Annual Report

2015

Helping People to Help themselves
20 ปี

เข้าใหม่

ทุกสิ่งที่เป็นผู้ผลิตของทรงรูป
วัสดุมีวิวัฒนาการ เทียนที่ละนาห้อง
ชุมชนกลุ่มผู้มานั้นทุกวันนี้
Vision

The Mae Fah Luang Foundation under Royal Patronage aims to develop communities, society, environment and cultures following the work of Her Royal Highness the Princess Mother in order to create happiness, sustainability, and stability.

Mission

- To catalyze the growth of sustainable economic, social, cultural and environmental development by providing integrated development cooperation, consultation, and training.
- To establish the Foundation’s approach as Thailand’s principal development model.
Brief History of the Foundation

The Mae Fah Luang Foundation under Royal Patronage (MFLF) was originally founded in 1972 in the Thai Hill Tribe Foundation on the Patronage of Her Royal Highness the Princess Mother to preserve the arts and the cultural wisdom of the hill tribes and improve their income by promoting their crafts and finding a market for tribal products, thereby reducing the rate of living below the advantage of uninterrupted income.

In 1979, the Thai Hill Tribe Foundation set up a program named the Hill Tribe Youth Leadership Funded by Her Royal Highness the Princess Mother and the United States Agency for International Development (USAID). This program gathered educational opportunities that were previously unavailable for local communities in the remote areas. This program was born at the Thai-Mee Chinese School and the New Horizon Arts and Cultural Park in Chiang Rai and a large extended family. They received the opportunity to attend school and were taught a set of techniques, knowledge, and skills. In particular, Her Royal Highness the Princess Mother prioritized values such as compassion, self-sufficiency, and a sense of duty, and helped them to transform and contribute to society.

In 1992, the Thai Hill Tribe Foundation was renamed the Mae Fah Luang Foundation under the Patronage of Her Royal Highness the Princess Mother. The objectives and scope of the Foundation were defined and expanded to focus on children’s development, becoming an increasingly important role in educating the local communities in areas of social, economic, and environmental development. The geographic scope of these activities was expanded, and the Foundation’s activities have been expanded to remote areas around Thailand and abroad, aiming to apply the model to other rural communities.

After the passing of Her Royal Highness the Princess Mother, His Majesty the King accepted the Mae Fah Luang Foundation under his Royal Patronage. The Foundation continues to develop its collaborative partnerships and activities, focusing on education and development, especially in remote areas. The Foundation has a strong commitment to improving the quality of life of the people and promoting self-sufficiency, helping communities to solve the problems they face by promoting alternative livelihoods so that villagers can earn legitimate income and find ways to allow people to coexist with the surrounding forests.

The Mae Fah Luang Foundation has three flagship projects, namely the Mae Fah Luang Arts and Cultural Park, the Chieng Rai Development Project (CDP), and the Hall of Wisdom at the Golden Triangle Park. The CDP is the pioneering and most significant holistic development model with continuous, and Her Royal Highness the Princess Mother development principles to tackle the problems of poverty and to improve the quality of life in a sustainable manner.

From the knowledge and lessons learned from CDP, the MFLF has been able to expand its work towards a network through the research programs.

Domestic Outreach:
- Rehabilitation Project in commemoration of His Majesty the King KTP.3, Phong Makan Village, Mae Fah Luang District, Chiang Rai Province, Thailand (2008–2009)
- Textile, Oil Palm, and Other Agricultural Crop Research Development Project (2006–present)
- Integrated Rural Development and Environmental Development Model in Nan Province, based on Royal Initiatives (2006–2011)
- Regional and Local Flood Rehabilitation Program (2011–2012)
- Capacity Building Program for Sustainable Agriculture for Tribal People (2014–present)

International Outreach:
- Sustainable Alternative Livelihood Development Project (SALDP) for the Union of Myanmar
- K Shan Chai Township, Myanmar (2011–2015)
- West Timor Microfinance Training Center (2005–2010)

MFLF aims to be the world’s leading organization in Sustainable Alternative Development (SALD) by being a ‘first’ consultant and a learning center in Alternative Development, Sustainable livelihoods, and social enterprises, in order to raise the concept of development to a new level and create a more sustainable society.
Scalability

2002

The UNODC presented a CTDP label at the 1st Asia Pacific Conference on Drug Demand

2006

The "Guijia" project contributed to the achievement of good governance in China.

2007

The "Guijia" project contributed to good governance in China.

2009

The "Guijia" project contributed to good governance in China.

2011

The "Guijia" project contributed to the achievement of good governance in China.

Establishing International Recognition

2013

The UN General Assembly (UNGA) adopted the United Nations Guiding Principles on Alternative Development (UNPD on AD) at the 67th session of the Second Committee of the United Nations Commission on Social Development and the Environment.

2014

The Max Foh Foundation organized the 19th Nobel Peace Prize event, organized by the Norwegian Nobel Committee. The event focused on the theme of culture and sustainability.

2015

The Max Foh Foundation in collaboration with the Economic and Social Commission for Asia and the Pacific (ESCAP) organized the Bangkok Symposium on the Role of the Private Sector in Sustainable Development.
Executive Summary

For decades, the world has been searching for solutions to issues of poverty, inequality, deforestation, human trafficking, and the depletion of natural resources. It seems, however, that past efforts, approaches and methods to alleviate these problems were both insufficient and ineffective, as may have previously been thought.

Despite having achieved one of the Millennium Development Goals (MDGs) in 2015 - the reduction of the number of people living on less than $1.90 per day in developing countries from 47% to 14% of the population, the world’s problems have hardly reduced. In fact, they actually took a turn for the worse due to the increasing in incidents, such as the rapid depletion of natural resources relative to the growing population, and the rise in cases of climate change. These are pressing issues that directly impact on human welfare.

The Mae Fah Luang Foundation has embarked on the royally-recognized initiatives of Her Royal Highness the Princess Mother for over 40 years based on a people-centric approach to development. The core to these developments include solving such problems at its root cause, investing time to understand the issues, analyzing and making decisions based on solidly researched facts and on a fundamental basis of the potential of human beings. The Foundation provides a platform for the local communities with opportunities to develop beyond their full potential, creating a balance between the rural, economic and environmental factors within their own villages while laying the awareness and helping them enough to support themselves to help others in need.

The MDTP model has expanded beyond its original foundation and projects in Myanmar, Thailand, and internationally. These projects have successfully enabled communities to manage their social, economic and environmental well-being by themselves and with dignity and autonomy, to enhance their own resources and skills. The satisfactory results of the ongoing projects are testimony that the Mae Fah Luang model is truly applicable in any geo-social context, such as the model has grown and the situation and interest of the international community at large.

From the moment Her Royal Highness the Princess Mother made it her mission to provide opportunities for underprivileged people to improve their lives and to co-exist with the surrounding forest, the cooperation of such projects in neighboring countries, and to the implementation of these projects further affords countries with a greater and different level of complexity, all of these events have contributed to a wealth of knowledge experiences and improvement. The result has been an increasing confidence in the validity of the MDTP development principles that have now been adopted in international guidelines for countries working on sustainable development.

Project implementations in 2015

Mae Fah Luang Foundation’s Model Project

1. Development Project (MDTP)

Domestic Outreach Projects

2. Nia Rehabilitation Project

3. Teacher and Other Key Workers Research and Development Project

4. Capacity Building Program for Sustainable Agriculture for Displaced People

International Outreach Projects

5. Sustainable Alternative Livelihood Development Project (SALD), Yoma Chiang Township, Mogok Division, Republic of the Union of Myanmar

6. That Lwin Sustainable Alternative Livelihood Development Project (SALD), Taungdwingyi and Pyin U Lwin District, Shan State, Republic of the Union of Myanmar

The Foundation reiterates the dynamic nature of constant change and learning issues that arise. Therefore, it is important to keep a close, steady eye to discern the change.

In 2015, the Foundation’s strategic direction was realigned to increase the ability of the Mae Fah Luang enterprises to better respond to external factors such as changing demographic and internal factors such as increasing the capabilities of employees. On the development side, intensive training workshops were held to nurture a new generation of Mae Fah Luang leaders, and the project’s development work. This was based on its ‘three S’ model - Survival, Sufficiency and Sustainability - which comprises a developmental strategy that promotes viable and sustainable means for further implementation.
Doi Tung Development Project,
Chiang Rai province

The Doi Tung Development Project (DTDP) in Chiang Rai was founded in 1956 by Her Royal Highness the Princess Mother to develop initiatives that tackle problems of sickness, poverty, and ignorance for the 11,000 strong community members living in the area. To survive, they exploited the surrounding natural resources and fomented drug-taking and illicit livelihoods. But the root causes of these problems were neglect, poverty, and the lack of opportunities.

DTDP introduced vocational training to develop the skills and knowledge of the local community. Doi Tung that would help them earn a viable and sustainable income. Today, the skills and knowledge base of the villagers have helped to establish four rural enterprise units under the Doi Tung brand: homestays, agriculture, farm processing, and tourism. This success is based on the principle that economic initiatives must be balanced with social stability, coupled with Doi Tung area with an abundance of natural resources, together this has led to truly sustainable development.

Doi Tung's handicraft products comprise hand-woven textiles, and carpets, mulberry paper, ceramic and hand-painted ceramics. In 2015, DTDP began experimenting with natural dyes for textile production. Handicrafts, coffee plant nurseries, and the processing of coffee beans, are the products of the Doi Tung brand. These products create income for local communities and help to preserve the cultural heritage of the region.

In 2015, amidst the economic and market challenges, the strategic priorities were re-aligned in DTDP's agricultural unit - re-evaluating the market potential, and redesigning products to better match the capabilities and skill development of our new and older generation employees. We believe that this will help to propel the business into new markets and will enhance product innovation.

The folkloric networks and the new rural coffee - coffee and manufactures - both sourced from the economic forest in Doi Tung, are the focus of the project. In 2015, the entire process of coffee production and management has been evaluated and improved to prepare for the challenge of the ASEAN Economic Community (AEC) and to become a holistic learning center for coffee - from trees to cup.

The tourism center on a hill, a leisure activity to tourists amidst the beautiful scenery of the Mae Fah Luang Garden and Animation, with extensive facilities such as the Doi Tung lodge, restaurants and souvenir shops, all of which generate income and develop skills and knowledge for local villagers. On the other hand, we have an example of knowledge-based tourism with its own Using University, and a holistic learning center. The third goal is to develop the Doi Tung homestay, providing training to help improve the quality of life for local communities. The project has developed coffee farming tourism and the third wave coffee establishment.

In 2015, the tea and coffee plantations were opened for local children in the tea, and children from the city to explore the natural environment. These local communities were encouraged to set up homestay opportunities in their villages that would allow visitors to learn about local culture and their coexistence with forests. To achieve long-term sustainable community development, it is crucial to guide the younger generations to understand the responsibility of their own community. In preparation for this, a child-centered learning, life skills development for children, community development, and Her Royal Highness the Princess Mother's principles, are the core values of Doi Tung educational development programs. Most of the school children in the schools in the Doi Tung area spend their own days in the village. Tracking Thai becomes therefore a priority in order to improve the communication skills necessary to further their studies and in day-to-day life. The project has developed a language teaching using the Montessori approach, and the results have been very promising. In 2015, Thai language teaching was extended into all schools and the improvement in Thai language skills in the children was clearly visible.

In 2025, a new Open Approach Education was introduced on a trial basis, encouraging children to think, ask questions and to find solutions themselves. This approach was combined with the existing Montessori method and Project Based Learning. With new techniques and approaches, it is necessary to change mindsets and re-train both teachers and the heads of schools. With the collaboration of Khon Kaen University and the Vira Phet Youth Foundation, the "Job" training sessions were implemented in schools.

In 2015, DTDP organized for the first time the festival "Colors of Doi Tung" and the highest "walking street market" in Doi Tung. The festivities spanned nine days concurrent with the new year celebration and were designed to showcase Doi Tung and promote its uniqueness as a tourist attraction through local art and culture, beautiful natural surroundings and quality local products. The event also provided access to market for the villagers with the skills, capacity and funding to try out their potential to become micro-entrepreneurs.
Doi Tung Development Project

Income and Occupation Ratio

- Government officer: 2.09% (649,803 / year)
- Retailer: 6.57% (1,837 million / year)
- Worker / Employee: 73.22% (6,726 million / year)
- Business owner: 3.59% (695,940 / year)
- Agriculturist: 8.65% (498 million / year)
- Source from working with UTDF: 6.6 million / year

Total income: 23,87 million
29 villages

The three highest income generated plants:
- Arabica coffee: Total product value of 110,119 million / year, planting in 24 villages
- Tea: Total product value of 265,836,000 / year, planting in 21 villages
- Pineapple: Total product value of 186,960,000 / year, planting in 5 villages

Average income per person: 2,290
Nan Reforestation Project

In 2015, the Foundation partnered with the Royal Initiative Discovery Institute to implement an integrated rural development model inspired by rural initiatives in 20 villages in Ta Wang Pa, Song Khwane, and Chalermprakiat districts of Nan province.

The project was focused on developing resource bases for economic production while encouraging activities that help lower spending and increasing income. After the improvement of the local social economic situation, the Foundation launched the reforestation phase in 2016. The objective of the project was to revitalize the Nan forests and at the same time to develop the skills of local villagers to generate greater sustainability and enhance their income with natural preserved forested areas and cultivating fields. This was an effort to counter deforestation caused by overpopulation, particularly the cultivation of crops in the unsuitable areas of Nan used for producing animal feed.

This project focused on working with local communities on proper land management, through three types of reforestation, in order to create stable livelihoods and income. The initiative starts with a survey of existing indigenous plants and mapping out the needs of the villagers in order to organize appropriate plantings for the community. The project then establishes nurseries to grow these plantings to ensure they are of good quality and size, ready to be planted. The project engages the local villagers throughout the process to foster ownership and understanding and ensure that they are involved in the land zoning and demonstration process. The community themselves set their own regulations on forest usage and conservation as well as fire prevention measures.

From 2013 to 2015, the key activity was to install and extend within the community of the importance of economic forests in order to engage their cooperation to convert original cultivation areas into economic forests.

The project's goal in 2015 was to achieve the target reforestation coverage according to the "One Tree Million" and to engage community participation in proper land management. Today, the project has successfully converted original cultivation areas into economic forests and planted more trees. The Forest Department and Nan Forestry Department, in cooperation with villagers, have developed a "Thung Laeng" (forests) and "Tham Rep" (forests) system, which is a type of community forest management. The project has been successful in increasing the forest area and improving the livelihood of the local community.

The success of the DTFP reforestation project led to the government's decision in 2015 to use the Nan model as a pilot project for the 2013 - 2016 strategic management plan for depleted highland watershed forests. This will allow local communities to legally use an additional 11,060.64 hectares of degraded forest land for various purposes.

Another important activity is the fire prevention measures that were initiated and implemented by the local communities themselves. The measures include creating firebreaks, installing firewalls, keeping constant vigil, and controlling the burning of weeds for crop preparation.

This initiative led to a mutually agreed set of rules for fire prevention measures. In 2016, the Nan model was successfully extended to the "Five Forestry Network" for Ta Wang Pa (where the river flows) and Nan Ching village, while Nan Ching village in Chalermprakiat district also received management with Nan Nong village in Laos, to apply fire prevention measures and a joint buffer area.

Other parallel activities include the building of 1,700 wells to help reduce humidity in the forest and accelerate forest recovery. Training and capacity building workshops with local communities and government units, facilitating community fire prevention committees, the facilitating of youth empowerment camps, and "We Care for Forests, Forests Care For Us," eliminating the youth programs of "Planting, Busa, and Put," are important steps in integrated forest conservation and management. The measures include the use of local knowledge, the promotion of forest conservation and management, and the provision of forest-related skills and knowledge. The goal is to encourage the participation of the local community in the management of their forests, ensuring sustainable use and conservation of natural resources.
Tea Oil and Other Oilseed Crops Research and Development Project

In 2006, Her Royal Highness Princess Maha Chakri Sirindhorn requested the Mae Fah Luang Foundation to conduct studies and to grows tea oil trees in collaboration with the Chiang Mai University. The Princess recognized the economic potential and global demand for tea tree oil, and envisaged the project generating sales income for the impoverished. To achieve this goal, MFLF initiated a research project to develop tea oil trees and seeds from the People’s Republic of China for trial planting at Fang Mahan and Pua project at Mae Fah Luang district. Chiang Mai. MFLF was responsible for the research, processing, and quality control of tea seed oil produce, while the Chiang Mai University was responsible for product development and securing marketing for the increasing volume of products.

This project was the catalyst to bring communities together to manage and better utilize their land and to exchange knowledge and skills from planting through to harvesting. The project also improved irrigation systems and supported a variety of income-generating activities to reduce expenses and increase short-term, medium-term, and long-term incomes. This provided a viable sustainable livelihoods for the communities, allowing them to co-exist with the forests in a sustainable manner.

In 2015, MFLF increased the number of people who benefited from growing, maintaining, and harvesting tea oil tree produce, and also of those who protected the forest area from exploitation. MFLF collaborated with local authorities, village headmen, and community leaders. It selected an additional 1,415 villagers on 228 hectares, whose area was registered and handed over to the tea oil tree project. Each household was given responsibility for 60 hectares of tea oil trees. Villagers who joined the project earned an income from caring for the crops and selling the harvest to the oil factory run by the Chiang Mai University.

The project also implemented fire prevention measures with a 3.5 km line of leaded banana trees, with villagers taking shifts to keep an eye for forest fires during the rainy season.

Capacity Building Program on Sustainable Agriculture for Displaced People

From the Project’s inception, displaced people in eight temporary shelter areas along the Thai-Myanmar border between 2013 and 2014 and commissioned by UNHCR, MFLF saw the need to prepare the displaced people to transition back into society post-temporary shelter life. Thus, with the cooperation of local government representatives from Umpang district and a specific project of support, MFLF set upon initiative to educate the displaced people on sustainable agriculture and to equip them with the necessary skills and knowledge to earn their living in the future.

This project, based in Na Bo village, Umpang district, Tak province, provides agricultural training to at least 500 people at a time, earning the households an average of 1.430 per person, and potential to increase income. An irrigation system was installed to ensure a sufficient supply of water for domestic consumption and agricultural requirements throughout the year. Furthermore, a nursery was established in the Mae Klong River watershed area to restore natural resources and to create awareness of their natural resources benefits among the local villagers.

Irrigation System Development

2 drinking water tanks
45,000 litres water storage for the village

Human Resource Development

Sustainable agriculture training for
103 displaced people and local villagers
Production of organic agricultural produce valued at
$1,430
Distribution to displaced peoples of
426 families
Sustainable Alternative Livelihood Development (SALD) Yenan Chaung Township, Magway Division, Republic of the Union of Myanmar

After the Sustainable Alternative Livelihood Development (SALD) project in Yangon, Myanmar was concluded in 2004, MFLF returned to Myanmar in 2011 to embark on another SALD project, this time in Yenan Chaung, Magway division, in the “Dry Zone” in the middle of the country, and one of the poorest areas of Magway division. Lack of water sources had limited the possibilities for viable agricultural projects; even for rice growing for personal consumption. Villagers therefore relied mainly on livestock – goats and cows.

The main crops produced are peanuts, sesame seeds, cotton and sunflowers. The SALD project was initiated through a partnership between MFLF and the Ministry of Livestock, Fisheries, and Rural Development of Myanmar, and funded by the Office of the Narcotic Control Board, Office of the Royal Development Projects Board, and the International Development Cooperation Agency under the Ministry of Foreign Affairs.

The SALD project has three main objectives: 1) To improve the quality of life and to reduce household expenses; 2) To increase income for the community so that they can tackle the problems in a systematic manner; and 3) To provide capacity building for the villagers.

The project therefore included multiple activities: securing water sources and increasing capacity of water storage for consumption and usage, setting up a nursery bank to reduce the cost of buying seedlings, setting up seed banks to reduce agricultural costs, teaching livestock husbandry to help increase livestock mortality and thereby increase village assets, creating community enterprises to generate added value from local commodities such as peanuts and sesame seeds under the brand “Happy Owl.” Since its inception, the above activities have generated an income of approximately $1.08 million for the community.

In 2015, the Foundation aimed to leverage the impact of its project by creating scalable development models and enhance capacity building in the community to manage its own projects. One of the major successes in the past was the livestock development project, whereby local were trained to become para-vets. The project included setting up the quality of animal feed was improved and the “Sweat Bank” was created to allow the poorest families to take out loans to buy animals. The贷ed goats thus became breeding assets that generated income for the community.

In 2015, MFLF collaborated with the Livestock Breeding and Veterinary Department of Myanmar (LBVD) to host the annual Goat Day, with diverse activities such as a goat-breeder contest, a roast curry contest, high quality seeds for goat-feed giveaways, and exhibitions to provide useful information. Over 4,000 participants joined the event, promoting “Happy Owl” to as an important goat center and sustainable development learning center for the region. The event also underscored the importance of the government of Myanmar’s livestock development initiative to be replicated in other regions.

During livestock development in 2015, MFLF also prepared local communities to manage various future activities by themselves such as the setting up and management of a producer maintenance fund. Furthermore, community products from the local “Happy Owl” enterprise are now distributed through 63 branches of City Mart, one of the country’s largest malls. The products are a part of the “Pride of Myanmar” campaign, and are also available at various tourist destinations.
Sustainable Alternative Livelihood Development (SALID)

Irrigation System Development
- Hand pump installation
- Decreased water fetching time by 38 minutes per day from 71 minutes to 33 minutes
- Reservoir repairs

Seed Bank
- 1,419 farmers gained accessibility to low-cost seeds in 20020
- Decreased the expense by $49,860

Anti-vemom Serum Bank
- 70 anti-venom treatments provided to farmers that saved 60 lives
- In 2015, the anti-venom serum bank saved 14 lives

Integrated Livestock Development

Goat Bank
- 529 members
- 8,116 goats
- Total value $391,190
- Livestock Mortality Rate: 7.12%
- Goat: Decreased by 6.13%
- Total loss value decreased by $430,460

Livestock Pharmacy
- Managed by the project-trained para-vets

Livestock Feed Improvement
- Para-Vet Training

Livestock Medicine Bank
- 2008 successful goats, bringing the total value to $484,679
Thai-Myanmar Sustainable Alternative Livelihood Development Project (SALD), Tachileik and Mong Hsat Districts, Shan State, Republic of the Union of Myanmar

The Thai-Myanmar SALD project is a collaborative venture between the governments of Thailand and Myanmar. Representing Thailand are the Office of the Narcotic Control Board (ONCB) and the Mae Fah Luang Foundation (MPLF) with the Central Committee for Drug Abuse Control (CCDAC) and Progress of Border Areas and National Races Department (NATALA) representing Myanmar. This project came to fruition as a result of the Central Level Consultation Meeting on Alternative Development Project between Thailand and Myanmar on March 7, 2012. In the meeting agenda, both parties discussed issues of poverty and the need to raise the quality of life for those residing along the Thai-Myanmar border. The objective of the meeting was to build solidarity in the target communities so they become self-reliant and, in consequence, to reduce the risks of involvement with drugs.

The project has been in operation for the past five years focusing on poverty alleviation, irrigation development, food security improvement, cost reduction, and increasing earnings through agricultural and livestock farming. In 2015, important goals for the initiative were to improve the efficiency of the local teams and to create additional short-term income.

In 2015, 25 villages received immediate additional income for the community through the seed bank which provided over 1,300,000 seedlings and high-quality plants for 1,847 farmers, valued at more than $105,850. The post-harvest crop groups increased from 40 to 45, and the post-harvest land utilization increased from 300 hectares to 62.5 hectares. A livestock bank was set up valued at $730,000, providing livestock assets for 255 households. Animal husbandry reduced the livestock mortality rate with an improvement value of $55,540, while the donation of a seed-making machine generated an average of $81 per month for the group of ten women. The project also acted as an intermediary between the farmers and the market. In the past year alone, the project purchased a total of 79,172.10 worth of agricultural produce from 458 farmers.

Apart from economy-related activities, capacity training programs were conducted for 65 social development, livestock, and public health volunteers. Farmers supported the irrigation development in the area with technical knowledge and equipment, while locals contributed labor to build and repair the irrigation system. They now have access to enough water supply for consumption and for planting more than one crop a year. In terms of public health, the mobile medical service provided health checkups and treatment, measles and measles fever screening, dental services, health care knowledge and awareness for adults and school children, medical supplies and improvements to the local public health center.
Thai-Myanmar Sustainable Alternative Livelihood Development Project

Irrigation System Development

- 28 agricultural areas
- 1.6 kilometers of water canals
- 3,274 meters of pipelines
- 3,032 meters of canals
- 3,386 farm ponds
- 29 water-purification tanks
- 1,532 cubic meters of water tanks

Beneficiaries
- 11,853 people
- 92% of the citizens

In 2013, there were 123 beneficiaries from irrigation system development in the 12 water retention and wetland areas.

Food Security

1. Livestock
   - Set up the livestock banking and credit program
   - Loans up to 30,000 kyats
   - Total beneficiaries: 255 people
   - Total reduced expenses: 75,550 kyats

2. Agriculture
   - Vegetables seeds and fruit seedlings for post-harvest season provided
   - Total beneficiaries: 1,945 people

Public Health Care

- 1,861 community members received medical services
- 2,063 students benefited from medical care training

Education

- Trained 33 public health care volunteers
- Distributed 14,500 textbooks
- Improved school infrastructure
- Teachers' salaries increased

Income-Generating Activities

- Community market set up in front of Mong Twa office
- Medicinal plant cultivation

Reforestation and Income Generating Activities

- Economic forest increased by 174.56 hectares
- 300,961 economic agroforestry provided
- Average income: 1,330 kyats/month
- Average supplementary income generated for each member: 50 kyats/month

Value-Added Activity

- Noodle production community enterprise for a group of 1,000 women
MFLF Overall Achievements in 2015

Total development projects area
112,686.1 hectares

Beneficiaries
166 villages
12,848 households
63,167 people

Local employment and capacity building
2,422 people

Total livestock value
$1,725,680

Total agricultural product value
$805,360

Forest area under MFLF projects
51,501.76 hectares
### Statement of Financial Position

<table>
<thead>
<tr>
<th>Assets</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current assets</strong></td>
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<td></td>
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<tr>
<td>Cash and cash equivalents</td>
<td>100,817,214</td>
<td>111,030,323</td>
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<tr>
<td>Cash and deposits to financial institution for special projects</td>
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<td>39,189,164</td>
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<td>Current investments</td>
<td>794,276,000</td>
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<tr>
<td>Investments in short-term securities</td>
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<td>Trade receivable</td>
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<td>Inventories</td>
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<td>Accrued interest</td>
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<td>Other current assets</td>
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<td><strong>Total current assets</strong></td>
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<td>1,504,144,140</td>
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<tr>
<td><strong>Non-current assets</strong></td>
<td></td>
<td></td>
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<tr>
<td>Investments under equity method</td>
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<td>15,750,000</td>
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<td>Other long-term investments</td>
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<td>289,000,000</td>
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<td>Property, plant and equipment</td>
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<td>301,413,881</td>
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<td>Other non-current assets</td>
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<td><strong>Total non-current assets</strong></td>
<td>585,364,737</td>
<td>526,876,588</td>
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<tr>
<td><strong>Total Assets</strong></td>
<td>2,080,076,861</td>
<td>1,880,820,737</td>
</tr>
</tbody>
</table>

| Liabilities and accumulated capital |            |            |
| Current liabilities |              |            |
| Trade payable and other payable | 49,877,844 | 28,075,727 |
| Unearned revenue | 4,060,517 | 3,143,976 |
| Accrued expenses | 43,760,049 | 28,447,623 |
| Other current liabilities | 2,399,515 | 2,099,008 |
| **Total current liabilities** | 91,122,695 | 62,682,076 |
| Total liabilities | 91,122,695 | 62,682,076 |
| **Special project funding** | 501,187,310 | 336,681,927 |

**Accumulated capital or reserve**

| Accumulated capital | 1,482,726,249 | 1,438,765,358 |
| Unrealized gain (loss) fair value adjustment of investments | 1,066,253 | 1,316,623 |
| **Total accumulated capital** | 1,487,798,606 | 1,439,482,981 |
| **Total liabilities, special project funding and accumulated capital** | 2,080,076,861 | 1,880,820,737 |

### Statement of Income

<table>
<thead>
<tr>
<th>30 September</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales and service revenues</td>
<td>487,229,392</td>
<td>453,316,301</td>
</tr>
<tr>
<td>Donation income</td>
<td>69,700,854</td>
<td>37,775,842</td>
</tr>
<tr>
<td>Investment income</td>
<td>33,839,006</td>
<td>23,304,279</td>
</tr>
<tr>
<td>Insurance compensation</td>
<td>5,986,654</td>
<td>9,961,746</td>
</tr>
<tr>
<td>Other income</td>
<td>174,976,828</td>
<td>282,448,072</td>
</tr>
<tr>
<td><strong>Total revenue</strong></td>
<td>765,499,971</td>
<td>617,922,445</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost of goods and services</td>
<td>215,128,144</td>
<td>207,070,789</td>
</tr>
<tr>
<td>Sales and service expense</td>
<td>175,300,618</td>
<td>143,076,159</td>
</tr>
<tr>
<td>Administrative expense</td>
<td>223,994,920</td>
<td>247,086,958</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>614,423,682</td>
<td>599,233,896</td>
</tr>
<tr>
<td><strong>Revenue over expenses</strong></td>
<td>151,076,289</td>
<td>228,688,549</td>
</tr>
</tbody>
</table>
The Year in Review

June 23, 2015
The Mae Fah Luang Foundation partnered with the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) to host the Bangkok Forum on Well-Being and Sustainable Development.

February 25-26, 2015
A delegation of supervisory program students and faculty from Mahidol University visited Del Tang for a study visit to learn about development work and effective implementation of the model for practical use.

November 1, 2014
Interior Minister General Anupong Paochinda visited the Reorestoration Project in Chaiyaphum and Phaya Tung Phu District, Loei Province.

December 19-20, 2015
An MBA student delegation from the Graduate School of Business paid a study visit to Del Tang Development Project to learn about its food business and agriculture model.

March 20, 2015
Natural Resource and Environment Minister General Pongpeng Rattanaman visited and exchanged knowledge with local people of Ban Phai village within Loei province's Restoration Project.

June 1-21, 2015
The Mae Fah Luang Foundation hosted the Sixth International Internship Program. The interns learned about the foundation's development principles which they would later apply in their feasibility research for the high quality banana plantation project as well as for the development of a business plan for mulberry products.

December 5, 2016
The Sustainable Alternative Livelihood Development (SALD) Project in Mae Fah Luang, Chiang Rai, Myanmar, launched its first social enterprise brand "Happy Owl" at the Royal Thai Embassy in Yangon.

October 2014 - September 2015
MFIP organized a number of camps for the development of children and youths in Del Tang and the vicinity. These include "Camp for Positive Energy Children", 17 camps with 500 pupils between the ages of 6 to 15. "Camp for Positive Energy Teenagers" (8 camps) with 264 teenagers participants aged between 13 to 18.

November 14, 2015
MFIP organized the "Live-stock Breeding and Veterinary Department of Myanmar (LBVD) to host the annual Fooy Day. To establish Yoman Choung as the center for goat farming in Nangway Division, and present its model project for sustainable development.

February 21, 2015
MFIP collaborated with the Liv- stock Breeding and Veterinary Department of Myanmar (LBVD) to host the annual Fooy Day. To establish Yoman Choung as the center for goat farming in Nangway Division, and present its model project for sustainable development.

The Orchid Award:
Six paphiopedilum orchids of DTUAP won the Award of Merit (A3) from the Royal Horticultural Society of Thailand under the Royal Patronage.

February 14, 2015
MFIP collaborated with the Liv- stock Breeding and Veterinary Department of Myanmar (LBVD) to host the annual Fooy Day. To establish Yoman Choung as the center for goat farming in Nangway Division, and present its model project for sustainable development.

Premium Products of Thailand. Products from the Del Tang Development Project were listed as "Premium Products of Thailand" by the Ministry of Industry's judging panel.

The Philanthropist Award:
Khinlay Pangsong Disakol, Deputy Secretary-General of the Mae Fah Luang Foundation, was awarded the Helen Shumway Award in the category of philanthropist.

Mae Fah Luang Art and Cultural Park and Hall of Opium, Golden Triangle Park, were awarded the Certificate of Best Places to Visit in Thailand 2016 as voted by tourists around the world.

Mae Fah Luang Art and Cultural Park and Hall of Opium, Golden Triangle Park, were awarded the Certificate of Best Places to Visit in Thailand 2016 as voted by tourists around the world.
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livinguniversity@doitung.org

Doi Tung Drip Coffee,
a Sip of Sustainability
MFLF Annual Report 2015 Figures and Maps

1. This annual report summarizes the activities of the MFLF in fiscal year 2015 (October 1, 2014 to September 30, 2015).
2. Please note that some figures are provisional values and figures may vary according to the timing and method of calculation.
3. All sums indicated with a dollar sign ($) refer to US dollars and are calculated at an exchange rate of $1.00 = 34.25 THB (Bank of Thailand rate in 2015).
4. All maps contained in this report are approximate.

April 2016
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Published by:
Mae Fah Luang Foundation under Royal Patronage
1879/2, Samsen 4th Rd., Ratchi, Pathumwan, Bangkok 10330, Thailand
Tel.: +66 2222 7114
www.mae-fah-luang.org

Printed by:
Kiritthananat Company Limited
9/26, Charoenakorn 10, Charoenakorn Rd., Klongton, Klongten, Bangkok 10600


Printed using 100% recycled paper and soy ink