fees	36,000
					T	T		I		
Project Support Costs	M&E (mid-term and final)			35,000		44,000	UNDP	MPT F	Individual consultant, travel, meetings	79,000

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EXPECTED OUTPUTS	PLANNED ACTIVITIES	Planned Budget by Year					RESPONSI BLE PARTY	PLANNED BUDGET		
		Y1	Y2	Y3	Y4	Y5		Fundi ng Sourc e	Budget Description	Amou nt
Total Direct Costs										4,668, 680
Global Management Services (7%)										326,80 8
Grand Total										4,995, 488

GOVERNANCE AND MANAGEMENT ARRANGEMENTS

To ensure an effective, timely and inclusive implementation of the programme, the governance and management will be deployed at two levels.

1. Programme Steering Committee

The objective of the Programme Steering Committee is to perform an advisory function, guide the overall development of the tiger financing work, and ratify strategic decisions. The Steering Committee oversees and monitors the implementation of all components of the Programme and conducts bi-annual reviews of the results on the progress made.

The Programme will be governed by its stakeholders and technical managers to better achieve both developmental goals through its technical assistance and seed funding operations. The Steering Committee will have the responsibility for providing oversight to the Programme's management through approval of programme plans, and revisions and offering guidance on management decisions. The Committee's decisions will also guide the performance of the Programme activities in line with the envisaged outputs, work plan and deliverables. To ensure accountability, the Committee's decisions should be made in accordance with standards that shall ensure the best value for money, fairness, integrity, transparency and effective international competition.

Duties of the Committee will include:

- Governing the Programme by establishing its broad objectives.
- Supporting and reviewing the Programme's performance.
- Accounting to the stakeholders for the Programme's performance.
- Providing guidance and approve work plans and revisions.

To ensure accountability, the Committee's decisions should be made in accordance with standards that shall ensure the best value for money, fairness, integrity transparency and effective international competition. In case a consensus cannot be reached, final decisions shall rest with the UNDP Senior Management Team and, if relevant, the endorsement of the respective UNDP Resident Representative. Programme reviews by this group are made at designated decision points during the running of the Programme, or as necessary when raised by the Programme Manager. Based on the approved annual work plan, the Committee may review and approve annual plans when required and authorize any major deviation from these agreed plans. It is the authority that signs off on the completion of each annual plan as well as authorizes the start of the next annual plan. It ensures that required resources are committed and arbitrates on any conflicts within the Programme or negotiates a solution to any problems between the Programme and external bodies.

The Committee will decide the frequency of meetings but shall meet at least twice a year to review and approve activities under the annual work plan and will review the Programme modifications if needed. The Programme will produce two semi-annual narrative reports that track progress, difficulties in implementations and areas needing adjustments. The Board will, at its meetings, review both the financial and narrative reports from the Programme management and programme staff support. They will approve all financial modifications beyond 10% of the original budget lines as well as changes to the activity plans. There will be a midterm and final review by the Board to ensure that the Programme is on course.

The programme steering committee consists of

- UNDP
- UNESCO
- UNCDF
- 2. Country-focused Tiger Landscape Programme Steering committee

At the landscape level, the Landscape Programme Steering Committee will meet regularly — once in six months - to coordinate the planning and implementation of the programme at the landscape level. The landscape steering committee will work closely with the Tiger Ecosystems Fund. Since the development and implementation of the Tiger Ecosystems Fund require inputs from local partners, the steering committee and its local partners will be important in recommending the sector priorities and support in pipeline development. To ensure accountability, the Committee's decisions should be made in accordance with standards that shall ensure the best value for money, fairness, integrity transparency and effective international competition. In case a consensus cannot be reached, final decisions shall rest with the respective UNDP Resident Representative. The Committee will decide the frequency of meetings but shall meet at least six months. The committee will be responsible for reviewing the progress, addressing challenges such as pipeline development and addressing relevant disputes and challenges hindering the progress.

Malaysia: Tiger Landscape Programme Steering committee

- UNDP
- UNESCO
- Fund Manager
- Conservation NGOs (Habitat Foundation, WCS)

Thailand: Tiger Landscape Programme Steering committee

- UNDP
- UNESCO
- Fund Manager
- Conservation NGOs (WCS)
- Community-based organizations

LEGAL CONTEXT

This project forms part of an overall programmatic framework under which several separate associated country-level activities will be implemented. When assistance and support services are provided from this Project to the associated country-level activities, this document shall be the "Project Document" instrument referred to in (i) the respective signed SBAAs for the specific countries; or (ii) in the Supplemental Provisions to the Project Document attached to the Project Document in cases where the recipient country has not signed an SBAA with UNDP, attached hereto and forming an integral part hereof. All references in the SBAA to "Executing Agency" shall be deemed to refer to "Implementing Partner."

A part of the project will be implemented in Malaysia by the Habitat Foundation ("Implementing Partner" as the responsible party) in accordance with its financial regulations, rules, practices and procedures only to the extent that they do not contravene the principles of the Financial Regulations and Rules of UNDP. Where the financial governance of an Implementing Partner does not provide the required guidance to ensure the best value for money, fairness, integrity, transparency, and effective international competition, the financial governance of UNDP shall apply.

RISK MANAGEMENT

- 1. UNDP as the Implementing Partner will comply with the policies, procedures and practices of the United Nations Security Management System (UNSMS.)
- 2. UNDP as the Implementing Partner will undertake all reasonable efforts to ensure that none of the [project funds] [funds received pursuant to the Project Document] are used to provide support to individuals or entities associated with terrorism, that the recipients of any amounts provided by UNDP hereunder do not appear on the United Nations Security Council Consolidated Sanctions List, and that no UNDP funds received pursuant to the Project Document are used for money laundering activities. The United Nations Security Council Consolidated Sanctions List can be accessed via https://www.un.org/securitycouncil/content/un-sc-consolidated-list. This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document.
- 3. Social and environmental sustainability will be enhanced through the application of the UNDP Social and Environmental Standards (http://www.undp.org/ses) and related Accountability Mechanism (http://www.undp.org/secu-srm).
- 4. UNDP as the Implementing Partner will: (a) conduct project and programme-related activities in a manner consistent with the UNDP Social and Environmental Standards, (b) implement any management or mitigation plan prepared for the project or programme to comply with such standards, and (c) engage in a constructive and timely manner to address any concerns and complaints raised through the Accountability Mechanism. UNDP will seek to ensure that communities and other project stakeholders are informed of and have access to the Accountability Mechanism.
- 5. In the implementation of the activities under this Project Document, UNDP as the Implementing Partner will handle any sexual exploitation and abuse ("SEA") and sexual harassment ("SH") allegations in accordance with its regulations, rules, policies and procedures.
- 6. All signatories to the Project Document shall cooperate in good faith with any exercise to evaluate any programme or project-related commitments or compliance with the UNDP Social and Environmental Standards. This includes providing access to project sites, relevant personnel, information, and documentation.
- 7. UNDP as the Implementing Partner will ensure that the following obligations are binding on each responsible party, subcontractor, and sub-recipient:

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- i. Consistent with Article III of the SBAA [or the Supplemental Provisions to the Project Document], the responsibility for the safety and security of each responsible party, subcontractor and sub-recipient and its personnel and property, and of UNDP's property in such responsible party's, subcontractor's and sub-recipient's custody, rests with such responsible party, subcontractor and sub-recipient. To this end, each responsible party, subcontractor and sub-recipient shall:
 - a. put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;
 - b. assume all risks and liabilities related to such responsible party's, subcontractor's and sub-recipient's security and the full implementation of the security plan.
- ii. UNDP reserves the right to verify whether such a plan is in place and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of the responsible party's, subcontractor's and sub-recipient's obligations under this Project Document.
- iii. Each responsible party, subcontractor and sub-recipient (each a "sub-party" and together "sub-parties") acknowledges and agrees that UNDP will not tolerate sexual harassment and sexual exploitation and abuse of anyone by the sub-parties, and other entities involved in Project implementation, either as contractors or subcontractors and their personnel, and any individuals performing services for them under the Project Document.
 - a. In the implementation of the activities under this Project Document, each sub-party shall comply with the standards of conduct set forth in the Secretary General's Bulletin ST/SGB/2003/13 of 9 October 2003, concerning "Special measures for protection from sexual exploitation and sexual abuse" ("SEA").
 - b. Moreover, and without limitation to the application of other regulations, rules, policies and procedures bearing upon the performance of the activities under this Project Document, in the implementation of activities, each sub-party, shall not engage in any form of sexual harassment ("SH"). SH is defined as any unwelcome conduct of a sexual nature that might reasonably be expected or be perceived to cause offense or humiliation, when such conduct interferes with work, is made a condition of employment or creates an intimidating, hostile or offensive work environment. SH may occur in the workplace or in connection with work. While typically involving a pattern of conduct, SH may take the form of a single incident. In assessing the reasonableness of expectations or perceptions, the perspective of the person who is the target of the conduct shall be considered.
- iv. In the performance of the activities under this Project Document, each sub-party shall (with respect to its own activities), and shall require from its sub-parties (with respect to their activities) that they, have minimum standards and procedures in place, or a plan to develop and/or improve such standards and procedures in order to be able to take effective preventive and investigative action. These should include: policies on sexual harassment and sexual exploitation and abuse; policies on whistleblowing/protection against retaliation; and complaints, disciplinary and investigative mechanisms. In line with this, sub-parties will and will require that their respective sub-parties will take all appropriate measures to:
 - a. Prevent its employees, agents or any other persons engaged to perform any services under this Project Document, from engaging in SH or SEA;

- Offer employees and associated personnel training on prevention and response to SH and SEA, where sub-parties have not put in place its own training regarding the prevention of SH and SEA, sub-parties may use the training material available at UNDP;
- c. Report and monitor allegations of SH and SEA of which any of the sub-parties have been informed or have otherwise become aware, and the status thereof;
- d. Refer victims/survivors of SH and SEA to safe and confidential victim assistance; and
- e. Promptly and confidentially record and investigate any allegations credible enough to warrant an investigation of SH or SEA. Each sub-party shall advise UNDP of any such allegations received and investigations being conducted by itself or any of its sub-parties with respect to their activities under the Project Document, and shall keep UNDP informed during the investigation by it or any of such sub-parties, to the extent that such notification (i) does not jeopardize the conduct of the investigation, including but not limited to the safety or security of persons, and/or (ii) is not in contravention of any laws applicable to it. Following the investigation, the relevant sub-party shall advise UNDP of any actions taken by it or any of the other entities further to the investigation.
- v. Each sub-party shall establish that it has complied with the foregoing, to the satisfaction of UNDP, when requested by UNDP or any party acting on its behalf to provide such confirmation. Failure of the relevant sub-party to comply of the foregoing, as determined by UNDP, shall be considered grounds for suspension or termination of the Project.
- vi. Each responsible party, subcontractor and sub-recipient will ensure that any project activities undertaken by them will be implemented in a manner consistent with the UNDP Social and Environmental Standards and shall ensure that any incidents or issues of non-compliance shall be reported to UNDP in accordance with UNDP Social and Environmental Standards.
- vii. Each responsible party, subcontractor and sub-recipient will take appropriate steps to prevent misuse of funds, fraud, corruption or other financial irregularities, by its officials, consultants, subcontractors and sub-recipients in implementing the project or programme or using the UNDP funds. It will ensure that its financial management, anti-corruption, anti-fraud and anti-money laundering and countering the financing of terrorism policies are in place and enforced for all funding received from or through UNDP.
- viii. The requirements of the following documents, then in force at the time of signature of the Project Document, apply to each responsible party, subcontractor and sub-recipient: (a) UNDP Policy on Fraud and other Corrupt Practices (b) UNDP Anti-Money Laundering and Countering the Financing of Terrorism Policy; and (c) UNDP Office of Audit and Investigations Investigation Guidelines. Each responsible party, subcontractor and sub-recipient agrees to the requirements of the above documents, which are an integral part of this Project Document and are available online at www.undp.org.
- ix. In the event that an investigation is required, UNDP will conduct investigations relating to any aspect of UNDP programmes and projects. Each responsible party, subcontractor and sub-recipient will provide its full cooperation, including making available personnel, and relevant documentation, and granting access to its (and its consultants', subcontractors' and sub-recipients') premises, for such purposes at reasonable times and on reasonable conditions as may be required for the purpose of an investigation. Should there be a limitation in meeting this obligation, UNDP shall consult with it to find a solution.

- x. Each responsible party, subcontractor and sub-recipient will promptly inform UNDP as the Implementing Partner in case of any incidence of inappropriate use of funds, or credible allegation of fraud, corruption other financial irregularities with due confidentiality.
 - Where it becomes aware that a UNDP project or activity, in whole or in part, is the focus of investigation for alleged fraud/corruption, each responsible party, subcontractor and sub-recipient will inform the UNDP Resident Representative/Head of Office, who will promptly inform UNDP's Office of Audit and Investigations (OAI). It will provide regular updates to the head of UNDP in the country and OAI of the status of, and actions relating to such investigation.
- xi. UNDP will be entitled to a refund from the responsible party, subcontractor or sub-recipient of any funds provided that have been used inappropriately, including through fraud corruption or other financial irregularities, or otherwise paid other than in accordance with the terms and conditions of the Project Document. Such amount may be deducted by UNDP from any payment due to the responsible party, subcontractor or sub-recipient under this or any other agreement.

Where such funds have not been refunded to UNDP, the responsible party, subcontractor or sub-recipient agrees that donors to UNDP (including the Government) whose funding is the source, in whole or in part, of the funds for the activities under this Project Document, may seek recourse to such responsible party, subcontractor or sub-recipient for the recovery of any funds determined by UNDP to have been used inappropriately, including through fraud, corruption or other financial irregularities, or otherwise paid other than in accordance with the terms and conditions of the Project Document.

Note: The term "Project Document" as used in this clause shall be deemed to include any relevant subsidiary agreement further to the Project Document, including those with responsible parties, subcontractors and sub-recipients.

- xii. Each contract issued by the responsible party, subcontractor or sub-recipient in connection with this Project Document shall include a provision representing that no fees, gratuities, rebates, gifts, commissions or other payments, other than those shown in the proposal, have been given, received, or promised in connection with the selection process or in contract execution and that the recipient of funds from it shall cooperate with any and all investigations and post-payment audits.
- xiii. Should UNCDF refer to the relevant national authorities for appropriate legal action regarding any alleged wrongdoing relating to the project or programme, the Government will ensure that the relevant national authorities shall actively investigate the same and take appropriate legal action against all individuals found to have participated in the wrongdoing, recover and return any recovered funds to UNCDF.
- xiv. Each responsible party, subcontractor and sub-recipient shall ensure that all of its obligations set forth under this section entitled "Risk Management" are passed on to its subcontractors and sub-recipients and that all the clauses under this section entitled "Risk Management Standard Clauses" are adequately reflected, mutatis mutandis, in all its sub-contracts or sub-agreements entered into further to this Project Document.

ANNEXES

		Cause	Impact (s)	Risk Category and Sub- category (Including Risk Appetite)	& Risk Level (See Annex 3 Risk Matrix)	From/To	Risk Treatment and Treatment Owner
	political will and support hinders the efforts to	New national authorities could be less interested in supporting the project.	new political hurdle that could slow	Political and governance	Likelihood Low Impact High Risk level Medium	1	Risk Treatment 1: The engagement with different ministries in Thailand and Malaysia indicates support for the Fund. The level to which the ministries support the initiative varies. Moreover, UNDP has other options at hand, such as engagement through multilateral development banks, that could be leveraged should there be a significant roadblock. Risk Treatment Owner: UNDP
2	capacity and coordination	The coordination among ministries remains weak.	interest from the Ministry of Finance to	Political and governance	Likelihood Medium Impact Medium Risk level Medium	_	Risk Treatment 2: A major challenge UNDP frequently encounters is that the Ministries of Environment tend to have limited technical capacity in finance and viceversa. This tends to elongate the time necessary to coordinate among key stakeholders and agree on a financial solution that meets key requirements. To navigate through this challenge, in Malaysia the Securities Commission (SC) has offered to co-convene, together with UNDP, different stakeholders. Similar efforts are underway in Thailand. Risk Treatment Owner: UNDP
	or land dispute about the zoning of	community- managed areas	The degradation may not reduce as much as anticipated	Social risks	Likelihood Medium Impact High Risk level High	From: Year 1 To: Year 4	A purposeful application of a human rights approach to social and environmental sustainably will be implemented to minimize social and cultural impacts. Extensive consultations will be carried out. The implementing partner will need to follow a clear strategic framework that is well-accepted by all beneficiaries and stakeholders. Free, Prior and Informed consent will be mandatory for all relevant activities and a redress mechanism to provide local stakeholders opportunities to voice issues encountered will be established. These strategies should be based on best practices, include the interests of local communities, and be driven by performance indicators. UNDP

	natural and cultural resource use						Environmental and Social Safeguards (ESS), often recognised as best in class, will be deployed in all the projects. Risk Treatment Owner: UNESCO and UNDP
4	Resistance or low levels of participation of local communities in the funded initiatives		involvement,	Social risks	Likelihood Low Impact High Risk level Medium	From: Year 1 To: Year 2	Community buy-in and interest will be critical to the successful implementation of the project. It will be implemented with community participation and extensive community engagement wherever possible. Investment in the bottom-up and demand-driven initiatives, identified by the communities themselves, will be prioritised. To ensure community support, the focus will be placed on meeting the economic and social needs of communities through investing in a wildlife-based economy, 'green jobs' creation, and development of investable local development projects. The UN and conservation organisations' experience with working on these issues will be fully utilised to identify the most appropriate interventions (culturally, environmentally, and economically). Risk Treatment Owner: UNESCO and UNDP
5	Lack of concessional resources to de-risk investments	limited	Without concessional capital, the financial structure of the Fund is unlikely to work	Economic risks	Likelihood Low Impact High Risk level Medium	From: Year 1 To: Year 5	Resource mobilization strategy is highly tailored and fully aligned with crossfunctional priorities. Buy-in of public-private partners is prioritized from the outset. Several multilateral development banks (MDBs), development financial institutions (DFIs) and donors have been engaged so far and aware of the needs and ask and have continued to show interest in the fund structure. The engagement will be continued and strengthened in the coming months. Risk Treatment Owner: UNDP
6	Price volatility of carbon and biodiversity credits	Due to the volatility in the price of carbon and biodiversity credits, the revenue from investments will be volatile	Financial institutions may be unwilling to take the price risk of the credits	Economic risks	Likelihood High Impact Medium Risk level High	From: Year 1 To: End of project	Through partnerships with MDBs and DFIs, a minimum price is expected to be guaranteed. Moreover, engagement with corporates on the purchase of the credits is ongoing. Note that the biodiversity credits are adapted appropriately in Malaysia and are likely to take the form of habitat banking to comply with RSPO requirements. Risk Treatment Owner: UNDP