

MINUTES OF the 2nd PROJECT STEERING COMMITTEE MEETING

ITTO Project PD 451/07 Rev.1 (F): Transboundary Biodiversity Conservation - The Pulong Tau National Park, Sarawak, Malaysia, Phase II

Date: 24 May 2010

Time: 0900 hours

Venue: Mega Hotel, Miri, Sarawak

Agenda of the Meeting

- Item 1. Opening of the Meeting
- Item 2. Presentation of Participants by Chairman
- Item 3. Review of Minutes of the last PSC Meeting
- Item 4. Review of the Project Progress in 2009
- Item 5. Review of Yearly Plan of Operation (YPO) for Year 3 and associated Budget
- Item 6. Any other Business
- Item 7. Recommendations and Decisions
- Item 8. Closing of the Meeting

Item 1. Opening Remarks

Chairman Mr. Hj. Sapuan Ahmad thanked and welcomed all present, especially Swiss Ambassador to Malaysia H.E. Dr. Urs Stemmler, Mr Takuo Sato from the Ministry of Foreign Affairs of Japan, Mr Kris Kvols from the US Embassy in Kuala Lumpur, Dr. Jurgen Blaser from the Swiss Inter-cooperation and Dr Ma Hwan Ok from ITTO Secretariat. He thanked ITTO and donors for their support to the project. He apologized on behalf of the Director of Sarawak Forest Department Datu Hj. Len Salleh who was unable to attend and chair the meeting.

In his remark, the Swiss Ambassador said that he was happy to attend the PSC meeting for a second time because for him learning and understanding issues and problems related to ITTO projects was to see another reality. The project that was coming to an end soon was a successful one. His government had a long commitment in supporting this and the Lanjak Entimau project to continue conservation of biodiversity in Sarawak. He looked forward to a fair and open dialogue and to the field trip to Bario.

Mr. Sato said that he was happy to come to Miri after attending the convention on biodiversity in Nairobi. He informed the Committee that COP 10 of CBD would be held in Nagoya, Japan in October this year. He further recognized the importance of ITTO in promoting biodiversity conservation through SFM. The recent MoU between ITTO and CBD in March was aimed at promoting conservation, sustainable use, access and benefit sharing. He was happy to learn that the Pulong Tau project was a success.

Mr. Kris Kvols attended the meeting for the first time. He said that his presence underscored the commitment of the USA to the project. The USA's contribution was one of the most sizeable commitments under the Heart of Borneo initiative. He hoped to explore the roles of the project in the context of the HoB. Transboundary cooperation

was inherent in the project so there was a need for all to cooperate. He thanked Forest Department Sarawak for the good working relationship, and stressed that it was important to see development on the ground and talk to the stakeholders. The meeting was a good opportunity for him to learn and understand their views.

Dr. Ma conveyed greetings and wishes of the Executive Director of ITTO for a successful meeting. He was grateful that the Ambassador of Switzerland was able to attend the meeting a second time. Switzerland had been playing an important role in supporting climate change, biodiversity conservation and the coming TBC conference in Ecuador in July. He congratulated Dr. Jurgen Blaser as the key architect for ITTO involvement in Sarawak since 1992. He also thanked Mr. Sato for coming all the way from Nairobi, Mr. Kris Kvols from the US Embassy and Dr. Freezailah (founding ED of ITTO) for their participation; and Forest Department Sarawak, Dr Paul Chai, Miss Zarina Shebli and the project team for their hard work. He was confident that the coming TBCA meeting in Ecuador on 24 and 25 July would benefit from the success of the Lanjak Entimau project on biodiversity conservation, livelihood improvement and transboundary cooperation. As the Pulong Tau project would end in January 2011, he stressed the importance of sustainability of the project work after its completion and looked forward to receiving guidance from to-day's PSC meeting

Dr Freezailah remarked that his involvement started in 1989 with the ITTO Mission to Sarawak. With ITTO support, the first TBCA in the wet tropics was established between Sarawak and Indonesia. To-date, the total area of TBCA in ITTO tropical member countries was 10 million hectares. No matter how good we were, there was only so much we could do; reality on the ground must be appreciated and understood. Field visit would be a good opportunity to learn from ground observations. The problem of tropical forest had been with us for a long time and we were still talking about it. Malaysia had started SFM and had been implementing forest certification that took ten years to gain international recognition. The need to appreciate and understand happenings on the ground was important but sadly, this was often lacking. As certification required much resources, knowledge and skill, the international community had lowered their standards by emphasizing legality and not so much sustainability due to the complexity of the tropical forest. He thanked donors for their contributions to the Pulong Tau project.

Dr Jurgen Blaser thanked other donors for their presence as in previous meetings Switzerland was the only donor to attend. The Pulong Tau TBC project was a huge challenge to deal with not just in conservation but also other issues like logging and community livelihoods. The coming field visit would be a good opportunity to see the reality on the ground. An important achievement of the project was for international and local partners to work together in this complicated ground.

Item 2. Presentation of Participants

The Chairman requested all the participants to introduce themselves. Their names and the organizations they represented are attached as Appendix I of this minute.

Item 3. Review of Minutes of the Last PSC Meeting

The last PSC meeting on 16 February 2009 in Kuching made a total of eleven recommendations and decisions to the EA. The Committee was briefed on the actions taken on the following main items:

- (a) The project did not assist the Ulu Limbang Penan to apply for birth certificates and MyKad because it was done by Malaysian petroleum company PETRONAS that was constructing a gas pipe line from Sabah to Bintulu; the pipe line passed through the Penan settlements and PETRONAS had offered to help.
- (b) The Bario NTFP planting was set up with the nursery upgraded, a nursery staff engaged, and seedlings raised. Selected species included scented wood (*Aquilaria*), various types of fruit trees and *Agathis* for timber. Wildings and seeds were collected, potted and tended in the nursery.
- (c) Formulating of a proposal on economic sustainability after PTNP and LEWS was not done pending further consultation with ITTO and donors.
- (d) Securing of the Batu Lawi extension was nearing its final stage; the extension would include Coupes 13 and 14 of Timber License T/0294 belonging to Ravenscourt Sdn. Bhd. that would be surrendered to the government at the end of June. This would increase the extension from 13,000 hectares to 16,000 hectares.
- (e) Enhancing transboundary cooperation was a slow process as contributions from both sides were important. Maintaining cooperation could be more effectively done at the ground management level as the managers were more familiar with the problems and challenges.
- (f) Capacity building was the responsibility of the EA and SFC. ITTO had assisted in conducting training on research and technical report writing.
- (g) Improvement to YPO 2 was carried out soon after the meeting was over.
- (h) The Audit firm was unable to deliver the reports on time due to heavy commitment. A new firm was appointed with the approval of the ED at the beginning of the year. Audit reports for 2008 and 2009 were submitted early this month.
- (i) The Committee was concerned about damage to the national park if the proposed road link to Bario and Ba' Kelalan were to pass through it. The road proposal was still at its infancy stage as no decision on its construction had been made. In the meantime, the government had asked the Malaysian Army to help maintain the road from Lawas to Ba' Kelalan.

The Committee observed that besides the ITTO project, other stakeholders like Petronas and the Malaysian Army were also offering assistance to the local communities. The project should also help the Limbang Penan with their applications for birth certificates and identity cards. Collaboration between the National Registration Dept.'s mobile unit in Miri and ITTO would be done through the Miri Resident's Office. The Committee also observed that requiring the applicants to come to the Marudi District Office to collect their documents was cumbersome and beyond the financial ability of the applicants. The Miri Resident was requested to convey the message to District Officer Marudi to arrange for all successful applicants to collect their documents at a designated location.

Item 4. Review of the Project's Progress in 2009

During the review, the project's development and specific objectives, outputs and detailed work plan were presented. The main items of the presentation made by the project included the following:

Rangers Posts. Land for a post in Ba' Kelalan had been acquired by the EA. Construction of the post at Lupok Bunga would begin as soon as the rainy weather had improved.

Basic Research. Progress in the areas of ecological, flora and fauna surveys were highlighted, including research activities under joint scientific training with seven research officers from Kayan Mentarang N.P. in August 2009. The latest activity survey was post-logging survey of Batu Lawi extension in March. Findings included many species of plants (specimens being identified), over 70 species of birds (from Rabata and Batu Lawi), 16 species of mammals and 24 species of amphibians. The presence of many endemic and rare species reflected the richness and conservation value of the park.

Park Extensions. Securing the extension was one of the main activities of the project since Phase I but was delayed by logging in the Batu Lawi area. The Batu Lawi extension would cover 16,000 hectares, while the one at Long Repung next to the Kalimantan border would have 8,000 hectares. The EA was confident that the extensions would be gazetted by the end of 2010.

Protection of Montane Vegetation. The vegetation was damaged by the construction of the Church Camp and plank walk to the summit of Murud. Remedial measures already taken by the project included restricting the local residents from felling any more trees from inside the national park for repairing their huts and plank walk. The possibility of using galvanized sheets to replace the rotten timber on the plank walk was being investigated as timber would not last long under constantly exposed and humid condition.

Community Development. Among the activities carried out for the Penan communities were construction of gravity-fed water supply and amenities at Long Sabai, a 32-metre long suspension bridge at Long Semirang, and training on crop cultivation. In Ba' Kelalan, an NTFP garden was developed. Activities in the Kelabit Highland were fish culture in Pa' Lungan and rehabilitation of water catchment and duck rearing in Bario.

Awareness Education. The program covered one secondary school and four primary schools. Related activities were development of natural history exhibits at Bario Secondary School and a field nature study centre and a short course on plant identification at Ba' Kelalan Primary School.

Eco-tourism. A guide book on megaliths was published. Survey on the cultural sites was continued with another more than 25 sites recorded. Preparation of guide books on birds and flora was in progress.

Transboundary Cooperation. Cross border activities on joint scientific training and handicraft training were successfully implemented.

The Committee made the following observations:

- (a) The project should continue to monitor the socio-economic situation of the Penan community who was in greater need of help, although resources might be limited;
- (b) Extension to the national park must be secured as soon as possible as the project was designed for this purpose;
- (c) Samling Company had been extremely helpful and cooperative to ensure the project's success;
- (d) Benefits of the Batu Lawi rehabilitation must consider study on natural regeneration after logging and planting of economically useful species;
- (e) Economic development was the pride of the project, and the EA should set up an operation unit to continue the activities.

On ecotourism, the Committee was informed that as a follow up of the ITTO project, Sarawak Museum had submitted requests for funding to construct trails and interpretation centers in the highlands. The Museum had been working with a team of researchers from Cambridge to collect more information on the megaliths like their origin and age.

The Committee commended the initiatives of various agencies and suggested that additional grants be sought to extend the work of ITTO.

The Committee recognized that strengthening TBCA cooperation was a great challenge. One useful way was to emulate the current ITTO project on conservation of the Emerald Triangle zone of Thailand, Cambodia and Laos which had allowed concerned Executing Agencies to work closely under one project document. This could be considered under the HoB project.

The project leader further highlighted critical analysis of the project's progress as follows:

- (a) Extension to the national park was complicated by the fact that the proposed extension areas were licensed for logging before the park was constituted in 2005. The EA was targeting the end of 2010 to gazette the extension areas of Batu Lawi and Long Repung;
- (b) Basic and scientific training were conducted simultaneously to save time and expenses, and in view of the highland's frequent rainy weather that often caused damage to the dirt road and river crossings. Planning field work in advance was important and necessary due to difficult access, weather condition and dependence on Samling Strategic Corporation for transport. Human capacity was limited and studies had to be planned according to allocated budget;
- (c) Implementing community-based activities was not always easy because not all communities or participants were willing to cooperate. Problems encountered were self interest and unable to work as a team for mutual benefits. Selection of willing candidates was necessary in order to ensure success and sustainability. More attention was given to the Penan who were living under more difficult situation.
- (d) Problems faced by awareness education were: the schools were widely scattered, classes were too big, the programme could only be held during

weekends, and repeating the programme for better result was difficult due to fixed budget and logistic. At the request of the headmasters, the project helped to upgrade the natural history museum in Bario and develop a field study centre in Ba' Kelalan;

- (e) Enhancing transboundary cooperation must be the responsibilities of both participating countries. Among the problems identified were differences in administrative, legal matters and institutional matters, inadequate funding, and the fact that the Kayan Mentarang project was no longer supported by ITTO. It was important, however, for the two states to strive towards the common objective of TBCA protection by implementing its own work plans and continuing to exchange knowledge and experience through collaborative research, workshops and cross visits, and organizing socio-economic activities that would benefit communities from both sides of the common border.

The Committee agreed that it was important to work with participants who were willing and cooperative. Getting the communities to work towards change was not easy especially the Penan who had been left out of the mainstream of development. One reason why some of the semi-nomadic families outside Pulong Tau were not settled was they did not have the materials for building a home. The community needed continuous assistance and supervision until they had learned the skill to survive on their own, like rice farming and crop cultivation. The project had the passion to implement activities to improve the livelihoods of those who were willing to cooperate.

The Committee also agreed that TBC cooperation must be strengthened. Indonesia was probably disappointed that Phase II of the KMNP project was not supported by ITTO because the proposal submitted did not meet the standards of the Expert Panel. As Dr Jurgen Blaser would be visiting Indonesia after the PSC meeting he was requested to discuss with the Indonesian authority on the possibility of re-submitting the proposal to ITTO. The coming TBC conference in Quito, Ecuador could be an opportunity to revitalize cooperation as both Sarawak and Indonesia would be present at the conference. The ex-post evaluation of Phase I of the PTNP project could also provide useful ideas and suggestions. The PTNP project had made good progress in TBC cooperation from the beginning. TBCA cooperation would benefit from continuing support from ITTO.

Other suggestions for transboundary cooperation were fighting forest fires, identifying and mapping salt licks for wildlife protection, and developing C&I for TBCAs to assess progress and enhance conservation value.

The Committee was satisfied that the project was in compliance with ITTO policy guidelines.

Item 5. Review of Yearly Plan of Operation for Year 3 and associated Budget

The plan was presented in accordance with the project's logical framework matrix. In addition to on-going activities, the following new or extended activities are proposed for implementation under YPO 3 together with the associated budget:

Output 1.3. Training on technical report writing for 20 ROs costing US\$ 4,000;

Output 1.4. Community-based activities

Activities in Penan communities: (i) Training on crop cultivation, US\$5,000; (ii) Handicraft training, US\$8,000; (iii) Handicraft centre at Ba' Medamot, US\$3,000; (iv) Gravity-fed water for three villages, US\$10,000; (v) Housing for Medamot and Pa' Tik B, US\$5,000; and (vi) suspension bridge for Ngelah River, US\$15,000.

Activities in Kelabit and Lun Bawang communities: (i) Improving salt mining facilities at Pa' Umor, US\$3,000; (ii) Rehabilitation of water catchment in Bario, US\$ 2,500 (completed in March 2010); (iii) Conserving montane vegetation on Murud, US\$30,000.

Output 1.5. Awareness education: (i) To develop field centre for Ba' Kelalan Primary School, US\$2,000; (ii) Bario Village Museum, US\$2,000 (completed March 2010); (iii) Nature centres for Pa Dalih and Long Lellang Primary Schools, US\$6,000. This two nature centres were proposed to replace the original proposal for study tours for 90 students to Miri. The tours were not supported by the Education Department due to safety reasons.

The work plan and adjusted ITTO budget for YPO3 as well as Malaysian government contribution are attached as Appendix 1 and Appendix 2 respectively.

The Committee recommended organizing a workshop in February 2011 to discuss plans and strategies for strengthening TBCA cooperation, and possibly to develop C&I for assessing progress in transboundary cooperation. The workshop would also help generate publicity and prepare the EA to take over the work of the PTNP after ITTO.

In addition, the Committee reviewed the remaining project activities and recommended extending the project to the end of 2011 with additional funds. This extension would help to strengthen community development activities and publicity of the project work. The EA should submit a proposal stating the proposed activities, justifications and associated budget by September 2010.

Item 6 Any Other Business

The Committee proposed to have the next PSC meeting in February 2011 in conjunction with the TBCA workshop.

Item 7 Recommendations and Decisions

The Committee's recommendations and decisions are listed below.

- (a) To endorse the YPO 3 with a minor amendment to the second paragraph of the Executive Summary;
- (b) Support of donors and Malaysian government must be mentioned in the report;
- (c) On capacity building, it was important for SFC to engage and train locals as park guides using contributions given by the government for this purpose;

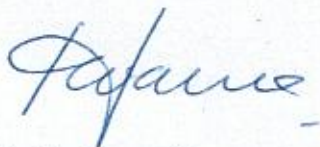
- (d) To seek the help of Resident Miri Division to facilitate applications for birth certificates and MyKad by Penan and other rural communities living close to the national park;
- (e) The project must continue to facilitate applications for birth certificates and MyKad by extending assistance to the Ulu Limbang Penan communities;
- (f) Getting 24,000 ha of the park extended would be a great achievement and the effort should be publicized;
- (g) Using Mt. Murud as a place of worship was most unique and should be supported by providing decent facilities for visitors. Improving the trails and other facilities must not be left to ITTO alone;
- (h) Produce good satellite imageries to cover the extensions and rehabilitation planting in logged-over forest;
- (i) Assess cost benefit in the qualitative rather than quantitative. The coming ex-post evaluation of Phase I in August would be able to assess success and sustainability of the project. Sustainability also depended a lot on EA/SFC;
- (j) To extend the project to the end of 2011 with additional funds to strengthen community development activities, rehabilitation of degraded forests and publicity of project work. The EA should submit a proposal stating the proposed activities, justifications and associated budget to ITTO by September 2010;
- (k) To organize a workshop in February 2011 to discuss plans and strategies for strengthening TBCA cooperation, and possibly to develop C&I for assessing progress in transboundary cooperation and enhancing environmental values. ITTO's continued support would be crucial to the success of TBCA initiative. The workshop would also help to generate publicity and prepare the EA to take over the work after ITTO as the sustainability was most crucial. Consider developing a mechanism for implementation and assessing success.

Item 8 Closing of the Meeting

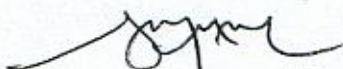
The closing remark was given by the Chairman who thanked all present for their participation and contributions for a successful meeting.

There being no other business the meeting adjourned at 1245 hours.

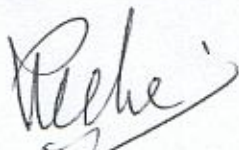
We, the undersigned, endorse the minutes as a true record of the meeting,



Dr. Ma Hwan Ok,
ITTO Project Manager,
RFM for Asia-Pacific Region,
ITTO



Hj. Sapuan Ahmad,
Chairman of the PSCM,
Sarawak Forest Department



Dr. Paul Chai,
Project Leader for PD 451/07 Rev.1 (F)

Attendance List of the 2nd Project Steering Committee Meeting

ITTO Project PD 451/07 Rev.1 (F):
Transboundary Biodiversity Conservation - The Pulong Tau National Park,
Sarawak, Malaysia, Phase II
24 May 2010 @ 0900 am
Mega Hotel, Miri, Sarawak

Present

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| 1. Tuan Hj Sapuan Ahmad | Chairperson
Sr. Asst Director, Forest Dept Sarawak |
| 2. HE Mr. Urs Stemmler | Swiss Ambassador |
| 3. Dr Ma Hwan Ok | Project Manager, RFM, Asia Pacific Region,
ITTO |
| 4. Dr Juergen Blaser | Technical Advisor, Intercooperation, Swiss
Environment Science Technology & Health
Officer, US Embassy Kuala Lumpur |
| 5. Mr Kris Kvolz | Ministry of Foreign Affairs, Tokyo |
| 6. Mr Takuo Sato | Director, MTCC |
| 7. Dato' Dr. B.C.Y. Freezailah | Project Manager, PTNP Project |
| 8. Dr Paul P.K.Chai | Project Manager, LEWS Project |
| 9. Ms Zarina Hj Shebli | Asst Secretary, Ministry of Natural Resource
& Environment, Malaysia NRE |
| 10. Cik Siti Ainul Basyirah Bt Abdul Ghani | State Planning Unit |
| 11. Mr Andrew Tukau | Pegawai Tadbir, Ministry of Planning and
Resource Management |
| 12. Ms Dyg Siti Munira Awg Yusuf | Sarawak Museum |
| 13. Dr Charles Leh | Deputy Resident Miri |
| 14. Abdul Azis Hj Mohd Yusuf | General Manager, PABC, SFC |
| 15. Mr Wilfred Landong | AFSID, Sarawak Forestry Corporation |
| 16. Ms Lucy Chong | Regional Forest Miri |
| 17. Mr Johin Nyagop | Sarawak Forestry Corporation, Miri |
| 18. Mr Abang Arabi Abg Aimran | Local representative, Bario |
| 19. Penghulu Philip Lakai | Project Officer, ITTO |
| 20. Ms Wilhelmina Cluny | Project Officer, ITTO |
| 21. Ms Jacqueline Henry | Administrative Office, ITTO |
| 22. Mr Sarzali Sahamat | |