



## YEARLY PLAN OF OPERATION 3

<b>Project Number</b>	:	<b>PD 451/07 Rev. 1 (F)</b>
<b>Executing Agency</b>	:	<b>Forest Department Sarawak, Malaysia</b>
<b>Project Title</b>	:	<b>Transboundary Biodiversity Conservation: The Pulong Tau National Park, Sarawak State, Malaysia, Phase II.</b>
<b>Year for which YPO is planned</b>	:	<b>1 February 2010 to 31 January 2011</b>
<b>Place and Date of Issue</b>	:	<b>Kuching, 15 January 2010</b>

### PART I: EXECUTIVE SUMMARY

The project is into the third and final year of implementation. In 2009, much emphasis was placed on awareness education, community development, collaborative management, transboundary cooperation, and research and skill training. Extension to the Pulong Tau N.P. had been finalized, covering Batu Lawi and Long Repung.

Implementation of several activities was delayed due to unavailability of suitable consultants and difficult field conditions.

ITTO contribution for the project was US\$ 874,800, while US\$ 615,365 was from the Malaysian Government. The actual ITTO budget received by the EA is US\$ 777,000. The adjusted ITTO budget under YPO Year 2 was US\$354,700 for Year 2 and US\$ 199,900 for Year 3. Balance as on 2 January 2010 (including the remaining installments) is US\$ 394,933.19 as shown in Table 3.1 of this YPO report. The

reasons for the saving are increased allocation from the Executing Agency and engagement of local researchers from Forest Department and Sarawak Forestry Corporation (SFC) to undertake studies.

The project received a lot of support and encouragement from the present Director of Forests Datu Hj. Len Talif Salleh; and continued to work closely with the SFC, the local communities and the timber companies to undertake project activities and strengthen park management and services and improve the welfares of the local people. Forest Department has acquired a piece of land in Ba' Kelalan for a rangers' office, while a field station has been planned with the help of Timber Company Samling.

With regard to the Penan community, influence from certain NGOs concerning the issue of logging has brought about some conflicts between them and the timber operators; this has in certain instances affected the mindset of some of the communities.

By the end of the PTNP project, there should be improvement in collaborative park management with the local communities; the local people will enjoy better standards of living, become less dependent on the forest, and be more aware of government policy on development and conservation issues. The EA will have to continue to seek help from the timber industry to ensure that some parts of the road are maintained to provide access into the park as this is crucial for effective management.

## **PART II: THIRD PROJECT PROGRESS REPORT**

### **1 Project Identification**

- 1.1 Title : Transboundary Biodiversity Conservation:  
The Pulong Tau National Park, Sarawak State,  
Malaysia, Phase II
- 1.2 Serial No. : PD 451/07 Rev.1 (F)
- 1.3 Implementing Agency : Forest Department, Sarawak
- 1.4 Host Government : Government of Malaysia
- 1.5 Starting Date : 1<sup>st</sup> February 2008
- 1.6 Duration : 36 months
- 1.7 Project Cost : US\$ 874,800

### **2 Period Covered By This Report**

This report covers the period from 1 August 2009 to 31 December 2009.

### **3 Description of work implemented on the period**

The main activities covered during the period were awareness education, community-based activities, and transboundary cooperation in training and research.

### **4 Execution of the Work Plan**

#### **4.1 Work Plan Review**

No review of the approved Work Plan was carried out.

#### **4.2 Progress of Implementation of the Activities**

A summary of the progress is given in Table 1 below.

**Table 1 – Summary of Progress of Activities Implemented**

Activities	Percentage Executed	Expected Completion Date
A1.1.1 Create Park's management unit	70	Jan. 2011
A1.1.2 Serve Park's management unit, basic equipment & staff	70	Jan. 2011
A 1.1.3 Construct 3 rangers posts	60	Sept. 2010
A 1.2.1 Develop thematic maps	80	Oct. 2010
A 1.2.2 Survey & mark extended boundary	50	Nov. 2010
A1.3.1 Conduct post-logging ecological survey	65	Aug. 2010
A1.3.2 Conduct faunal survey in core area	80	Aug. 2010
A1.3.3 Organize scientific workshop	0	Sept. 2010
A1.3.4 Publish results of ecological & biodiversity studies & work shop proceedings	10	Nov 2010
A1.4.1 Monitor resource use by Penan & Lun Bawang	70	Dec 2010
A1.4.2 Develop community-based activities	60	Oct. 2010
A1.4.3 Conserve montane vegetation & flora	45	Nov. 2010
A1.4.4 Support highland conservation & ecotourism	65	Nov. 2010
A1.5.1 Conduct conservation awareness programme	50	Sept. 2010
A2.1.1 Organize joint task force meeting	50	Dec 2010
A2.1.2 Joint scientific research	80	Oct. 2010 completed
A2.1.3 Characterize transboundary ecosystems & identify bi-national interest in biod. conservation & ecosystems protection	10	Aug. 2010
A2.1.4 Joint patrol/enforcement	40	Nov. 2010
A2.2.1 Initiate cross-border socio-economic activities	75	Dec. 2010

### 4.3 Inputs Applied

The Project received the third installment amounting to US\$ 180,000.00 on 5 October 2009. Cash flow and financial statements for the period ending 31 December 2009 are given in Appendix I. The balance to-date is US\$ 397,327.67 including bank interest. Appendix II contains financial statements in US dollars and Malaysian ringgit, while Appendix III shows financial statement from Malaysian contribution.

### **4.3 Outputs Achievement**

#### **(a) Specific Objective 1**

##### **Output 1.1 – Conservation management capacity of PTNP strengthened**

###### **Activity 1.1.1 - To create Park's Management Unit**

The Unit was created at the start of the project in order to enable implementation to be smoothly carried out. The Unit is made up of a small ITTO team and the EA. The Park Manager is responsible for initiating overall planning and implementation through close collaboration with officers appointed by EA for the project.

###### **Activity 1.1.2 - To service the Park's Field Management Unit**

The rangers' station in Bario continues to be maintained. The EA has acquired a piece of land for a rangers' station In Ba' Kelalan. A field post for rangers and visitors, located at Lepok Bunga at the foot of Murud, will be constructed this year. **Park management is the direct responsibility of the Sarawak Forestry Corporation (SFC); more staff is needed to improve field management.**

###### **Activity 1.1.3 – To construct 3 field rangers posts**

The post at Ba' Kelalan is operational. One new post will be constructed within the next few months. **Two sub-posts are planned in the Penan settlement areas.**

##### **Output 1.2 – Extension of PTNP initiated**

###### **Activity 1.2.1 – To develop accurate thematic maps of PTNP**

As timber company Samling Strategic Corporation has agreed to surrender a part of their license area near Batu Lawi to the government, the map for park extension has to be revised again. Revision has been completed and a new proposal submitted to the government for gazettelement. The new extension (in Batu Lawi and Long Repung) covers a total area of approximately 18.000 ha. Samling has also made commitment to the government to complete its operation around Batu Lawi by July 2010. This means that a further extension to the park will be possible towards the end of the 2010.

##### **Output 1.3 - Baseline ecological and biological surveys are carried out and results published**

###### **Activity 1.3.1 - To conduct post-logging ecological surveys and establish ecological plots**

Identification of plant specimens for the forest ecology at Kelissa had been completed and a final report will be prepared soon. Continuing survey is planned after the timber company has pulled out of the Batu Lawi area. **Long term**

**ecological plots are proposed for Batu Lawi due to easier access provided by timber road.**

**Activity 1.3.2 – To conduct faunal survey in the core area and extended park areas to monitor ecosystem changes**

The rhino survey near Pa Lungan NE of PTNP using camera trapping ran into some problems as the cameras belonging to Sarawak Forestry Corporation were not functioning well and often failed to capture any images. At the suggestion of Project Manager for a joint survey, the Sarawak Timber Association presented ten new Bushnell cameras to the EA in 2009. This has enabled study to be continued in the Batu Lawi area. There has so far been no evidence of rhino after four months of survey but several species of ground animals were detected.

Survey on flora, birds and amphibians was carried out in the hill forest and lower montane forest in the NE ridge of Pulong Tau, jointly with researchers from Kayan Mentarang N.P.

Ecosystem monitoring of logged over forest were held up by further delay in park extension. Although the Batu Lawi extension has not been gazetted, it is planned to initiate preliminary assessment of the impact of logging and general condition of the extended forest in March.

**Activity 1.3.3 – To organize scientific workshop**

This is planned after all field surveys have been complemented and data analyzed. All participating researchers will be asked to present results of their studies.

**Output 1.4 – Survey on use of natural resources and develop community-based activities**

**Activity 1.4.1 – To monitor resource use by Penan and Lun Bawang**

There has been no evidence of increased hunting or gathering of jungle produce inside the PTNP. Illegal tree felling near Bario has ceased after the mini-hydro became operational earlier in the year, with the park serving as catchment. The villagers have signed a MoU to protect the catchment. The EA has agreed to help rehabilitate cleared areas in the catchment; planting will be initiated in March.

**Activity 1.4.2 – To develop community-based activities**

**Botanical garden at Ba' Kelalan.** The Headmen Matius Padan has indicated he will continue to maintain his garden but requested that an information booklet on the plants be prepared for use by visitors to the garden. The booklet will contain a description of the common plants and their traditional uses. Matius has also allowed a piece of forested land behind the primary school at Ba' Kelalan to be developed into a field study centre for students and tourists. The Headmaster of Ba' Kelalan Primary School has requested ITTO to assist in developing the centre together with the students and their parents. This will be a worthwhile activity to promote interest in

nature and conservation. Work will involve survey and marking of nature trails, plant identification and preparation of a building plan for a simple field centre.

**Water supply for Penan.** The piped water supply at Long Lobang was destroyed by a bad flood in late 2008, and the villagers had requested assistance to construct a new one.

**Suspension bridge.** After visiting the area from 21 to 27 August 2009, Dr Jurgen Blaser proposed to construct a suspension bridge across the Kubaan River for use especially by Penan children going to school in Bario, and had personally spoken to Dr Ma Hwan Ok about it. It took one month to complete the construction on 16 December 2009.

The villagers of Long Lobang and Ba' Tik A and Pa' Tik B have also requested for a suspension bridge across the Ngelah River, located between Pa' Tik A and B. Children from the three villages have to cross this river to go to school in Bario. Another request was from the villagers of Ba' Medamot for materials for house construction for 14 recently settled families and 3 semi-nomadic families. These and other requests will be submitted to ITTO for prior approval.

**Birth certificates and identity cards for Penan.** Although the project had helped 342 Penan and three other communities to apply for birth certificates and identity cards since April July 2008, only very few have received the documents. As a follow up, the Director of Forests Datu Hj. Len Talif Salleh has recently written to the Director of National Registration Dept. in Kuching offering further help to enable the applicants to collect the documents without having to travel to the towns.

**Shoes and stationery for Penan students.** Forty pairs of white canvas shoes and 21 sets each of exercise books, colour pencils, soap, tooth brush and toothpaste were supplied to the Penan students of Bario Primary School. The shoes were donated by a private individual.

#### **Activity 1.4.3 – To conserve the fragile montane vegetation and flora of Mt. Murud and re-establish the natural vegetation**

Due to difficulties of carrying timber to the mountain, only minimal maintenance to the trails could be carried out. The communities at Ba' Kelalan have requested the EA to place emphasis on improving the main trail especially to replace the rotten plank walk leading to the summit. They felt that the original proposal to improve power and water supply at the Church Camp was not so urgent. They also requested that the Church Camp facilities be improved as tourists were also using them.

One way to avoid damage to the vegetation is to use a helicopter to airlift timber to the top. The trails will also have to be re-surveyed and planned so that already damaged sites can be avoided before new construction begins. A proposal to revise the budget for this item has been put up.

**Activity 1.4.4 - To support highland conservation and ecotourism.** Another survey to map the highlands' cultural sites including megaliths was carried out in Ba' Kelalan and the area around Pa' Dalih located east of the national park near the border with Kalimantan. The findings are being compiled.

**Output 1.5 - Conservation awareness programme for key local stakeholders carried out**

**Activity 1.5.1 -** After Ba' Kelalan and Bario, the education team visited the primary school Pa Dalih. The programme for this year will cover Long Lellang; while a simplified programme for the Penan community is being prepared.

The Bario secondary school has recently extended their village museum building and has requested ITTO to assist in preparing materials on biodiversity and conservation.

## **(b) Specific Objective 2**

**Output 2.1. Bi-national cooperation in transboundary biodiversity conservation is strengthened.**

The project continues to maintain collaboration with Kayan Mentarang N.P. through training, research and exchange of publications. Sustainability is dependent on initiatives from both sides. Contact was maintained with the former park manager of KMNP but a new park manager has recently taken over.

**Activity 2.1.1 – To organize and attend Task Force meetings.** No meeting was organized during the period. **Past experiences have shown that meetings were initiated mostly by the Sarawak side for both Lanjak Entimau/Betung Kerihun TBCA project and Pulong Tau/KMNP TBCA project. During the last meeting in Jakarta, two young representatives from the Foreign Affairs Office of Indonesia questioned the use of the terms 'transboundary' and 'task force'. They maintained that the terms were not appropriate or legal as far as they were concerned. In spite of long explanation by the Malaysian members that the TBCA was actually the initiative of ITTO and was fully supported by Malaysia and Indonesia they still refused to accept; while the Indonesian Chairman and participants either said nothing or appeared to be on the side of the FAO officers. This experience has been very discouraging to Malaysia.**

**Activity 2.1.2 – Joint scientific research in PTNP.** A joint research cum training expedition was successfully conducted from 2 to 10 August 2009 with seven young researchers from Kayan Mentarang and eight from and SFC ITTO. **Final reports on the findings are being prepared.**

**Activity 2.1.3 – To characterize transboundary ecosystems and habitats**

Possibility of a joint initiative was discussed with the former park manager of KMNP. Judging from available technical reports that have been exchanged, studies in PTNP were more systematic and more field data were available. The ecologist to be appointed to prepare the report may need to visit forests in KMNP in order to better

understand the ecology there, to discuss with the park's manager and research officers, and to obtain more publications/data if available.

#### **Activity 2.1.4 – Joint patrol/enforcement**

KMNP organized an aerial survey of the two parks in 2007, but the EA was unable to send a representative due to some administrative problem. Under the PTNP project, two boundary patrols were organized. Another one is planned for the extended area of Long Repung near the border with KMNP, through direct collaboration with community leaders across the border. Due to administrative constraints, it would be better for each side to conduct its own patrol and exchange information. As there is no rangers post for KMNP near the common border, it is more practical for the EA/PTNP project to work directly with the community leaders living just across the common border. In the future, the EA will probably have to make the initiative for joint patrol and make available the necessary resources.

#### **Output 2.2 - Awareness in transboundary conservation and sustainable resource utilization**

**Activity 2.2.1 - To initiate cross-border socio-economic activities.** The project's role was to conduct training on handicrafts and encouraged cross-border sales of these and other products like salt and rice. **This again has been a one-sided initiative from Sarawak side.** Communities across the border had put up proposals requesting for assistance to develop tourism on their side. This would be difficult to follow up for obvious reasons that they expected PTNP to come out with all the resources. **There will be no more initiative from PTNP on joint training but the project will continue to facilitate cross-border activities among the local communities with respects to ecotourism and sales of cultural products. Relevant activities being supported by the project include improving salt production and handicraft making, and preparing information booklets on megaliths, flora and fauna on the Sarawak side for use by tourists from both sides. The project has also recommended the establishment of a much needed immigration post on the Sarawak side to facilitate travel by people and tourists from both sides.**

### **5.0 Critical Analysis of Project Progress and Lessons Learned**

This had been an active period for field work because the EA was able to allocate more staff and fund to assist in implementation. Logging road condition had also improved with better weather, but there was water shortage for several months due to prolonged dry weather. Timber Company Samling continued to play a crucial role in project implementation by helping to transport staff and materials.

Good progress was achieved in the areas of community development, awareness education, training and research, and strengthening collaboration with the local stakeholders in resource management. Awareness education and collaboration have resulted in the people becoming more conscious of the need to safeguard the forest and environment. For example, the people of Ba' Kelalan have stopped cutting trees from the park for timber; while the people of Bario Asal in Bario have signed a MoU

not to fell trees inside the national park in order to protect the catchment of their mini-hydro dam.

On community development, emphasis was on the Penan community as this group was in greater need of assistance. They need more help in basic training in agriculture so they can grow more vegetables and fruits without having to always depend on the forest. They also need to be taught proper hygiene and general health care. Regular monitoring is important in order to sustain interest of participants and solve any problems that they may encounter. Over the past several years, the project has served as a regular contact point for the Penan in the area.

Several project activities were delayed. Park extension (Output 1.2) was held up by logging operation. This had in turn affected research and ecological monitoring in the extended areas. On improving facilities in Church Camp (A. 1.4.3) the local people had requested the EA to pay more emphasis on trail maintenance rather than power and water supply that were generally still in good condition. The activity to characterize transboundary ecosystems (A. 2.1.3) could not be carried out due to inadequate information from Kayan Mentarang and non-availability of a suitable consultant.

The project had made effort to maintain transboundary cooperation with Kayan Mentarang N.P. but sustainability depends on equal initiatives from both sides.

There had been delays in building field rangers posts for the national park by the EA, in improving management presence on the ground, and in acquiring 4-wheeled drive vehicles for use by the project. Only the ITTO's 4-wheeled drive was available, to be shared by the Pulong Tau and Lanjak Entimau projects. On the positive side, the EA had been able to allocate more fund, enabling the project to save cost in several of its activities like awareness education, research and training and community development.

Other useful lessons learned are on community development, the situation in PTNP is more difficult and complex than that in Lanjak Entimau because of the remote location and having to deal with different communities with different needs. With more contact and dialogue, it has become obvious that the people, in particular the Penan, really require more support in order to solve problems like lack of proper housing, water supply, health and malnutrition. Furthermore, as the people are becoming more aware of the project's objectives and gained confidence in the project, they look to the project to help solve their problems. A case in point is the new suspension bridge at Kubaan, constructed at the request of the people to Dr Jurgen Blaser during the latter's visit in August. In this connection, the EA intends to propose several new activities for prior approval of ITTO in accordance with Section 4.01 of the Project Agreement.

The Penan communities will continue to live in greater isolation and poverty without outside assistance. In spite of the conflict with the timber industry, they continue to seek help from nearby timber camps for transport, materials and fuel. Their lack of employment skill and experience also make it difficult for them to seek permanent employment.

On project implementation, success still depends a lot on maintenance of cordial relationships with, and cooperation of, various stakeholders. Good and effective leadership is an important contributing factor to ensure efficiency. Officers with little interest or commitment tend to shun from field work in remote locations. Personal interest shown by the Director of Forests has been most encouraging not only to the project but also in boosting the morale of the Department's field staff working with the project.

## **6.0 Conclusion**

Increased staff and financial allocations by the EA since 2009 were a great boost to the Pulong Tau and Lanjak Entimau projects. This has led to substantial savings from the project fund. This situation is expected to continue into 2010.

Maintaining good team work is important as several different agencies are involved. The local communities have as usual rendered their assistance whenever we needed them. Transport from Samling was always available upon request.

The project had also received encouraging support, useful advice and guidance from Projects Manager Dr Ma Hwan Ok.; while Dr Jurgen Blaser representing Donor Switzerland has always taken a special interest in the project.

Last but not least I would like to record my appreciation to ITTO Projects Coordinator Hj. Sapuan Ahmad for his support; and to my Local Counterpart Miss Zarina Shebli for helping to plan and organize all field activities, staff and transport.

## **7.0 Responsible for the Report**

Name : Paul Chai P.K.  
Date : 15 January 2010  
Position held : Project Manager

## Appendix I

### CASH FLOW STATEMENT – PERIOD FROM 1 August 2009 to 31 December 2009

#### PD 451/07 Rev.1(F) - Transboundary Biodiversity Conservation Area :

#### The Pulong Tau National Park, Sarawak State, Malaysia - Phase II

Component	Reference	Date	Amount	
			in US\$	in R.M.
<b>Funds received from ITTO</b>				
1. First Installment	TT From Japan	30.01.2008	\$ 119,995.00	RM 384,218.99
2. Second Installment	TT From Japan	29.08.2008	\$ 189,995.00	RM 636,098.26
3. Third Installment	TT From Japan	05.10.2009	\$ 179,995.00	RM 615,217.91
4. Fourth Installment	TT From Japan			
5. Interest Earned				RM 11,496.24
6. Opening Balance				
<b>Total:</b>			<b>\$ 489,985.00</b>	<b>RM 1,647,031.40</b>
<b>Expenditures by Executive Agency:</b>				
Personnel - Local	-	-	177,527.37	596,739.00
Sub - Contract			173,650.86	583,708.51
Duty Travel	-	-	10,036.52	33,736.68
Capital Items	-	-	2,108.06	7,086.00
Consumnables	-	-	13,264.13	44,585.94
Office Expenses	-			
Miscellaneous	-		732.65	2,462.74
<b>Total:</b>			<b>\$ 377,319.60</b>	<b>RM 1,268,318.87</b>
<b>REMAINING BALANCE:</b>			<b>\$ 112,665.40</b>	<b>378,712.53</b>

The exchange rate \$ to RM is 3.3614

## Appendix IIA

### FINANCIAL STATEMENT - PERIOD ENDING 31 December 2009 PD 451/07 Rev.1 (F) - Transboundary Conservation Area: The Pulong Tau National Park, Sarawak State, Malaysia - Phase II

#### ITTO Contribution - Breakdown of expenditure (in US\$)

COMPONENTS	#	UP TO DATE			BALANCE OF FUNDS (A)-(D)
	CONTRIBUTION	Committed	Spent	Committed & Spent (D)=(B)+(C)	
	U.S. \$				
	(A)	(B)	(C)		
<b>I. Funds managed by Executing Agency</b>					
<b>A. PERSONNEL - LOCAL</b>					
Project Manager	216,000.00	-	143,145.18	143,145.18	72,854.82
Administration	73,200.00		27,704.60	27,704.60	45,495.40
<b>Sub - Contracts</b>					
Field posts	15,000.00	-	13,033.17	13,033.17	1,966.83
Boundary survey & thematic survey	6,800.00	-	3,736.40	3,736.40	3,063.60
Ecological biodiversity surveys	109,200.00	-	32,672.54	32,672.54	76,527.46
Develop community-based activities	133,000.00	-	76,144.48	76,144.48	56,855.52
Consultant resource study	4,800.00	-	-	-	4,800.00
Conserve & re-establish montane vegetation	80,000.00	-	15,281.61	15,281.61	64,718.39
Conduct conservation awareness	35,000.00	-	22,329.22	22,329.22	12,670.78
Joint scientific research	7,500.00	-	4,523.63	4,523.63	2,976.37
Characterizen TBCA ecosystems	6,000.00	-	-	-	6,000.00
Cross-border socio-economic activities	8,000.00	-	7,666.72	7,666.72	333.28
<b>DUTY TRAVEL</b>					
Travel inside & outside Sarawak	22,000.00	-	12,224.60	12,224.60	9,775.40
PSC & SCC meetings	4,000.00	-	2,634.03	2,634.03	1,365.97
<b>CAPITAL ITEMS</b>					
Three units computers	2,000.00	-	2,108.06	2,108.06	(108.06)
<b>CONSUMNABLES</b>					
Office supplies	2,500.00	-	1,546.16	1,546.16	953.84
Information materials	16,000.00	-	6,928.30	6,928.30	9,071.70
Logistics and camping costs	13,000.00	-			

Publications of scientific & community studies	15,000.00	-	4,908.24	4,908.24	8,091.76
<b>MISCELLANEOUS</b>					
Proposal for WHS	2,000.00	-	-	-	2,000.00
Joint Task Force meetings	3,000.00	-	732.65	732.65	2,267.35
Scientific workshop	3,000.00	-	-	-	3,000.00
sub - Total :	<b>777,000.00</b>		<b>377,319.59</b>	<b>377,319.59</b>	<b>399,680.41</b>
<b>TOTAL in VOTE LEDGER</b>	<b>489,985.00</b>	<b>-</b>	<b>377,319.59</b>	<b>377,319.59</b>	<b>112,665.41</b>
<b>II. Funds Retained By ITTO</b>					
Monitoring, Evaluation & Administration	18,000.00	-	-	-	a/
Ex - Post Evaluation Costs	15,000.00				
<b>Total :</b> (777,000.00+18,000.00+15,000.00)	810,000.00				
Administration Support Costs 8% of Sub - Total	64,800.00	-	-	-	a/ a/
<b>Sub - Total :</b> (18,000.00+15,000.00+64,800.00)	<b>97,800.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>a/</b>
<b>TOTAL IN VOTE LEDGER :</b>					

Note : Balance in Ledger Book  
RM 378,712.55 = US\$ 112,665.41

a/ Funds retained and accounted by ITTO - details not available with Executing Agency

## Appendix IIB

### FINANCIAL STATEMENT - PERIOD ENDING 31 DECEMBER 2009

#### PD 451 Transboundary Biodiversity Conservation Area : The Pulong Tau National Park, Sarawak State, Malaysia - Phase II

#### ITTO Contribution - Breakdown of expenditure (in RM)

COMPONENTS	# CONTRIBUTION RM (A)	UP TO DATE			BALANCE OF FUNDS (A)-(D)
		Committed (B)	Spent (C)	Committed & Spent (D)=(B)+(C)	
<b>I. Funds managed by Executing Agency</b>					
<b>A. PERSONNEL - LOCAL</b>					
Project Manager	725,760.00	-	481,167.00	481,167.00	244,593.00
Administration	245,952.00		93,126.00	93,126.00	152,826.00
<b>Sub-contracts</b>					
Field Post	50,400.00	-	43,809.59	43,809.59	6,590.41
Boundary survey & thematic survey	22,848.00	-	12,559.50	12,559.50	10,288.50
Ecological biodiversity surveys	366,912.00	-	109,825.20	109,825.20	257,086.80
Develop community-based activities	446,880.00	-	255,951.39	255,951.39	190,928.61
Consultant resource study	16,128.00	-	-	-	16,128.00
Conserve & re-establish montane vegetation	268,800.00	-	51,367.48	51,367.48	217,432.52
Conduct conservation awareness	117,600.00	-	75,057.25	75,057.25	42,542.75
Joint scientific research	25,200.00	-	15,205.70	15,205.70	9,994.30
Characterizen TBCA ecosystems	20,160.00	-	-	-	20,160.00
Cross-border socio-economic activities	26,880.00	-	25,770.85	25,770.85	1,109.15
<b>B. DUTY TRAVEL</b>					
Travel inside & outside Sarawak	73,920.00	-	41,091.68	41,091.68	32,828.32
PSC & SCC meetings	13,440.00	-	8,854.00	8,854.00	4,586.00
<b>C. CAPITAL ITEMS</b>					
Three units computers	6,720.00	-	7,086.00	7,086.00	(366.00)
<b>D. CONSUMABLES</b>					
Office supplies	8,400.00	-	5,197.25	5,197.25	3,202.75
Information materials	53,760.00	-	23,288.74	23,288.74	30,471.26
Logistics and camping costs	43,680.00	-	16,498.50	16,498.50	27,181.50
Publications of scientific & community studies	50,400.00	-	-	-	50,400.00
<b>E. MISCELLANEOUS</b>					

Proposal for WHS	6,720.00	-	-	-	6,720.00
Joint Task Force meetings	10,080.00	-	2,462.74	2,462.74	7,617.26
Scientific workshop	10,080.00	-	-	-	10,080.00
<b>Sub - Total :</b>	<b>2,610,720.00</b>	-	<b>1,268,318.87</b>	<b>1,268,318.87</b>	<b>1,342,401.13</b>
<b>TOTAL in VOTE LEDGER</b>	<b>1,647,031.40</b>		<b>1,268,318.87</b>	<b>1,268,318.87</b>	378,712.53
<b>II. Funds Retained By ITTO</b>					-
Monitoring, Evaluation & Administration	60,505.05				
Ex - Post Evaluation Costs	50,420.87				
<b>Total :</b> (777,000.00+18,000.00+15,000.00)	2,721,645.92	-	-	-	a/
Administration Support Costs 8% of Sub - Total	217,731.67				
<b>Sub - Total :</b>	328,657.59				
<b>TOTAL IN VOTE LEDGER :</b>					
		-	-	-	a/

Note : Balance in Ledger Book  
US\$ 112,665.41 RM 378,712.53

a/ Funds retained and accounted by ITTO - details not available with Executing Agency

## PART III: OPERATIONAL YEARLY PROGRAMME

### 1 Logical Framework Matrix for the Period

There are two specific objectives and seven major outputs. There are five outputs in specific objective 1 and two in specific objective 2. The logical framework has been reviewed to reflect the project's progress. The revised framework is presented below.

#### Logical Framework

PROJECT ELEMENTS	INDICATORS	MEANS OF VERIFICATION	ASSUMPTION
<b>DEVELOPMENT OBJECTIVE</b> Contribute to conservation of natural ecosystems in the Northern Highlands of Sarawak and to the sustainable development of the local communities, through the implementation of biodiversity conservation and support to local socio-economic initiatives	Extensions of the current PTNP area, higher involvement of highland communities in conservation management activities; increased awareness in conservation	Government gazette of Park extensions, PTNP extension maps, community-based activities, project progress reports	Continued political support of the State of Sarawak and cooperation from the timber licensees and local people
<b>SPECIFIC OBJECTIVE 1</b> To promote the ecosystem values of PTNP through integrated conservation management	Implementation of approved PTNP management plan; promoting sustainable use of forest resources	On-the ground management presence, local participation in management and community development, project progress reports	Cooperation of key stakeholders, local communities and relevant state institutions
<b>SPECIFIC OBJECTIVE 2</b> To strengthen transboundary conservation at the management and local community levels	Continued liaison with KMNP, cross-border socio-economic activities implemented	Communities participating in joint cross-border activities, joint research and training, information exchange, project progress reports	Continued support of Indonesia and State of Sarawak; sustained initiatives of both sides
<b>Output 1.1</b> The conservation and management capacity for PTNP strengthened	Extension of rangers station in Bario, planned rangers station in Ba' Kelalan, field posts for Long Sabai and Long Lellang, infrastructures and equipment provided; maintenance of park boundaries and law enforcement continue	Bario rangers station completed, land for rangers station at Ba' Kelalan acquired, 3 field posts planned, project progress reports	SFD provides qualified project counterparts and technical staff, active involvement by SFC, assistance from timber companies for transport /road maintenance

<b>Output 1.2</b> The extensions of PTNP initiated	First extension approved, timber licensee to pull out by July 2010.	First extension under process, project progress reports, official gazette on extension	Continued political commitment of the State of Sarawak and cooperation from timber companies
<b>Output 1.3</b> Baseline ecological and biodiversity surveys carried out and results published	Surveys in core and proposed extended park areas initiated, continuing survey in 2010	Survey continues in Batu Lawi extended area, baseline data collected, project progress reports and final reports	Support by SFD and SFC staff, assistance from timber companies
<b>Output 1.4</b> Survey on uses of natural resources carried out and community-based activities developed	Continuing collection of information from local communities; botanical parks in Ba' Kelalan, nursery materials for NTFP in Bario maintained in 2010	Materials supplied to interested farmers, planting carried out, project progress reports and final reports	Cooperation and active participation of local communities
<b>Output 1.5</b> Conservation awareness programs for local key stakeholders carried out	Awareness materials prepared, programmes to suit different stakeholders developed, continuing implementation in schools and local communities in 2010	Programs covering all primary and secondary schools, project progress reports	Active participation of local stakeholders, support from SFC
<b>Output 2.1</b> Bi-national cooperation in TBCA management is strengthened	JTF operational, implementing cross-border activities and addressing problems, scientific workshop	Joint training and research carried out, progress reports	Initiatives and active participation by management agencies and communities from both sides
<b>Output 2.2</b> Awareness in transboundary conservation and sustainable utilization of natural resources is raised	Continue to encourage cross-border activities and dialogues	Joint handicraft training organized, progress reports	Active cross-border community participation, support from KMNP & PTNP projects

## 2 Outputs and Activities

**Development Objective** - The project will contribute to conservation of natural ecosystems in the Northern Highlands of the State of Sarawak and to the sustainable development of the local communities, through the implementation of activities of biodiversity conservation and local support to local socio-economic development initiatives.

**Specific Objective 1** - To promote the ecosystem values of Pulong Tau National Park (PTNP) through integrated conservation management.

**Specific Objective 2** - To strengthen transboundary conservation at the management and local community levels.

As indicated in the Objective Tree, the ultimate aim is to increase areas for PTNP and nature conservation, improve the livelihoods of local communities with reduced dependence on forest resources, and strengthen collaborative management of PTNP and the TBCA. **This objective is gradually being achieved through park extension, research and community-based activities targeted towards communities that are more in need for support.**

**(a) Outputs and activities for Specific Objective 1**

**Output 1.1 – Conservation and management capacity of PTNP strengthened**

It is the aim of the project to help improve the management capacity of the national park. In this respect cooperation of the local stakeholders (communities and timber industry) is critical as the park is remotely located. Having more field posts manned by local employees will be an advantage. **For sustainability, SFC will have to look into future management needs when the ITTO project is completed.**

**Output 1.2 – The extensions of PTNP initiated**

This has been reported in the progress report in Part II. The first extension covering Long Repung and Batu Lawi has been approved and is under process, while another will be pursued when commercial logging ceases in July 2010. **With the extensions, highland conservation and biodiversity will be better safeguarded; local communities and tourists will also derive long term benefits of sustainably managed resources.**

**Output 1.3 – Baseline ecological and biological surveys carried out and results published**

Several studies have been undertaken and will be continued in 2010. It is planned to start ecological survey and monitoring in the extended area of Batu Lawi as soon as possible. A better understanding of the ecology and biodiversity is crucial to long term management of the park's resources.

**Output 1.4 – Survey on uses of natural resources carried out and community-based activities developed**

**Many communities will continue to depend on forests for subsistence livelihoods. Their direct dependence on the park is less crucial as most resources are still easily available in forests outside the park. The park is important to them for traditional and cultural reasons and for their functions as catchment areas and in soil and water protection. Community-based activities are expanded due to changing needs and**

the fact that logging that is being carried out near local settlements have a direct impact on the people's lives. New activity items that have been proposed for 2010 will improve the living standards of the people while reducing their dependence on forests.

#### **Output 1.5 – Conservation awareness programmes for local key stakeholders carried out**

The programme has so far covered four schools and will be extended to two other schools in the area. A simpler programme to cater for the Penan community will be implemented, with emphasis on visual presentation and dialogues.

#### **(b) Output and activities for Specific Objective 2**

##### **Output 2.1 Bi-national cooperation in transboundary biodiversity conservation area management is strengthened**

Cross-border community activities dialogues were organized; a ten-day joint training and research expedition was attended by seven researchers from KMNP and eight from Sarawak. **As mentioned in Part II, further cooperative effort must depend on initiatives from both sides. The project will work within the scope of the project objectives to ensure that all activities are implemented and closer cooperation among the local communities on both sides of the common border is strengthened.**

##### **Output 2.2 – Awareness in transboundary conservation and sustainable utilization of natural resources at the community level is raised**

Joint handicraft training for 37 participants was successfully completed, with free exchange of knowledge and skills between participants. **Through joint dialogues, the people have become gradually aware of the concept of transboundary conservation and functions of the TBCA. Strengthening and sustaining this initiative will require equal efforts from managers and staff of PTNP and KMNP. Regular cross-border contact of park managers is presently not possible as there is no rangers' posts for KMNP near the border, whereas posts at Ba' Kelalan and Bario in Sarawak have been established.**

### **3 Indicators and Assumptions**

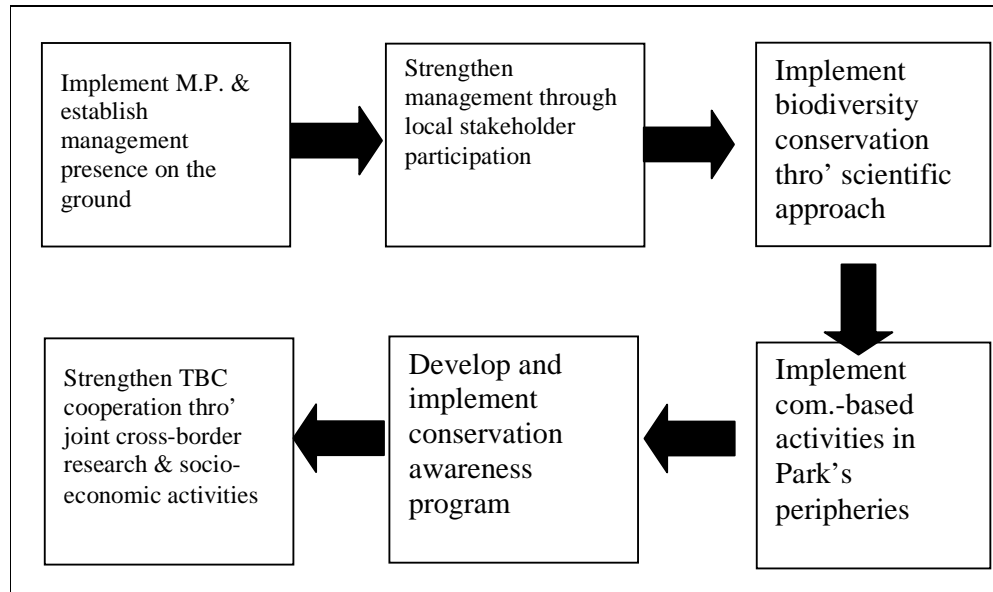
Indicators and assumptions for each of the project's objectives and outputs are explained under the Logical Framework in the project document.

### **4. Monitoring Methodology, Frequency and Reporting**

The report entitled *Ecological Monitoring System for Pulong Tau National Park* that was prepared during Phase I will continue to be applied during survey and monitoring of the natural ecosystems and impacts of human influence. Monitoring is the joint responsibility of SFD and SFC.

## 5. Organization Chart, Co-ordination and Integration of Activities

The flow chart in Box 1 is followed. It shows the key steps in the PTNP conservation management planning process. Sarawak Forest Department (SFD) will be responsible for implementing and coordinating the project. The ITTO Projects Coordinator will be overall responsible for coordinating and ensuring smooth execution of project activities in accordance with the flow chart.



**Box 1 - Flow Chart on Key Steps in the Implementation Process**

## 6. Outputs and activities to be implemented in Year 3 (2010)

As mentioned in the progress report in Part II Section 5.0 *Critical Analysis of Project Progress and Lessons Learned*, new requests have been received from the communities over the past one year, particularly under Output 1.4 Activity 1.4.2 (Community-based activities) and Output 1.5 (Awareness education programme) of specific objective 1. Prior approval by ITTO will be sought. These activities will be worthwhile considering because (i) Their implementation will not incur additional fund as there is substantial savings of the project's budget due to increased allocations from the EA, and (ii) More staff will be available to assist, and (iii) The local communities and schools will in particular be able to enjoy greater benefits. These new activities will be implemented concurrently with those that have already been approved. The new activities and justifications for implementation are described under Activity Programme in Section 7 below.

**New or extended sub-activities are given in Section 7. Other sub-activities not mentioned there are to be regarded as continuing activities or activities that will be implemented in 2010. Please refer to Part II for progress. These activities are briefly described below.**

**A1.1.1 – Field management unit will continue to be maintained, and meetings of PSC and SCC organized.**

**A.1.1.2 – Field management units in Bario and Ba' Kelalan will continue to be serviced.**

**A1.2.1 – Maps will be updated to include the extended park areas for management purposes.**

**A1.2.2 – Survey and marking of extended park boundaries will be carried out.**

**A1.3.1 – The first post logging survey on forest ecology, flora and fauna will be carried out from 7 to 19 March 2010 in Batu Lawi extension area. Survey in mixed dipterocarp forest had been completed.**

**A1.3.2 – Faunal survey will be combined with A1.3.1 as the same group of researchers will be involved.**

**A1.3.3 - Scientific workshop will be organized when results for various studies have been analyzed and compiled. Dates for the workshop will be decided in due course.**

**A1.3.4 – All results will be published towards the end of the project and copies sent to ITTO Secretariat.**

**A1.4.1 – Monitoring of resource use by Penan and other communities will continue.**

**A1.4.2 – Community-based activities will be expanded as described under Section 7 below.**

**A1.4.3 – Conserving fragile montane flora is to be done in conjunction with maintenance of plank walks and trails. Proposal for this activity is given in Section 7 below.**

**A1.4.4 – Sub-activities to support highland conservation and ecotourism include studies on ecotourism, producing reports and booklets on megaliths and flora, and posters on education and wildlife. Several more information booklets will be published before the year end.**

**A1.5.1 – Awareness education will continue in schools in other regions and among the Penan community. The project is assisting schools to develop exhibits for school museum and field study centre and training students on plant identification as explained in Part II.**

**A2.1.1-** As agreed at the very beginning, task force meeting was to be organized twice a year with each participating member alternating as the host. The EA of PTNP project had never failed to stick to the agreement, both for LEWS and PTNP projects; and, when necessary, send reminders to our counterpart when it was their turn to host. It seemed like KMNP had lost interest as the project was no more supported by ITTO. As mentioned in Part II under Progress Report, Indonesia during the last meeting in Jakarta in November 2008 was adamant that the terms ‘transboundary’ and ‘task force’ were not appropriate and even objected to them being used in the minutes. Under these circumstances, we seek the advice of the Executive Director as to whether the task force meeting between PTNP and KMNP should be continued.

**A2.1.2 –** Report on joint scientific research is given in Part II. Data have been assembled for a final report to be published.

**A2.1.3 –** Reasons for the delay in initiating study to characterize transboundary ecosystems have been explained in Part II. It was due to un-availability of a suitable consultant in 2009 and insufficient information from KMNP. Study will begin as soon as approval to appoint the consultant has been received.

**A2.1.4 –** Progress on joint enforcement has been given in Part II. EA/PTNP will continue with their patrolling on the Pulong Tau side, and will seek the cooperation of the local communities across the border since KMNP has no rangers’ post in the area.

**A2.2.1 –** Cross-border socio-economic activities had been organized as reported in Part II. Joint handicraft training was participated by 39 participants from the Kalimantan side. The project also facilitated cross border trade of handicrafts and mineral salt, and recommending the construction of an immigration post on the Sarawak side. For 2010, the project will organize a group of Kalimantan farmers to come over to PTNP to visit fish culture, salt making and botanical park in Ba’ Kelalan. Although joint eco-tourism and cultural activities were proposed, PTNP was expected to organize and cover all expenses; this should not be the case as it was supposed to be a joint effort. For eco-tourism the project will concentrate on assisting the community of Ba’ Kelalan to improve existing tourist attractions like megaliths, salt making, training on handicraft making and preparing information booklets.

## **7. Activity Programme**

The revised activity programme for YPO 3 covering the period from February 2010 to January 2011, and the responsible parties involved are shown in **Table 1 below**. The programme includes activities that are both existing (with some re-scheduled) and new.

**Table 1 – Revised Activity Programme for the Three-Year Period of the Project**

Outputs/ Activities	Responsible Party	Months from Starting Date																																			
		YEAR 1												YEAR 2												YEAR 3											
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36
<b>Output 1.1</b>	SFD																																				
A 1.1.1	SFD																																				
A 1.1.2	SFD																																				
A 1.1.3	SFD																																				
<b>Output 1.2</b>	GOS																																				
A 1.2.1	PM																																				
A 1.2.2	SFD/PM																																				
<b>Output 1.3</b>	PM																																				
A 1.3.1																																					
A 1.3.2																																					
<b>A 1.3.3</b>																																					
<b>A 1.3.4</b>																																					
<b>Output 1.4</b>	PM																																				
A 1.4.1																																					
A 1.4.2																																					
A 1.4.3																																					
A 1.4.4																																					
<b>Output 1.5</b>	PM																																				
A 1.5.1																																					
<b>Output 2.1</b>	SFD																																				
A 2.1.1	PM																																				
A 2.1.2	PM																																				
A 2.1.3	PM																																				
A 2.1.4	SFD																																				
<b>Output 2.2</b>	PM																																				
A 2.2.1																																					

The following new/extended activities are proposed for consideration by ITTO:

### **Output 1.3**

**Training.** Training on technical report writing and English usage is proposed for young researchers from ITTO, SFD and SFC who are directly involved in the implementation of the project. The training course will be for three days and will be conducted by qualified instructors.

**Justification.** Technical reports are important records of results of studies. Training will help young researchers to improve their reporting skills and English language to ensure uniformity and quality of reporting.

**Estimated budget.** US\$ 4,000 for 20 persons including teaching materials and fees.

### **Output 1.4**

#### **(a) Activity 1.4.2 - Community-based activities**

**Item (i) Crop cultivation.** This will mainly cater for the Penan communities and will involve on-farm training on vegetable and fruit tree planting, maintenance, propagation and making of fertilizers from organic wastes and burnt earth; supply of basic agricultural tools and planting materials, including establishment of nurseries if necessary.

**Justification.** After leading a long nomadic and semi-nomadic life and having settled only quite recently, many still lack basic skill in agriculture, so many have no choice but to continue to depend heavily on the forest. All the settlements have expressed their desire to learn new skills. Crop cultivation is proposed because vegetables and fruits are important food for the Penan people.

**Estimated budget.** US\$ 5,000 covering three villages to provide planting materials, tools, fertilizers, and pay travel expenses and allowances for field staff and instructors.

**Item (ii) Handicraft training and village cultural centres.** This has been organized for the Lun Bawang and communities across the borders but not yet for the Penan.

**Justification.** The Penan are good makers of handicrafts but like other communities, the young people lack the opportunity to learn. Training will target many young Penan children and teenagers who do not attend school or have left school. It may involve bringing teachers from other Penan communities to conduct the training. Many Penan men and women are already making baskets and bracelets for sale to tourists who come to their villages. The village cultural centre in each village will consist of a simple building to be built by the people themselves with roofing materials and tools provided by the project. It will help to preserve and promote Penan culture.

Cash income can be derived by charging visiting tourists a fee and selling the handicrafts.

**Estimated budget.** US\$ 8,000: US\$ 3,000 to acquire materials and tools and pay travel expenses and allowances for staff and instructors for handicraft training in two villages; US\$ 5,000 for tools, building and exhibition materials, travel expenses and allowances for staff supervising construction to be carried out by Penan.

**Item (iii) Gravity feed water supply and amenities.** The people of Long Lobang have requested for materials for a new pipeline that was destroyed by floods. In Ba' Tik A, damaged sections of the pipe need to be replaced, while the villages of Ba' Tik B and Ba' Medamot still lack such facilities.

**Justification.** Diseases are still quite common among the villagers especially the children, due to lack of clean water supply and proper bathing and toilet facilities. They also need guidance on basic hygiene.

**Estimated budget.** US\$ 10,000 to acquire materials for all three villages, pay travel and field expenses for supervising staff.

**Item (iv) Materials for housing for Ba' Medamot and Ba' Tik B.** There are 17 families in Ba' Medamot including three semi-nomadic ones have no means of acquiring materials for housing. Eight families in Ba' Tik B are living under similarly conditions.

**Justification.** The families in the two villages all live in small make shift huts with roofs made from leaves or discarded (broken) zinc sheets or timber salvaged from timber camps. They can only obtain small poles from the forest because of lack of proper tools like axes to cut down bigger trees. The village's headman of Medamot had made a special request for materials to Dr Jurgen Blaser during the latter's visit to the village last August.

**Estimated budget.** US\$ 5,000 to acquire two chainsaws, roofing sheets, tools and nails etc., and travel and allowances for supervising staff.

**Item (v) Suspension bridge at Ngelah River.** Ngelah is a big river located between the Penan villages of Long Lobang and Ba' Tik B. Local residents and parents who send their children to school in Bario must cross the river.

**Justification.** Although Ngelah River is a tributary of Kubaan it is nearly twice as wide as Kubaan itself. Despite its shallowness it swells up quickly into a fast flowing river after a heavy rain and is dangerous to cross especially for children. The villagers have requested ITTO for a suspension bridge to be built there.

**Estimated budget.** US\$ 15,000 to acquire materials and pay travel expenses and allowances for supervising staff and food Penan workers.

**Item (vi) Upgrading of salt mines.** Several salt mines around Ba' Kelalan are regularly operated by the local people. Salt is an important source of cash income and salt making is a tourist attraction. The facilities need to be further upgraded.

**Justification.** Like the Bario rice, the highland salt has become quite a popular commodity and demand comes from as far as Miri and Kuching. Supply is limited as production is slow. Facilities can be easily upgraded if building materials are available to improve the cooking sheds and caldrons (presently made from petrol drums) replaced with proper ones.

**Estimated budget.** US\$ 3,000 to acquire materials and tools.

**Item (vii) Rehabilitation of degraded water catchment.** PTNP serves as the catchment for the mini-hydro power station for the village of Bario Asal in Bario. The forest at the foothill of national park has been degraded; the villagers have signed a MoU to protect the catchment from further damage.

**Justification.** Causes of damage were tree felling and buffalo grazing in the past. Rehabilitation will help to restore the catchment. Selected species will have economic value like timber and fruit trees. Planting will be carried out by the villagers and students as an outdoor activity.

**Estimated budget.** US\$ 2,500 for travel and field expenses and maintain materials for planting.

**(b) Activity 1.4.3 – To conserve fragile montane highland and flora on Murud.**

The original activities were improving power and water supply and trails. However, the local communities now regard trail maintenance as a priority because many visitors climb the mountain and the plank walk (two km long) is mostly rotten and poses a danger to users.

**Justification.** Threats to the fragile vegetation come mainly from visitor use. Having well constructed and maintained trails will help solve this problem. In the past the local people fell trees from inside the national park for maintenance and repair, but this has stopped since the project started in 2005 (Phase I). The problem needs to be addressed urgently.

The strategy is to acquire timber (at cost if possible) from the nearest timber camp at Ravenscourt and air lift it from there to the summit ridge using helicopter used for helicopter logging. Helicopter rental is RM 5,000 (US\$ 1,500) per hour. The helicopter is parked in Miri; the flying time from Miri to Ravenscourt is about 45 minutes and from Ravenscourt to Murud about 10 minutes. An estimated total flying time of four hours should be adequate.

**Estimated budget.** The original allocation of US\$ 30,000 may need to be to cater for hiring of helicopter and acquire timber possibly at subsidized prices. The estimate for this item is US\$20,000.

## **Output 1.5**

### **Activity 1.5.1 – To conduct conservation awareness activities**

In conjunction with the awareness education programme, the secondary school in Bario has taken the initiative to upgrade its village museum, having put up an extension to the building recently. The primary school in Ba' Kelalan has plans to establish a field study centre in a piece of forest behind the school premises. Both schools have requested for assistance and advice in terms of planning, survey and design of nature trails, species identification, preparing exhibition materials (pictures, specimens, etc.). It will be a joint effort between the schools, ITTO and parents associations.

Another proposed activity is to organize study tours for 60 students and teachers from five schools to the Lambir National Park and Niah National Park in Miri. These two parks are known for their natural and cultural/archaeological values.

**Justification.** From the response of the teachers and students, our message on conservation educational has been well received. This is a good opportunity to further instill conservation awareness in the minds of the younger generations and to sustain ITTO's effort.

The study tours will expose students to park conservation management, use of visitor facilities and research projects in Lambir jointly conducted by researchers from Japan, USA and Sarawak.

**Estimated budget.** US\$ 10,000: US\$ 2,000 for field centre at Ba Kelalan, US\$ 2,000 for Bario school village museum, US\$ 6,000 for study tours.

## PART IV - RESOURCES

### Personnel Planning and Institutional Relations

#### 1 Project, Partners and Support Organizations

The Kelabit, Lun Bawang and Penan communities have different needs but are all still very much dependent on the forest in one way or another. Since forestry and natural resource conservation management are multi-disciplinary in nature, the project will continue to seek cooperation and support from all relevant government agencies, the timber industry and local stakeholders. With the cooperation of KMNP, the project will continue to strengthen transboundary conservation by promoting awareness and support among the communities.

Stakeholder participation (Table 2) continues to be an important element in ensuring success, particularly from government agencies, timber industry and local communities.

**Table 2: Project Partners**

<b>Partner</b>	<b>Participation in Project Implementation</b>
Local communities	Local dialogues and workshops; scientific, cultural and socio-economic surveys & monitoring; community-based activities and law enforcement; SCC and SPC; advisory.
Local village organizations	Contribute to local knowledge, project activities and planning, community-based activities; advisory.
Timber industry	Support to project implementation by providing transport and accommodation, boundary and resource surveys, SCC and SPC.
State agencies	Administrative, policies and decisions making, direct support to project implementation.
Kayan Mentarang N.P., Indonesia	Co-partners in bi-national TBC management

#### 2 Involved organizations, stakeholders, communities

SFD is the project's Executing Agency and will be assisted by the SFC particularly at on-the-ground level. The SFC can play a greater role if its staff situation improves further.

The government has identified the northern highlands as potential areas for eco-tourism and agriculture. Whenever necessary, the project will continue to collaborate or assist agencies such as Ministry of Planning and Resource Management, Ministry of Tourism, Sarawak Tourism Board (STB), Department of Drainage and Irrigation (DID), Sarawak Museum, Department of Agriculture (DOA) and Dept. of National Registration that provide government services in the area.

No doubt timber harvesting in the peripheries has had a negative impact on the environmental. On the other hand, the industry's presence has helped to improve rural livelihoods through providing road access and contributing to education, health and other community welfare projects among the rural populations. It is also the timber licenses' corporate social responsibility to help protect the park and the highland environment.

### **3 Role of ITTO**

**The project is appreciative of the greater inputs by the EA in recent years to facilitate project implementation. In both Lanjak Entimau and Pulong Tau projects, ITTO has played the crucial role of a catalyst that enabled almost all research, development and community activities to be implemented. No such activities have been conducted anywhere outside the two TPAs. It is hoped that the efforts of ITTO will be expanded or sustained after the projects are completed.**

### **4 Consultants**

The Project Manager will ensure continuity in implementation. Consultants or specialists for various studies will be engaged on a short-term basis when necessary. Researchers and field staff from SFD and SFC will continue to be involved.

### **5 Budget**

#### **(a) Overall Budget by Activities**

A very encouraging new development was that with the support of the current Director of Forests the EA has allocated more staff and fund to the project since mid-2008. Not only were we able to get more work done we were also able to make substantial savings of the project fund, so that more activities can be planned for 2010.

**Table 3.1 and Table 3.2** below show the financial contributions by ITTO and Malaysian Government respectively. **Table 3.1a summarizes the expenditures for Year 1 and Year 2, while Table 3.1b shows the adjusted expenditure for Year 3.** For YPO 3 the remaining approved ITTO budget available in 2010 is US\$ 390,933.19. This has been adjusted in accordance with proposals for new activities or extended activities for approval by ITTO.

The ITTO budget is managed by the Director of Forests (DF) through a Trust Account with a local bank. The DF has appointed a senior officer to act as the controller and to sign cheques for payment of fees and purchases. The Project Manager will certify all payments, and will be assisted by the Administrative Officer. Annual auditing is done by a qualified audit firm approved by ITTO.

**Table 3.1A - ITTO Detailed Breakdown of Expenditure**

**FINANCIAL STATEMENT - PERIOD ENDING 31 December 2009**

**PD 451/07 Rev.1 (F) - Transboundary Conservation Area:**

**The Pulong Tau National Park, Sarawak State, Malaysia - Phase II**

**ITTO Contribution - Breakdown of expenditure (in US\$)**

COMPONENTS	# CONTRIBUTION U.S. \$  (A)	UP TO DATE			BALANCE OF FUNDS (A)-(D)
		Committed  (B)	Spent  (C)	Committed & Spent (D)=(B)+(C)	
<b>I. Funds managed by Executing Agency</b>					
<b>A. PERSONNEL - LOCAL</b>					
Project Manager	216,000.00	-	143,145.18	143,145.18	72,854.82
Administration	73,200.00		27,704.60	27,704.60	45,495.40
<b>Sub - Contracts</b>					
Field posts	15,000.00	-	13,033.17	13,033.17	1,966.83
Boundary survey & thematic survey	6,800.00	-	3,736.40	3,736.40	3,063.60
Ecological biodiversity surveys	109,200.00	-	32,672.54	32,672.54	76,527.46
Develop community-based activities	133,000.00	-	76,144.48	76,144.48	56,855.52
Consultant resource study	4,800.00	-	-	-	4,800.00
Conserve & re-establish montane vegetation	80,000.00	-	15,281.61	15,281.61	64,718.39
Conduct conservation awareness	35,000.00	-	22,329.22	22,329.22	12,670.78
Joint scientific research	7,500.00	-	4,523.63	4,523.63	2,976.37
Characterizen TBCA ecosystems	6,000.00	-	-	-	6,000.00
Cross-border socio-economic activities	8,000.00	-	7,666.72	7,666.72	333.28
<b>DUTY TRAVEL</b>					
Travel inside & outside Sarawak	22,000.00	-	12,224.60	12,224.60	9,775.40
PSC & SCC meetings	4,000.00	-	2,634.03	2,634.03	1,365.97
<b>CAPITAL ITEMS</b>					
Three units computers	2,000.00	-	2,108.06	2,108.06	(108.06)
<b>CONSUMNABLES</b>					
Office supplies	2,500.00	-	1,546.16	1,546.16	953.84
Information materials	16,000.00	-	6,928.30	6,928.30	9,071.70
Logistics and camping costs	13,000.00	-	4,908.24	4,908.24	8,091.76

Publications of scientific & community studies	15,000.00	-	-	-	15,000.00
<b>MISCELLANEOUS</b>					
Proposal for WHS	2,000.00	-	-	-	2,000.00
Joint Task Force meetings	3,000.00	-	732.65	732.65	2,267.35
Scientific workshop	3,000.00	-	-	-	3,000.00
sub - Total :	<b>777,000.00</b>		377,319.59	377,319.59	399,680.41
<b>TOTAL in VOTE LEDGER</b>	<b>489,985.00</b>	-	<b>377,319.59</b>	<b>377,319.59</b>	<b>112,665.41</b>
<b>II. Funds Retained By ITTO</b>					
Monitoring, Evaluation & Administration	18,000.00	-	-	-	a/
Ex - Post Evaluation Costs	15,000.00				
<b>Total :</b> (777,000.00+18,000.00+15,000.00)	810,000.00				
Administration Support Costs 8% of Sub - Total	64,800.00	-	-	-	a/ a/
<b>Sub - Total :</b> (18,000.00+15,000.00+64,800.00)	97,800.00	-	-	-	a/
<b>TOTAL IN VOTE LEDGER :</b>					

Note : Balance in Ledger Book RM 378,712.55 = US\$ 112,665.41

a/ Funds retained and accounted by ITTO - details not available with Executing Agency

**Table 3.1B - ITTO Budget Adjusted**

<b>Budget headings</b>						
			<b>Total</b>	<b>Spent Year 1</b>	<b>Spent Year 2</b>	<b>Adjusted Year 3</b>
<b>10</b>	<b>Personnel</b>					
	10	Project Manager	216,000	69,127.40	74,017.78	80,000.00
	11	Administrative staff	73,200	9,811.35	17,893.25	38,350.22
	<b>19</b>	<b>S/Total</b>	<b>289,200</b>	<b>78,938.75</b>	<b>91,911.03</b>	<b>118,350.22</b>
<b>20</b>	<b>Sub-contracts</b>					
	201	Field posts	15,000	6,761.58	6,271.59	1,966.83
	202	Boundary survey & thematic survey	6,800	2,946.93	789.47	3,063.60
	203	Ecological biodiversity surveys	109,200	16,000.32	16,672.22	71,527.46
	204	Develop community-based activities	133,000	30,202.61	45,941.87	56,855.52
	205	Consultant resource study	4,800	0.00	0.00	4,800.00
	206	Conserve & re-establish montane vegetation	80,000	0.00	15,281.61	64,718.39
	207	Conduct conservation awareness	35,000	12,564.97	9,764.25	12,670.78
	208	Joint scientific research	7,500	0.00	4,523.63	2,976.37
	209	CharacterizenTBCA ecosystems	6,000	0.00	0.00	6,000.00
	210	Cross-border socio-economic activities	8,000	0.00	7,666.72	333.28
	211	Training on Technical Report Writing				* 5,000.00
	<b>29</b>	<b>S/Total</b>	<b>405,300</b>	<b>68,476.41</b>	<b>106,911.36</b>	<b>229,912.23</b>
<b>30</b>	<b>Duty Travel</b>					
	31	Travel inside & outside Sarawak	22,000	6,290.80	5,933.80	9,775.40
	32	PSC & SCC meetings	4,000	1,362.24	1,271.79	1,365.97
	<b>39</b>	<b>S/Total</b>	<b>26,000</b>	<b>7,653.04</b>	<b>7,205.59</b>	<b>11,141.37</b>
<b>40</b>	<b>Capital Items</b>					
	411	Three units Computers	2,000	2,137.47	0.00	-137.47
	<b>49</b>	<b>S/Total</b>	<b>2,000</b>	<b>2,137.47</b>	<b>0.00</b>	<b>- 137.47</b>
<b>50</b>	<b>Consumables</b>					
	51	Office supplies	2,500	610.05	936.11	953.84
	52	Information materials	16,000	2,629.15	4,299.15	9,071.70
	53	Logistics and camping costs	13,000	3,483.65	1,424.59	8,091.76
	54	Publications of scientific & community studies	15,000		0.00	15,000.00

	<b>59</b>	<b>S/Total</b>	<b>46,500</b>	<b>6,722.85</b>	<b>6,659.85</b>	<b>33,117.30</b>
<b>60</b>	<b>Miscellaneous</b>					
	601	Proposal for WHS	2,000		0.00	2,000.00
	602	Joint Task Force meetings	3,000	589.79	142.86	2,267.35
	603	Scientific workshop	3,000		0.00	3,000.00
	<b>69</b>	<b>S/Total</b>	<b>8,000</b>	<b>589.79</b>	<b>142.86</b>	<b>7,267.35</b>
	<b>Total</b>		<b>777,000</b>	<b>164,518.31</b>	<b>212,830.69</b>	<b>399,651.00</b>
	<b>Balance against budget</b>					
<b>80</b>	<b>Monitoring,evaluation,administration</b>					
	81	Monitoring cost & Evaluation cost	18,000			
	82	Ex-post evaluation costs	15,000			
		<b>S/Total</b>	<b>810,000</b>			

**Table 3.2 - Malaysian Contribution (USD)**

Budget headings		Total	Year 1	Year 2	Year 3
<b>10</b>	<b>Project Personnel</b>				
	11 Head, PCMU	63,700	15,600	15,600	32,500
	12 Assistant, Finance and Administration	76,400	15,600	15,600	45,200
	12 Forest Officers and Park Rangers	280,800	32,400	85,000	163,400
	13 2 secretaries	58,676	12,000	20,000	26,676
	<b>19 S/Total</b>	<b>479,576</b>	<b>75,600</b>	<b>136,200</b>	<b>267,776</b>
<b>30</b>	<b>Duty Travel</b>				
	21 Air travel within Malaysia	96,150	8,400	30,000	57,750
	22 Daily Subsistence Allowance	186,900	27,600	65,000	94,300
	<b>29 S/Total</b>	<b>283,050</b>	<b>36,000</b>	<b>95,000</b>	<b>152,050</b>
<b>40</b>	<b>Capital Items</b>				
	41 Office infrastructure at Bario	150,000	130,000	0.00	20,000
	42 Field rangers station	60,000		30,000	30,000
	42 2 Trucks tein-cabin	119,600	44,800	44,800	30,000
	43 2 motor-cycles	9,500	3,700		5,800
	44 4 portable generators	6,440	2,640		3,800
	45 4 Freezers refrigerators	6,040	2,640		3,400
	46 2 Radio telephones	10,600	10,600		
	47 4 Cell phones	15,200	7,600		7,600
	48 Miscellaneous camping equipment	8,850	2,500		6,350
	49 Laboratory and field equipment	45,500	13,000		32,500
	<b>49 S/Total</b>	<b>431,730</b>	<b>217,480</b>	<b>74,800</b>	<b>139,450</b>
<b>60</b>	<b>Miscellaneous</b>				
	61 Community socio-development programe	955,800	65,000	*390,400	500,400
	<b>69 S/Total</b>	<b>955,800</b>	<b>65,000</b>	<b>390,400</b>	<b>500,400</b>
	<b>SUB-TOTAL</b>	<b>2,150,156</b>	<b>394,080</b>	<b>696,400</b>	<b>1,059,676</b>
	Administrative cost 15%				

\*Note: Malaysia contribution for the suspension bridge was **RM 280,800.00**

**(b) Order of Equipment and Materials**

The EA should continue to make available necessary equipment and materials for office and field work. Any purchase using ITTO fund will be made in accordance with the government's financial rules and regulations, such as calling for quotations to obtain the lowest price.