



COUNTRY PROGRAMME ACTION PLAN 2016-2020



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MID-YEAR PROGRESS REPORT 2017

SECTION 1 TO 5: TO BE COMPLETED BY UNDP MALAYSIA

1. PROJECT DETAILS	
Project Title: Biodiversity Conservation in Multiple-Use Forest Landscape in Sabah, Malaysia	Award ID: 00063217 Project ID: 00080468 Project Period (Project Document): 22 Jun 2012 – 31 Dec 2018 Revised Project End Date (If Any):
Implementing Partner: Sabah Forestry Department	
2. FINANCIAL MANAGEMENT	
2017 AWP Budget: USD 1,112,205.00 2017 Expenditure - As of 30 June: USD 324,013.74 2017 Expenditure - As of 30 June (%): 29.1%	Total Project Budget: USD 4,400,000 Total Cumulative Expenditure: USD 2,687,096.32 Total Cumulative Expenditure (%): 61.1%
<i>(to be updated by PM)</i>	
3. PROJECT OVERSIGHT	
NSC: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Minutes (Attached): <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	NSC Dates: 17 January 2017 and 31 March 2017 NSC Chair & Designation: Mr. Gerald Jetony, Natural Resources Office, Sabah
<i>(Updated by M&E Officer; PMs please revise log amendment date if over 6 months since last update)</i>	
4. RISK LOG MANAGEMENT AND MONITORING	
Risk Log Reviewed: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Risk Log Amended: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Last Log Update: Risk log is still valid. Last Log Amendment: 11 May 2015
5. AUDIT AND EVALUATION	
NIM Audit: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Report (Attached): <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Rating: Unqualified	Project Evaluation: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Report (Attached): <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Rating: PIR 2016 Development Objective (Outcome): Satisfactory Project Implementation (Output/Activity): Satisfactory Quality of Report: Satisfactory



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SECTION 6 TO 8: TO BE COMPLETED BY IMPLEMENTING PARTNER

6. 2017 OUTPUT TARGETS AND STATUS – AS PER REVISED AWP

Outcome 1: An enabling environment for optimized multiple use planning, financing, management and protection of forest landscapes.

Output 1.1: New State-level policies and regulations for implementing No Net Loss (NNL)/Net Gain and incorporating biodiversity and ecological function conservation objectives into the integrated planning and management of forest protected areas and surrounding or connecting landscapes

<p>Target</p> <p>By 31 December 2017, draft State-level policies and regulations for planning and managing multiple-use forest landscape finalized.</p>	<p>Status: <input checked="" type="checkbox"/> On Track <input type="checkbox"/> Off Track Details: <input type="checkbox"/></p> <p>Achievement and Results as of June, 2017</p> <p>A meeting between Forest Trends and the relevant government agencies was held on 3 February 2017 at Natural Resources Office to update on the progress and type of data required from the agencies. Following the meeting, SFD has written to (1) Land & Surveys Department, (2) Town & Regional Planning Department, and (3) Mineral & Geoscience Department, requesting clearance to share data and analysis with Forest Trends. The respective Departments had provided data to Forest Trends including Sabah's Carbon map, which was made available from Carnegie Airborne Observatory (CAO). Meanwhile, Forest Trends also presented their preliminary progress report to the Project Board members and other stakeholders during the Project Output Session, which was held on 30 March 2017 where comments and other inputs were put forward by the members.</p> <p>In addition, the project team also provided some information to Forest Trends with regards to the rate of clearing and planting (extent of land cleared and the extent of land planted from 2012 to 1st quarter of 2017) in the project landscape area that have been identified for integrated mosaic planting.</p>
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Output 1.2: New state-level policies and regulations for generating and disbursing revenues at landscape level from innovative financing mechanisms.

<p>Target</p> <p>By 31 December 2017, new state-level policies and regulations in place for generating and reinvesting revenues from innovative financing mechanisms.</p>	<p>Status: <input checked="" type="checkbox"/> On Track <input type="checkbox"/> Off Track Details: <input type="checkbox"/></p> <p>Achievement and Results as of June, 2017</p> <p>Green Spider submitted a revised Draft Report on PES Policy & Conservation Finance Strategy on 14 March 2017, which highlights the importance of Conservation Finance/PES for generating revenue and complementing existing government funding for conservation.</p> <p>A briefing on 'Legal Opinion Paper on Possible Frameworks for the Establishment of Conservation Trust Funds for the State of Sabah' to the Deputy Permanent Secretary of Ministry of Finance, Sabah by the Green Spider was held on 30 March 2017 at the Ministry's office. In principal, the Ministry was supportive of the proposed conservation fee and the governance of monies mechanism. Following this, Green Spider had given inputs on the</p>
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	<p>following:</p> <ol style="list-style-type: none"> 1. Draft Inputs for Cabinet Paper: Seeking Approval to Explore Options For Financing Conservation and PES. 2. Legal opinion papers - Environmental Conservation Fee, Trust Fund. 3. Legal opinion paper - Water Conservation Fee. <p>A meeting with other stakeholders will be held on 6 July 2017 at the SFD HQ to plan/discuss further of how PES (Conservation Finance) can be implemented in the State (statewide implementation).</p>
<p>Output 1.3: Enhanced capacities of staff at institutional levels to design, implement and manage/oversee multiple-use, landscape level forest management and sustainable financing schemes, including enhanced capacities to monitor ecosystem service markets.</p>	
<p>Target</p> <p>By end of project, a 30% increase in multiple-use landscape-level forestry, forest conservation and financial management capacities of SFD, NROS, SEPU, YS, DID, EPD.</p>	<p>Status: <input checked="" type="checkbox"/> On Track <input type="checkbox"/> Off Track Details: <input type="checkbox"/></p> <p>Achievement and Results as of June, 2017</p> <p>The capacity assessment scorecard for year 2016 was finally updated. The results are summarized below:</p> <ul style="list-style-type: none"> • Conservation and Environmental Management Division (CEMD)/Yayasan Sabah (YS) show both the most significant gaps and the most ambition in getting involved with the Project Output activities. It shows a capacity gap of more than 50% across all the Project Objectives. • Data reveals that the existing levels of awareness/knowledge, level of involvement, and capacity to get more involved in the Project Output activities are similar between CEMD/YS and Department of Irrigation and Drainage (DID). • CEMD/YS and DID have similar baseline capacity, but CEMD/YS organisational aspirations are more closely related to the project and thus the ambition is higher. • Overall the key agencies have a low awareness and knowledge of the project. • The recurring theme in the responses from the key agencies is low capacity in terms of number of staff as well as qualified expertise. • Feedback that the assessment team received from the key agencies shows that their level of coordination is less than ideal. • The different advisory and management roles in relation to activities in the project area are not coordinated in a way to create synergy and maximise efficiency. <p>Therefore, based on the results, it is evident that from the viewpoints of the key agencies, that there is significant and critical capacity gaps in relation to most of the Project Output activities. The SFD is the exception as its gaps in connection with the Project Output activities are relatively small. This is expected as the SFD is the senior supplier, the proponent and implementing agency for the Project. The results show that the SFD is indeed in a position of</p>



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	<p>leadership to facilitate the capacity building of other agencies for the Project.</p> <p>The recommendations from the capacity assessment are:</p> <ul style="list-style-type: none"> • The project subcontractors should utilize the updated scorecard data organised by Project Output for each agency to plan on capacity building components of ongoing and future project activities. • The Project Board, Project Management Unit and the Project Subcontractors should improve the project's outreach to the key agencies and other stakeholders through concerted efforts. • Staff capacity development for key agencies of the project area should consider the critical issues regarding the number of workforce, accumulation of qualified expertise and coordination for cross-agency training for staff. • The project should take the opportunity of its project activities to further clarify and create synergy between the different advisory and management roles of key agencies of the project area, to effectively achieve the Project Outputs. Coordination between key agencies of the project area must be a crucial part of capacity building components of all the project activities. • The project subcontractors should make use of the Sabah Timber Legality Assurance System (TLAS) and other audit reports as a resource to gauge specific areas of improvement needed in the contractors' operations that are most relevant to the Project Outputs and concentrate project resources on those areas. • SFD should continue to play a leadership role in the Project to assist other agencies in capacity building. <p>SFD will be calling a meeting soon with stakeholders (6 July 2017) to discuss this matter, i.e. capacity building for managing and conserving biodiversity and ecosystems at the landscape level, as well as, PES implementation/Conservation Finance.</p>
<p>Output 1.4: Enhanced cost-effective system for compliance monitoring and enforcement</p>	
<p>Target</p> <p>By end of project, a revised and updated set of regulations and guidelines for compliance monitoring and enforcement within a multiple use context that includes innovative revenue generating instruments.</p>	<p>Status: <input checked="" type="checkbox"/> On Track <input type="checkbox"/> Off Track Details: <input checked="" type="checkbox"/> <input type="checkbox"/></p> <p>Achievement and Results as of June 2017</p> <p>There has been a lot of progress with regards to compliance, monitoring and enforcement such as Forest Rules 1969, C.F Circular and the Forest (Timber) Enactment 2015 were amended; the recruitment of Honorary Ranger by the SFD of which guidelines for monitoring and enforcement have been prepared; recruitment of Wildlife Warden by the Wildlife Department of which the SOP was developed; the set-up of Spatial Monitoring and Reporting Tool (SMART) by WWF Malaysia for planning, implementing, monitoring and reporting on law enforcement efforts; 25 SFD personnel (3 personnel working in the Project Area) were trained using the Spatial Monitoring and Reporting Tool (SMART) to help prepare them in their protection efforts; and with the implementation</p>



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	<p>of SMART in the Project Area.</p> <p>Meanwhile, a task force has been set up for the Tawau region (Tawau Anti-Poaching Task Force) to facilitate anti-poaching efforts, such as patrolling and roadblocks at key hotspots in the region. This somewhat had helped the SFD in their monitoring and enforcement of forest management.</p> <p>The SFD continuously carried out its internal monitoring on Reduced Impact Logging (RIL) while RIL Assessment and Monitoring is carried out regularly by a Third Party. Another Third Party for TLAS Auditing was appointed to ensure continuous compliance with the terms and conditions of the Sustainable Forest Management Licence Agreement (SFMLA) or Long Term Licence Agreement, as well as, legal compliance with Malaysian laws and in confirmation with the EU-FLEGT of TLAS requirement. TLAS Auditing is carried out regularly. SFD also regularly carried out its monitoring on the implementation progress of SFM by the SFMLA Holders through a quarterly compliance reporting.</p> <p>SFD, upon receiving feedback/inputs from various parties/stakeholders and after an innovative revenue generating instruments such as, the Conservation Fees is implemented, a revised and updated set of regulations and guidelines for compliance monitoring and enforcement would then be prepared – probably by end of 2018.</p> <p>Meanwhile, setting-up a Multiple-use Forestry Unit or Monitoring Unit within SFD had been proposed by the TWG; and was discussed at the Project Board meeting. SFD is still considering this proposal.</p>
<p>Output 1.5: State and national guidelines and operational policies for multiple-use forest landscape planning, mgmt and conservation</p>	
<p>Target</p> <p>Policy guidelines specific to multiple-use forest landscape established by 31 December 2017</p>	<p>Status: <input checked="" type="checkbox"/> On Track <input type="checkbox"/> Off Track</p> <p>Details: <input checked="" type="checkbox"/></p> <p>Achievement and Results as of June 2017</p> <p>The programme of the NNL was presented by SFD to the State Biodiversity Council. SFD touches on the work of the CAO and was recommended detailed presentation to be made to the council to discuss any possible policy intervention. The council was informed that the guidelines for NNL/NG is being drawn up by Forest Trends and SFD had facilitated the sharing of required data/information for the work.</p> <p>While the integration of 25-Year Management Plan for the Project Area is being formulated by the TWG, SFD had also mooted/started similar process for a Statewide Forest Management Plan covering all forested areas (Forest Reserves & Protected Areas in Sabah). Lesson learnt from the TWG inputs will be incorporated in the Statewide FMP process.</p> <p>The Cabinet Paper on the PES/Conservation Finance is being prepared and to</p>



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	<p>be tabled in the coming State Cabinet Meeting in July for consideration. However, the latest issue on the imposition of "Tourism Tax" by the Federal Government may influence the State Government's decision on the PES/CF proposal.</p>
<p>Outcome 2: Multiple-use forest landscape planning and management system demonstrated at pilot site</p>	
<p>Output 2.1: Economic model to determine optimal mix of production and conservation land uses to maximize sustainable revenues from, and conservation of the demonstration landscapes.</p>	
<p>Target</p> <p>By 31 December 2017, economic model selected and applied in landscape planning.</p>	<p>Status: <input type="checkbox"/> On Track <input checked="" type="checkbox"/> Off Track Details: <input type="checkbox"/> <input checked="" type="checkbox"/></p> <p>Achievement and Results as of June, 2017</p> <p>The Bio-physical data assessment and Economic Landscape Modeler were completed. The results from these consultancies would be useful for <i>ETH Zürich</i> - a consultant under SC-5 (Economic model to assess combinations of conservation investments and regulatory approached to maximize net revenues from demonstration landscape while ensuring No Net Loss). This consultancy was awarded on 11 May 2017. Their Phase 1 consultancy work will commence in August 2017. The recent midterm review exercise has made an observation that the SC-5's scope of work may require review and revision.</p>
<p>Output 2.2: Landscape-level management plan based on optimal combination of land uses including PAs and sustainable production</p>	
<p>Targets</p> <ol style="list-style-type: none"> By 31st December 2017, 4 TWG quarterly progress reports, a draft interim strategic landscape management plan and a title & abstract for science-for-policy paper (LC-3) are completed. By 31st October 2017, data collected is integrated and interpreted (SC-6a). By 31st October 2017, baseline data collected over Year 1 is summarized and a progress report submitted (SC-6b). 	<p>Status: <input checked="" type="checkbox"/> On Track <input type="checkbox"/> Off Track Details: <input checked="" type="checkbox"/> <input type="checkbox"/></p> <p>Achievement and Results as of June 2017</p> <p>Target 1</p> <p>Two (2) TWG Quarterly Progress Reports have been received, as well as, their proposed structure/synopsis strategic 25-Year Landscape Management Plan. The Project Board had commented on their proposed structure of which, a comprehensive draft will be completed before the end of the year (2017). Meanwhile, there is no report or progress received from the TWG pertaining to the Title & Abstract for Science-for-Policy Paper.</p> <p>Target 2</p> <p>Dr. Roberta of CAO submitted an interim report on 22 February 2017, which was then circulated to Project Board and Technical Working Group members for review. A revised report, after incorporating comments from project members, was received on 15 March 2017. A carbon map for Sabah was completed. Data interpretation is still on-going.</p>



Target 3

Two reports were received from Prof. David Burslem on 15th February, 2017, which are:

- (i) Report#2 – Summarising project initiation activities, training delivered and summary of sampling design; and
- (ii) Report#3 – Summarising progress on establishing the sampling regime.

Next deliverable is a report summarising baseline data collected over Year 1, which is due on 31 July 2017.

Meanwhile, Daemeter Consulting had completed and submitted their HCV Report in April 2017. The following is the summary of their findings:

- **HCV 1:** Which are all the remaining areas that had not been developed for oil palm. Even in the most degraded areas, active regeneration of HCV species trees was noted. Furthermore, the area supported an abundance of birds and mammals, many of which are rated as “Vulnerable” by the IUCN.

- **HCV 2:** This includes all the remaining areas that have not been developed for oil palm yet. Seven of the eight threatened and endangered species of large mammals in Sabah which are used in the National Interpretation (NI) as indicators of the presence of HCV2 are present. This area is an important addition to the Yayasan Sabah Forest Management Area (YSFMA), which is the one of the larger forest complexes in Southeast Asia and the only area in Sabah large enough to accommodate viable populations of wide-ranging Bornean mammals.

- **HCV 3:** This includes the lowland forest ecosystems that are present in the area. These lowland forest ecosystems have been heavily reduced in extent as they have been converted for industrial agriculture.

- **HCV 4:** There are many rivers running through the assessment area. These would require riparian buffers. There are many steep areas within the assessment area that would need to be reserved from development

- **HCV 5:** not present

- **HCV 6:** not present.

Recommendations

The management and monitoring recommendations focus on a fundamental change in the management intent of the areas proposed for oil palm development. Daemeter recommends that these areas are not suitable for oil palm development based on the HCV methodology which has been endorsed by the RSPO. The preferred option would be to leave it as a forest reserve or use the area for native forest logging using reduced impact logging.

The recommendations relating to management of HCV are:

1. Cancellation of any existing licenses that have been issued over the HCV



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	<p>area.</p> <ol style="list-style-type: none"> 2. Gazettal of the area within the Forest Reserve system. 3. Restriction of access to the area to prevent hunting.
<p>Output 2.3: Pilot adaptive implementation of landscape-level management plan</p>	
<p>Target</p> <p>By 31st December 2017, 4 TWG quarterly progress reports, a draft interim strategic landscape management plan and a title & abstract for science-for-policy paper (SC-7 & SC-8) are completed.</p>	<p>Status: <input checked="" type="checkbox"/> On Track <input type="checkbox"/> Off Track Details: <input checked="" type="checkbox"/></p> <p>Achievement and Results as of June, 2017</p> <p>Two (2) TWG Quarterly Progress Reports were received, as well as, their proposed structure/synopsis strategic 25-Year Landscape Management Plan. The PB had commented on their proposed structure of which, a comprehensive draft will be prepared and to be completed before the end of the year (2017). Meanwhile, there is no report or progress received from the TWG pertaining to a Title & Abstract for Science-for-Policy Paper.</p>
<p>Outcome 3: Sustainable financing of protected areas and associated forest landscape areas demonstrated at the pilot site</p>	
<p>Output 3.1: Environmental economic and financial analyses of actual and potential land use scenarios incorporating estimates of landscapes level total economic value, including ecosystem services, conservation and other values.</p>	
<p>Target</p> <p>By end of 2017, there will be 4 TWG quarterly progress reports, a draft interim strategic landscape management plan and a title for science-for-policy paper.</p>	<p>Status: <input checked="" type="checkbox"/> On Track <input type="checkbox"/> Off Track Details: <input checked="" type="checkbox"/></p> <p>Achievement and Results as of June 2017</p> <p>Two (2) TWG Quarterly Progress Reports were received, as well as, their proposed structure/synopsis strategic 25-Year Landscape Management Plan. The PB had commented on their proposed structure of which, a comprehensive draft will be prepared and to be completed before the end of the year (2017). Meanwhile, there is no report or progress received from the TWG pertaining to a Title & Abstract for Science-for-Policy Paper.</p>
<p>Output 3.2: Pilot implementation of revenue generating mechanisms</p>	
<p>Target</p> <p>By end of project, 3 revenue generating mechanisms, including REDD+ / carbon, biodiversity offsets and PES, have been designed and piloted, with total annual revenues projected to reach at least 50% of optimal management costs</p>	<p>Status: <input checked="" type="checkbox"/> On Track <input type="checkbox"/> Off Track Details: <input checked="" type="checkbox"/></p> <p>Achievement and Results as of June 2017</p> <p>So far, Green Spider submitted a revised Draft Report on PES Policy & Conservation Finance Strategy on 14 March, 2017, which highlights the importance of Conservation Finance/PES for generating revenues for the State. This is yet to be approved and piloted. Prior to this, the consultant had organized many stakeholders' consultations including on the issue of developing pilot revenue schemes, such as the Babagon Water Catchment Pilot site. The consultant also formed an Interim Committee to deliberate further on the Conservation Finance/ Fees issues.</p>



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<p>within 5 years following project completion.</p>	<p>Further discussion on this (including site-level trainings on developing managerial skills for the SFD staff) is scheduled to be held on 6 July 2017 at SFD HQ.</p>
<p>Output 3.3/3.4: Detailed operating and financial agreement between the SFD and private sectors/Financial accounting and monitoring agreements</p>	
<p>Target</p> <p>By end of project, a MoA between SFD, private sectors and other partners signed.</p>	<p>Status: <input checked="" type="checkbox"/> On Track <input type="checkbox"/> Off Track Details: <input checked="" type="checkbox"/></p> <p>Achievement and Results as of June, 2017</p> <p>No progress. The SFD will prepare. This will be either a new MoA between parties or improved conditions in existing contracts or agreement. While most could be addressed in the main agreement with the SFMLA Holder (YS), the SFD will have to have a broader look at the agreement, including sub-contractors.</p>
<p>Output 3.5: Tested and operational systems for allocation and re-injection of revenues into PAs and landscape level management</p>	
<p>Target</p> <p>By end of 2017, pilot on operational systems for allocation and re-injection of revenues initiated.</p>	<p>Status: <input checked="" type="checkbox"/> On Track <input type="checkbox"/> Off Track Details: <input checked="" type="checkbox"/></p> <p>Achievement and Results as of June, 2017</p> <p>No progress. Still waiting for the PES implementation/Conservation Finance policy approval from the cabinet/state government.</p> <p>Meanwhile, the development of a customized financial accounting and monitoring system for allocation, benefit-sharing and re-injection of revenues into PAs and landscape-level management was also being discussed in one of the PB meetings whereby the SFD should set up a Financial / Accounting System within the department. The SFD is yet to consider this proposal.</p>
<p>Output 3.6: Tested and operational financial systems for benefit sharing</p>	
<p>Target</p> <p>By mid-2017, the financial systems for benefit sharing tested and operational.</p>	<p>Status: <input type="checkbox"/> On Track <input checked="" type="checkbox"/> Off Track Details: <input checked="" type="checkbox"/></p> <p>Achievement and Results as of June 2017</p> <p>No Progress. Still waiting for the PES implementation/conservation finance policy approval from the cabinet/state government.</p>
<p>Output 3.7: Adaptive financial management, including shifting balance of desired uses based on changes in ecosystem markets</p>	
	<p>Status: <input checked="" type="checkbox"/> On Track <input type="checkbox"/> Off Track Details: <input checked="" type="checkbox"/></p>



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<u>Target</u>	<u>Achievement and Results as of June, 2017</u>
<p>Annual revenues available for sustainable, multiple use management and conservation equivalent to 80 % of estimated optimal landscape level management costs and on upward trend; By end of 2018, adaptive financial/accounting system in place.</p>	<p>No progress. Periodic review of the financial management system is yet to put in place by the project in line with output 3.4.</p> <p>With the designation of the TPAs within the Project Area, more funds have been invested for the protection, management and restoration of the corridor. The financial management for the Project Area was enhanced and the management of the Project Area is institutionalized.</p>

7. ISSUES AND CHALLENGES

Description:

Policy Acceptance: The latest issue on the imposition of "Tourism Tax" by the Federal Ministry of Tourism may affect the State Government's decision on the proposed PES/CF. This will require strong justifications/rationales including having a State/Sabah Conservation Fee Enactment that safeguards the State's interest in order to move forward.

Implementation: Implementation of the project is progressing on the basis of the initially- set outputs, accepted to ensure accomplishment of the project outcomes and objective. As for the first Project Component/Outcome with 5 outputs, it's worth to mention that this component was the most progressive among the other ones. Positive accomplishments during the first 6 months are occurring especially on initiation of the new state-level policies and regulations for generating and disbursing revenues at landscape level from innovative financing mechanisms (Output 1.2). However, there are still a lot more efforts and works to be done with regards to Project Component 2 and particularly Project Component 3, where there was little or no progress for some of the outputs although there are activities underway and are all geared toward the achievements of the expected outcomes.

Participation: Stakeholders were consulted at each step of the way to provide inputs to the process while participation of the partners, stakeholders and NGOs in decision making and implementation were of constant attention - timely information share, interim committee meeting, workshops with participation of stakeholders, observance of all the Government ,UNDP and GEF accepted procedures on tenders and procurement and etc., serve an obvious proof of the participation and its importance in project implementation process. However, there are occasions where some project activities are too much driven by the project partners especially the NGOs.

Quality of staff: This concern was highlighted by the consultant whereby the staff capacity development for key agencies of the Project Area (with exception from the SFD) should consider the critical issues regarding the number of the workforce, the accumulation of qualified expertise, and coordination for cross-agency training for staff. It will be a great challenge of the SFD to assist other agencies in capacity building for the Project.

Action Taken by implementing Partner:

The Project Board (PB) has requested the consultants (whose consultancy is until December, 2018) and the TWG to revise their schedule (shorten it) at least six months before the project ends so that the TWG and the PMU team would be able to finalize the 25-Year Strategic Landscape Management Plan. In principle, this has been agreed. In addition, the PB also requested the TWG to come-up with their title & abstract for the science-for-policy papers of which the Chairman of the TWG has agreed to submit before December, 2017.



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The SFD is waiting from the legal expert inputs of which the UNDP has agreed to appoint a consultant after the mid-term review. The legal inputs would help the SFD to draft the Sabah Conservation Fee Enactment.

The Sabah Forestry Department (SFD) is encouraging the participation of all government agencies and NGOs based on mutual trust. Any decisions made are on the basis of a win-win situation but subject to more stringent measures to protect the environment. The Government (SFD) has also decided that NGOs who can contribute, be engaged as partners, and Project Area be made a pioneer in **“Government – Civil Society – Business partnership” in the interest of sustainability**. The project is believed to be a first in Sabah of such an active collaboration involving the forest industry.

The SFD has issued an invitation letter dated 23 June 2017 to relevant stakeholders to attend a meeting on 6th July, 2017 to discuss amongst others the weaknesses and to build capacity of the responsible agencies the (staff capacity development for key agencies) of the Project Area including the critical issues regarding the number of the workforce, the accumulation of qualified expertise, and coordination for cross-agency training for staff.

Additional Support Requested from UNDP/ EPU:

8. LINKAGE TO THE 11TH MALAYSIA PLAN: 2016

a. The project outputs will contribute to the following 11th Malaysia Plan Strategic Thrusts.

STRATEGIC THRUSTS (Mandatory)	
	Enhancing inclusiveness towards an equitable society
	Improving wellbeing for all
	Accelerating human capital development for an advanced nation
✓	Pursuing green growth for sustainability and resilience
	Strengthening infrastructure to support economic expansion
	Re-engineering economic growth for greater prosperity

GAME CHANGERS (If Applicable)	
	Unlocking the potential of productivity
	Uplifting B40 households towards a middle-class society
	Enabling industry-led Technical and Vocational Education and Training (TVET)
✓	Embarking on green growth
	Translating innovation to wealth
	Investing in competitive cities

b. The project outputs will contribute to the following 11th Malaysia Plan Key Focus Area (Bidang Fokus Utama)?
(please state the specific focus area)

The project outputs will contribute to the following 11th Malaysia Plan Key Focus Areas, that is, under Strategic Thrust 4:

Focus Area A: Strengthening the enabling environment for green growth

Strategy A 3: Establishing sustainable financing mechanisms through PES, REDD+ etc.



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Focus Area C: Conserving natural resources for present and future generations

Strategy C 1: Ensuring natural resources security by conserving terrestrial and marine areas as well as endangered plant and wildlife species, managing natural resources and strengthening bio-safety.

Focus Area D: Strengthening resilience against climate change and natural disasters

Strategy D 3: Enhancing climate change adaptation by strengthening natural buffers

Mid Year Progress Report 2017 approved by:

Name: Frederick Kugan

Designation: Deputy Chief Conservator of Forests (Forest Sector Planning) cum National Project Director

Date: 30th June, 2017