



Green Finance and Carbon market sector in Thailand



Market Engagement Event

14 August 2024

Agenda

01

14:00-14:15

Opening & Welcoming remarks

02

14:15-14.25

Introduction to UK PACT

Audience poll

03

14:30-14:45

Thailand UK PACT - Call for Proposals

Audience poll + 5 min
break**04**

14:50-15:15

Application process and requirements

05

15:15-15:55

Q&A

06

15:55-16:00

Wrap-up and next steps

01

Welcoming remarks

David Thomas
Chargé d’Affaires
British Embassy Bangkok

02

Introduction to UK PACT

Sophie Worrall

*Foreign, Commonwealth and
Development Office, UK
Government*

UK PACT: Partnering for Accelerated Climate Transitions

UK PACT is a £11.6 billion global programme running in 10 countries until 2026

Mission and vision:

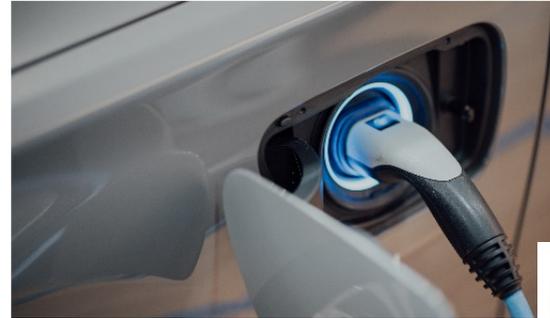
- UK PACT is a flagship programme under the UK's **International Climate Finance (ICF) portfolio**. The programme is jointly governed and funded by the **Foreign, Commonwealth and Development Office (FCDO)** and the **Department for Energy Security and Net Zero (DESNZ)**.
- Supporting **achievement of Nationally Determined Contributions (NDCs)** and the long-term goal of the 2015 Paris Agreement to **limit dangerous climate change**
- **Demand-driven**, adjusting key focus areas based on partner countries' needs and sectoral priorities

We will achieve this by:

- Working with partner countries to improve the capacity and capability of key institutions to reduce emissions and foster inclusive economic growth
- Addressing barriers and constraints to clean growth
- Pursuing opportunities for greater climate ambition
- Enabling access to climate finance

UK PACT in Thailand

- The UK is committed to supporting Thailand's climate action ambitions through the Thailand UK PACT fund.
- The funds seeks to support accelerated implementation of Thailand's existing **sustainable transport** plans and policies for climate mitigation.
- It will also support Thailand's transition towards a low-carbon economy by building capacity of the private sector, financial institutions, policymakers



Developing an electric vehicles policy in Thailand

Expert partner: E Co Ltd.



Reviewing the policy implications of introducing Electric Vehicles (EVs) in Thailand

Expert partners: Crown Agents, CENEX
Counterpart: Ministry of Energy - Energy Policy and Planning Office



Supporting the Bank of Thailand to develop and publish policy guidelines on climate stress testing and issue a green taxonomy

Expert partners: Crown Agents
Counterpart: The Bank of Thailand

Existing & past projects
UK PACT supported Thailand with GBP1.3 million of technical assistance in 2021 – 2023.

Audience poll

Zoom

03

Thailand UK PACT Call for Proposals

Thanawan Tangthanasup

British Embassy Bangkok

Johanna Woodburn

Arup – Green Finance Expert

Green Finance

- Thailand's ambitious climate targets Thailand's ambitious climate targets -- including conditionally reducing emissions by 40% by 2030, achieving carbon neutrality by 2050 and net zero by 2065 -- highlight the urgent need for sector-wide transformations.
- Thailand is developing a policy framework for green growth and climate change, aiming to transition into a resilient, innovation-driven, green economy. This includes promoting sustainable finance initiatives and green infrastructure investment.
- Thailand's climate policies emphasize market-based approaches through carbon pricing, aiming to align the country's carbon crediting standards with international norms.
- The government has developed several relevant initiatives in recent years proving the political importance on: taxonomy and sustainable financing framework, green bond market, and carbon

For more information, visit www.ukpact.co.uk

- **UK PACT aims to support activities that enhance green finance, carbon pricing and disclosures in Thailand, with a particular focus on reducing carbon emissions.**
- **These projects should be in line with government strategies and policies, provide benefits to the private sector and the wider public, and contribute synergistically to development and implementation of climate-related policies and strategies.**

The upcoming Call for Proposals – Green Finance and Carbon market sector

- This call for proposals seeks to respond to requests for **technical assistance and capacity building** in green finance in Thailand.
- Thailand UK PACT Country Fund aims to align its support with existing Government of Thailand plans and policies in the green finance related sector. To ensure that proposed ideas are well aligned, applicants are advised to also refer to **Thailand's 2nd Updated Nationally Determined Contribution, Thailand's National Strategy 2018–2037, Thailand's Long-Term Low Greenhouse Gas Emission Development Strategy (Revised Version), Thailand's Draft Climate Change Bill, Bio-Circular-Green (BCG) Economy Model and Sustainable Finance Initiatives for Thailand.**
- Projects will be selected through a **one-stage open and competitive call.**
- Projects are expected **to start in December 2024 and end in December 2026.**
- Grants of up to **£ 500,000 (THB 23 million) per project per year** will be awarded to successful applicants for a period of up to 24 months.
- Expect any multi-year projects to be designed **based on demand and consultation with stakeholders.**
- Looking for partners with the ability to be flexible and adapt to deliver against additional demands that may come over the course of a project of up to 24 months
- For-profit organisations can apply, but all projects must be delivered on **a not-for-profit** basis.

Counterparts and Implementing Partners

Counterparts (recipients of project outputs)

- Ministry of Finance
- Ministry of Natural Resources and Environment
 - Thailand Greenhouse Gas Management Organisation, MoNRE
 - Department of Climate Change and Environment, MoNRE
 - Office of Natural Resources and Environmental Policy & Planning, MoNRE
- Bank of Thailand
- Securities and Exchange Commission
 - Stock Exchange Thailand

Types of organisations eligible to apply for UK PACT grants

- Academic institutions
- Private sector organisations (consultancies etc.)
- Industry or professional associations
- NGOs
- Think tanks

Government departments and/or agencies are not eligible to apply for UK PACT Grant Funding

We are asking for proposals across 3 categories of support

1

Green and Transition Finance with interventions on taxonomy, sovereign and sub-sovereign thematic bonds and transition.



2

Carbon Pricing with interventions on carbon tax, mandatory Emissions Trading System (ETS) scheme and Carbon Border Adjustment Mechanism (CBAM) impact mitigation.



3

Non-Financial Reporting and Disclosures with interventions on strengthening readiness to adopt and report in line with ISSB sustainability and climate-related disclosure standards.



UK PACT will manage the projects as a coherent portfolio in Green Finance. Each project will be expected, where relevant, to collaborate and synergise with each other with the objective of working towards the same sectoral portfolio outcomes.

Proposed areas of support and output

Taxonomy Development and Implementation - A study to review current reporting and develop proposals for nature aspects of draft Taxonomy Phase II



1a

Selected examples of areas of work

- Review Current Taxonomy Context
- Review International Best Practices and Undertake Expert Interviews
- Develop Benchmark Criteria for Evaluation and Gap Analysis
- Formulate recommendations on improving taxonomy usability, reporting and promoting nature based on best practice review and stakeholder insights.
- Knowledge Sharing and Findings Disseminations to Support Quick Wins

Proposed areas of support and output

Sovereign and Sub-Sovereign Thematic Bond Issuance -A study to identify specific constraints and develop proposals to support high impact thematic bond issuance with lower cost and risk associated.



1b

Selected examples of areas of work

- Develop Stakeholder Engagement Plan
- Assess Current Market Context and Identify Priority Stakeholders
- Review International Best Practices and Undertake Investor Interviews
- Define Vision and Project Identification:
- Assess Financial, Policy, Legal and Institutional Arrangements
- Formulate Recommendations

Proposed areas of support and output

1c

Transition Finance Product Development and Issuance - Series of workshops, knowledge products and/or tools to support transition finance product development based on stakeholder needs.



Detailed examples of areas of work

- Develop Stakeholder Engagement Plan.
- Assess Current Market Context
- Review International Best Practices and Undertake Expert Interviews
- Facilitate Engagement to Identify Financing Needs
- Knowledge Sharing with Financial Institutions

Proposed areas of support and output

2a

Carbon Tax Design and Implementation - A study to assess interlinkages and implications between the proposed carbon tax and Thailand's voluntary carbon market.



Detailed examples of areas of work

- Review Current Carbon Tax and Voluntary Carbon Market Context
- Review International Best Practices and Undertake Expert Interview on setting a carbon tax rate that complements/does not actively hinder carbon credit trading.
- Undertake Private and Public Sector Consultations
- Develop scenarios to explore different carbon tax rates and evaluate them
- Prepare Final Report and Findings Disseminations.

Proposed areas of support and output

2b

Carbon Markets Design and Implementation - Roadmap development for developing the supportive infrastructure for data required for an ETS scheme and carbon tax.



Detailed examples of areas of work

- Review Current MRV Context across different sectors in Thailand
- Define a vision for priority sectors (for ETS and carbon tax) through consultations with public sector stakeholders.
- Review International Best Practices and Undertake Expert Interviews
- Gap Analysis through Private Sector Consultations
- Develop a Roadmap of Public and Private Sector Led Actions

Proposed areas of support and output

2c

CBAM Impact Mitigation - A study and workshops to assess market readiness at high-level for CBAM compliance and impact to industry players based on embedded emissions calculations



Detailed examples of areas of work

- Develop Stakeholder Engagement Plan
- Review Current Regulatory Context on CBAM
- Review Product Carbon Accounting Context
- Review International Best Practices and Undertake Expert Interviews
- Data and Information Gathering with select industry players
- Workshop Embedded Carbon Calculation
- Formulate Recommendations

Proposed areas of support and output

3

Readiness for ISSB Standards - A study to assess market readiness at high-level for ISSB adoption and workshops on navigating decision to adopt ISSB standards in regulatory frameworks.



Detailed examples of areas of work

- Review Current Disclosure and Regulatory Context
- Undertake Document Review on infrastructure required for ISSB adoption
- Assess Policy, Regulatory and Institutional Arrangements
- Assess Market Drivers to integrate climate change considerations into business strategy, financial planning, governance and operations.
- Undertake Maturity Assessment Undertake to generate insights on maturity of disclosure practices against SASB, TCFD, CDSB and the Integrated Reporting Framework, among others
- Identify Potential Pathways to adopt ISSB standards
- Knowledge Sharing and Findings Disseminations to Support Decision-Making

How to respond to the priority areas

How many themes can I apply for?

- We encourage proposals that can address and combine multiple interventions and apply the multi-scale approach outlined in the previous section (national, sub-national, pilot)
- Applicants are expected to strategically address one priority areas of intervention within one proposal
- Each proposal will be assessed independently

Audience poll

Zoom

5 min break

5 min break

04

Application process and requirements

Anissa S. Febrina

*Palladium – UK PACT Asia
Regional Lead*

What's required?

Eligibility requirements

Organisation eligibility

- ✓ Think tanks, consultancies (private sector firms), academic institutions, NGOs, professional associations or similar organisations that have the knowledge, skills and experience to deliver Technical Assistance projects relating to one of the priority sectors outlined
- ✓ Experience of delivering similar projects
- ✓ Consortia of international and national organisations encouraged
- ✓ Government agencies and/or departments are not eligible to apply either as a lead organisation, or as a partner organisation within a consortium

Project eligibility

- ✓ Strategic fit with the UK PACT priorities outlined
- ✓ **Demonstrate clear pathways and plan to engage intended counterparts in Thailand**
- ✓ **Projects up to 24 months**
- ✓ Up to £500,000 per project per year
- ✓ Incorporating opportunities to advance GEDSI

Key Definitions

Inputs & Activities = things that will be used to implement the project (e.g., trainings, research, technical expertise, stakeholder engagement). These are the activities that must be listed in your Project Workplan.

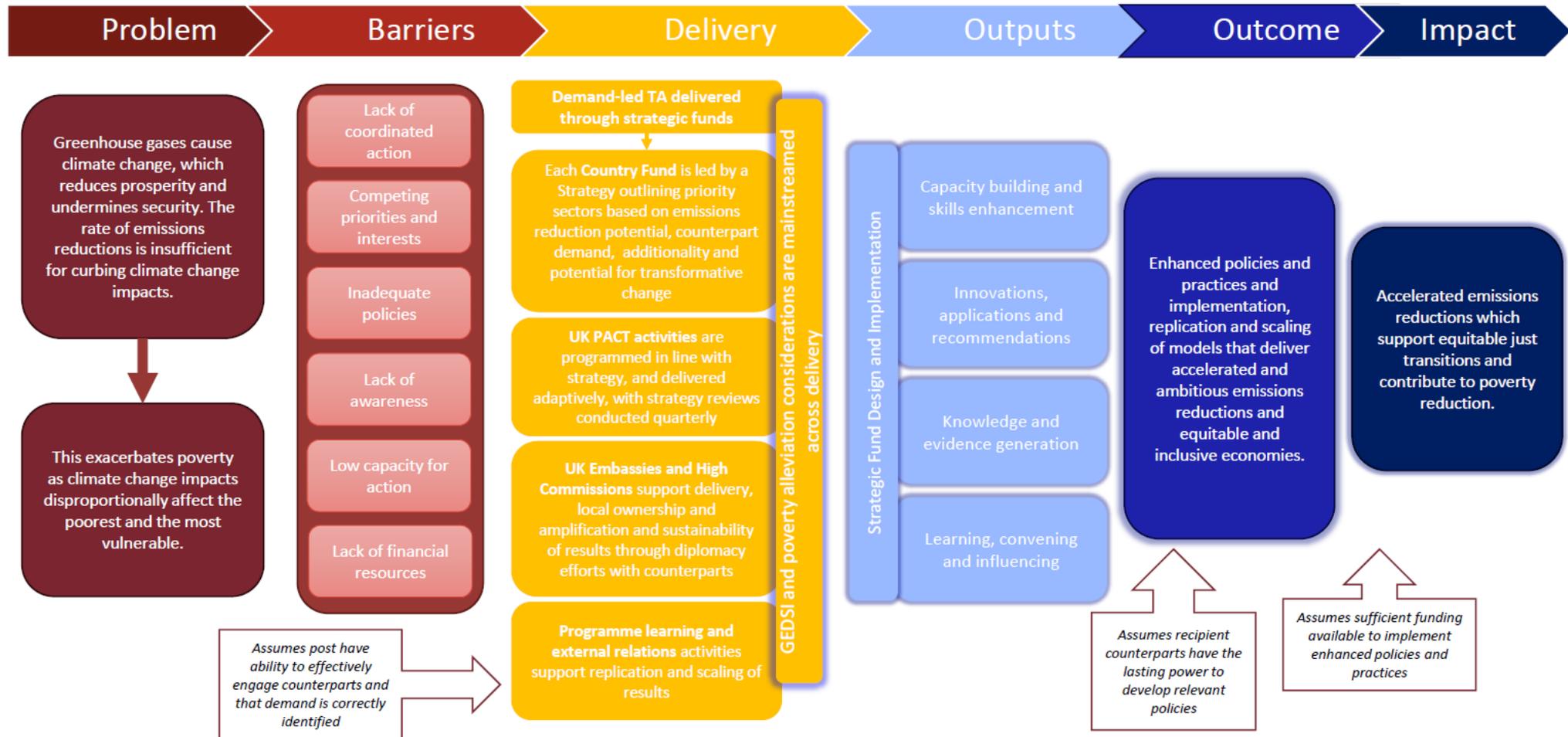
Outputs = the deliverable or product achieved as a result of the inputs. These are within the direct control of an intervention and are normally provided to the project's key counterparts or other project stakeholders.

Intermediate Outcomes = an interim indication of initial uptake by programme stakeholders. The logic of the intermediate outcome is that programme-supported outputs should be *adopted* or taken up by the stakeholders that work most directly with the programme. These stakeholders are then responsible for using or implementing those outputs to achieve their intended purpose.

Outcomes = are achieved when an output has been firmly adopted, implemented and has shown to result in a significant change in behaviour. If the programme's adopted outputs are effectively implemented by its counterpart stakeholders, we articulate this **outcome** as *enhanced, sustained, and inclusive action on emissions reduction*.

GEDSI Contribution = UK PACT's ambitions for **gender equity, disability and social inclusion (GEDSI)** are to go beyond minimum compliance. Project outputs must *do no harm*, should *empower* gender equality and social inclusion, and are strongly encouraged to support GEDSI *transformation wherever possible*.

UK PACT Theory of Change



UK PACT Selection criteria

Selection criteria will be divided into grant project design and workplan, project management and budget

There will be a strong emphasis on:

- The extent to which projects respond to the Terms of Reference outlined
- The degree to which projects fit within the overall UK PACT Theory of Change
- The extent to which GEDSI have been given priority within the project plan and outputs
- The plans for managing the project, including confidence that evidence of outputs achieved and progress reporting will be delivered on schedule
- Ensuring value for money

UK PACT projects can be demanding due to the requirement for evidence of all outputs achieved. Project management, results measurement and gender equality and social inclusion are all priorities for UK PACT and we encourage applicants to plan and budget for these tasks adequately.

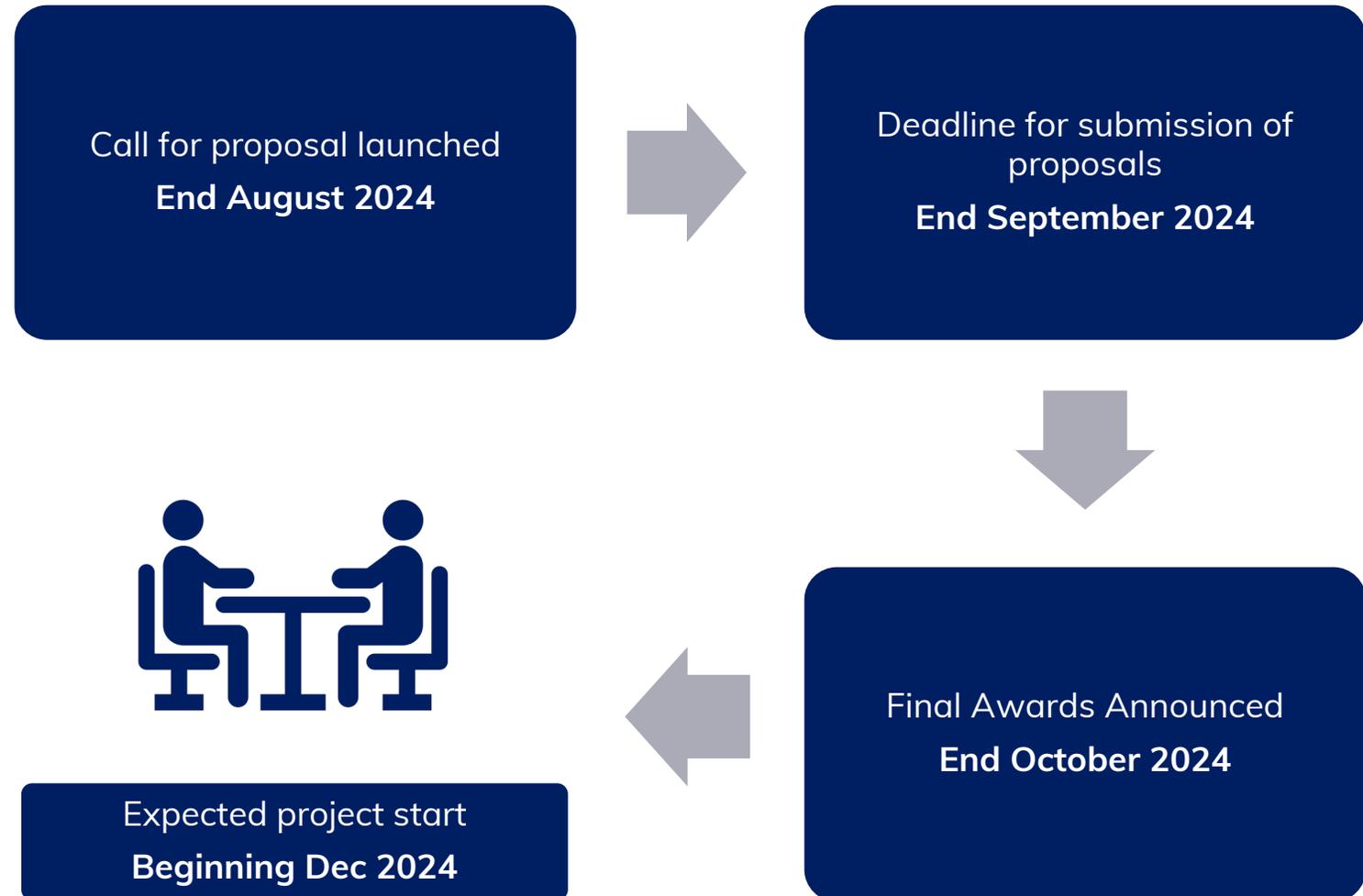
Results monitoring and case studies

- Proposals will include the submission of a Results Monitoring Plan describing proposed project outputs and their expected impact. The outputs proposed by projects should be aligned with the 4 output types in the UK PACT Theory of Change (ToC)
- Further guidance on UK PACT's programme level MEL framework, including ToC and Logframe, will be provided alongside the application process to facilitate project MEL development
- Projects will be expected to report on project outputs, alongside technical, financial and risk reporting
- Projects will be encouraged to identify opportunities for developing case studies



Process and timeline

One stage process for selection of projects



There will be an inception & co-creation period at the start of the project to refine project design

Preparing a proposal

UK PACT Proposal Template

UK PACT Budget and Workplan Template

UK PACT Project Theory of Change Template

UK PACT Project Risk & Issue Register Template

All available on the Thailand page on the UK PACT website:

www.ukpact.co.uk/country-fund/thailand



UK PACT Country Funds Full Proposal Form – 2024

Full Proposal checklist

Will you be able to set up a bank account that that enables you to receive GBP (£) prior to receiving UK PACT funding? YES NO

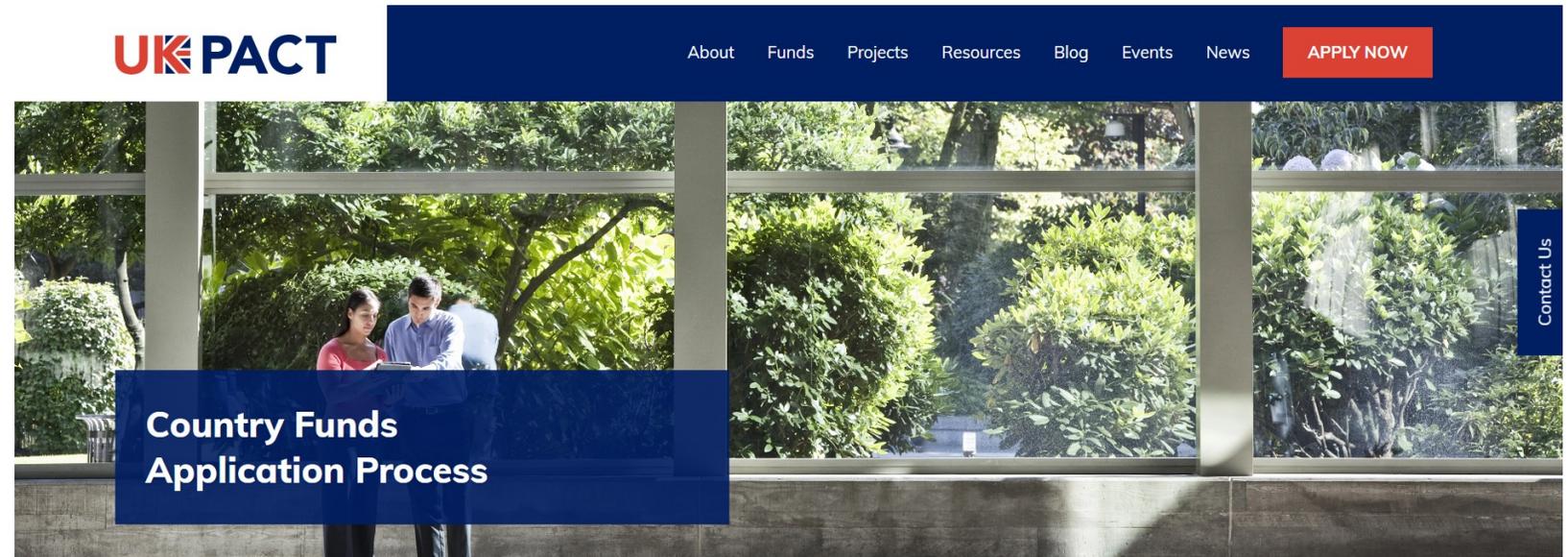
Project Title:

Project output	Output Title	Cost Categories	Name of personnel	Country	Organisation	Sub-category	Output Total				Q3 Financial year 24/25		
							Cost per unit (GBP)	No. people / hours	No. days	Total	Oct '24	Nov '24	Dec '24
UK PACT Guidance Note - completing and maintaining a Risk and Issue Register Please read all guidance before completing the Risk Register													
Cover	<p>Purpose The purpose of this risk register is to identify and document potential risks related to the project activities that are part of your UK PACT project. This should therefore cover risks related to downstream implementing partners or subcontractors to be engaged to deliver the work. Well considered risk management is a key part of delivering UK PACT projects and forms part of the selection criteria for grant projects across the programme. We encourage an open and transparent approach to discussing and managing risks across UK PACT. You will not be penalised for recognising there are risks associated with your project and accurately rating those risks, so long as there is appropriate plans to manage the risks in question, in line with UK PACT's risk appetite.</p> <p>Theory of Change template – for completion</p> <div style="display: flex; align-items: center;"> <div style="border: 1px solid #003366; padding: 5px; margin-right: 10px;"> Outputs TYPE - Description TYPE - Description </div> <div style="margin: 0 10px;">→</div> <div style="border: 1px solid #003366; padding: 5px; margin-right: 10px;"> Intermediate Outcomes TYPE - Description TYPE - Description </div> <div style="margin: 0 10px;">→</div> <div style="border: 1px solid #003366; padding: 5px;"> Outcomes TYPE - Description TYPE - Description </div> </div> <div style="margin-left: 20px; border-left: 1px solid #003366; padding-left: 10px; height: 100px; display: flex; flex-direction: column; justify-content: center; align-items: center;"> Impact Reduced emissions supported by UK PACT Transformational change in countries supported by UK PACT Gender equality and social inclusion empowered and enhanced, with reduced impacts of climate change on the vulnerable </div>												
<p>How to identify risks</p> <p>Clear risk descriptions that are as specific as possible</p> <p>We aim to use consistent framing of risks so it is clear outlined in the risk description. Alternatively, this can be outlined in the Risk & Issue Register tab, we have outlined an example below.</p> <p>Top tips for preparing your risk register</p> <div style="display: flex; gap: 10px;"> Guidance Risk Appetite </div>													

Country Funds Opportunities portal

All applications are to be made through the Country Funds opportunities portal

Interested organisations are already to register on the portal in advance of the call launch



The UK PACT Country Funds use an open, competitive grant facility to award funding to applicants who will deliver projects that enable, incentivise, and empower key stakeholders to take action on emissions reductions. The priorities for each country

List of reference documents

All relevant documents and templates will be included in the Country Funds Opportunities Portal when you apply

- Proposal, budget and workplan, project theory of change and risk & issues register [template]
- Terms of reference
- Applicant Handbook

Other useful references:

- Implementing Partner Handbook
- GEDSI Ambition Statement
- Country Funds FAQs

05

Q & A

06

Wrap-up and next steps

Next steps

Reminder on upcoming timeframes for application

- Presentation will be published on UK PACT website in coming days (www.ukpact.co.uk)
- Call for Proposals will be launched on **28 August 2024** at the [Thailand-UK PACT webpage](#)
- Survey to be sent out to participants to gather additional feedback on webinar and call for proposals
- For any technical issues when registering on the application portal please contact: thailand@ukpact.co.uk



**THANK
YOU**



Stay in touch:



www.ukpact.co.uk



thailand@ukpact.co.uk