



Capacity Building Workshop on

“Payments for Ecosystem Services: how PES serves as a new financial instrument in UN Decade on Ecosystem Restoration 2021–2030”

COURSE GUIDELINES

19 – 23 July 2021

RETC Virtual Training

AFoCO Regional Education and Training Center

1. BACKGROUND

Payments for Ecosystem Services (PES) is a type of market-based incentive system offered to farmers or landowners in exchange for managing their land to provide some ecological services for society or end-users. PES is considered and implemented as part of nature-based solutions under the Sendai Resilience Framework, contributing to disaster risk reduction and climate change adaptation with socio-economic benefits in an integrated manner.

Under the “UN Decade on Ecosystem Restoration 2021-2030” declared by UN General Assembly in 2019, the value of the PES has remained as one of the new financial instruments. At the 25th Session of the FAO Committee of Forestry in 2020, PES was emphasized as one of the innovative financing modalities for forest conservation, restoration, and sustainable use, to address deforestation. This call to action recognizes the need to speed up the restoration of damaged ecosystems to combat the global warming problem, improve food security, provide clean water, and conserve the planet’s biodiversity.

Application of PES in the AFoCO region is at various stages of development among the countries. In 2014, AFoCo¹ organized an international thematic workshop on PES entitled “How PES serves Livelihood of Forest Community in the Southeast Asia Region” in Da Lat, Lam Dong Province, Viet Nam. Participants from Cambodia, Indonesia, Republic of Korea, Lao PDR, Malaysia, Myanmar, Philippines, Thailand, and Viet Nam voiced out at the workshop including a field visit to the Sun Lao community of Don Duong District, Lam Dong Province.

Throughout the 3-day intensive sessions, participants learned various lessons from one another by sharing challenges and opportunities facing each country. One common experience about PES among the countries was that despite many valuation studies and pilot projects implemented in some countries with success, the outcome of such projects could not be brought forward without a high-level policy direction and regulatory support (*A summary of country readiness to PES in 2014 is shown in Attachment-1*). It was mainly summarized as below:

- **A clear policy direction and commitment at the national level** are needed to implement an effective PES program.
- **A lack of high-level commitment** needs to be addressed to expand the application of the PES scheme in the country.
- **Awareness-raising and information sharing** need to play a part in the PES operation.

The PES training in 2021 will be a new arena for further clarification and examination before planning a PES programme/initiative of the organization at the regional level. Particularly, this training course will focus on measures to address the said three challenges, as exploring financial instruments to impact set the PES schemes in the member countries.

¹ AFoCo: ASEAN-ROK Forest Cooperation, a former institutional phase of AFoCO

2. OBJECTIVES

As a successive opportunity from the AFoCo PES workshop in 2014, the course aims to provide participants with a comprehensive understanding of PES for practical strategies in planning and encouraging projects/programs for PES in the forests and forestry sector. Participants will learn how to address practical and sustainable solutions by sharing cases and experiences of the Asian region. The training outputs will be utilized as the baseline information for the project concept note development.

Eight sessions will be provided by the trainers and various experts from international organizations, universities, research institutes, and government agencies. Of the said, four PES practices of the member countries will be introduced, which will cover the current trends and cross-cutting practices reflecting general concepts and methodologies. The overview of the lectures is in **Attachment-2**.

3. EXPECTED OUTPUTS AND DELIVERABLES

OUTPUTS: At the end of the training, the participants will be able to:

- Understand the current trend on Payments for Ecosystem;
- Initiate identifying and drawing institutional arrangements/strategies in the country context; and,
- Develop future PES projects, which will be further considered as a country component under the AFoCO PES programme.

DELIVERABLES: At the end of the workshop, there will be two main deliverables:

- AFoCO Brief on PES (a 2-page leaflet); and,
- Workshop report with a draft program/initiative proposal at the regional level (by the end of August).

The workshop further invite a professional writer to capture the information from sessions as a rapporteur and further develop a quality and bankable program proposal at the regional level, which could lead the organization to put efforts into fundraising activities in the future.

4. TARGET PARTICIPANTS

This course will welcome gender-balanced technical-level government officials and forestry experts involved in PES and related work of the Member Countries more than three (3) years. Those involved for a minimum of one year of serving the government will be invited from the respective member countries.

Additional staff interested in this subject can participate in the lecture, discussion and group work is as authorized through respective domestic regulations without provision of training allowance. Such category of participant may be awarded with appropriate certificate of participation.

5. REGISTRATION

Following the nomination of the National Focal Point, participants are requested to submit their

information provided by the AFoCO RETC, referring to **Attachment-3**.

6. ZOOM INSTRUCTION

The instruction is in **Attachment-4**.

7. FINANCIAL SUPPORT

A nominal training allowance of US\$35 per day will be provided for the respective nominee.

8. GENERAL ENQUIRIES

For more information on the online training course and zoom setting, please request you to contact the following officers:

Ms. Soozin Ryang (soozin.ryang@afocosec.org)
Program Officer, AFoCO Secretariat

Ms. Su Yi Hnin (suyihnin39@gmail.com)
Staff Officer, AFoCO RETC

9. TRAINING SCHEDULE

Day	Time (Seoul time, GMT+09)	Activity (<i>Rapporteur: to be confirmed</i>)	Remark
16 Jul. (Fri.)	15:00-17:00	Check and confirm Zoom Application connection	RETC
19 Jul. (Mon.)	12:00-12:30	Zoom check-in	RETC
	12:30-13:00	Opening Ceremony & Introduction of participants	RETC
	13:00-15:00 (120')	Presentation 1. Country report	RETC
	15:00-16:00 (60')	Break	
	16:00-18:00 (120')	Session 1. How PES serves livelihood of forest community: Recaps from the AFoCo Int'l Workshop in 2014 and the global discourses on PES	AFoCO & guest speaker
	18:00-18:15 (15')	Daily feedback & housekeeping announcement	RETC
20 Jul. (Tue.)	12:30-13:00 (30')	Recap on the previous day	RETC
	13:00-15:00 (120')	Session 2. The role of institutional work for payments for ecosystem services	Guest speaker
	15:00-16:00 (60')	Break	
	16:00-16:45 (45')	Session 3. PES Practice #1: Viet Nam's endeavors on institutional work on PES	Guest speaker
	16:45-17:30 (45')	Session 4. PES Practice #2: Thailand's endeavors on institutional work on PES	Guest speaker
	17:30-18:00 (30')	Open discussion (moderator: RETC)	Guest speakers of 20 Jul
	18:00-18:15 (15')	Daily feedback & housekeeping announcement	RETC
21 Jul. (Wed.)	12:30-13:00 (30')	Recap on the previous day	RETC
	13:00-13:45 (45')	Session 5. PES Practice #3: Bhutan's story on natural capital and valuing ecosystem services	Guest speaker
	13:45-14:25 (45')	Session 6. PES Practice #4: Indonesia's story on PES and REDD+	Guest speaker
	14:25-15:15 (50')	Break	
	15:15-16:00 (45')	Session 7. PES Practice #5: ROK's story on private sector engagement: Incentives for Ecosystem Services	Guest speaker
	16:00-17:00 (60')	Open discussion (moderator: RETC)	Guest speakers of 21 Jul
	17:00-17:15 (15')	Daily feedback & housekeeping announcement	RETC
22 Jul. (Thur.)	12:30-13:00 (30')	Recap on the previous day	RETC
	13:00-15:00 (120')	Session 8. Building a vision for PES as a financial instrument to boost up restoration under climate change and pandemic recovery	Guest speaker
	15:00-16:00 (60')	Break	
	16:00-17:00 (60')	Open discussion (moderator: RETC)	Guest speaker of 22 Jul
	17:00-17:15 (15')	Daily feedback & housekeeping announcement	RETC
23 Jul. (Fri.)	12:30-13:00 (30')	Recap on the previous day	RETC
	13:00-16:00 (180')	Presentation 2. Action plan & Discussion	RETC
	16:00-17:00 (60')	Break	
	17:00-17:30 (30')	Recap & highlights of the training (inc. evaluation of training)	RETC
	17:30-17:45 (15')	Closing Ceremony	RETC

Attachment-1. Description of each country's PES readiness, presented at AfoCo Int'l Workshop in 2014

Activity Country		Valuation Study	Pilot project and outcome	Stakeholder consultation	Policy advocacy and awareness-raising	Enabling legal framework	Implementation
1	Cambodia	Yes Project level	Yes Tmatboey ecotourism Project in Preah Vihear Protected Forest, Cambodia	No	No	Yes (<i>Basic fieldwork</i>) Rectangular Strategy phase 3, Policy statement of RGC on national forestry sector and National Forestry Program. (No specific low and/or regulation for PES)	No Not fully implementing. We will encourage and proposed ecotourism in Protected Forests for PES.
2	Indonesia	Yes Related to REDD+: there are many projects; Related to Watershed Conservation	Yes Merang REDD Project (South Sumatera); Meru Betiri National Park, Sebangau National Park and Berbak National Park; Outcome: empowered community, forest rehabilitation, rate of emission	Yes Consultation process covered from the local site, districts, province, and national level	Yes National Government regulation, Ministry of Forestry Regulation, Local Government Regulation	Yes (<i>Basic fieldwork</i>) 1. Act number No.32/2009: Environmental Protection and Management Government Regulation No. 14/2014: State Revenue from Non-Tax; 2. Ministry of Forestry Decision No. 07. /2000: Criteria and Standard of Environmental Services Utilization Permit in production Forest; 3. MoF Decision No 30/2009 about REDD Implementation; MoF Decision No.50/2014 about Indonesian Certificate of Emission Reduction (No specific low and/or regulation for PES)	No 1. REDD+: just finished preparation phase; Watershed Conservation: Cidanau Watershed in Banten Province and Rinjani Watershed in West Lombok (West Nusa Tenggara)

AFoCO SHORT-TERM TRAINING COURSE
Climate Change Adaptation and Practices

Activity		Valuation Study	Pilot project and outcome	Stakeholder consultation	Policy advocacy and awareness-raising	Enabling legal framework	Implementation
Country							
3	Lao PDR	Yes Hydropower in watershed villages (2013)	Yes Effective implementation of PES Location: SE XETH hydropower Salavan Province southern of Lao PDR , duration 4 years supported by Crawford School of Public Policy the Australian National University	Yes MoNRE , MAF, MOEM, Lao National University, Hydropower Company, and others	Yes Dissemination	Yes, (Basic fieldwork) PES Regulation, Forest Law, Water Law, and others concern (Low enforcement in the field to be tested)	No Not yet , just starting
4	Malaysia	Yes Economic valuation on forest product in Eight Malaysian Plan (2005 -2009)	Yes Mini Hydro in Perak - no outcome yet	No	Yes Policy still under review Awareness - just started to the state level	No	No Pilot Stage
5	Myanmar	Yes Research activities (MSc., PhD. Thesis and Research papers by FRI)	No However, PES can link with community forestry and REED+ pilot project	No	No	Yes (Basic fieldwork) Government enact some of the laws regarding conservation of natural resources and environment. Such as; Forest laws (1992) and legislations, Environmental Law (2012) and Environmental Rules (2014), and other relevant laws. (No specific law and/or regulation for PES)	No Two pilot PES sites are proposed. 1. Nga Moe Yeik dam watershed conservation (National Level) 2. Inle Lake watershed conservation (Catchment Level)

Activity		Valuation Study	Pilot project and outcome	Stakeholder consultation	Policy advocacy and awareness-raising	Enabling legal framework	Implementation
Country							
6	Philippines	<p>Yes Valuation studies are already available for the following: hydropower, irrigation, ecotourism, biodiversity and bio-prospecting, domestic water, carbon payments, forest services (year of study to be confirmed)</p>	<p>Yes 1. Non-cash payments in the form of providing free seedlings and forest guard in Balian Watershed (Calderon et al. 2013) 2. Cash payment for conservation activities in Mt. Kanlaon Natural Park (Calderon et al. 2013) 3. Cash payment for conservation activities in Bakun Watershed (Cremaschi et al., 2013, Calderon et.al. 2013, Lasco & Villamor, 2007) 4. Rewards through labor's wages for rehabilitation activities in Maasin Watershed (Cremaschi et al., 2013) 5. Payments collected through a water levy in Sibuyan Island: Cantingas and Panagcalan Watersheds (Cremaschi et al., 2013) 6. Special levy of PHP 0.75 is charged on every cubic meter of water billed in Baticulan Watershed (Cremaschi</p>	<p>Yes Mostly Project level consultations</p>	<p>Yes Mostly Project level, local government resolutions and ordinances, National law</p>	<p>Yes Executive Order 318 wherein PES is a component for promoting SFM. Its implementing rules and regulations have yet to be made. There is an on-going effort to craft an Executive Order for PES through a multistakeholder TWG.</p>	<p>Yes Under the EPIRA law, implementation is on-going and the main implementer is DOE. Most of the projects are focused on local resolutions and ordinances. (Yet to respond at the national level)</p>

AFoCO SHORT-TERM TRAINING COURSE
Climate Change Adaptation and Practices

Activity		Valuation Study	Pilot project and outcome	Stakeholder consultation	Policy advocacy and awareness-raising	Enabling legal framework	Implementation
Country							
			<p>et al., 2013, Lasco & Villamor, 2007)</p> <p>7. Cash payment for disaster risk reduction and sustainable water supply in Mt. Kalatungan Range Natural Park (REECS, 2014)</p> <p>8. Proposed cash payment for sustainable water supply in Mts. Banahaw and San Cristobal Protected Landscape (MBCSPL) (REECS, 2014)</p> <p>9. Proposed cash payment for sustainable water supply in Mt. Malindang Range Natural Park (REECS, 2014)</p>				
7	Republic of Korea	Yes Korea Environment Institute & Korea Forest Science Institute	Yes 1. Government Level: Water, Bio-diversity, Carbon offset. 2. Civilian Level: Business Forest, Ecoconservation Contract	Yes Benefit Sharing	Yes National Environmental Plan; National Forest Management Plan; under such plans, several local plans	Yes 1. Carbon Emissions Trade Act of 2013; 2. Carbon Absorption Act of 2012; 3. Biological Diversity Act; 4. National Trust Act; 5. Environmental Impact Assessment Act	Yes 1. Government Level: Forest PES around the Great Mountains, Water Use Levy around the Han River, Biodiversity Management Contract and Compulsory Carbon offset. 2. Civilian Level: Voluntary Carbon Offset, Ecoconservation Contract

Activity Country		Valuation Study	Pilot project and outcome	Stakeholder consultation	Policy advocacy and awareness-raising	Enabling legal framework	Implementation
8	Thailand	Yes Studies on willingness to pay, valuation of forest ecosystem services in PA, such as water supply, ecotourism value, carbon stocks, etc.	Yes Many pilots such as CATSPA, Ecobest, BEDO, RFD, Community based trust fund in various areas, ecotourism project, etc. Most pilot projects are still under testing.	Yes Consultation with community on willingness to participate, knowledge sharing in community network, consultation with Eastern Sea Board Industrial and Eastern Forest complex, etc., NGOs.	Yes At the political level, but not enacting the policy into legislation.	No	No At pilot project levels as mentioned on 2.
9	Viet Nam	Yes Conducted by Winrock International, CIFOR, SNV, GIZ, from 2008-2011. Data availability on valuation of the forest to the water ground and soil conservation. Base on this assessment, the Government set-up the level of payment for hydropower and drinking water, ecotourism	Yes 1. Lam Dong province with support from Winrock International (USAID) 2. Son La province supported by GIZ	Yes At all level: National, province, district, community	Yes Prime Minister Decision and Decree; awareness-raising was conducted through mass media, which local languages	Yes 1. Decree 05 on the Forest Protection and Development Fund; 2. Decision 380/2009 on the Pilot Policy on Payment for Forest environmental Services (Lam Dong and Son La provinces); 3. Decree 99/2010 on the policy on PES Implementation nationwide.	Yes 36 provinces established Forest Fund (PFPEs); Hydropower: 235 contracts; Water supply: 72 contracts; Tourism: 44 contracts. Total USD 130 million received.

Attachment-2. Overview on Sessions

Session 1. How PES serves livelihood of forest community: Recaps from the AFoCo Int'l Workshop in 2014 (including 30 min Q&A session)	
A. Session Overview	This session recaptures the highlights of the AFoCo PES Int'l Workshop in 2014. It covers the stages in the PES readiness in 2014 and that of 2021 based on the country reports.
B. Learning Outcomes	At the end of this session, participants will be able to understand: <ul style="list-style-type: none"> the member countries' status of PES readiness, including: valuation study, pilot project and outcomes, stakeholder consultation, policy advocacy, awareness-raising, enabling legal framework, and implementation.
C. Content	(1) PES readiness in 2014 (2) PES readiness in 2021, based on country reports
Session 2. The role of institutional work for payments for ecosystem services	
D. Session Overview	This session provides guidelines on how to build up the institutional framework for PES based on the analytical and research tool.
E. Learning Outcomes	At the end of this session, trainees will be able to: <ul style="list-style-type: none"> Identify ways to develop an institutional framework of the PES in the country context; and Initiate to develop its related action plan.
F. Content	(1) Institutional framework of PES in Asia (2) Strategies and measures (3) Risks and enabling conditions (4) Suggestions to the participants
Session 3. PES Practice #1: Viet Nam's endeavours on institutional leveling up on PES	
G. Session Overview	This session explores PES status in Viet Nam, particularly the country's pathway in the institutional work for the last two decades.
H. Learning Outcomes	At the end of this session, trainees will be able to: <ul style="list-style-type: none"> Identify opportunities and challenges in the PES from the case studies of Viet Nam, and, Explore potential ways to develop PES projects/programmes in the country context
I. Content	(1) PES in Viet Nam (2) Suggestions to the participants
Session 4. PES Practice #2: Thailand's endeavours on institutional leveling up on PES	
J. Session Overview	This session explores PES status in Thailand, particularly the country's pathway in the institutional work for the last two decades.
K. Learning Outcomes	At the end of this session, trainees will be able to: <ul style="list-style-type: none"> Identify opportunities and challenges in the PES from the case studies of Thailand, and, Explore potential ways to develop PES projects/programmes in the country context
L. Content	(1) PES in Thailand (2) Suggestions to the participants

Session 5. PES Practice #3: Bhutan's story on natural capital and valuing ecosystem services	
M. Session Overview	This session explores PES status in Bhutan, particularly its policies and regulations in valuing ecosystem services and natural capital.
N. Learning Outcomes	At the end of this session, trainees will be able to: <ul style="list-style-type: none"> Identify opportunities and challenges in the PES from the case studies of Bhutan; and, Explore potential ways to develop PES projects/programmes in the country context
O. Content	(1) PES in Bhutan (2) Suggestions to the participants
Session 6. PES Practice #4: Indonesia's story on PES and REDD+	
P. Session Overview	This session explores PES status in Indonesia, particularly related to REDD+, how it is embedded in terms of its contribution to the expansion of the concept of PES.
Q. Learning Outcomes	At the end of this session, trainees will be able to: <ul style="list-style-type: none"> Identify opportunities and challenges in the PES from the case studies of Indonesia; and, Explore potential ways to develop PES projects/programmes in the country context
R. Content	(1) PES in Indonesia (2) Suggestions to the participants
Session 7. PES Practice #5: ROK's story on private sector engagement: Incentives for Ecosystem Services	
S. Session Overview	This session explores the incentive mechanism for ecosystem services by the private sector from case studies of the Republic of Korea. The guest speaker will further bring some good examples of Costa Rica.
T. Learning Outcomes	At the end of this session, participants will be able to: <ul style="list-style-type: none"> Identify opportunities and challenges in the PES from the case studies of the ROK and Costa Rica; and, Explore potential ways to develop PES projects/programmes in the country context.
U. Content	(1) PES in ROK and Costa Rica (2) Relations/cooperation with the private sectors (3) Suggestions to the participants
Session 8. Building a vision for PES as a financial instrument to boost up restoration under climate change and pandemic recovery	
V. Session Overview	This session explores PES from the perspective of a financial instrument to expedite restoration activities to address climate changes. It will further investigate innovative directions under the post-COVID19 era.
W. Learning Outcomes	At the end of this session, trainees will be able to: <ul style="list-style-type: none"> Identify ways to approach the PES as a financial instrument in the country context; and Initiate to develop its related action plan.
X. Content	(1) Global trend of PES as a financial instrument (2) Strategies and measures (3) Risks and enabling conditions (4) Suggestions to the participants

Attachment-3. Overview on Country Report and Action Plan

1. Purpose

Both country reports and action plans are primary materials developed and submitted by the participants. The reports help the participants take active attention and participation in the training topics, which will lead the participants to utilize the training outputs as their baseline information to develop project concept notes.

2. Country Report

Subject to the training subject, the Country Report (CR) will summarize the current status of the country and list down the main challenges and issues to wit: (1) organizational structure of the government of the forestry sector; (2) backgrounds of the country and the national policies related to the training subject; (3) list of the previous/on-going projects representing the training subject in the country; (4) main challenges and issues in your country; and (5) each participant's training questions related to the subject. A presentation template will be provided to the trainees.

3. Action Plan

Subject to the training subject, the Action Plan (AP) will provide the summary actions how to tackle down the issues based on their country report, including: (1) SWOT analysis, based on the improved problem tree; (2) problem statements and suggested strategies; (3) specific action plan (i.e., project objectives, budget, duration, and timelines, implementing organization, beneficiaries, and potential environmental and social risk); and, (4) expected outputs and outcomes including economic, technical, social, and environmental impacts. A presentation template will be provided to the trainees.

4. References

Please refer to the link for references below: <http://afocosec.org/project-manuals-guidelines/>

- Project Manual
- Guidelines for Project Monitoring and Evaluation
- Procurement Guidelines for Projects Goods and Services
- General Guidelines on the COVID-19 Coping-up Measures for AFoCO Projects

Attachment-4. Instruction on Zoom Setting

1. Link to the Course

After compiling information on the nominees by the AFoCO Focal Points, the RETC will inform them of the zoom link and other information through an e-mail.

2. Local Time

Korea Standard Time will be applied during the training course. Please, note that Korea Standard Time (GMT+9) is 9:00 hours ahead of Greenwich Mean Time.

3. Link Set-up and Testing

- Two (2) days before the event, the RETC will open a prep-session with the participants to:
 - a. Check the internet connection stability and use of desktop computers (mobile device are not recommended)
 - b. Share the event schedule.
 - c. Convene the participants and do a quick run-thru of the basic event structure: test screen shares and presentation materials.
 - d. Have the participants update the Zoom software on desktop computers to be used during the course.
 - e. Examine registration responses for interesting question responses.
- 15-30 minutes before the event, the participants will enter the room and ensure that:
 - a. All necessary presentation materials are present and ready, including PowerPoint, docs, websites, and video clips.
 - b. All zoom functions including the windows for a chat box and the list of participants are available to access.
 - c. It is comfortable to access (open, download, edit, etc.) to the Google drive (or any shared folder) provided during the session.
 - d. The virtual training backdrop provided by the RETC is displayed.
 - e. The name is displayed with the country code (e.g., MM_Nay Myo Win).

4. General Information during the Course

The participants shall observe the following:

- During the training session, the only authorized speaker allows to turn on the microphone. The rest of the participants must turn off their audio.
- When participants wish to intervene, kindly notify the host through chat of the ZOOM application or raise hands or nameplate.
- The facilitator/trainer will authorize an intervention only after the presentation is concluded to avoid distraction.
- If more than one participant requests to speak, the host will invite them to speak in the request's order. Participants will speak after the call of the host only.
- If participants encounter a technical problem, kindly notify the host through chat of the virtual application.