



Inception Report

Conservation of Biological Diversity through Improved Forest Planning Tools

UNDP/GEF Funded Project (MAL/04/G31)

Prepared by

**Project Support Unit
UNDP/GEF/ITTO CBioD Project
Forest Research Institute of Malaysia
52109 Kepong, Selangor Darul Ehsan, Malaysia**

Project Period: April 2007 – March 2012



LIST OF ABBREVIATIONS

EXECUTIVE SUMMARY

1. Introduction and Background	1
1.1 Project Background	1
1.2 Concept of Biodiversity Conservation	2
1.3 Project Goals & Objectives	3
1.4 Project Outputs	3
1.5 Project Deliverables	3
2. Project Management Arrangement	5
Figure 1. Organisational Structure of the CBioD Project Management	5
2.1 Implementing Agency	6
2.2 National Steering Committee	6
2.3 International Advisory Panel (IAP)	6
2.4 Technical Working Group (TWG)	6
2.5 CBioD PSU (PSU)	6
2.6 International collaborators	6
2.7 National Experts	7
2.8 Project Work Plan	7
2.9 Project Budget	7
3. Activities in the inception phase	8
3.1 Project Start-up	8
3.2 Stakeholders introductory Meeting	9
3.3 CBioD Inception Workshop	9
3.4 The 1 st NSC Meeting	9
3.5 The 1 st Technical Working Group Meeting	9
4. Approach and Methodology	10
5. Amendment to the Project Document UNDP/GEF Funded Project (MAL / 04 / G31)	10
6. Logical Analysis Framework	11
7. Monitoring and evaluation	18
8. Challenges Ahead	18
ANNEX 1	
TERMS OF REFERENCE FOR THE NATIONAL STEERING COMMITTEE	1
ANNEX 2	
ESTABLISHMENT OF A TECHNICAL WORKING GROUP (TWG)	2
ANNEX 3	
Terms of Reference for Project Secretariat (Project Support Unit – PSU)	3
ANNEX 4	
FRIM/UNDP/GEF PROJECT ON CONSERVATION OF BIOLOGICAL DIVERSITY THROUGH IMPROVED FOREST PLANNING TOOLS	
WORK PLAN OF ACTIVITIES (APRIL 2007 - MARCH 08)	4



UNDP/GEF/FRIM CBioD Project (MAL/04/G31)
Inception Report
December 2007

ANNEX 5	
Detailed Project budget	10
Summary of Project Budget	12
ANNEX 6	
Report on the launching of the Conservation of Biological Diversity through Improved Forest Planning Tools Project and Inception Workshop	13
ANNEX 6 (i)	
Report of the Ecology Breakout Group	15
ANNEX 6 (ii)	
Economic Component	18
ANNEX 6 (iii)	
Capacity Building	19
ANNEX 6 (iv)	
Inception Workshop Pictures	20
ANNEX 6 (v)	
STAKE HOLDERS COMMENTS & CONCERNS	
A) Letter from Forestry Department of Peninsular Malaysia dated 10 th April, 2007	22
B) CBioD Project's response to the Above	24
C) Letter from Malaysian Timber Certification Council dated 10 th April, 2007	27
D) CBioD Project's response to the Above	28
E) CBioD Project's meeting with Perak SEDC & Perak ITC Sdn Bhd	29
ANNEX 6 (vi)	
FRIM-GEF INCEPTION WORKSHOP	
'CONSERVATION OF BIOLOGICAL DIVERSITY THROUGH IMPROVED FOREST PLANNING TOOLS'	
ATTENDANCE LIST	31
ANNEX 7	
Minutes of the Inaugural Meeting of the National Steering Committee	35
ANNEX 8	
Technical Working Group (TWG)	10
ANNEX 8 (i)	
Establishment of a Technical Working Group (TWG)	10
ANNEX 8 (ii)	
List of Endorsement Required from TWG and Status of Endorsement	21
ANNEX 9	
Amendment to the Project Document UNDP/GEF Funded Project (MAL / 04 / G31)	23



List of Abbreviations

CTA	Chief Technical Officer
DOE	Department of Environment
EPU	Economic Planning Unit
FDPM	Forestry Department Peninsular Malaysia
FRIM	Forest Research Institute of Malaysia
GEF	Global Environment Facility
GoM	Government of Malaysia
HCVF	High Conservation Value Forest
IAP	International Advisory Panel
ITTO	International Tropical Timber Organisation
MENGO	Malaysian Environmental NGO
MNS	Malaysian Nature Society
MOF	Ministry of Finance
MOSTI	Ministry of Science, Technology and Innovations
MTCC	Malaysian Timber Certification Council
NGO	Non-Governmental Organisations
NPD	National Project Director
NRE	Ministry Natural Resources and the Environment
NSC	National Steering Committee
NTFP	Non-timber Forest Product
PERHILITAN	Jabatan Perlindungan Hidupan Liar dan Taman Negara (Department of Wildlife and National Parks)
PD	Project Document
PITC	Perak Integrated Timber Complex Sdn Bhd
PM	Project Manager
PSEDC	Perak State Economic Development Corporation
PSFD	Perak State Forestry Department
PSU	Project Support Unit
PMM	Project Monthly Management Meeting
RIL	Reduced Impact Logging
SOF	State Forestry Office
TOR	Terms of Reference
TWG	Technical Working Group
UKM	University Kebangsaan Malaysia
UM	University Malaya
UPM	University Putra Malaysia
UNDP	United National Development Programme
VJR	Virgin Jungle Reserve
WWF	World Wildlife Fund for Nature Malaysia



Executive Summary

The world's major biological diversity is located in countries on the equator belt. 12 countries make up to 80% of scientifically recognized flora and fauna, Malaysia being one of them. Unfortunately most of these 12 countries are developing countries and natural resources are a major economical contributor towards the nations' growth.

Over the years the loss of biological diversity has been on a rapid decline with much of conservation efforts mostly concentrated on habitats hosting mega faunas (tigers, elephants, rhinos). Malaysia being a signatory to the Convention on Biodiversity has an international obligation towards ensuring biodiversity is given the outmost consideration along with economic growth. Though articles such as the Malaysian Criteria and Indicators (MC&I) protocol has listed criteria for biodiversity conservation it needs to be further improved and strengthened to measure High Conservation Value Forests (HCVF) as well.

Most biodiversity conservation is concentrated on conservation forests, such National and State Parks, without taking into consideration the loss of biodiversity in production forests. The increasing number of natural landscapes based eco-tourism may also be heavily affected if forest harvesting is not carried out with proper management and protocols. Tools and methods must also be put in place for Virgin Jungle Reserves (VJR) within production forest to assist the forest to regenerate back into health.

The Conservation of Biodiversity through improved forest planning tools is a project which addresses the issue of Biodiversity, landscape and forests services loss in production forests. Though there are a number of studies conducted in these area, this project will produce a comprehensive study, decision-making tools and methods to ensure biodiversity is given the optimal consideration in production forests.

This one of its kind project has 3 components to it, namely: economics, ecology and capacity building components. Funding is provided by the International Tropical Timber Organisation (ITTO) and Global Environment Facility (GEF) through the UNDP. Partnering in the CBioD Project as the executing agency is the Ministry of Natural Resources and Environment, Malaysia and implemented by the Forest Research Institute of Malaysia (FRIM). The CBioD Project site is located in the Temenggor Forest Reserve's Perak Integrated Timber Complex (PITC) concession area, which is a subsidiary of the Perak State Economic and Development Corporation. The Federal Forestry Department and the Malaysian Timber Certification Council, play a major role in the CBioD Project, as tools and methods created through this project will be implemented by these agencies.

It is envisaged that at the end of the CBioD Project the following objectives will be achieved i) methods of assessing biodiversity and economic valuation of the forest; ii) better understanding of harvesting impacts on biodiversity; iii) decision making models for policy makers in the management of production forests with due consideration given to biodiversity; iv) capacity building of local counterparts and forest managers in the use of such tools; v) disseminating knowledge to other tropical countries enhancing Malaysia's role as a pioneer in tropical forests management.

Cost and Financing (USD million):

GoM (FRIM – in-kind)	2,307,020.00
GEF	2,261,000.40
ITTO	526,400.80
Others	576,849.00
TOTAL	5,624,421.20



1. Introduction and Background

1.1 Project Background

Efforts to protect globally important biological diversity in tropical rainforests have historically emphasised the identification of habitats for “charismatic mega-fauna” (elephants, rhinos, orangutans, etc.) and the demarcation of those habitats as protected areas, where logging and other extractive uses are prohibited. The effectiveness of this approach is often limited by the small size of many protected areas, encroachment (including illegal logging), and the omission of ecosystems that lack “superstar” species but are nonetheless unique in evolutionary terms. Equally important, a reliance on protected areas is bound to have limited success because it ignores the substantial biodiversity that often exists in timber production forests. It is now generally accepted that effective biodiversity conservation strategies must include not only a system of protected areas but also the integration of biodiversity considerations into the management of timber production forests—especially production forests that are adjacent to protected areas or include assemblages of species that are not well-represented elsewhere.

This emerging landscape-oriented approach involves decisions that are more complex and whose implications are not well understood. For example, it requires careful consideration of not only the location of protected areas but also the location and timing of logging operations in production forests. Even in a completely homogeneous forest, which tropical rainforests most certainly are not, the spatial and temporal allocation of logging has a strong impact on the nature of the disturbance to plant and animal communities. Picture the large-scale but infrequent logging of half of a production forest every 50 years versus the smaller-scale but continual logging of 1% of the forest every year. Although the latter is popularly regarded as environmentally more friendly, it might in fact be more deleterious to the populations of certain taxa.

Decisions must also be made as to the desirability of leaving unlogged refugia within production forests and modifying logging methods in the remainder of the production forest area. These decisions, and also ones related to the location of protected areas and the location and timing of logging operations, involve both ecological and economic considerations. For example, a single large protected area might have more conservation value for some taxa than an equivalent aggregate area comprised of a smaller protected area and several small refugia distributed throughout neighbouring production forests. The opposite might be true for other taxa. Spatial allocations affect the direct and indirect economic benefits that flow from the conservation of biologically rich forests. For example, the size of protected areas affects their attractiveness as sites for ecotourism (obtaining a “wilderness” experience is impossible in an area of just a few hundred hectares); their location relative to forest-dependent communities affects their value as a source of non-timber forest products (NTFPs); and their topographical features (slopes vs. flatlands), as well as their location relative to human settlements and infrastructure, affects their value as a source of hydrological services. The effects of spatial allocations are not independent, in either ecological or economic terms, of the characteristics of logging methods employed in production forests. For example, to achieve a given level of biodiversity conservation, the combined area of protected forests and refugia can probably be reduced if logging methods are modified to be less destructive. On the other hand, if the modifications entail large increases in logging costs, then a more cost-effective approach to biodiversity conservation could be to eschew modifications to logging methods but to increase the aggregate area of protected forests and refugia.



1.2 Concept of Biodiversity Conservation

Targeted Research to Support Biodiversity Conservation at a Landscape Level

Three categories of information are required to manage biodiversity more effectively, in both ecological and economic terms, in landscapes that include timber production forests:

- information on the impacts of changes in total forest area and changes in the allocation of forests among different use categories (protection, production, etc.) on biodiversity;
- information on the direct and indirect economic benefits that result from enhanced biodiversity conservation;
- information on the costs of biodiversity conservation, in particular the opportunity cost associated with forgone logging activity.

Generating this information and the tools needed to integrate it into forest planning processes requires a multi-year, multidisciplinary research effort. Specifically, the CBioD project will develop the following:

- improved tools for rapidly assessing the biodiversity in tropical rainforests;
- improved tools for estimating the economic value of goods and services associated with biodiversity in tropical rainforests;
- improved models for predicting the biodiversity impacts, and associated economic benefits and costs, of alternative allocations of forests among different use categories at a landscape level.

The CBioD project will develop and evaluate a range of decision making tools and methods (i) assessing biodiversity, (ii) valuing goods and services associated with biodiversity, and (iii) evaluating spatial tradeoffs between timber production and biodiversity conservation. For example, in the case of biodiversity assessment, we will develop and evaluate new sampling methods for estimating the biodiversity in a region from a small number of forest inventory plots. This system will include guidelines for establishing the plots and statistically their analysing data. Because it is recognized that not all tropical countries have the resources to implement the “Rolls Royce” version of this system, the CBioD Project will also evaluate simpler versions that entail the use of less data. But note that the CBioD Project is proposing a hierarchy of tools, from the more complex (and more data and human-resource demanding) to the simpler. The research will aim at quantifying the amount of accuracy and precision that is lost when one uses the simpler methods.

The CBioD Project will develop a similar hierarchical set of tools for (ii) and (iii). The objective of the project is not to generate a single “tool” that works everywhere, but rather to assemble a “toolbox” of procedures whose reliability has been carefully evaluated. In view of the variation that exists across tropical developing countries in terms of forest characteristics, available ecological and economic data, and forest planning and management procedures and capacity, the output of the CBioD Project will not be a single set of “best” methods and models. Instead, the CBioD project will develop and test a range of methods and models, and it will evaluate how their performance (accuracy and precision) is affected by data quantity and quality and, for models, number of variables and computational requirements. Similarly, it will compare the performance of “benchmark” models to simpler approximations in, among other cases, relating measures of biodiversity to forest characteristics and forest-related values to socio-economic factors. As a result of the CBioD Project, forestry departments and conservation organisations will thus have not only a



larger menu of tools available for practical use but, equally important, information on the reliability of those tools.

The PITC concession and the state of Perak, as a whole, will act as a laboratory for the development of tools. In addition, the proposed research activities will also draw upon data from other sites in Malaysia, in particular VJRs and logged-over forests surrounding the VJRs, as well as the rich data from the Pasoh and Lambir Forest Reserves, as a comparative test site.

1.3 Project Goals & Objectives

The development goal of the CBioD Project is to conserve biodiversity of tropical forests ecosystems through the improved forest planning procedures. The CBioD Project will contribute towards realization of goals and strategies stated in the National Forest Policy and National Policy on Biological Diversity with emphasis on improvement of knowledge base, strengthening of institutional framework and integration of biological diversity consideration into sectoral planning.

Immediate objectives of the CBioD Project are as follows:

- To develop tools for ecological assessment of biodiversity in tropical forests are improved;
- To develop tools for economic valuation of goods and services associated with biodiversity in tropical forests are improved;
- To develop tools for integrating ecological and economic aspects of biodiversity into forest planning decisions at a landscape level are improved; and
- To enhance and disseminate the knowledge and capacity in assessment and economic valuation of biodiversity.

1.4 Project Outputs

Main outputs of the CBioD Project are as follows:

- Tools for ecological Assessment of biodiversity in tropical forests are improved and disseminated;
- Tools for economic valuation of goods and services associated with biodiversity in tropical forests are improved and disseminated;
- Tools for integrating ecological and economic aspects of biodiversity into forest planning decisions at a landscape level are improved and disseminated;
- Enhance and disseminate knowledge as well as build capacity with view of replicating improved forest planning procedures

1.5 Project Deliverables

At the end of the CBioD Project the tools listed below are to be available for relevant government agencies, notably FRIM, the Forestry Department and MTCC and the industry notably PITC. Together with GEF OP3 projects, they will also have a better understanding of the impacts of their interventions of the forest ecosystem especially on its sustainability and biodiversity.

- I. Computerised system and database for recording and managing biodiversity



UNDP/GEF/FRIM CBioD Project (MAL/04/G31)
Inception Report
December 2007

- II. Efficient statistical methods for estimating biodiversity from small samples
- III. Improved methods for assessing biodiversity
- IV. Improved understanding of the overall impacts of logging on biodiversity
- V. Models that relate economic values associated with biodiversity to ecological and socioeconomic factors that influence them
- VI. Improved models for predicting biodiversity taking into account logging systems and locations
- VII. Employ harvesting protocols and technology that would conserve or protect biodiversity
- VIII. Improved forest planning model for allocation of lands between protection and production taking into consideration biodiversity and economic benefits and costs
- IX. Increased skills and capacity of local counterparts in all aspects of the research
- X. Dissemination of the tools and methods to other countries

2. Project Management Arrangement

The CBioD Project will be implemented by FRIM. The Ministry of NRE will be the Executing Agency, assuming overall responsibility and accountability. The NRE is home to both FRIM and the Forestry Department, providing a direct link between research and policy formulation that is based on existing government structures (thereby increasing sustainability). The Federal Forestry Department also provides an institutional avenue to link the CBioD Project research activities to PSFD planning processes.

A National Steering Committee (NSC) will be established to govern the implementation of the CBioD Project. The NSC will provide guidance on matters pertaining to the implementation of the CBioD Project and ensure that the CBioD Project is directed towards achieving its intended goals. It will enable the coordination of different agencies involved in the project. The members of the NSC are as follows: Ministry of NRE Malaysia, FRIM, Economic Planning Unit, Forestry Department HQ Peninsular Malaysia, PSFD, Perak ITC Sdn Bhd, Orang Asli Affairs Department and UNDP Malaysia.

At the same time an IAP will also be established to give advice on technical matters and facilitate the dissemination and management of knowledge. A national TWG will be established to provide advice on technical issues as well as to provide the linkage with State Forestry Department decision-making processes.

Figure 1. Organisational Structure of the CBioD Project Management





2.1 Implementing Agency

FRIM is the implementing agency of the CBioD project, adhering to UNDP rules and procedures for national execution. It will provide the following in-kind contribution:

- National Project Director
- Senior Researchers / Researchers / Research Assistants / Clerk
- Office Facility for Project Team
- Access to all relevant data and information required to undertake the study
- Facilities for convening meetings and seminars

2.2 National Steering Committee

The CBioD project is guided by a National Steering Committee that is responsible for its overall development and implementation. The NSC's composition will reflect the cross-section of key government agencies with responsibilities covering various aspects of environmental and natural resource management. The Perak SEDC through PITC represents the State of Perak. The member composition of NSC and its mandate is elaborated in **Annex 1**.

2.3 International Advisory Panel (IAP)

In view that the CBioD Project involves aspects in the development of state-of-the-art methodologies and techniques related good management and conservation of forest resources, an International Advisory Panel will be established. The IAP will be made up of international and national experts to ensure the end product is suitable for international use. The IAP will carry out a review of the CBioD Project 18 months upon the project's inception to determine the functionality and cost of the outputs. The IAP will be selected later in the year.

2.4 Technical Working Group (TWG)

Technical experts in the fields of biodiversity, forest management and Reduced Impact Logging as well as major local NGOs, universities and civil societies will be involved in this team. Their technical experience and skills give comprehensive information of the capacity needs and constraints in the four focal areas which could be fed into the CBioD process. It is anticipated that the consultation with technical working groups will be most desirable during field tests of the tools and methods developed by the CBioD Project Team. The detailed TOR for respective TWG is in **Annex 2**.

2.5 CBioD PSU (PSU)

The CBioD PSU consists of the National Project Director, Project Manager / National Expert, Finance Officer, Communications Officer and Administration Officer. The PSU will undertake day to day management of the CBioD Project including financial and reporting requirements. The PSU will ensure that the CBioD Project is being carried out on schedule in a timely manner within allocated budget. The detailed TOR for the PSU in **Annex 3**.

2.6 International collaborators

The CBioD Project will be working in collaboration with Universities from the United States of America. The CBioD Project partners with Harvard University, Duke University and University of



Miami. The International Collaborators will provide state-of the-art methods and technologies in developing the tools for this project. However, all tools and models created through the CBioD Project will be tested in Malaysia before hand to ensure its practicality in use.

2.7 National Experts

National Experts for the CBioD Project have been selected from a range of existing well experienced and qualified researchers in FRIM. The National Experts will work hand in hand with the International Collaborators in executing the CBioD project's outputs and activities. Wherever there is a lack of expertise within FRIM for certain an area of the CBioD Project, an External Expert Researcher will be elected through a transparent selection process which will include the NPD, PM and a representative from the local UNDP Office. This External Expert Researcher will be financially awarded to carry out studies as per TOR set by the local collaborator leader.

2.8 Project Work Plan

The CBioD Project is expected to complete in 60 months starting from 1st April 2007. The implementation of the CBioD Project is divided into 4 phases in accordance with the main project outputs. The overall project work plan is shown in the following **Table 1**. Detailed description of activities for each output of CBioD project can be referred in **Annex 4**

Table 1: CBioD Project Work Plan 2007-2012

Output	Activity	Year				
		2007-08	2008-09	2009-10	2010-11	2011-12
1.	Forest Planners in Perak incorporate tools to measure impacts on biodiversity in their forest management					
2.	Forest Planners in Perak utilize tools for full valuation of goods and services in their forest management planning and operations					
3.	Forest Planners in Perak integrate ecological and economic tools in forest planning decisions at a landscape level					
4.	Capacity exits to apply methods developed by the CBioD Project in tropical forests management operations.					

2.9 Project Budget

GEF provides funds for the PSU personnel costs including their allowances and operating costs such as workshops, training, printing, equipment, etc., totaling at USD 2,261,000.00. In kind contribution from GoM through FRIM totaling at USD 2,307,020.00 is for office facilities and administrative expenditures including cost of salary, domestic travel and allowances for all Government personnel involved in the CBioD Project. Cost-sharing financing through ITTO amounts to USD 526, 401.00. The Perak SEDC through PITC will contribute USD 46,849.00 in-kind. International collaboration in-kind contribution through the various universities amounts to USD 530,000.00

Table 2 shows the summary project budget to each output over the implementation period. Detailed budget is shown in **Annex 5**.



Table 2: CBioD Project Budget Breakdown of Funding from GoM,
UNDP/GEF and Other Co-funders

Immediate Objectives	Description	GoM (FRIM – in kind) USD	GEF (UNDP) USD	ITTO USD	Others (in kind) USD
1.	Forest Planners in Perak incorporate tools to measure impacts on biodiversity in their forest management	732,550.00	509,640.00	270,680.00	189,000.00
2.	Forest Planners in Perak utilize tools for full valuation of goods and services in their forest management planning and operations	601,010.00	457,840.00		154,000.00
3.	Forest Planners in Perak integrate ecological and economic tools in forest planning decisions at a landscape level	144,260.00	382,560.00	74,040.00	148,000.00
4.	Capacity exits to apply methods developed by the CBioD Project in tropical forests management operations.	829,200.00	910,960.40	181,680.80	39,000.00

Summary in USD

GoM (FRIM – in-kind)	USD 2,307,020.00
GEF	USD 2,261,000.40
ITTO	USD 526,400.80
Others	USD 576,849.00
TOTAL	USD 5,624,421.20

3. Activities in the inception phase

3.1 Project Start-up

The CBioD project commenced with the handing over of the CBioD Project from EPU to FRIM on 26th January 2007. The PSU Office was established in the Library building of FRIM on 3rd April 2007. The National Project Director and Project Manager were recruited to implement the activities and are located at the CBioD Project office in FRIM, Kepong. 3 other staff for the PSU were recruited through an interview process. All 3 staff joined the PSU on the 1st week of May.

The 1st Annual Work plan Meeting was held on May 22, 2007 to discuss and finalise proposed work plan by the CBioD Project team. Budgetary matters were also discussed here. Subsequently the Ecology Group has established a monthly meeting to discuss the Ecological component of the CBioD Project. This meeting is attended by all local researchers. The CBioD Project Management Meeting is held on a monthly basis, attended by the NPD, PM, PSU, local Component Leaders and UNDP representative. This is held to monitor progress of project activities and set R&D directions.



3.2 Stakeholders introductory Meeting

The PSU has established contacts with MTCC, Federal Headquarters of the Forestry Department of Peninsular Malaysia, PSFD and the Perak State Economic and Development Corporation as well as Perak ITC Sdn Bhd. Stakeholders have responded positively towards the CBioD Project and the proposed 18 month project review. Details of the outcome of these meetings are attached in **Annex 6** as part of the Inception Workshop report.

3.3 CBioD Inception Workshop

The Inception Workshop with the aim of introducing the CBioD Project to the stakeholders was held on the 3rd April 2007 at the Marriott Putrajaya. 62 participants from sectors including government agencies, academic and research institutions, NGOs and private sector participated in the workshop.

The Workshop was officiated by Puan Aziyah Mohammed on behalf of the Chair of the NSC, Dato' Suboh Mohd Yassin, Secretary General of Ministry of Natural Resources and Environment. A summary of the meeting's discussions and recommendations are attached in **Annex 6**.

3.4 The 1st NSC Meeting

The first NSC meeting was held on 26th January 2007 in FRIM. The NSC TOR was adopted by the committee during this meeting. A proposal for the creation of the Technical Working Group was accepted with a suggested list of members of this group as well as their TOR.

The Meeting took note that the CBioD Project document was written in early 2001. Since then, there have been some administrative and structural changes within the Malaysian government agencies. A major change noted was that the Executing Agency/National Focal Point was previously MOSTI but is now the role of NRE while FRIM is the Implementing Agency, not to be confused with UNDP, which is the GEF Implementing Agency.

The NPD was officially elected during the NSC meeting based on his qualification, experience and involvement in the CBioD project. The NSC agreed to amend the offer for the PM position as the remuneration offered base don UNDP's benchmark was too low to find a qualified and experienced applicant for this project.

During the NSC meeting the CBioD Project was officially handed over from the executing agency NRE to the implementing agency FRIM. Minutes of the Inaugural meeting of the National Steering Committee is attached as **Annex 7**.

3.5 The 1st Technical Working Group Meeting

The first Technical Working Group (TWG) meeting was held on 4th October, 2007 in JW Marriott Kuala Lumpur. The meeting received an encouraging number of participating. Except for representatives from PERHILITAN and the Orang Asli Affairs Department, all other members attended this meeting and took part actively in its discussions.

The meeting was chaired by Dato' Dr. Abdul Razak Mohd Ali, Director General of FRIM. The meeting noted the change in Chairmanship from the Director General of Forestry Department (as per the project document) to the Director General of FRIM (as agreed by the 1st NSC meeting). The meeting further welcomed the suggestion to include MTCC as a member of the TWG. A complete TWG members list is attached as **Annex 8 (i)**.



The meeting was first briefed by the Project Manager on the project's work plan status as well as its financial standing. There were a number of issues that required the TWG's endorsement. These issues were discussed thoroughly by the members. A list of all issues that had required the TWG's endorsement and comments made by TWG members is attached as **Annex 8 (ii)**.

The full minutes of the Inaugural Meeting of the TWG is attached as **Annex 8**.

4. Approach and Methodology

The CBioD Project will utilize existing information on demographics of tree species that have been extensively collected within a 50-ha plot in Peninsular Malaysia, Brunei and Thailand. The information gathered from these plots will provide invaluable inputs to developing efficient but statistically sound sampling techniques for collecting additional information on biodiversity in different locations. These sampling techniques will be applied in the Temenggor Forest Reserve, Lower Belum Forest Reserves and around a number of VJR plots within the country.

This ecological information, supplemented by economic valuation of forest goods and services will provide critical inputs to developing improved tools and models in assessing biodiversity in tropical forests. The tool will be used by the forest planners in prescribing an optimal balance between biodiversity conservation and timber production. Therefore forest planners will address the issue of "landscape permeability" as raised by the review panel at the implementation stage. The CBioD Project was not designed to implement specific logging practices but it will examine the impact of experimental logging techniques that seek to maintain the three dimensional structures of the forest.

The proposed targeted research project will be an integral part of the Government of Malaysia's broader effort to promote sustainable forest management and is expected to last 5 years. Several approaches can be adopted to complete the CBioD Project, with the proposed results.

5. Amendment to the Project Document UNDP/GEF Funded Project (MAL / 04 / G31)

Due to several changes in the governmental administration a number of details have been changed in the Project Document to be replaced the current organizational structure and budget. A table reflecting both the original text of the Project Document and the amendments are attached as **Annex 9**.

6. Logical Analysis Framework

The following table shows the Logical Analysis Framework that will be used to judge the functionality and effectiveness of the CBioD Project.

Project Strategy		Objectively Viable Indicators			
Goal		To conserve forest biodiversity in production landscapes			
Result	Indicator	Baseline value	Target (End of Project)	Means of verification	Assumptions
<p>Objective: To remove scientific barriers to mainstreaming biodiversity conservation into tropical forest management decision-making.</p>	<p>1. Adoption of the suite of tools developed by the project to measure biodiversity, assess full valuation of goods and services, and integrate this information into decision making.</p>	<p>1. Forest departments do not generally base decisions on accurate measures of biodiversity or full valuation of goods and services, and therefore do not estimate trade-offs between timber production and biodiversity conservation in forest planning</p>	<p>1.1 By the fourth year, the project will have generated methods to measure biodiversity with increased precision at comparable costs (Outcome 1), models for full valuation of goods and services (Outcome 2), and methods to calculate tradeoffs of between biodiversity conservation and timber values (Outcome 3). During the next forest planning cycle, which will determine the AAC for 2011-16, Perak SFO and at least two other SFOs in Malaysia, utilize these tools developed by the project, quantify increases in biodiversity conservation by comparing their submitted plans with “business as usual scenarios”</p>	<p>i. Field research (supported by published reports for the definition of the baseline) ii. SFO planning documents</p>	<p>i. Methods developed under Output 1.1 are effective in measuring changes simply and easily. ii. Capacity to implement new prescriptions is effectively developed.</p>



UNDP/GEF/FRIM CBioD Project (MAL/04/G31)
Inception Report
December 2007

Result	Indicator	Baseline value	Target (End of Project)	Means of verification	Assumptions
	2. Endorsement of methods developed by the project	2. International acceptance that scientific barriers exist	2.1 A scientific review panel with representation from international forestry organisation (eg. ITTO, CIFOR) will be established to endorse the methods developed by the project as having removed scientific barriers to mainstreaming biodiversity in tropical forest management decision-making.	i. Interviews/panel reports	i. Research conducted in Malaysia will generate methods that are applicable in other humid tropical Asian countries.
Outcome 1: Forest planners in Perak incorporate tools to measure impacts on biodiversity in their forest management planning	1. Adoption of tools developed by the project to measure impacts on biodiversity.	1. Perak SFO would continue to use current rough methods	1.1 In determining AAC for 2011-16, Perak SFO utilize tools and methods developed by the project	i. Perak SFO planning documents	i. Perak SFO continues to be committed to the project Objective
Output 1.1: Efficient statistical methods for estimating biodiversity from small samples.	1.1 Availability of tools and methods to measure impacts on biodiversity efficiently.	1.1 Forest planning in Perak involves only rough measurements of biodiversity, with available data from pre-felling inventories providing a very imprecise indicator (a standard error of approximately 70%) (See note below)	1.1.1 By the end of the project, methods are available which measure alpha diversity with a standard error of only 50% and do not increase the cost of pre-felling inventories; with other methods yielding estimates with standard errors of 30% or below at no more than twice the cost of conventional pre-felling inventories.	i. Project reports.	i. Tools and methods developed by the project are effective in assessing biodiversity within economically acceptable cost thresholds. ii. Research conducted in Malaysia will generate methods that are applicable in other humid tropical Asian countries.



UNDP/GEF/FRIM CBioD Project (MAL/04/G31)
Inception Report
December 2007

Result	Indicator	Baseline value	Target (End of Project)	Means of verification	Assumptions
Output 1.2: Logging prescriptions that reduce impact on biodiversity	1. Cost and biodiversity impact of modified harvesting systems, which improve biodiversity conservation.	1.2 Application of existing logging protocols result in changes in measures of biodiversity in the humid tropical forests of Peninsular Malaysia one year after logging. (See note below)	1.2.1 In Year 5, PITC applies modified logging protocols that increase logging costs per cubic meter by no more than 10% compared to existing protocols and result (one year after logging) in: a. Species richness increases by 0.5x% b. Simpson's diversity index shows no statistically significant change c. Standard deviation of CCA scores shows no statistically significant change	i. Project reports; PITC documents, including copies of protocols for modified harvesting systems for biodiversity conservation.	i. Perak SFO authorizes experimental deviations from SMS protocols
Output 1.3: Manuals and software that provide assistance and guidance in implementing biodiversity-friendly forest planning and harvesting.	1.3 The use of manuals and software by GEF OP3/BD2 projects, PITC, and states within Malaysia.	1.3 Manuals for assessment of specific groups exists (i.e. pre-felling inventory) but not for ecological assessment for overall biodiversity.	1.3.1 By the end of the project, Perak SFO and at least 1 other SFO in Malaysia are using the manuals and software in their planning procedures.	i. Software and manuals; PIR reports; correspondence from Perak SFO and other SFOs	i. Manuals are used to guide decision making by State Authorities ii. GEF OP3/BD2 and state project teams demonstrate a willingness to collaborate



UNDP/GEF/FRIM CBioD Project (MAL/04/G31)
Inception Report
December 2007

Result	Indicator	Baseline value	Target (End of Project)	Means of verification	Assumptions
Output 1.4: Staff of Perak SFO and at least one other SFO trained in application of methods to measure biodiversity and in implementation of biodiversity-friendly forest planning and harvesting	1.4 Number of staff trained	1.4 No staff trained	1.4.1 By the end of Year 4, managers and planners of Perak SFO and at least two other SFOs trained in use of tools and methods developed by the project	i. Project reports, training reports	i. Continued willingness of Perak SFO to cooperate; low staff turnover in Perak SFO.
Outcome 2: Forest planners in Perak utilize tools for full valuation of goods and services in their forest management planning and operations	ii. Adoption of tools and models for full valuation of goods and services.	2. Forest planning takes account only of direct economic value of timber	2.1 In determining AAC for 2011-16, Perak SFO utilizes methods developed by the project so as to maximize non-timber values, while still achieving timber harvest objectives.	i. Perak SFO planning documents	i. Perak SFO continues to be committed to the project Objective
Output 2.1: Feasible methods for estimating non-extractive values of tropical rainforests.	2.1 Use of methods for estimating non-extractive values of tropical rainforests	2.1 Forest valuation in developing countries have tended to focus on NTFPs collected by local communities at specific sites, not on the broader set of values related to biologically rich forests at a landscape scale.	2.1.1 By the end of Year 3, “benchmark” models relating non-extractive values to forest characteristics and socioeconomic conditions are developed 2.1.2 By the end of Year 4, a range of simpler models that require less data, but whose precision vs. cost tradeoff is well understood, are developed.	i. Project reports, Perak SFO documents.	i. Research conducted in Malaysia will generate methods that are applicable in other humid tropical Asian countries. ii. SFOs in other Malaysian states will have the funds and interest to test these methods.



UNDP/GEF/FRIM CBioD Project (MAL/04/G31)
Inception Report
December 2007

Result	Indicator	Baseline value	Target (End of Project)	Means of verification	Assumptions
Output 2.2: Manuals and software that provide assistance and guidance in full valuation of goods and services	2.2 Use of software and manuals.	2.2 Tools for full valuation not used in forest planning in humid tropical forests.	2.2.1 By the end of the project, Perak SFO and at least 2 other states in Malaysia use manuals and software developed by the project, as well as PITC	i. Software and manuals; project reports; PIRs.	i. Manuals are considered in guiding decision making by State Authorities. ii. Capacity and willingness of GEF OP3 and state project teams to use the data format, in accordance to their specific needs.
Output 2.3: Staff of Perak SFO and at least one other SFO trained in full valuation of goods and services	2.3 Number of staff trained	2.3 No staff trained	2.3.1 By the end of Year 4, managers and planners of Perak SFO and at least two other SFOs trained in use of tools and methods developed by the project	i. Project reports, training reports	i. Continued willingness of Perak SFO to cooperate; low staff turnover in Perak SFO.
Outcome 3: Forest planners in Perak integrate ecological and economic tools in forest planning decisions at a landscape level	3. Adoption of tools to assess trade-off between biodiversity conservation and timber values	3. Timber value/ha for Perak during 2006-2010 and diversity of habitat units represented in set-asides (See note below)	3.1 The timber harvesting plans for Perak during 2011-16 anticipate timber values per hectare of at least 95% of the baseline value, whilst the extent and distribution of set-asides ensures that the diversity of habitat units represented in them is at least 1.5x	i. Project reports, Perak SFO documents	i. Perak SFO continues to be committed to the project Objective



UNDP/GEF/FRIM CBioD Project (MAL/04/G31)
Inception Report
December 2007

Result	Indicator	Baseline value	Target (End of Project)	Means of verification	Assumptions
Output 3.1: Models for predicting biodiversity within and between forest community types, taking into account logging status and location	3.1 Use of models that predict the spatial pattern of forest community types and the biodiversity they contain.	3.1 Forest planning and operations in humid tropical forests does not take account of landscape level changes in biodiversity	3.1.1By the end of Year 4, a model that predicts the regeneration of forests, and changes in biodiversity after logging is developed for major forest types in Perak. 3.1.2By the end of Year 5, this model is applied by Perak SFO and has been adapted and used by at least 2 other Malaysian states.	i. Project reports, SFO reports.	i. Perak SFO will be receptive to pilot-testing and using models. ii. SFOs in other Malaysian states will have the funds and interest to adapt and apply the models.
Output 3.2: Models for predicting impacts on biodiversity and associated economic costs and benefits	3.2 Use of models that predict the biodiversity-maximizing spatial allocation of forestland, subject to timber-related constraints.	3.2 No models are used.	3.2.1By the end of Year 4, a “benchmark” version of model developed. 3.2.2By the end of Year 5, a simpler version is used by Perak SFO on trial basis and has been being adapted and is being used by at least 2 other Malaysian states.	i. Project reports, SFO reports	i. Perak SFO will be receptive to pilot-testing and using model. ii. SFOs in other Malaysian states will have the funds and interest to adapt and apply the model.
Output 3.3: Staff of Perak SFO trained in application of models that integrate ecological and economic tools in forest planning decisions at a landscape level	3.3 Number of staff trained	3.3 No staff trained	3.3.1By the end of Year 4, managers and planners of Perak SFO trained in use of tools and methods developed by the project	i. Project reports, training reports	i. Continued willingness of Perak SFO to cooperate; low staff turnover in PITC.



UNDP/GEF/FRIM CBioD Project (MAL/04/G31)
Inception Report
December 2007

Result	Indicator	Baseline value	Target (End of Project)	Means of verification	Assumptions
Outcome 4: Capacity exists to apply methods developed by the project in tropical forest management operations.	4. National and international processes replicate experiences gained in Perak	4. No replication	4.1 By the end of the project, at least two other SFOs in Malaysia and two in other countries are using tools and methods developed through the project.	i. Project reports and correspondence with Forest Departments in Malaysia and elsewhere	i. Tools and methods generated in Perak are relevant, and/or can be easily adapted to be relevant in other humid tropical forests
Output 4.1: Revised Malaysian criteria and indicators of sustainable forest management incorporate procedures developed by the project as standard requirements	4.1 Approval of revised criteria and indicators	4.1 Current criteria and indicators address biodiversity in only very general ways	4.1.1 By the end of the project the Malaysian Timber Certification Council (MTCC) has revised, or is in the process of revising Malaysian criteria and indicators which incorporate tools and methods developed through the project in the assessment of sustainable forest management	i. Project reports, reports of the MTCC ii. Survey of Committee members	4.1 Project team establishes effective links to the MTCC.
Output 4.2: ITTO criteria and indicators incorporate procedures developed by the project as standard requirements	4.2 Approval of revised criteria and indicators	4.2 ITTO Criterion 5 includes only three indicators of species diversity, one indicator of genetic diversity, three management guidelines and one M&E guideline, providing only general information (see Annex)	4.2.1 By the end of the project, ITTO has revised, or is in the process of revising indicators for Criterion 5 which incorporate tools and methods developed through the project in the assessment of conservation of biodiversity in sustainable forest management	i. Project reports, ITTO documents	i. ITTO incorporates best practice into revisions to criteria and indicators



7. Monitoring and evaluation

A National Steering Committee (NSC) has been established to govern the implementation of the CBioD Project. The overall purpose of the project implementation will be monitored through the NSC of which, UNDP as the GEF implementing agency is a member. Annual progress reports will be prepared by the PSU and submitted to the NSC for consideration. A technical Working Group, to be chaired by the Forestry Department Headquarters will be established to provide technical inputs to the CBioD Project team. An International Advisory Panel (IAP) will also be established to discuss in detail the technical aspects of the CBioD Project and provide technical advice to the NSC on the CBioD Project implementation and progress. This would ensure that the outputs are relevant and result in the desired pragmatic applications. The monitoring of the technical aspects in terms of research outputs data collection and analysis completion of technical reports will be undertaken by the IAP. Progress of the implementation of each activity will be reported and discussed at the annual IAP & TWG meetings. Progress reports will be submitted by relevant component leaders to the IAP & TWG regularly through the PSU.

8. Challenges Ahead

Challenges Ahead and Proposed Solutions

A. Challenges

1. Project Tools & Methods Implementation: The risk on the successful implementation of the CBioD Project is considered low as it conforms to the national goals and aspirations in managing the forests on a sustainable basis. In this regard, the CBioD Project has the support of the major stakeholders including the Forestry Department (headquarters & Perak State), Perak SEDC, PITC, MTCC as well as other relevant government agencies and NGOs. The scope and activities of the CBioD Project have been well defined, encompassing the logistic support from the host country and firm commitment from renowned experts both at local and international research institutions and universities.
2. Depreciation of the US Dollar: The depreciating value of the US dollar will have some adverse effect on the CBioD Project. The CBioD Project was budgeted in US Dollars at a conversion rate of RM3.80 to USD 1.00. The total value of funding with this conversion rate from GEF was RM8,591,801.52. The 1st draw-down received from UNDP in June 2007 amounted to USD 148,022.72 (RM503,277.25) with a conversion rate of RM3.4 to USD 1.00. The CBioD Project has lost a total of RM59, 209.09 due to the depreciating US Dollar at this draw-down. Taking an estimation of RM3.00 to USD1.00 conversion for the remaining 4 ½ years, the CBioD Project will receive the remaining USD 2, 112, 977.68 equivalent to RM 6, 338, 933.04 compared to RM 8, 029, 315.18, which was initially budgeted. With this conversion rate the CBioD Project will lose RM 1, 690, 382.14.
3. Pay increment announcement for Malaysian Civil Servants: The recently announced pay increment by the Malaysian Prime Minister will also impact the CBioD Project. FRIM will be giving a far greater contribution value to the project with the pay hike given to all researchers. Even though the project will not be affected by the pay hike directly, it will be affected by it, through the payment of field allowances and claims as these will be based on the current hiked up salaries.

B. Solutions



UNDP/GEF/FRIM CBioD Project (MAL/04/G31)
Inception Report
December 2007

1. The PSU will be looking into the following steps to address the financial situation of the CBioD Project to ensure that the depreciating US Dollar will not affect the overall objective of the CBioD project. The following steps are being suggested by the PSU:
2. Seeking additional funding from co-funders -The Economic Groups will be looking into the possibility of obtaining co-funding from the National Science Foundation of United States. This will be further explored in the year 2008.
3. NGO partners: The CBioD Project Team has successfully obtained the partnership of local NGO WWF Malaysia, to obtain data from their existing study on large mammals in and around the CBioD Project research site. Further partnerships with other NGOs such Malaysian Nature Society is currently being explored.
4. Support from PSFD, PSEDC & PITC: The PSFD, PSEDC and PITC will contribute in kind to the logistics cost of researcher activities while the researchers are in the PITC area and the Temenggor Forest Reserve.
5. Funding Extension: The possibility of seeking an extension on funding from ITTO for phase 2 of the CBioD Project. This extension will be used for the transfer of technology and methodologies to other tropical countries.
6. Research Partnerships with local Universities: The PSU is also looking into establishing partnerships with research institution (SIRIM etc) and local universities (University Kebangsaan Malaysia, University Malaya etc.) to assist in certain areas of the CBioD Project.
7. Mid Term Review by International Advisory Panel: Some stakeholders have raised the concern on the practicality of the CBioD Project as well as the cost factor of implementing the end products of the CBioD Project. To address this concern the PSU will conduct a review of the CBioD Project 18 months after the CBioD Project implementation (1st April 2007) which will be carried out by and experienced International Advisory Panel. The capacity building component of Output #4 has is also been brought forward to Year 1 from Year 4 to enable the CBioD Project Team to judge the on-the-ground practicality of the tools and methods created and the costs of implementing them.
8. Pasoh 50ha plot data: Although developing a new assessment tool for biodiversity is associated with certain risk, additional data collected from other projects exists to support the building of the models. This includes the 50-ha demography plots in Pasoh and Lambir where complete enumeration of all vegetation, are available. The model is designed to provide good estimate with reasonable amount of existing data. In the present project, the data collected is minimised, as they will be generated by various small studies scattered at different locations. With this flexibility the model developed may be of practical use in the developing tropical countries where extensive data is still lacking. The accuracy of prediction will improve with increase in the extent and reliability of data collected. Therefore flexibility and greater sensitivity of the model to data inputs remains the key factor for positive outcomes of this project.

References

UNDP Project Document Version 9/2

UNDP Project Brief 2003

Minutes of the 1st National Steering Committee.

TERMS OF REFERENCE FOR THE NATIONAL STEERING COMMITTEE

It has been stated in the Project Document for the GEF Project on "Conservation of Biological Diversity Through Improved Forest Planning Tools" that a National Steering Committee (NSC) will be established to provide the overall guidance to the implementation of the CBioD Project. The Chairman of the National Steering Committee will be the Secretary General of the Ministry of Natural Resources and Environment (NRE) Malaysia and co-chaired by the Director General of FRIM. Its members will consist of representatives of relevant agencies in Peninsular Malaysia, and UNDP as the implementation agency for the GEF. The Director of the Forestry Division of FRIM as the overall coordinator for the CBioD Project will be secretary of the NSC. The NSC will consist of members of the following agencies/institutions:

- 1 Secretary General (*Chairperson*) - Ministry of Natural Resources and Environment (NRE) Malaysia
- 2 Director General (*Co-Chairperson*) - Forest Research Institute Malaysia
- 3 Director General - Economic Planning Unit, Prime Minister's Department
- 4 Secretary General - Ministry of Science, Technology and Innovation
- 5 Director General - Forestry Department Headquarters Peninsular Malaysia
- 6 Director - Perak State Forestry Department
- 7 Director - State Economic Development Cooperation of Perak
- 8 Representative - *Orang Asli* Affairs Department (JHEOA)
- 9 Resident Representative - United Nations Development Programme Malaysia

The NSC will meet regularly to oversee the implementation of the CBioD Project. They will meet at least twice a year and have the following responsibilities:

1. Provide Policy guidance on matters pertaining to the implementation of the CBioD Project
2. Monitor and evaluate the implementation of the CBioD Project towards fulfillment of the objectives stated in the CBioD Project document
3. Coordinate and manage overall project activities and budget
4. Review and comment on each years proposed work plan and budget
5. Initiate remedial actions to overcome all constraints in progress of the CBioD Project
6. Review and approve relevant changes to the CBioD Project design
7. Coordinate the roles of the various organisations involved in the execution of the CBioD Project and ensure harmony with related activities.
8. Review and approve progress and technical reports
9. Establish a Technical Committee to oversee technical details related to the CBioD Project
10. The NSC operates and makes decision by consensus.

ESTABLISHMENT OF A TECHNICAL WORKING GROUP (TWG)

A national level Technical Working Group (TWG) will be established to assist the NSC in monitoring and controlling the technical implementation of the CBioD Project and the activities. The TWG will act as the technical advisors to the NSC, and ensure that the CBioD Project work will link into State and Federal forestry planning processes.

1. The members of the TWG are as follows.

Forest Research Institute Malaysia (Chairperson)
Perak Integrated Timber Complex
Forestry Department HQ Peninsular Malaysia
Perak State Forestry Department
Department of Wildlife & National Parks
University Putra Malaysia
University Kebangsaan Malaysia
Orang Asli Affairs Department
Malaysian Nature Society (MNS)
Worldwide Fund for Nature (WWF) Malaysia
International Project Consultants

Responsibilities of the TWG include:

1. Reporting to the NSC on the technical progress of the CBioD Project and research activities in the CBioD Project area;
2. Advising the NSC on the technical aspects of the implementation of the CBioD Project;
3. Reviewing and reconciling all relevant technical reports and information produced by the CBioD Project; and
4. Ensuring that the research remains relevant to State and National forestry planning processes.

Terms of Reference for Project Secretariat (Project Support Unit – PSU)

Duration: 60 months

Introduction:

In addition to having extremely rich and diverse plant and animal life, tropical forests also play a significant role in the socio-economic development of the countries that harbor them. These countries also value the forests for their roles in the maintenance of soil and water resources, stabilizing climate and the conservation of biological diversity. However, current forest management practices in many tropical countries tend to maximize timber production goals and are deficient in certain critical aspects that threaten sustainability and conservation of biological diversity. The procedures for identifying forest areas that should be protected within the permanent forest areas and within individual forest concessions do not give sufficient consideration for biodiversity conservation. Effective biodiversity conservation strategies must include not only a system of protected areas but also the integration of biodiversity considerations into the management of timber production forests—especially production forests that are adjacent to protected areas or include assemblages of species that are not well-represented elsewhere. This project addresses these issues by developing tools that will enable forest planners to assess the adequacy of existing protected areas for biodiversity conservation and, if there is a need to establish additional areas, to determine how large they should be and where they should be located.

The PSU comprises the Chief Technical Advisor and a Project Administrative Assistant and a Finance Associate.

Duties: Under the directive of the CTA, the PSU will perform the following duties:

1. Assist the CTA in administrative duties to ensure the implementation of planned project activities
2. Coordinate and monitor individual project components
3. Function as an administrative reference center to those involved in the CBioD Project implementation (i.e. national and international experts, subcontractors)
4. Liaise with the UNDP office in administrative matters while working closely with the CTA and NPD.
5. Assist the NPD and CTA in preparation of monitoring and review reports required by GEF
6. Function as the secretariat for the NSC and TWG as well as planned training workshops and seminars.




Finance Associate


The Finance Associate will be responsible for managing project finances, overseeing receipts and disbursements as well as staff salaries and benefits and payments to consultants. The Finance Associate will also be responsible for all financial reporting to and requests for funds from UNDP.




Qualifications for this position include a recognised diploma or equivalent qualification in business administration, accounting or bookkeeping, as well as training or practical experience in office management and secretarial functions. Familiarity with major computer software packages (word processing, spreadsheets, accounting software and electronic mail and the Internet) is essential. Prior experience in UNDP procedures and practices would be a major asset.



FRIM/UNDP/GEF PROJECT ON CONSERVATION OF BIOLOGICAL DIVERSITY THROUGH IMPROVED FOREST PLANNING TOOLS







WORK PLAN OF ACTIVITIES (APRIL 2007 - MARCH 08)

Result	Year 1 Q1 (Apr–Jun 07)	Year 1 Q2 (Jul-Sep 07)	Year 1 Q3 (Oct-Dec 07)	Year 1 Q4 (Jan-Mar 08)
1. Tools for ecological assessment of biodiversity in tropical forests are improved and disseminated.				
1.1 <u>Efficient statistical methods for estimating biodiversity from small samples</u>				
Activity 1.1.1 : Select an image processing software (e.g. ERDAS) and an existing spatial database program (i.e., GIS program) as the single data management system for the ecological data generated by the project, and install it at FRIM, the Forestry Department Perak, and other project partners, if necessary.				
Activity 1.1.2: Develop a standard data recording system, to avoid incompatibilities and expensive data format conversions during the analysis phase of the project.				
Activity 1.1.3: Enter existing data on biodiversity in Perak and other relevant sites into the system.				

Result	Year 1 Q1 (Apr–Jun 07)	Year 1 Q2 (Jul-Sep 07)	Year 1 Q3 (Oct-Dec 07)	Year 1 Q4 (Jan-Mar 08)
Activity 1.2.4 Establish biodiversity assessment plots of the PITC concession where logging methods aim at maintaining the vertical and canopy structure of the forests through selection of specific trees of different species and sizes in particular locations.				
1.3 <u>Manuals, including data sets and softwares, that explain how to implement the ecological assessment methods developed in the activities under Outputs 1.1-1.3</u>				
Activity 1.3.1 Use lessons learnt from the development of efficient statistical methods for estimating biodiversity from small samples, as well as the development of improved methods for assessing biodiversity and the biodiversity assessment on a landscape level and produce manuals for information dissemination and the training activities under output 4. (Activity will be conducted in Years 4-5)				
2. Tools for economic valuation of goods and services associated with biodiversity in tropical forests are improved and disseminated				
2.1 <u>Data and models necessary for testing the accuracy and precision of: (i) alternate data collection procedures, and (ii) alternate model specifications (e.g. approximations that require fewer and cheaper data inputs).</u>				

Result	Year 1 Q1 (Apr–Jun 07)	Year 1 Q2 (Jul-Sep 07)	Year 1 Q3 (Oct-Dec 07)	Year 1 Q4 (Jan-Mar 08)
Activity 2.1.1 This activity will compile existing hydrological and land-use data for Peninsular Malaysia and use those data to construct a statistical hydrological model that predicts the impact of changes in land use, in particular forest cover and logging status, on the level and variability of stream flow and suspended sediments.				
Activity 2.1.2: This activity will survey Peninsular Malaysian households to generate data necessary for estimating two non-extractive non-timber values; recreation and passive use.				
2.2 <u>Manuals, including data sets and software, that explains how implement the valuation methods developed in Activities 2.1.1-2.1.4 and provide information on the degree of accuracy and precision that is sacrificed if the methods are based on less and lower quality data and simplified models.</u>				
Activity 2.2.1 Use the data from Activities 2.1.1-2.1.2 to develop models that are less data-intensive than the benchmark models. (Activity will be conducted in Years 3-4)				
Activity 2.2.2: Develop benchmark models for valuing recreational and passive uses of biologically rich tropical forests.				
3. TOOLS FOR INTEGRATING ECOLOGICAL AND ECONOMIC ASPECTS OF BIODIVERSITY INTO FOREST PLANNING DECISIONS AT A LANDSCAPE LEVEL ARE IMPROVED AND DISSEMINATED				

Result	Year 1 Q1 (Apr–Jun 07)	Year 1 Q2 (Jul-Sep 07)	Year 1 Q3 (Oct-Dec 07)	Year 1 Q4 (Jan-Mar 08)
3.1 <u>Improved models for predicting biodiversity within and between forest community types, taking into account logging status and location</u>				
Activity 3.1.1: Developing and testing statistical models that relate biodiversity and forest community type to forest characteristics.				
Activity 3.1.2: Developing and testing a model that predicts the regeneration of forests. (Activity will be conducted in Years 3).				
3.2 <u>Improved forest planning model for predicting the impacts on biodiversity, and associated economic benefits and costs, of different allocations of forests in Perak between production and protection categories</u>				
Activity 3.2.1 Construct a dynamic optimisation model, linked to the spatial database for Perak (see Output 1.1), that predicts the landscape-level allocation of forests between production and protection categories that maximises a specified biodiversity conservation objective (expressed in ecological or economic terms) subject to a set of timber management constraints (e.g., a desired annual allowable cut).				
4. ENHANCE AND DISSEMINATE KNOWLEDGE AS WELL AS BUILD CAPACITY WITH VIEW OF REPLICATING IMPROVED FOREST PLANNING PROCEDURES				

Result	Year 1 Q1 (Apr–Jun 07)	Year 1 Q2 (Jul-Sep 07)	Year 1 Q3 (Oct-Dec 07)	Year 1 Q4 (Jan-Mar 08)
4.1 <u>Enhance and disseminate knowledge biodiversity conservation through improved planning procedures</u>				
Activity 4.1.1 Hands on training for PSFD counterparts and more formal training for Malaysian decision makers, especially other State Forestry Department officers, as well as relevant regional participants and GEF OP3 project management teams.				
Activity 4.1.2 Develop a website on the project status and outputs that can be assessed by all interested parties.				
Activity 4.1.3 Develop a scientific exchange programme through research fellowships.				
Activity 4.1.4 Hold annual research seminars for GEF OP3 Chief Technical Advisors (CTAs)				
Activity 4.1.5 Organise cross project learning visits to PITC, Malaysia				
Activity 4.1.6 Organise cross project learning visits to other forestry project sites				
Activity 4.1.7 Develop user-friendly information services				
Activity 4.1.8 Ex-post evaluation. (Activity will be conducted in Years 5)				

Immediate Objective	UNDP Code	5 Year Budget_USD	1 Year Budget_USD	
2. Tools for economic valuation of goods and services associated with biodiversity in tropical forests are improved and disseminated	GEF 2.1.2	47,300.00	1,650.00	45,650.00
	GEF 2.1.3	202,200.00	-	202,200.00
	GEF 2.2.1	208,340.00	-	208,340.00
Total Output 2		457,840.00	1,650.00	456,190.00
3. TOOLS FOR INTEGRATING ECOLOGICAL AND ECONOMIC ASPECTS OF BIODIVERSITY INTO FOREST PLANNING DECISIONS AT A LANDSCAPE LEVEL ARE IMPROVED AND DISSEMINATED	GEF 3.1.1	158,060.00	-	158,060.00
	GEF 3.1.2	40,000.00	-	40,000.00
	GEF 3.2.1	184,500.00	-	184,500.00
Total Output 3		382,560.00	-	382,560.00
4. ENHANCE AND DISSEMINATE KNOWLEDGE AS WELL AS BUILD CAPACITY WITH VIEW OF REPLICATING IMPROVED FOREST PLANNING PROCEDURES		210,000.00	2,000.00	208,000.00
SUMMARY		GEF Approved		Balance_USD

Immediate Objective	UNDP Code	5 Year Budget_USD	1 Year Budget_USD	
5. PSU - PROJECT SUPPORT AND MANAGEMENT		700,960.40	124,242.08	576,718.32
Grand Total_GEF FUND		2,261,000.40	216,042.08	2,044,958.32

Summary of Project Budget

Outcome	Immediate Objective	GEF Approved		Balance_USD
		5 Years Budget_USD	1 Year Budget_USD	
1	<u>Activity 1:</u> Tools for Ecological Assessment of Biodiversity in Tropical Forests are improved and disseminated.	509,640.00	88,150.00	421,490.00
2	<u>Activity 2:</u> Tools for Economic valuation of goods and services associated with biodiversity in tropical forests are improved and disseminated.	457,840.00	1,650.00	456,190.00
3	<u>Activity 3:</u> Tools for integrating ecological and economic aspects of biodiversity into forest planning decisions at lanscape level are improved and disseminated.	382,560.00	-	382,560.00
4	<u>Activity 4 :</u> Enhance and disseminate knowledge as well as build capacity with view of replicating improved forest planning procedures.	210,000.00	2,000.00	208,000.00
5	<u>Activity 5 :</u> Project Support and Management.	700,960.40	124,242.08	576,718.32
TOTAL		2,261,000.40	216,042.08	2,044,958.32

Report on the launching of the Conservation of Biological Diversity through Improved Forest Planning Tools Project and Inception Workshop

1. Introduction

The Conservation of Biological Diversity through Improved Forest Planning Tools Project was officially launched on the 3rd April 2007 by Puan Aziah Mohammed on behalf of Dato' Suboh Mohd Yassin, the Secretary-General of the Ministry of Natural Resources and Environment at the Putrajaya Marriot Hotel. In conjunction with the launching an inception workshop was also conducted at the same venue.

2. Objectives

The objective of the Conservation of Biological Diversity Inception Workshop is to provide a platform for the beneficiaries and stakeholders of the project to be updated on the latest approved logical framework analysis (LFA) of the project. The beneficiaries and stakeholders were given the opportunity to present their current views and to deliberate on the best course of action to be taken to carry the project forward successfully.

3. Project launching and Workshop details

3.1 Invitation and participants

Invitations were sent to all agencies related to forestry, wildlife, environments, universities and Civil Societies for the project's launching. For the inception workshop invitations were sent to partners, stakeholders and those who have been involved in previous Project Stakeholder Consultation and Technical Working Groups Meetings.

A total of 80 participants and guests attended the Project launching and 60 participants attended the Inception Workshop.

3.2 Project launching

The Project was officially launched by Puan Aziah Mohammed on behalf of Dato' Suboh Mohd Yassin, the Secretary-General of the Ministry of Natural Resources and Environment. Dr. Richard Leete, the UNDP Country Representative also delivered a speech, which emphasized on the need to continue on conserving biodiversity through targeted research activities such as this project

3.3 **Cost** – Total Cost for the Workshop was **USD 2,797.07**

4 Inception Workshop

Four presentations were presented at the beginning of the Inception Workshop and they were:-

- Project Introduction by Dr. Woon Weng Chuen (Project Manager)
- Project Context: Ecology, by Dr. Abdul Rahman Kassim (Researcher)
- Project Context: Economics, by Prof. Dr. Jeffrey Vincent, Economist Duke University, USA (Project Collaborator)
- Project Monitoring and Evaluation, by Ginny Ng (UNDP)

The presentation outlined the events from the project conceptualization (in 2001) through the various stages of proposal evaluation to the final approval of the project by the GEF in September of 2006. The participants were briefed on the overall ecological and economics context of the LFA and the activities that would be carried out in each of the component. The participants were also informed of the co-financing provided by ITTO and that the research activities are a subset of the overall GEF Project covered under the ecological component. The UNDP representative briefed the participants on the GEF monitoring and evaluation aspects of the project. She also dwells on the schedule of the reports required. UNDP will only release the first installment of the funding requirement upon the submission of the inception report, the annual work plan (AWP) and the quarterly financial report (QFR).

5 Discussion and comments by the stakeholders for each components:

The workshop broke out into 3 parallel sessions to facilitate the in-depth discussion on the LFA. The 3 sessions were as follows:-

Group 1: Discussed on the Ecological component: facilitated by Dr. Abdul Rahman Kassim.

Group 2: Discussed on the Economics component: facilitated by Prof. Dr. Jeffery Vincent.

Group 3: Discussed on Capacity Building and Project Implementation: facilitated by Dr. Shamsudin Ibrahim (National Project Director).

Summary of the stakeholders' comments and suggestions:

Ecological component:

ANNEX 6 (i)

Economics component:

ANNEX 6 (ii)

Capacity building and project implementation:

ANNEX 6 (iii)

Pictures from the Inception Workshop

ANNEX 6 (iv)

Stakeholders comments & Concerns

ANNEX 6 (v)

Participants List

ANNEX 6 (vi)

Report of the Ecology Breakout Group

The Ecology Breakout Group was chaired by Dr. Abdul Rahman Kassim and assisted by Samsudin Musa as the reportuer. Two of the GEF consultants namely Dr. Mathew Potts and Dr. Rhett also participated. Among the three working groups, this working group had the largest number of participants representing various government agencies, Universities and NGOs.

The discussions started with a briefing by the Chair on the overall project and the ecological research activities that will be carried out. The Chair presented the LFA focusing on activities related to outcome 1 and 3. The discussions went on well with good responses from the participants. Much of the early discussions were on clarification of project activities and outputs. Concerns were raised on the suitability taxa selected as indicators for biodiversity. Some additional taxa was suggested for consideration of the project team. With clarifications from the Chair and the project team, the participants were then able to focus on the LFA.

Following intense discussions on the LFA and a better understanding of the format and contents, the participants were generally satisfied with the contents of the LFA that were presented by Chair. Some alterations were suggested to further strengthen the LFA. The amended LFA is enclosed below.

Some of the general comments and concerns raised are as follows:

- Use of existing information and research is important in developing the sampling procedures
- Need to develop user friendly tools that can be applied by existing staff of relevant agencies.
- Discussions should be further undertaken on the choice of taxa e.g. big mammals, aroid, palms.
- Current work by PITC on monitoring fauna before and after harvesting is relevant to the ecological research
- The project timeframe may be too short to realize impacts particularly those affecting agencies other than FRIM such as the Forestry Departments
- It will be useful to undertake further consultations with the Forestry Department of Perak as they are a major Stakeholder and was not present at the workshop.

Result	Indicator	Target(End of Project)	Stakeholders comments
Outcome 1: Forest planners in Perak incorporate tools to measure impacts on biodiversity in their forest management planning	2. Adoption of tools developed by the project to measure impacts on biodiversity.	1.2 In determining AAC for 2011-16, Perak SFO utilize tools and methods developed by the project	<i>Accepted</i>
Output 1.1: Efficient statistical methods for estimating biodiversity from small samples.	1.1 Availability of tools and methods to measure impacts on biodiversity efficiently.	1.1.2 By the end of the project, methods are available which measure alpha diversity with a standard error of only 50% and do not increase the cost of pre-felling inventories; with other methods yielding estimates with standard errors of 30% or below at no more than twice the cost of conventional pre-felling inventories.	<i>Target achievable</i>
Output 1.2: Logging prescriptions that reduce impact on biodiversity	2. Cost and biodiversity impact of modified harvesting systems, which improve biodiversity conservation.	1.2.2 In Year 5, PITC applies modified harvesting protocols that increase harvesting costs per cubic meter by no more than 10% compared to existing protocols and result (one year after logging) in: <ul style="list-style-type: none"> a. Species richness increases by 0.5x% b. Simpson's diversity index shows no statistically significant change c. Standard deviation of CCA scores shows no statistically significant change 	<i>Language may have different connotation to stakeholders. Harvesting system should be changed to harvesting protocols.</i>
Output 1.3: Manuals and software that provide assistance and guidance in implementing biodiversity-friendly forest planning and harvesting.	1.4 The use of manuals and software by GEF OP3/BD2 projects, PITC, and states within Malaysia.	1.3.2 By the end of the project, Perak SFO and at least 1 other SFO in Malaysia are using the manuals and software in their planning procedures.	<i>Should be broadened to other stakeholders in addition to SFO. Perhilitan to be included. Work of WWF to apply tools developed by the projects to concessionaires such KPK, KPCKT and PITC is relevant.</i>

Result	Indicator	Target (End of Project)	Stakeholders comments
Output 1.4: Staff of Perak SFO and at least one other SFO trained in application of methods to measure biodiversity and in implementation of biodiversity-friendly forest planning and harvesting	1.5 Number of staff trained	1.4.2 By the end of Year 4, managers and planners of Perak SFO and at least one other SFOs trained in use of tools and methods developed by the project	<i>Language to be improved in terms of one or two SFOs. Target group for training needs to be identified early.</i>
Outcome 3: Forest planners in Perak integrate ecological and economic tools in forest planning decisions at a landscape level	4. Adoption of tools to assess trade-off between biodiversity conservation and timber values	3.2 The timber harvesting plans for Perak during 2011-16 anticipate timber values per hectare of at least 95% of the baseline value, whilst the extent and distribution of set-asides ensures that the diversity of habitat units represented in them is at least 1.5x	<i>Acceptable</i>
Output 3.1: Models for predicting biodiversity within and between forest community types, taking into account logging status and location	3.2 Use of models that predict the spatial pattern of forest community types and the biodiversity they contain.	3.1.3 By the end of Year 4, a model that predicts the regeneration of forests, and changes in biodiversity after harvesting is developed for forest in Perak. 3.1.4 By the end of Year 5, this model is applied by Perak SFO and has been adapted and used by at least 2 other Malaysian states.	<i>Major forest types implies mangrove, peat swamp forest and inland forests. The project is restricted to only inland forest. So wording in targets 3.1.1 is biodiversity after logging is develop for forest in Perak.</i>

Economic Component

Objective: To remove scientific barriers to mainstreaming biodiversity conservation into tropical forest management decision making.

Question: Is the objective relevant to tropical countries, including Malaysia?

Discussion: what is a “scientific barrier”? Answer: information does not exist, or it does but is not available in a suitable form.

The objective is relevant to Malaysia. Much forestry research is done in Malaysia, but the challenge is how to include the research findings into sustainable forest management. For example, there is no clear tool in Malaysian Criteria & Indicators (MC&I) on how to measure the value of High Conservation Value Forests (HCVF). There is a need for a scientific method to meet the need of MC&I.

Equally important to take valuation of timber resources seriously. Great variety of species, including a whole list of lesser-known timber species yet to assess their economic value. The model to be developed will be a dynamic one where changes in international timber prices will be used for decision making.

Ambitious: truly feasible? Peat swamp project was given as example of project that has successfully developed tools.

Outcome 2: Forest planners in Perak utilize tools for full valuation of goods and services in their forest management planning and operations.

Output 2.1: Feasible methods for estimating non-extractive values of tropical rain forests

Output 2.2: Manuals and software that provide assistance and guidance in full valuation of goods and services

Output 2.3: Staff of Perak SFO and at least one other SFO trained in full valuation of goods and services

Question: Are this outcome and these outputs relevant to tropical countries, including Malaysia?

The issue is relevant if the tool developed can meet the needs of Malaysia.

- Studies on economic value of forest resources are available, but not so much linked to planning-support tools.

What are components of value?

New info on three: Watershed areas and their hydrological value; Recreational values of forest; Passive or existence value of forests; Use existing info on: Local use of forest resources

What about wildlife? Included in three of four.

- But wildlife also affects forest regeneration: pollination, seed dispersal. Team should consider.

What about carbon? Team can build on existing FRIM/UPM studies funded by DANIDA.

Local products (NTFPs) are of localized importance, in contrast to the other three values emphasized by the team. Also, they are diminishing in importance in some cases.

Exceptions: rattan, agarwood (gaharu) have become commercialized. Valuation is tricky: need to examine entire supply chain (where are profits captured?).

Capacity Building

1. The project aims at having at least 2 other State Forestry Department adopt and use tools and methods developed and a much larger target of convincing 2 other tropical countries to do the same.
2. It also targets to encourage the Malaysian Timber Certification Council (MTCC) to use the recommended tools and methods and for the recommended tools to be considered for the revision of enhancing the MC&I in the areas of Biodiversity Conservation.
3. Hands-on training for the Perak State Forestry Officer and Planners is essential to the success of the project and will be carried out at a later stage of the project together with exchange research programmes through fellowships.
4. User friendly and informative materials such as newsletters, website and leaflets will be created for the disbursement of knowledge.
5. International Tropical Timber Organisation (ITTO) is encouraged to sponsor / fund projects that will be targeted to incorporate such tools and methods developed by the project in the assessment of conservation of biodiversity in sustainable forest management.
6. An independent post project evaluation will also be carried out on PITA and one other project site where the tools and methods are being used to assess the effectiveness of the project.
7. Other considerations proposed by the team to the project management include the establishment of State liaison committee or outreach committee which is to be chaired by the State Economic Planning Unit (UPEN) and to be endorsed by the Project Steering Committee.
8. In order to successfully engage stakeholders, strategic communication for outreach and awareness must be developed and stakeholders must be engaged in the early stages of the project.
9. Modules must also be created in association with the tools and methods created through the project and these can be used by not only the forestry department but also by the Orang Asli Department (JHEOA), State Economic Planning Unit (UPEN) and -Wildlife and National Parks Department (PERHILITAN).

Inception Workshop Pictures





STAKE HOLDERS COMMENTS & CONCERNS

A) Letter from Forestry Department of Peninsular Malaysia dated 10th April, 2007

Ruj Kami : JH.E 347 (3)

Ruj. Tuan : FRIM394/HE674/4/1(Sub 1)(16)

Tarikh : 10hb April, 2007

Dr. Shamsudin Ibrahim
FRIM/GEF/UNDP National Project Director,
Institut Penyelidikan Perhutanan Malaysia,
Kepong,
52109 SELANGOR.

Dr.,

**PART II : LOGICAL FRAMEWORK ANALYSIS
FRIM/UNDP/GEF PROJECT ON CONSERVATION OF BIOLOGICAL DIVERSITY
THROUGH FOREST PLANNING TOOLS**

With reference to the above matter, enclosed herewith the following comments and suggestions for your considerations:-

1. The time frame (2011 – 2016) as stated in the target for Perak SFO to utilize the tools and methods developed by the Project in determining AAC to be omitted. There shouldn't be any time frame specified as many factors such as forest types, slope, etc. has to be taken into consideration.
2. The tools and methods developed by the Project in determining AAC to be replaced by Forest Management Plan (10 years).
3. Findings and recommendations of the Project have to be forwarded to MAJURUS, which then forward to the State Forestry Directors Conference for discussion and endorsement before being implemented.
4. Honorariums to be given to Forestry counterparts involved in the Project. This include a team of 5 persons, such as one Officer, one Ranger and three Foresters.
5. The staff trainings are not confined only to the on-the-job training but also include participation in study tours, conferences, seminars and workshops, both local and overseas.

6. Recommendations for revision of the Standards of Performance (SOP) for MC & I have to be tested on the ground for its practicability before being forwarded for discussion and endorsement by the National Steering Committee on MC & I. However, the Forestry Department Peninsular Malaysia is already embarking on the implementation of MC & I (2002) which is developed based on the FSC principles and criteria.

Thank you.

Yours sincerely,

(Dato' Haji Dahlan b. Taha)
Deputy Director General,
Forest Planning and Development,
for Director General of Forestry
Forestry Department Peninsular Malaysia

cc 1. Director,
Perak State Forestry Department

B) CBioD Project's response to the Above

**Conservation of Biological
Diversity Project**

Project Support Unit—MAL/04/G31
Forest Research Institute Malaysia
52109 Kepong, Selangor Darul Ehsan
Malaysia.

T: +603-6279 7617
F: +603-6273 4704

7th June 2007

Our ref : G31.PSU/BIOD/ADM05.01(002)/07

Your ref . : JH.E347/(3)

Y.BHG DATO SERI AZAHAR BIN MUDA
Forestry Department Peninsular Malaysia
Jalan Sultan Salahuddin
50660 Kuala Lumpur

Y.Bhg Dato Seri,

**UNDP-GEF-ITTO FUNDED PROJECT : CONSERVATION OF BIOLOGICAL DIVERSITY
THROUGH IMPROVED FOREST PLANNING TOOLS**

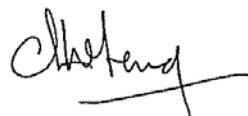
I would like to thank Dato Seri for sparing time to meet up with me on the 7th June 2007 regarding the UNDP/GEF/ITTO project on Conservation of Biological Diversity.

I would like to assure Dato Seri that we will work closely with your department on the project and to ensure that all outputs are of practical value and easy to implement. The project team will constantly discuss with Mr. Koh Hock Lye and his staff on technical matters to ensure success of the project. We noted the comments and suggestions given by Dato Seri and will be included into the Inception Report which will be submitted to the GEF. As a part of the evaluation process, an international panel of reviewers will be established in 1 ½ years' time to access to effectiveness of the project.

We look forward to working closely with the Forestry Department.

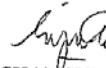
Thank you.

Yours sincerely,



DR. WOON WENG CHUEN
PROJECT MANAGER

cc. Dr. Shamsudin Ibrahim (National Project Director)
Mr. Koh Hock Lye (Pegarah Unit Silvikultur)



DR. SHAMSUDIN BIN IBRAHIM
Pegarah Kanan
Bahagian Perhutanan
Institut Penyelidikan Perhutanan Malaysia (FRIM)
52109 Kepong Selangor Darul Ehsan



Conservation of Biological Diversity
Through Improved Forest Planning Tools

**Conservation of Biological
Diversity Project**

Project Support Unit—MAL/04/G31
Forest Research Institute Malaysia
52109 Kepong, Selangor Darul Ehsan
Malaysia.

T: +603-6279 7617
F: +603-6272 4704

June 20, 2007

Ref: G31.PSU / BIOD / ADM 01.06 (001)/07

Dato' Razani bin Ujang
Pengarah,
Jabatan Perhutanan Negeri Perak,
Jalan Panglima Bukit Gantang
30000 Ipoh
PERAK



Via mail & Telefax No: 05-2553644

Y.Bhg Dato' Razani,

RE: UNDP-GEF Conservation of Biological Diversity Project

Greetings from the Project Support Unit (PSU)

We thank Perak Forestry Department and Y.Bhg Dato' for the time and opportunity given for us to discuss the above mentioned project and the Logical Framework Analysis (LFA) on June 13th, 2007.

We list below, notes from our recent meeting:

1. The PSU (Project Support Unit) will provide a full list of all researchers and their assistants along with their IC and Passport numbers 2 weeks before the first field trip.
2. A set of CVs will be provided for all senior researchers attached to this project for your info and reference.
3. Perak Forestry Department is in agreement with the proposed 18 months project review plan by an International Advisory Panel to ensure that the project outputs are practical and cost effective.
4. The PSU is honoured to receive the proposed office space within the Perak Forestry Department.

The PSU will communicate with the Perak Forestry Department on the project's progress and will constantly seek Perak Forestry Department's advice and consultation in developing the decision making tools and model. As advised by Y.Bhg Dato' we will also communicate with En. Abdullah Sani on all technical matters pertaining to this project.

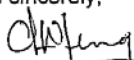
With this we invite Perak Forestry Department to participate in all of our Research Working Committees which will meet periodically. The project also endeavors to keep the Perak Forestry Department informed of the project's development through a monthly newsletter and regular technical research meetings.



Conservation of Biological Diversity
Through Improved Forest Planning Tools

Once again, we thank you for your support to the UNDP-GEF-ITTO Conservation of Bio-D Project, which will enhance Malaysia's leadership in Tropical Forest Management. Should Y.Bhg Dato' have any queries with regards to this project please do not hesitate to contact myself or Jaya Radha Veerasamy (Communications Officer) at our PSU direct line 03 – 6279 7619.

Yours sincerely,



Dr. Woon Weng Chuen
Project Manager
UNDP-GEF Conservation of Bio-D Project

cc: **Dr. Shamsudin Ibrahim**
National Project Director
UNDP-GEF Conservation of Bio-D Project



C) Letter from Malaysian Timber Certification Council dated 10th April, 2007

Reference is made to the above Inception Workshop which was held in Putrajaya on 3 April 2007.

First of all, I would like to thank you for inviting MTCC to participate in the said Workshop. As you are aware, I highlighted my surprise in the meeting to see MTCC being listed as one of the stakeholders in the "Logical Framework Analysis" as MTCC has never been invited to participate in the three workshops and two consultations with the various stakeholder groups to formulate the project.

However, MTCC welcomes any project/effort which can produce outcome that can contribute to further strengthening of the standard used by the MTCC scheme as the standard is subject to revision based on experience gained from its application in the field as well as new scientific and technological information accrued during the intervening period. We are hopeful that outputs from this GEF project could form useful inputs for the future revision of the *MC&I*. For your information, the ultimate adoption of the recommendations of the project during the revision of the *MC&I* would have to be subject to a multi-stakeholder consultation process.

As elaborated during the Workshop, please find below our proposed amendment to Output 4.1:

Result	Indicator	Target (End of Project)	Means of Verification
Output 4.1 Recommended tools and methods developed by the project considered in the revision of the Malaysian Criteria and Indicators for forest management Certification (MC&I)	4.1.1 Submission of recommended tools and methods 4.1.2 Incorporation of recommended tools and methods	4.1.1 By year 4, the recommended tools and methods are submitted to the Malaysian Timber Certification Council (MTCC). 4.1.2 Recommended tools and methods considered in the revision of the MC&I.	i. Project reports, report of the MTCC ii. Survey of Committee members

D) CBioD Project's response to the Above

**Conservation of Biological
Diversity Project**

Project Support Unit—MAL/04/G31
Forest Research Institute Malaysia
52109 Kepong, Selangor Darul Ehsan
Malaysia.
T: +603-6279 7617
F: +603-6272 9852

May 14, 2007

Ref: G31.PSU / BIOD / ADM 08.01 (001)/07

Mr. Chew Lye Teng
Chief Executive Officer
Malaysian Timber Certification Council
19 F, Level 19, Menara PGRM, 8, Jalan Pudu Ulu, Cheras,
56100 Kuala Lumpur Malaysia.

Via mail & Telefax No: 603 - 92006008

Dear Mr. Chew,

RE: UNDP-GEF Conservation of Biological Diversity Project

Greetings from the Project Support Unit (PSU)

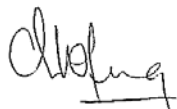
We thank the Malaysian Timber Certification Council (MTCC) for the time and opportunity given for us to discuss the above mentioned project and the Logical Framework Analysis (LFA) on May 7th, 2007.

We would like to reiterate that your suggestions will be incorporated into the inception report and we will seek to consult MTCC's assessors and other relevant parties in the development of the UNDP-GEF Conservation of Bio-D Project's assessment tools. We take note of MTCC's suggestion to ensure that tools developed through this project will be practical and cost effective for implementation. An International Panel of Experts will be established to assess the effectiveness of the project in 18 months.

With this we invite MTCC to participate in all of our Research Working Committees which will meet periodically. The project endeavors to keep MTCC informed of the project's development through a monthly newsletter and regular technical research meetings.

Once again, we thank you for your support to the UNDP-GEF Conservation of Bio-D Project, which will enhance Malaysia's leadership in Tropical Forest Management. Should you have any queries with regards to this project please do not hesitate to contact myself or Jaya Radha Veerasamy (Communications Officer) at our PSU direct line 03 - 6279 7617.

Yours sincerely,



Dr. Woon Weng Chuen
Project Manager
UNDP-GEF Conservation of Bio-D Project

cc: **Dr. Shamsudin Ibrahim**
National Project Director
UNDP-GEF Conservation of Bio-D Project



Conservation of Biological Diversity
Through Improved Forest Planning Tools

E) CBioD Project's meeting with Perak SEDC & Perak ITC Sdn Bhd

**Conservation of Biological
Diversity Project**

Project Support Unit—MAL/04/G31
Forest Research Institute Malaysia
52109 Kepong, Selangor Darul Ehsan
Malaysia.
T: +603-6279 7617
F: +603-6272 4704

June 25, 2007

Ref: G31.PSU / BIOD / ADM 01.07 (001)/07

Y.Bhg Dato' Samsudin bin Hashim
Chief Executive
Perbadanan Kemajuan Negeri Perak
Wisma Wan Mohamed,
Jalan Panglima Bukit Gantang Wahab
Peti Surat 217, 30904 Ipoh
Perak

Via mail & Telefax No: 05 - 5296604

Y.Bhg Dato' Samsudin,



RE: UNDP-GEF Conservation of Biological Diversity Project

Greetings from the Project Support Unit (PSU)

We thank Perak SEDC and Y.Bhg Dato' for the time and opportunity given for us to discuss the above mentioned project and the Logical Framework Analysis (LFA) on June 22nd, 2007.

We list below, notes from our recent meeting:

1. The PSU (Project Support Unit) will provide a full list of all researchers and their assistants along with their IC and Passport numbers to PITC.
2. A set of CVs will be provided for all senior researchers attached to this project for your info and reference.
3. Perak SEDC is in agreement with the proposed 18 months project review plan by an International Advisory Panel to ensure that the project outputs are practical and cost effective.
4. The PSU is honoured to receive the proposed office space within PITC office. The Project's Field Coordinator will be stationed here for better coordination between PITC and the PSU team.
5. The PSU thank Perak SEDC for extending your assistance in the areas of logistics and accommodation within the concession area for the project's researchers and the PSU team.
6. The PSU will communicate with the Perak SEDC and PITC on the project's progress and will constantly seek SEDC and PITC's advice and consultation in developing the decision making tools and model. As advised by Y.Bhg Dato' we will also communicate with Hajjah Rohati on all technical and arrangement matters pertaining to this project.

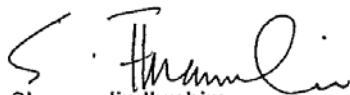


Conservation of Biological Diversity
Through Improved Forest Planning Tools

With this we invite Perak SEDC and PITC to participate in all of our Research Working Committees which will meet periodically. The project also endeavors to keep the Perak SEDC and PITC informed of the project's development through a monthly newsletter and regular technical research meetings.

Once again, we thank you for your support to the UNDP-GEF-ITTO Conservation of Bio-D Project, which will enhance Malaysia's leadership in Tropical Forest Management. Should Y.Bhg Dato' have any queries with regards to this project please do not hesitate to contact myself or Jaya Radha Veerasamy (Communications Officer) at our PSU direct line 03 – 6279 7619.

Yours sincerely,



Dr. Shamsudin Ibrahim
National Project Director
UNDP-GEF Conservation of Bio-D Project

cc: **Dr. Woon Weng Chuen**
Project Manager
UNDP-GEF Conservation of Bio-D Project

Hajjah Rohati Shafie
General Manager
Perak ITC Sdn Bhd



ANNEX 6 (vi)

**FRIM-GEF Inception Workshop
'CONSERVATION OF BIOLOGICAL DIVERSITY THROUGH IMPROVED FOREST PLANNING
TOOLS'
3rd April 2007
Marriot Putrajaya**

ATTENDANCE LIST

Bil.	Name/Designation	Organisation	CONTACT	GROUP
1.	ABD. RAHMAN KASSIM (DR.)	FRIM		1
2.	ABDUL RAHIM BIN HJ. NIK (DR.)	FRIM		3
3.	ABDUL RAZAK MOHD. ALI (DATO' DR.) DIRECTOR GENERAL	FRIM	T: 03 6279 7000 F: 03 6273 1314	
4.	ABDUL RAZAK SHARIF	EPU	T: 03 8888 2880 F: 03 8888 3876	2
5.	AHMAD AINUDDIN NURUDDIN (DR.)	UPM	T: 03 8946 7568 / 019 2193178 F : 03 8947 2180 E : a_ainuddin@yahoo.com	1
6.	AHMAD SABURI BIN HAMID (MR.) HEAD OF SOCIAL DEVELOPMENT UNIT	JHEOA	T: 05 254 0009 / 0135842358 F: 05 255 9402 E: saburi@jheak.gov.my	3
7.	AMINUDDIN BIN JAMIN (MR.)	PERHILITAN	T: 03-9075 2872 F: 03-9075 2873 E: aminuddin@wildlife.gov.my	1
8.	AWANG NOOR ABD. GHANI (PROF MADYA DR) DEPUTY DEAN	UPM	T: 03 8946 7167 F: 03 8943 25154 E : awangnoor@putra.upm.edu .my	2
9.	AZIYAH MOHAMMED (MS.) PRINCIPLE SECRETARY	NRE	T: 03 8886 1443/1448 F: 03 8888 4504	

	FORESTRY DIVISION			
10.	BRIAN LEE (MR.)	WWF	Tel : 03 7803 3772 Fax : 03 7803 5157	3
11.	CHAI KAM CHING (MS.) EXECUTIVE	MTC	T: 03 9281 1999 F: 03 9282 8999 E: chai@mtc.com.my	2
12.	CHE JUMAT AHMAD (MR)	MTIB	T: 03 9282 2235 F: 03 9285 1477/1744 E: jumat@mtib.gov.my	3
13.	CHRISTOPHER A. MATUNJAU (MR.) ASSISTANT DIRECTOR OF FORESTRY	FD SABAH	T: 089 669 651 (DL) 089 660811 ext 427 (GL) F: 089 672085 E : christopher.matunjau@sabah.gov.my	2
14.	DAHLAN BIN HJ. TAHA (DATO' HJ.) TIMBALAN KETUA PENGARAH PERHUTANAN (PERANCANGAN DAN PEMBANGUNAN)	FD HQ	T: 03 2616 4488 F: 03 2692 5657 E: dahlan@forestry.gov.my	3
15.	DAVID LEE (MR)	NCSA	T: 03-88861671 F: 03-88884473 E: david@nre.gov.my	3
16.	EFRANSJAH (DR.)	UNDP		
17.	FAIZUL ZAWAWI (MR)	PITC/PKNP		1
18.	FAZIDAH HJ. AHMAD PUAT	NRE	T: 03 8886 1671	1
19.	GAN PEK CHUAN (MS.) NATIONAL COORDINATOR NATIONAL CAPACITY NEEDS SELF-ASSESSMENT (NCSA)	NCSA	Tel: 03-88861671 Fax: 03-88884473 E: ganpc@nre.gov.my	3
20.	GINNY NG (MS)	UNDP		3
21.	HAJAH ROHATI BINTI SHAFIE (MS.) GENERAL MANAGER	PITC S/B / PKNP	T: 05 2205058 (DL), 05 2205047 (GL) F: 05 2205049 E : ati@perakitc.com.my , tishafie@yahoo.com	2
22.	HAZANDY ABDUL HAMID (DR.) LECTURER	UPM	T : 03 8946 7585 / 0172048480 F : 03-8943 2514 E : hazandy@gmail.com	1
23.	HAZWANI AHMAD (MS.)	MNS	T: 03 2287 9422 /0126140000 F: 03 2287 8773	1
24.	ISMAIL HARUN (DR.)	FRIM		1
25.	ISMARIAH AHMAD (DR.)	FRIM		2

26.	JEFFREY VINCENT (PROF. DR.)	UCSD USA		2
27.	JOANN CHRISTINE (MS.)	FRIM		1
28.	JOSA KARTINA BINTI MOHD. YUSOF (MS.)	NRE	T: 03 8886 1671 E: josakartina@nre.gov.my	3
29.	JOSIL MURRAY (MS.)	WWF	T : 03 7803 3772 F : 03 7803 5157 E : jmurray@wwf.org.my	1
30.	KAMARUZAMAN JUSOFF (PROF.DR.)	UPM	Tel : 019-2279507 Fax : 03-89432514 Email : kamaruz@aerosaam.biz	1
31.	KHAIRUL NAJWAN (MR.)	FRIM		1
32.	LEE SU SEE (DR.)	FRIM		1
33.	LILIAN CHUA (DR.)	FRIM		1
34.	LIM HIN FUI (DR.)	FRIM		2
35.	MARRYANNA LION (MS.)	FRIM		1
36.	MASHHOR MANSOR (PROF. DR.) PROFESSOR	USM		1
37.	MATTHEW POTTS (DR.)	Miami USA		1
38.	MAZLAN ABD. GHAFFAR (PROF. MADYA DR.) HEAD OF MARINE SCIENCE PROGRAM	UKM	T: 03 8921 3219 F: 03 8925 3357 E: mag@pkrijc.cc.ukm.my magfish05@yahoo.com	1
39.	MOHAMAD AZANI ALIAS (DR.)	UPM	Tel: 03 89467180 F: 03 89432514 E: azani@putra.upm.edu.my	1
40.	MOHD SHAHWAHID HJ OTHMAN (PROF. DR.)	UPM	Tel : 0389472186 Fax : 03 8942 6539 E: msho@econ.upm.edu.my ; msho@putra.upm.edu.my	2
41.	MOHD. BOKHARI BIN FADZIN (MR.) DEPARTMENT OF WILDLIFE AND NATIONAL PARKS	PERAK WILDLIFE	T: 05 243 6635 F: 05 243 6635 E: mbokhari@wildlife.gov.my	1
42.	MOHD. EZHAR YUSOFF	FRIM		1
43.	MOHD. ZAKARIA ISMAIL (DR.)	UM	Tel : Fax : 03 7967 4178	1
44.	NORZILLA MOHAMMED (MS)	UNDP		2
45.	NUR HAJAR ZAMAH SHARI (MS.)	FRIM		1

46.	PANG KAN AUN (DR.)	FRIM		1
47.	POH LYE YONG (MS.) PEGAWAI EHWAL EKONOMI UNIT EKONOMI HUTAN	FD HQ	T: 03 - 2616 4523 F: 03 – 2692 5657 E: poh@forestry.gov.my	2
48.	RHETT HARRISON (DR.)	CTFS		1
49.	RICHARD LEETE (DR.)	UNDP	Tel : 03 2091 5192 Fax : 03 2095 2870	
50.	RUSEA GO (PROF. MADYA DR.)	UPM	T: 03 89466634 F: 03 86567454 E: go_rusea@yahoo.com rusea@science.upm.edu.my	1
51.	S. CHRISTINE FLETCHER (DR.)	FRIM		1
52.	SAAD NYAN (MR.) LAB ASSISTANT	UPM	T: 03 8946 7170 F : 03 8943 2514 E : saad@putra.upm.edu.my	1
53.	SAADON ZUBIR (MR) PEGAWAI SAINS	USM		1
54.	SAMSUDIN MUSA (MR.)	FRIM		1
55.	SHAMSUDIN IBRAHIM (DR.)	FRIM		3
56.	SHAREENA SUFFIAN (MS.) ENVIRONMENTAL CONTROL OFFICER	DOE	T: 03 8871 2160 F: 03 8889 1045 E: shareena@doe.gov.my	3
57.	SURYNA ALI (MS)	UNDP		3
58.	WAN MOHD. SHUKRI WAN AHMAD (MR.)	FRIM		1
59.	WOON WENG CHUEN (DR.)	FRIM		3
60.	YONG TENG KOON (MR.) MANAGER (FOREST MANAGEMENT)	MTCC	T: 03 9200 5008 F: 03 9200 6008 E: yongtk@mtcc.com.my	3
61.	YOSHIKO YAZAWA (MS)	STUDENT		1
62.	ZUBAID AKBAR MUKHTAR AHMAD (PROF. DR.) PROFESSOR	UKM	T: 03 8921 3827 F: 03 8921 3827 E: zubaid@ukm.my	1

Minutes of the Inaugural Meeting of the National Steering Committee

for the FRIM-GEF Project on: "Conservation of Biological Diversity through Improved Forest Planning Tools"

26 January 2007
FRIM, Selangor

Introduction

The Inaugural Meeting of the National Steering Committee (NSC) for the FRIM-GEF Project on "Conservation of Biological Diversity through Improved Forest Planning Tools" was held at the Forest Research Institute Malaysia (FRIM) on 26 January 2007. It was chaired by Y. Bhg. Dato' Suboh b. Mohd. Yassin, Secretary General of the Ministry of Natural Resources and Environment (NRE) and co-chaired by Y. Bhg. Dato' Dr. Hj. Abdul Razak Mohd. Ali, Director General of FRIM. The Meeting was attended by representatives from FRIM, NRE, Economic Planning Unit (EPU), Forestry Department Headquarters Peninsular Malaysia (FDPM), Perak State Forestry Department (Perak FD), Perak Integrated Timber Complex (PITC), Ministry of Science, Technology and Innovation (MOSTI) and the United Nations Development Programme (UNDP) Malaysia. Representative from the Department of *Orang Asli* Affairs for Perak & Kedah (JHEOA) was unable to attend the meeting while the Perak State Economic Development Corporation (SEDC) was represented by PITC. The list of participants is enclosed as Annex 1.

1.0 Welcoming Remarks by the Chairman.

1.1 The Chairman brought the Meeting to order with a welcoming address. In his address, the Chairman welcomed all members to this Inaugural Meeting. He congratulated FRIM and FDPM for their attentiveness and efforts to achieve sustainable forest management in the country. He also proceeded to thank all parties, especially UNDP for their efforts in securing funding from the Global Environment Facility (GEF) as well as ITTO and EPU for their continuous support and confidence in this project.

1.2 The Chairman reminded the Meeting that we are blessed to be in such a diverse country, in fact one of the 12 mega-diverse countries in the world. He also stressed on the importance to enhance the utilization of non-timber forest produce to reduce the stress on logging activities. Lastly, he expressed his hope that the Project will be carried out effectively to improve forest management practices and conserve the country's biological diversity.

2.0 Adoption of Agenda

2.1 The Meeting agreed to adopt the agenda without any changes. The adopted agenda is enclosed as Annex 2.

3.0 Briefing and adoption of NSC Terms of Reference

3.1 The Meeting discussed the proposed terms of reference of the NSC submitted by the Chairman and agreed to accept the following amendments and suggestions:

- a) Names of member agencies/organisations needs to be updated i.e. MOSTE is changed to MOSTI, *Orang Asli* Association is changed to *Orang Asli* Affairs Department (JHEOA)
- b) Para 1, line 7: Director of Natural Forest Division has just recently been changed to Director of Forestry Division

- c) The Department of Wildlife and National Parks (PERHILITAN) and the international experts/consultants involved in this project will not be part of the NSC but instead invited to be a member of the Technical Working Group.

The amended and accepted TOR is shown in Annex 3.

3.2 EPU representative reminded that the NSC must be consulted to review and endorse any substantial changes to the Project Document i.e. budget lines.

4.0 Proposal and endorsement of the Project Technical Working Group and their Terms of Reference

4.1 The Chairman informed that the research project being implemented is highly technical in nature and thus would require a Technical Working Group (TWG) to monitor and ensure the technical integrity of the project is maintained. In this regard, the Chair presented a draft document on proposed members and TOR for consideration.

4.2 The Meeting was informed that among the local universities in Malaysia, only University Kebangsaan Malaysia (UKM) and University Putra Malaysia (UPM) were recommended as members of the TWG based on their available expertise relevant to the project and their previous interest and commitment in attending meetings and workshops held during the project document development phase. However, the TWG will remain open for suggestions for new members.

The agreed list of members and TOR of the TWG is enclosed as Annex 4.

5.0 Briefing on the FRIM-GEF Project

5.1 The Meeting was briefed on the overall FRIM-GEF Project by the interim Project Coordinator, Dr. Shamsudin Ibrahim. In his presentation he explained the project history and background, the project objectives, project outputs and likelihood of success. A copy of his presentation is enclosed as Annex 5.

5.2 The Meeting took note that the project document was written in early 2001. Since then, there have been some administrative and structural changes within the Malaysian government agencies. A major change noted is that the Executing Agency/National Focal Point was previously MOSTI but is now the role of NRE while FRIM is the Implementing Agency, not to be confused with UNDP, which is the GEF Implementing Agency. The Meeting further agrees that the Project Document needs to be revised accordingly and distributed to the NSC for endorsement.

5.3 The Chairman expressed his hope that the Project is implemented effectively since considerable amount of international funding have been sourced. The Meeting was informed by UNDP that the committed funding will be made available to the Project as soon as an account is set up in FRIM.

5.4 FD Perak representative expressed his support for the Project as the tools to be developed will complement Malaysia's efforts in satisfying the MC&I, which requires methods for assessing, monitoring and conserving wildlife in production forests. UNDP representative added that the main attraction of this Project in GEF's viewpoint is the cutting-edge research and methods suggested in this Project.

5.5 The Chairman further acknowledges the active efforts, involvement and achievement of FDPM and other agencies in research and implementation of sustainable forest management practices in Malaysia, which places a high priority for the conservation of biological diversity. While this Project does not intend to reinvent the wheel, it will to a certain extent further improve these existing management practices and perhaps even include other new elements. The continuous participation from all departments and agencies especially during the Inception Workshop to evaluate and improve this Project is highly encouraged.

5.6 While he hopes that through this Project, FRIM will come up with solutions to achieve a balance between protection and production of forests, the FD also needs to implement it on the ground to ensure that good management is practiced in Malaysia's forestry industry.

5.7 EPU representative made aware to the Meeting that DANIDA has just recently initiated a similar project on conservation of biological diversity. The Meeting agreed that collaborative discussions with DANIDA should be initiated by the Project Secretariat.

6.0 Briefing on the Project Implementation

6.1 The Meeting was briefed on the Project Implementation plan by Dr. Christine Fletcher. Her presentation focused mainly on the organisational structure of the Project and elaborated on the roles of the relevant entities including the NSC, TWG, FRIM Technical team as well as the group of international consultants. Her presentation is as shown in Annex 6.

6.2 The Meeting was also briefed that these committees will closely monitor the Project activities, outputs and progress locally but an International Advisory Panel (IAP) will also be established to provide views on a global. The establishment of this panel was a GEF requirement, taking into consideration that this Project will have global benefits and thus the Project outputs needs to be in line with global demands. Members of the IAP listed in the distributed Project Document is only tentative and was used as an indication to the GEF that there are interested voluntary members. The actual members however will need to be recommended by the TWG and endorsed by the NSC.

7.0 Appointment of National Project Director and Project Manager

7.1 The Meeting was informed by the Co-Chairman that a letter dated 11 January 2007 (Ref: FRIM394/HE674/4/1(64)) (Annex 7) had been sent to UNDP Malaysia appointing Dr. Shamsudin Ibrahim, Senior Director of the Forestry Division, FRIM as the National Project Director based on his qualification, experience and involvement in this Project since its initiation. The Meeting agreed without objections.

7.2 The Co-Chairman then briefed the Meeting on the current status of the appointment of the Project Manager whereby the position have been offered to two qualified candidates. Both candidates declined due to the fact that the position entails major responsibilities, which they felt were not fairly compensated with the offered salary of RM12,000 as capped by UNDP Malaysia's latest policy. He further concluded that the salary policy imposed by UNDP is seen as a barrier to hire 'the right person for the right job' and thus urge UNDP to increase this cap.

7.3 Upon the Meeting's request for clarification, UNDP Malaysia representative informed the Meeting that the policy only applies to projects in Malaysia. Based on their experience, the Terms of Reference for a local Project Manager in any project is similar and thus is the basis for UNDP's decision to standardise the salary scale. With this policy in place, UNDP hopes to avoid any future disputes when salaries are being compared between projects. The Meeting was also informed that the term 'Chief Technical Advisor (CTA)' is now only used for appointments of international project managers whereas projects managed by a local appointment is termed as Project Manager (PM).

7.4 In response to this, EPU representative expressed his disagreement with the new UNDP policy with regards to setting a standard salary rate. He strongly suggested that the magnitude of the project, expertise involved and the extent of the project impact and significance needs to be given due consideration and should not be subjected to this blanket policy. An attractive and well-deserved salary will also contribute and encourage capacity building of our national experts.

7.5 The Chairman concluded that this policy should be seen as a guideline/benchmark only. Furthermore, Para 6 of the policy (attached as Annex 8) clearly allows "consideration for flexibility of salary due to exceptional circumstances". The Meeting agreed that this Project can be considered to fit into this 'special circumstance' and therefore is justifiable for the Project to exercise this flexibility by increasing the salary and repeat the process (salary offer and negotiations with previous candidates) for the appointment of Project Manager.

8.0 Other Matters

8.1 Official hand-over of Project to FRIM

The Chairman announced that the conduct of this NSC Inaugural Meeting marks the official transfer of the Project from the Executing Agency (NRE) to the NPD of Implementing Agency (FRIM) for immediate implementation.

8.2 Date and Venue of the Next Meeting

The date and venue of the next meeting will be determined at a later date.

9.0 Closing Remarks

The Chairman thanked all the members for their attendance and contributions during the Meeting. He expressed the urgent need to implement the Project immediately and consequently, hoped that members will continue to provide cooperation and assistance wherever possible.

We the undersigned endorse the Minutes as a record of the NSC meeting.

Dato' Suboh b. Mohd Yassin
Secretary General of NRE
Chairman of the NSC

Dato' Dr. Hj. Abdul Razak Mohd Ali
Director General of FRIM
Co-Chairman of the NSC

NATIONAL STEERING COMMITTEE

FRIM-GEF PROJECT
 CONSERVATION OF BIOLOGICAL DIVERSITY THROUGH IMPROVED FOREST PLANNING
 TOOLS

	NAME/DESIGNATION	ADDRESS	CONTACT
1.	Y. Bhg. Dato' Suboh b. Mohd Yassin Secretary General	2. Ministry of Natural Resources and Environment Level 12, Blok Menara 4G3, Precint 4, Pusat Pentadbiran Kerajaan Persekutuan, 62574, Putrajaya	T: 03-8889 2568 F: 03-8889 5449 E: suboh@nre.gov.my
2.	Dato' Dr. Abdul Razak Mohd. Ali Director General	Forest Research Institute Malaysia (FRIM) Kepong, 52109, Selangor	T: 03 6279 0007 F: 03 6280 4624 E: razak@frim.gov.my
3.	Ms. Fazidah bt. Hj Ahmad Poat Assistant Secretary Forestry Development Division	Ministry of Natural Resources and Environment Level 12, Blok Menara 4G3, Precint 4, Pusat Pentadbiran Kerajaan Persekutuan, 62574, Putrajaya	T: 03 8886 1443/1448 F: 03 8888 4504 E: fazidah@nre.gov.my
4.	Mr. S. Muthusamy Environment and Natural Resources Economic Section	Economic Planning Unit Block B5, 2 nd Floor, Kompleks Jabatan Perdana Menteri Pusat Pentadbiran Kerajaan Persekutuan 62502 Putrajaya	T: 03 8888 2835 F: 03 8888 4323 E: muthu@epu.jpm.my
5.	Dato' Hj. Dahlan bin Hj. Taha 3. Timbalan Ketua Pengarah Perhutanan (Perancangan dan Pembangunan)	Forestry Department Headquarters Jalan Sultan Salahuddin 50660 Kuala Lumpur	T: 03 2616 4488 F: 03 2692 5657 E: dahlan@forestry.gov.my
6.	Dato' Razani bin Ujang State Director	Perak State Forestry Department Jalan Panglima Bukit Gantang 30000 Ipoh Perak	T: 05 253 4321 F: 05 255 3644 E: razani@perak.gov.my

7.	Dr. Cheong Weng Chung Assistant Director National Biotechnology Division	Kementerian Sains, Teknologi dan Inovasi (MOSTI), Aras 3, Blok C4, Pusat Pentadbiran Kerajaan Persekutuan, 62662 Putrajaya,	T : 03 8885 8308 F: 03 8888 6070 E: donnycwc@mosti.gov.my
8.	Dr. Borhan Mohamad Chief Executive Officer	Perak ITC Sdn. Bhd. Level 8, Bangunan Perak Techno Trade Centre Bandar Meru Raya Off Jalan Jelapang 30020 Ipoh Perak	T: 05 – 220 5047/48 F: 05 - 241 0224 E: forestcare2002@yahoo.co. uk
9.	Ms. Ginny Ng Programme Officer (Environment)	UNDP Malaysia Wisma UN, Block C Kompleks Pejabat Damansara Jalan Dungun, Damansara Heights 50490 Kuala Lumpur	T : 03 2095 9122 F : 03 2095 2870 E : ginny.ng@undp.org
10.	Dr. Shamsudin Ibrahim Senior Director Forestry Division	Forest Research Institute Malaysia (FRIM) Kepong, 52109, Selangor	T: 03 6279 7162 F: 03 6272 9852 E: shamsudin@frim.gov.my
11.	Dr. Abdul Rahim Nik Senior Director Biodiversity Division	Forest Research Institute Malaysia (FRIM) Kepong, 52109, Selangor	T: 03 6279 7215 F: 03 6280 4625 E: rahimnik@frim.gov.my
12.	Dr. S. Christine Fletcher Research Officer Forestry Division	Forest Research Institute Malaysia (FRIM) Kepong, 52109, Selangor	T: 03 6279 7177 F: 03 6272 9852 E: cdfletch@frim.gov.my
13.	Mr. Ismail Harun Senior Research Officer Forestry Division	Forest Research Institute Malaysia (FRIM) Kepong, 52109, Selangor	T: 03 6279 7173 F: 03 6272 9852 E: ismail@frim.gov.my

**INAUGURAL MEETING OF THE
NATIONAL STEERING COMMITTEE**

FRIM-GEF PROJECT

**CONSERVATION OF BIOLOGICAL DIVERSITY THROUGH IMPROVED FOREST PLANNING
TOOLS**

**26 JANUARY 2007
FRIM, SELANGOR**

ADOPTED AGENDA

1. Welcoming remarks by Chairperson
2. Adoption of proposed agenda
3. Briefing and adoption of NSC Terms of Reference, proposal for alternative members – *Document 1*
4. Briefing on the GEF-Funded Project
5. Briefing on the Project Implementation
6. Appointment of Project Manager and National Project Director – *Document 2*
7. Proposal and endorsement of the Project Technical Working Committee and their Terms of Reference – *Document 3*
8. Other matters

TERMS OF REFERENCE FOR THE NATIONAL STEERING COMMITTEE

4. It has been stated in the Project Document for the GEF Project on "Conservation of Biological Diversity Through Improved Forest Planning Tools" that a National Steering Committee (NSC) will be established to provide the overall guidance to the implementation of the project. The Chairman of the National Steering Committee will be the Secretary General of the Ministry of Natural Resources and Environment (NRE) Malaysia and co-chaired by the Director General of FRIM. Its members will consists of representatives of relevant agencies in Peninsular Malaysia, and UNDP as the implementation agency for the GEF. The Director of the Forestry Division of FRIM as the overall coordinator for the Project will be secretary of the NSC. The NSC will consist of members of the following agencies/institutions:

1. Secretary General
Ministry of Natural Resources and Environment (NRE) Malaysia - Chairperson
2. Director General
Forest Research Institute Malaysia - Co-Chairperson
3. Director General
Economic Planning Unit
Prime Minister's Department
4. Secretary General
Ministry of Science, Technology and Innovation
5. Director General
Forestry Department Headquarters Peninsular Malaysia
6. Director
Perak State Forestry Department
7. Director
State Economic Development Cooperation of Perak
8. Representative
Orang Asli Affairs Department (JHEOA)
9. Resident Representative
United Nations Development Programme Malaysia

The NSC will meet regularly to oversee the implementation of the Project. They will meet at least twice a year and have the following responsibilities:

1. Provide Policy guidance on matters pertaining to the implementation of the project
2. Monitor and evaluate the implementation of the project towards fulfillment of the objectives stated in the project document
3. Coordinate and manage overall project activities and budget
4. Review and comment on each years proposed work plan and budget
5. Initiate remedial actions to overcome all constraints in progress of the project
6. Review and approve relevant changes to the project design
7. Coordinate the roles of the various organisations involved in the execution of the project and ensure harmony with related activities.
8. Review and approve progress and technical reports
9. Establish a Technical Committee to oversee technical details related to the project
10. The NSC operates and makes decision by consensus.

ESTABLISHMENT OF A TECHNICAL WORKING GROUP (TWG)

A national level Technical Working Group (TWG) will be established to assist the NSC in monitoring and controlling the technical implementation of the project and the activities. The TWG will act as the technical advisors to the NSC, and ensure that the project work will link into State and Federal forestry planning processes.

5. The members of the TWG are as follows.

Forest Research Institute Malaysia (Chair)
Perak Integrated Timber Complex
Forestry Department HQ Peninsular Malaysia
Perak State Forestry Department
Department of Wildlife & National Parks
University Putra Malaysia
University Kebangsaan Malaysia
Orang Asli Affairs Department
Malaysian Nature Society (MNS)
Worldwide Fund for Nature (WWF) Malaysia
International Project Consultants

Responsibilities of the TWG include:

5. Reporting to the NSC on the technical progress of the Project and research activities in the project area;
6. Advising the NSC on the technical aspects of the implementation of the project;
7. Reviewing and reconciling all relevant technical reports and information produced by the project; and
8. Ensuring that the research remains relevant to State and National forestry planning processes.

**Minutes of the Inaugural Meeting of the Technical Working Group
for the UNDP-GEF-FRIM Project MAL/04/G31 on
"Conservation of Biological Diversity
through Improved Forest Planning Tools"**

**5th October 2007
Kuala Lumpur**

Introduction

The Inaugural Meeting of the Technical Working Group (TWG) for the UNDP-GEF -FRIM Project MAL/04/G31 on "**Conservation of Biological Diversity through Improved Forest Planning Tools**" was held at the JW Marriott Kuala Lumpur on 5th October 2007. It was chaired by Dato' Dr. Abdul Razak Mohd Ali, Director General of FRIM. Except for representatives from PERHILITAN and JHEOA. all members of the TWG, as endorsed by the National Steering Committee (NSC) on 26th January 2007, were present representing government and non-governmental agencies and universities. The list of participants is enclosed as **ANNEX 1.**

1.0 Welcoming Remarks by the Chairman.

1.1 The Chairman brought the Meeting to order by welcoming and thanking all members to this Inaugural Meeting. He continued to brief the Meeting that the UNDP-GEF-FRIM Project held its Inaugural NSC Meeting on 26th January 2007 and Inception Workshop on 3rd April 2007. The Inception Workshop marked the launch of the Project implementation.
6.

1.2 The Chairman also reminded the Meeting that in conjunction with the fasting month of Ramadhan, TWG members were cordially invited to a break fast buffet dinner after the meeting.
7.

2.0 Adoption of Agenda

8. 2.1 The meeting adopted agenda as enclosed in **ANNEX 2.**
9.

3.0 Briefing and adoption of TWG Terms of Reference

3.1 The Chairman briefed the Meeting on the Terms of Reference (TOR) for the TWG.

3.1.1 Some changes were notes and endorsed by the TWG on the composition and structure of the TWG membership. As per the 1st NSC of the project, the Chairmanship of the TWG has been changed from the Federal Forestry Department to the Director General of FRIM. The proposal by the PSU to include MTCC as a member of the TWG was endorsed as well.

3.1.2 The Meeting endorsed the proposed Terms of Reference of the TWG without any amendments as attached in **ANNEX 3.**

4.0 Project Inception Report

The Project Inception Report was presented by the Project Manager.

4.1 The Chairman requested the PSU to send the draft Inception Report to all stakeholders for their comments before the next NSC. The report must be sent to those who participated in the Inception Workshop. This document must be endorsed by the NSC before it can be sent to UNDP-GEF.

4.2 A list of challenges that may affect the project was presented by the Project manager along with suggested steps to overcome them as attached in **ANNEX 4**.

4.2.1 The Chairman requested that the PSU keeps all project funding proposals in file for future usage. He also mentioned a possible funding opportunity through the Pulau Banding Foundations.

4.3 The newly created Joint Technical Working Group with JPSM was also requested to be included in the Inception Report as a positive step towards getting the Forestry Department more actively involved in the project.

The Inception Report presented by the PSU was endorsed by the TWG.

5.0 Annual Work Plan (Year #1)

5.1 The Annual Work Plan was presented by the Project Manager. The proposed AWP for Year 1 was endorsed by the TWG. The AWP is attached as **ANNEX 5**.

The Project manager further presented a progress report based on all the Immediate Objectives of the project. This was distributed as a separate document at the meeting.

5.2 Progress such as Anthony Gonzaga's creation of the light trap is to be published for future references.

5.4 A correction is noted under WORK PLAN OF ACTIVITIES #3; Assessing the impact of harvesting protocols that maintains forestry structure on biodiversity. It was clarified by Dr Ismail Harun that all trees in the research plot with a diameter of >30cm will be mapped and not marked for felling.

5.5 Ms Ginny Ng of UNDP Malaysia requested researchers to records all processes by the project (good & bad) and these should be shared and discussed with the International Consultants.

5.6 The CBioD Researchers requested concessionaire operators PITC to help speed up the road opening to Block #5 to assist with research work.

5.6.1 The Project would like to note the excellent working relationship that has been forged with PITC and thanked them for all assistance that have been forwarded to the project's objectives.

5.7 The meeting agreed to the movement of budget allocations within the approved budget amount provided all budget lines under every Immediate Objective is not changed.

5.8 WWF Malaysia requested the project to come up with guidelines on Biodiversity Protection and Management.

5.9 Dr Faridah Hanum of UPM requested the project researchers to take plant conservation into account. She mentioned from her experience in field a 2 ha plot in a hill forest is sufficient for data collection.

5.10 The Project Manager informed that the GEF funds will be used from next quarter onwards as the project has been utilising the ITTO funds so far.

5.11 The Project Manager highlighted 2 external consultants that have been hired by the project due to shortage of expertise within FRIM in these areas. Listed below are the names, areas of expertise and research budget presented:

- Stream (macro) invertebrates - Dr. Che Salmah Rawi (University Sains Malaysia) – External Consultant.
Consultation fees : RM 99, 600.00 (15 census)

- Birds - Dr. Rosli Ramli (University Malaya) – External Consultant. Consultation fees: RM99, 800.00 (15 census)

The meeting endorsed the Annual Work Plan and Budget presented by the PSU.

6.0 The NSC proposed Agenda

6.1 Ginny informed that the Inception Report made ready for endorsement must be sent 2 weeks ahead of the meeting to all NSC members.

6.2 The Chairman informed the meeting that the DG of FRIM will be designated to chair the meeting on the said date in the event the Chairman of the NSC is not available to do so.

6.3 The Chairman informed that all budget lines that need to be amended must be presented to the NSC for approval.

6.4 The Project manager informed that a portion of the budget allocated to the running of the PSU will be reassigned to the research component as there is a budget line allocated under the ITTO funding for a portion of the running of the project' s secretariat. The chairman informed that this moved must be supported by the TWG first then a final approval must be sought from the NSC.

6.5 The Project Manager informed the meeting that the NSC will be held on 10th December 2007. The PSU is currently working on the venue for this.

The proposed Agenda, attached as **ANNEX 6** for the NSC was endorsed by the TWG.

7.0 International Advisory Panel

The Project Manager presented a list of names proposed for the IAP panel.

7.1 The meeting proposed a number of other names for the PSU to pursue as well. Below is the proposed name list:

Ecology National Experts

1. Dr. Lim Boo Liat
2. Dato' Prof Dr. Abdul Latiff Mohamad
3. Junaidi Pyne

Economic National Experts

1. Prof. Mohd Shawahid Haji Othman
2. Mr Chang Yii Tan
3. Dato' Prof Nik Mustafa
4. Dr. Jamal Osman

Ecology International Expert

1. Dr. Tim Boyle
2. Dr. Raman Sukumaran
3. Dr. Geoffrey Davison
4. Dr. Shigeo Kobayashii

Economics International Expert

1. Dr. Karl-Goran Maler
- 7.2 The IAP is very important to this project as the final outputs are targeted to be implemented by other tropical countries.
- 7.3 The proposed invitees for the IAP panel must be confirmed before invitations are sent out.
- 7.4 The IAP's TOR must be further elevated to ensure greater contribution is given by the IAP to the project. The current proposed TOR is as attached in **ANNEX 7**.
- 7.5 Additional International Economics Experts must be sourced.
- 7.5.1 The Chairman requested the meeting to send names of well known ecological economists to the PSU for follow up.

The proposed IAP TOR and suggested names were endorsed by the TWG.

8.0 Joint Technical Working Committee with the JPSM

- 8.1 The chairman requested for the name to be changed to avoid confusion with existing TWC and TWG.
- 8.2 Mr Koh mentioned that the Chairperson for this committee will be decided by the project and JPSM together. The committee will have a joint Secretariat between JPSM and the Project.
- 8.3 A budget of USD10k to be utilised for this committee was accepted and approved by the meeting. This budget will be used from Immediate Objective #4 allocated for Training & Information Dissemination.
- 8.4 The TOR of this committee as well as membership composition is as per **ANNEX 8**.

The Joint Working Group between JPSM and the CBioD Project was endorsed by the TWG.

9.0 Other Matters

- 9.1 Prof Dr. Abdul Latiff inquired why soil study is not being included in the research component.

Dr. Christine Fletcher informed that the soil study is too expensive and can not be included in the project due to the project's limited funds. However, data on soil study can be obtained from Dr. Nimura who is operating in FRIM.

- 9.2 A summary of all topics that required the approval of the TWC which were subsequently accepted and endorsed by the TWC is attached as **ANNEX 9**.
- 9.3 As there were no other matters raised by the Meeting, the Chairman assured that the Activity Leaders will look seriously into the comments and suggestions discussed in the Meeting and firm up their study approaches in consultation with the international experts. He also urged the FRIM Project technical team to not limit their interactions with the TWG members only during meetings but to hold periodical informal discussions when needed.

Closing Remarks

10. The Chairman thanked all members for their active participation in the meeting and for making it an interesting and fruitful discussion. He expressed his gratitude for their commitment in providing invaluable technical advice to ensure the success of the Project. He also thanked the Project manager for the presentations and the PSU for preparing for the meeting.

On this note, the Chairman subsequently closes the meeting and invited all members for a Buka Puasa session.

Report prepared by:

Report approved by:

DR. Woon Weng Chuen
Project manager

Dato' Dr. Abdul Razak Mohd Ali
Chairman of the UNDP-GEF-FRIM CBioD
Project's TWG

INAGURAL MEETING OF THE TECHNICAL WORKING GROUP

**UNDP-GEF-FRIM Project MAL/04/G31 on
"Conservation of Biological Diversity through Improved Forest Planning Tools"**

**5th October 2007
Kuala Lumpur**

LIST OF PARTICIPANTS

	NAME/DESIGNATION	ADDRESS	CONTACT
1.	Dato' Dr. Abdul Razak Mohd Ali Director General	11. Forest Research Institute Malaysia (FRIM) Kepong, 52109, Selangor 12.	T: 03 6279 0007 F: 03 6280 4624 E: razak@frim.gov.my
2.	Dr. Shamsudin Ibrahim National Program Director Forest Management and Ecology	13. Forest Research Institute Malaysia (FRIM) Kepong, 52109, Selangor	T: 03 6279 7162 F: 03 6272 9852 E: shamsudin@frim.gov.my
3.	Hj. Rohati Bt Shafie General Manager	Perak ITC Sdn. Bhd. Level 8, Bangunan Perak Techno Trade Centre Bandar Meru Raya, Off Jalan Jelapang, 30020 Ipoh, Perak	T: 05 – 220 5047/48 F: 05 - 241 0224 E: ati@perakitc.com.my
4.	Shahidin B Ahmad Juffiry Environmental Officer	Perak ITC Sdn. Bhd. Level 8, Bangunan Perak Techno Trade Centre Bandar Meru Raya, Off Jalan Jelapang, 30020 Ipoh, Perak	T: 05 – 529 0292 F: 05 – 529 0293 E: shahidin@perakitc.com.my
5.	Abdul Razak B Mohd Sr. Quality System Officer	Perak ITC Sdn. Bhd. Level 8, Bangunan Perak Techno Trade Centre Bandar Meru Raya, Off Jalan Jelapang, 30020 Ipoh, Perak	T: 05 – 529 0292 F: 05 – 529 0293 E: razak@perakitc.com.my
6.	Khairul Anuar Hassan Industrial Development Manager	Perbadanan Kemajuan Negeri Perak Level 8, Bangunan Perak Techno Trade Centre Bandar Meru Raya, Off Jalan Jelapang, 30020 Ipoh, Perak	T: 05 – 529 0292 F: 05 – 529 0293 E : khahas@yahoo.com
7.	En. Masran bin Md. Salleh Director of Perak Forestry Department	Perak State Forestry Department Jalan Panglima Bukit Gantang 30000 Ipoh, Perak	T: 05 253 4321 F: 05 255 3644 E: masran@perak.gov.my
8.	Mr. Koh Hock Lye Director – Unit SilviCulture & Perlindungan Hutan	Jabatan Perhutanan Semenanjung Malaysia Jln Sultan Salahuddin 50660 Kuala Lumpur	T : 03 – 2616 4570 F : 03 – 2692 5657 E : koh@forestry.gov.my
9.	Prof. Madya Datin Dr. Faridah Hanum Lecturer	Faculty of Forestry Universiti Putra Malaysia 43400 UPM Serdang, Selangor	T: 012 348 4191 F: 03 8946 2514 E: i.faridahhanum@gmail.com

10	14. Prof. Dato' Dr. Abdul Latiff Mohamad Professor	Pusat Pengajian Sains dan Alam Sekitar Fakulti Sains dan Teknologi Universiti Kebangsaan Malaysia (UKM) Bangi 43600, Selangor	T: 03 2698 4192 F: 03 8925 3357 E: latiff@pkrisc.cc.ukm.my
11	Mr. Brian Lee Meng Siong Team Leader Tiger Conservation Programme	15. World Wide Fund for Nature (WWF) Malaysia No. 49, Jalan SS23/15 Taman SEA 47301 Petaling Jaya, Selangor	T: 03 7803 3772 F: 03 7803 5157 E: blee@wwf.org.my
12	Ms. Ivy Wong Forest Conservation Manager	16. World Wide Fund for Nature (WWF) Malaysia No. 49, Jalan SS23/15 Taman SEA 47301 Petaling Jaya, Selangor	T: 03 7803 3772 F: 03 7803 5157 E: iwong@wwf.org.my
13	Dr. Nor'Ini bt. Haron Director – Techno Economics	Forest Research Institute Malaysia (FRIM) Kepong, 52109, Selangor	T: 03 6279 7540 F: 03 6272 9852 E: norini@frim.gov.my
14	Dr. S. Christine Fletcher Research Officer Forest Management and Ecology Program	Forest Research Institute Malaysia (FRIM) Kepong, 52109, Selangor	T: 03 6279 7177 F: 03 6272 9852 E: cdffletch@frim.gov.my
15	Mr. Ismail Harun Senior Research Officer Forest Management and Ecology Program	Forest Research Institute Malaysia (FRIM) Kepong, 52109, Selangor	T: 03 6279 7173 F: 03 6272 9852 E: ismail@frim.gov.my
16	Dr. Abd. Rahman Kassim Senior Research Officer Forest Management and Ecology Program	Forest Research Institute Malaysia (FRIM) Kepong, 52109, Selangor	T: 03 6279 7179 F: 03 6272 9852 E: rahmank@frim.gov.my
17	Dr. Ismariah Ahmad Senior Research Officer	Forest Research Institute Malaysia (FRIM) Kepong, 52109, Selangor	T: 03 6279 7544 F: 03 6272 9852 E: ismariah@frim.gov.my
18	Anthony Gonzaga CBioD Project - Project Assistant	Forest Research Institute Malaysia (FRIM) Kepong, 52109, Selangor	

UNDP-GEF-FRIM PROJECT

**Conservation of Biological Diversity through
Improved Forest Planning Tool
(MAL / 04 / G31)**

Inaugural Technical Working Group Meeting

**October 05, 2007
5.00 pm to 6.30 pm
JW Marriott Hotel, Jalan Bukit Bintang
Kuala Lumpur**

AGENDA

1. Welcoming address by Chairperson by
Y.Bhg Datuk Dr. Abdul Razak Mohd Ali
DIRECTOR GENERAL
FOREST RESEARCH INSTITUTE OF MALAYSIA (FRIM)
 2. Adoption of Agenda and Terms of Reference for the TWG
 3. Inception Workshop Report
 4. - Implementation of the Annual Work plan 2007-2008
- Financial Report
by
Dr. Woon Weng Chuan
PROJECT MANAGER
 5. Upcoming National Steering Committee Meeting Agenda
 6. Other Matters
International Advisory Panel
JPSP/CBioD Joint Technical Working Committee
 7. End
- Buka Puasa Dinner at the Coffee House
- Prayers

Technical Working Group (TWG)

ANNEX 8 (i)

ANNEX 3

Establishment of a Technical Working Group (TWG)

A national level Technical Working Group (TWG) will be established to assist the National Steering Committee (NSC) in monitoring and controlling the technical implementation of the project and the activities. The TWG will act as the technical advisors to the NSC, and ensure that the project work will link into State and Federal forestry planning processes.

Responsibilities of the TWG include:

1. Reporting to NSC on the technical progress of the Project and research activities in the project area;
2. Advising NSC on the technical aspects of the implementation of the project;
3. Reviewing and reconciling all relevant technical reports and information produced by the project; and
4. Ensuring that the research remains relevant to State and National forestry planning processes.

The members of the TWG are as follows.

Forest Research Institute Malaysia (FRIM) -Chairman
Perak Integrated Timber Complex
Forestry Department HQ Peninsular Malaysia
Perak State Forestry Department
Department of Wildlife & National Parks
University Putra Malaysia
University Kebangsaan Malaysia
Orang Asli Affairs Department
Malaysian Nature Society (MNS)
Worldwide Fund for Nature (WWF) Malaysia
Malaysian Timber Certification Council (MTCC)

Challenges Ahead and Proposed Solutions

Challenges

4. Project Tools & Methods Implementation: The risk on the successful implementation of the CBioD Project is considered low as it conforms to the national goals and aspirations in managing the forests on a sustainable basis. In this regard, the CBioD Project has the support of the major stakeholders including the Forestry Department (headquarters & Perak State), Perak SEDC, PITC, MTCC as well as other relevant government agencies and NGOs. The scope and activities of the CBioD Project have been well defined, encompassing the logistic support from the host country and firm commitment from renowned experts both at local and international research institutions and universities.
5. Deprecation of the US Dollar: The depreciating value of the US dollar will have some adverse effect on the CBioD Project. The CBioD Project was budgeted in US Dollars at a conversion rate of RM3.80 to USD 1.00. The total value of funding with this conversion rate from GEF was RM8,591,801.52. The 1st draw-down received from UNDP in June 2007 amounted to USD 148,022.72 (RM503,277.25) with a conversion rate of RM3.4 to USD 1.00. The CBioD Project has lost a total of RM59, 209.09 due to the depreciating US Dollar at this draw-down. Taking an estimation of RM3.00 to USD1.00 conversion for the remaining 4 ½ years, the CBioD Project will receive the remaining USD 2, 112, 977.68 equivalent to RM 6, 338, 933.04 compared to RM 8, 029, 315.18, which was initially budgeted. With this conversion rate the CBioD Project will loose RM 1, 690, 382.14.
6. Pay increment announcement for Malaysian Civil Servants: The recently announced pay increment by the Malaysian Prime Minister will also impact the CBioD Project. FRIM will be giving a far greater contribution value to the project with the pay hike given to all researchers. Even though the project will not be affected by the pay hike directly, it will be affected by it, through the payment of field allowances and claims as these will be based on the current hiked up salaries.

Solutions


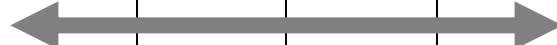

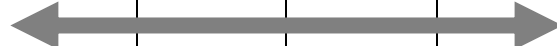
The PSU will be looking into the following steps to address the financial situation of the CBioD Project to ensure that the depreciating US Dollar will not affect the overall objective of the CBioD project. The following steps are being suggested by the PSU:

1. Seeking additional funding from co-funders -The Economic Groups will be looking into the possibility of obtaining co-funding from the National Science Foundation of United States. This will be further explored in the year 2008.
2. NGO partners: The CBioD Project Team has successfully obtained the partnership of local NGO WWF Malaysia, to obtain data from their existing study on large mammals in and around the CBioD Project research site. Further partnerships with other NGOs such Malaysian Nature Society is currently being explored.
3. Support from PSFD, PSEDC & PITC: The PSFD, PSEDC and PITC will contribute in kind to the logistics cost of researcher activities while the researchers are in the PITC area and the Temenggor Forest Reserve.
4. Funding Extension: The possibility of seeking an extension on funding from ITTO for phase 2 of the CBioD Project. This extension will be used for the transfer of technology and methodologies to other tropical countries.
5. Research Partnerships with local Universities: The PSU is also looking into establishing partnerships with research institution (SIRIM etc) and local universities (University Kebangsaan Malaysia, University Malaya etc.) to assist in certain areas of the CBioD Project.
6. Mid Term Review by International Advisory Panel: Some stakeholders have raised the concern on the practicality of the CBioD Project as well as the cost factor of implementing the end products of the CBioD Project. To address this concern the PSU will conduct a review of



the CBioD Project 18 months after the CBioD Project implementation (1st April 2007) which will be carried out by and experienced International Advisory Panel. The capacity building component of Output #4 has is also been brought forward to Year 1 from Year 4 to enable the CBioD Project Team to judge the on-the-ground practicality of the tools and methods created and the costs of implementing them.








7. Pasoh 50ha plot data: Although developing a new assessment tool for biodiversity is associated with certain risk, additional data collected from other projects exists to support the building of the models. This includes the 50-ha demography plots in Pasoh and Lambir where complete enumeration of all vegetation, are available. The model is designed to provide good estimate with reasonable amount of existing data. In the present project, the data collected is minimised, as they will be generated by various small studies scattered at different locations. With this flexibility the model developed may be of practical use in the developing tropical countries where extensive data is still lacking. The accuracy of prediction will improve with increase in the extent and reliability of data collected. Therefore flexibility and greater sensitivity of the model to data inputs remains the key factor for positive outcomes of this project.

Annual Work Plan

Result	Year 1 Q1 (Apr–Jun 07)	Year 1 Q2 (Jul-Sep 07)	Year 1 Q3 (Oct-Dec 07)	Year 1 Q4 (Jan-Mar 08)
1. Tools for ecological assessment of biodiversity in tropical forests are improved and disseminated.				
1.1 <u>Efficient statistical methods for estimating biodiversity from small samples</u>				
Activity 1.1.1 : Select an image processing software (e.g. ERDAS) and an existing spatial database program (i.e., GIS program) as the single data management system for the ecological data generated by the project, and install it at FRIM, the Forestry Department Perak, and other project partners, if necessary.				
Activity 1.1.2: Develop a standard data recording system, to avoid incompatibilities and expensive data format conversions during the analysis phase of the project.				
Activity 1.1.3: Enter existing data on biodiversity in Perak and other relevant sites into the system.				
Activity 1.1.4: Building on research undertaken in the pre-proposal phase of the project, a method will be developed that minimizes the variance in an estimate of diversity of a large area from a given number and size of smaller sample areas.				
1.2 <u>Assessing biodiversity on a landscape level and improved understanding of the impacts of logging on biodiversity in logged forests and in adjacent or enclosed unlogged forests.</u>				

Result	Year 1 Q1 (Apr–Jun 07)	Year 1 Q2 (Jul–Sep 07)	Year 1 Q3 (Oct–Dec 07)	Year 1 Q4 (Jan–Mar 08)
2. Tools for economic valuation of goods and services associated with biodiversity in tropical forests are improved and disseminated				
2.1 <u>Data and models necessary for testing the accuracy and precision of: (i) alternate data collection procedures, and (ii) alternate model specifications (e.g. approximations that require fewer and cheaper data inputs).</u>				
Activity 2.1.1 This activity will compile existing hydrological and land-use data for Peninsular Malaysia and use those data to construct a statistical hydrological model that predicts the impact of changes in land use, in particular forest cover and logging status, on the level and variability of stream flow and suspended sediments.		←————→		
Activity 2.1.2: This activity will survey Peninsular Malaysian households to generate data necessary for estimating two non-extractive non-timber values; recreation and passive use.			←————→	
<u>2.2 Manuals, including data sets and software, that explains how implement the valuation methods developed in Activities 2.1.1-2.1.4 and provide information on the degree of accuracy and precision that is sacrificed if the methods are based on less and lower quality data and simplified models.</u>				
Activity 2.2.1 Use the data from Activities 2.1.1-2.1.2 to develop models that are less data-intensive than the benchmark models. (Activity will be conducted in Years 3-4)				
Activity 2.2.2: Develop benchmark models for valuing recreational and passive uses of biologically rich tropical forests.	←————→			

Result	Year 1 Q1 (Apr–Jun 07)	Year 1 Q2 (Jul–Sep 07)	Year 1 Q3 (Oct–Dec 07)	Year 1 Q4 (Jan–Mar 08)
3. TOOLS FOR INTEGRATING ECOLOGICAL AND ECONOMIC ASPECTS OF BIODIVERSITY INTO FOREST PLANNING DECISIONS AT A LANDSCAPE LEVEL ARE IMPROVED AND DISSEMINATED				
3.1 <u>Improved models for predicting biodiversity within and between forest community types, taking into account logging status and location</u>				
Activity 3.1.1: Developing and testing statistical models that relate biodiversity and forest community type to forest characteristics.				
Activity 3.1.2: Developing and testing a model that predicts the regeneration of forests. (Activity will be conducted in Years 3).				
3.2 <u>Improved forest planning model for predicting the impacts on biodiversity, and associated economic benefits and costs, of different allocations of forests in Perak between production and protection categories</u>				
Activity 3.2.1 Construct a dynamic optimisation model, linked to the spatial database for Perak (see Output 1.1), that predicts the landscape-level allocation of forests between production and protection categories that maximises a specified biodiversity conservation objective (expressed in ecological or economic terms) subject to a set of timber management constraints (e.g., a desired annual allowable cut).				
4. ENHANCE AND DISSEMINATE KNOWLEDGE AS WELL AS BUILD CAPACITY WITH VIEW OF REPLICATING IMPROVED FOREST PLANNING PROCEDURES				
4.1 <u>Enhance and disseminate knowledge biodiversity conservation through improved planning procedures</u>				

Result	Year 1 Q1 (Apr–Jun 07)	Year 1 Q2 (Jul-Sep 07)	Year 1 Q3 (Oct-Dec 07)	Year 1 Q4 (Jan-Mar 08)
Activity 4.1.1 Hands on training for PSFD counterparts and more formal training for Malaysian decision makers, especially other State Forestry Department officers, as well as relevant regional participants and GEF OP3 project management teams.				
Activity 4.1.2 Develop a website on the project status and outputs that can be assessed by all interested parties.				
Activity 4.1.3 Develop a scientific exchange programme through research fellowships.				
Activity 4.1.4 Hold annual research seminars for GEF OP3 Chief Technical Advisors (CTAs)				
Activity 4.1.3 Develop a scientific exchange programme through research fellowships.				
Activity 4.1.4 Hold annual research seminars for GEF OP3 Chief Technical Advisors (CTAs)				
Activity 4.1.5 Organise cross project learning visits to PITC, Malaysia				
Activity 4.1.6 Organise cross project learning visits to other forestry project sites				
Activity 4.1.7 Develop user-friendly information services				
Activity 4.1.8 Ex-post evaluation. (Activity will be conducted in Years 5)				

SECOND MEETING OF THE NATIONAL STEERING COMMITTEE

UNDP-GEF-FRIM PROJECT

**Conservation of Biological Diversity through
Improved Forest Planning Tool
(MAL / 04 / G31)**

10th December 2007

Draft AGENDA

1. Welcoming Address by Chairperson
2. Adoption of proposed agenda
3. Matters arising from the Minutes of the Inaugural Meeting of the NSC, 26th January 2007
4. Briefing on updates of the UNDP-GEF Project – Annual Work Plan
5. Report on the First Meeting of the Technical Working Group,
6. Other matters
7. Date of next meeting
8. Adjourn

International Advisory Panel Terms of Reference

An International Advisory Panel will be established to provide technical advice to the project and to provide the linkage to the international forestry community. The IAP will ensure that the research will be relevant to global forestry practices and context. The IAP will review research methodology adopted and findings for each component and provide recommendations necessary to strengthen project implementation and the robustness of the research analysis.

It will also monitor the technical progress of the research and review the findings from each component. It will pay particular attention to the research team's success in publishing results in peer-reviewed international journals and other outlets that have a high degree of quality control. Peer review is the most important means of ensuring the quality of the research. The IAP shall meet at least three times within the lifetime of the project cycle, ideally prior to NSC meetings. The first IAP meeting will be schedule in the final quarter of the year 2008.

The following are Terms of Reference for the IAP:

1. Assist the project staff and consultants in the implementation of the Project's activities and ensure that related activities remain directed towards the project's goal and objectives;
2. Promote effective collaboration and support from relevant international agencies and individuals to ensure smooth implementation of the project activities at the technical level;
3. Provide technical input and advice to the project staff and ensure that outputs are relevant in solving practical problems and contribute to the project implementation; and
4. Ensure that knowledge management and dissemination activities reach a global audience, including advocating project outputs and outcomes to appropriate forest managers and policy decision makers.

JPSM / CBioD Joint Technical Working Committee

Brief Background: A special task force has been set up between the JPSM and CBioD Project to address the issues that were raised during the inception workshop. This special task force named JPSM/CBioD Joint Technical Working Group was created from a recently held meeting with between the two agencies.

On the 30th August 2007 the CBioD Project was requested to present the objectives and working plans of the project to a congregation of directors and representatives of all state forestry offices. This meeting which was held at the Forestry HQ received very good response from all attendees and the Forestry Department HQ.

The Joint Technical Working Committee was set up as the result of this meeting to allow a direct consultation and partnership between the JPSM and the CBioD Project on tools and methods created by the project team.

Objectives:

1. To meet regularly to discuss all methodologies used in the RBA, Harvesting protocols and study of VJR. This will be to ensure the end result will be practical for Forestry Officers to implement on the ground.
2. To work in consultation with the Project's International Consultant to ensure tools and methods created has elements that can be reproduced anywhere in the world.
3. To assist the project team in the areas of logistics as and when required.

Composition of the technical working committee members:

Director General of the Forestry Department of Peninsular Malaysia - Chairperson
 Director of Silviculture Unit, Forestry Department of Peninsular Malaysia
 Director of Economics, Forestry Department of Peninsular Malaysia
 Representatives of All State Forestry Department of Peninsular Malaysia
 CBioD Project – National Project Director
 CBioD Project – Project Manager
 CBioD Project – Communications Officer
 FRIM Researchers (Research Team Leaders of CBioD Project)
 CBioD Project/ US Collaborators
 CBioD Local Consultants

Secretariat: Forestry Department of Peninsular Malaysia
 CBioD Project Support Unit

Funded by: UNDP / GEF & ITTO

Estimated expenditure:

Training & Information Dissemination Component = USD10, 000.00/year

Frequency: 2 meeting in a year for the remaining number of years of the project.

List of Endorsement Required from TWG and Status of Endorsement

1) Inception Report

- Endorsed by the TWG

2) Hiring of External Consultants

- Stream (macro) invertebrates - Dr. Che Salmah Rawi (University Sains Malaysia) – External Consultant.
Consultation fees : RM 99, 600.00 (15 census)
- Birds - Dr. Rosli Ramli (University Malaya) – External Consultant. Consultation fees: RM99, 800.00 (15 census)

- Endorsed by the TWG

3) VJR Studies – increase 3 sites to 6 sites

- Endorsed by the TWG

4) Taxa selection list

- Endorsed by the TWG

5) JPSM/CBioD – Joint TWC

- Endorsed by the TWG

6) MTCC as a member of the TWG

- Endorsed by the TWG

EVENT PICTURES

Technical Working Groups

UNDP-GEF-ITTO-FRIM TWG meetings held in JW Marriott Kuala Lumpur.



TWG Meeting in JW Marriott chaired by Director General of FRIM



Some of the participants actively taking part in the discussions of the meeting



The Project Manager presenting the project's Progress Report

Amendment to the Project Document UNDP/GEF Funded Project (MAL / 04 / G31)

Page numbering in Project Document	Original Text	Amended text
Throughout the Project Document	<i>Chief Technical Advisor</i>	<i>Project Manager</i>
Page 11 of 54	Organisational Structure	Refer to Figure 1 of Inception Report Page 8 (<u>Organisational Structure of the CBioD Project Management</u>)
Page 17 of 54	<p>International Advisory Panel</p> <p><i>The IAP will work with the Technical Working Group (TWG) to review the methodology during the project inception period. It will also monitor the technical progress of the research and review the findings from each component. It will pay particular attention to the research team's success in publishing results in peer-reviewed international journals and other outlets that have a high degree of quality control. Peer review is the most important means of ensuring the quality of the research. The IAP shall meet at least three times within the lifetime of the project cycle, ideally prior to NSC meetings. This is to enable their recommendations to be considered by the NSC. These meetings shall occur in years one, three and five of the project timeline.</i></p>	<p>International Advisory Panel</p> <p><i>It will also monitor the technical progress of the research and review the findings from each component. It will pay particular attention to the research team's success in publishing results in peer-reviewed international journals and other outlets that have a high degree of quality control. Peer review is the most important means of ensuring the quality of the research. The IAP shall meet at least three times within the lifetime of the project cycle, ideally prior to NSC meetings. The first IAP meeting will be schedule in the final quarter of the year 2008.</i></p>
Page 46 of 54	<p>Establishment of the Technical Working Group (TWG)</p> <p><i>Federal Forestry Department as the Chairman of the TWG</i></p> <p><i>Aborigines Affairs Department</i></p> <p><i>Worldwide Fund for Nature (WWF)</i></p>	<p>Establishment of the Technical Working Group (TWG)</p> <p><i>Director General of FRIM as the Chairman of the TWG (as per the 1st NSC meeting of the project).</i></p> <p><i>Orang Asli Affairs Department</i></p> <p><i>Worldwide Fund for Nature (WWF) Malaysia</i></p>

ANNEX 1	Project Brief	
Identifiers:		
Executing Agency	Ministry of Primary Industries	Ministry of Natural Resources & Environment
Project Objectives, Outputs, Activities and Expected Results:		
Page 22 of 123	Output 1.2 – Improved methods for assessing biodiversity within and between forests types Activity: 1.2.1 Develop statistical procedures that can discriminate forestry community types from satellite data. Activity 1.2.2 Develop Computerised system that uses pattern-recognition software and data from optical and texture scans of leaves to estimate tree diversity from leaf collection.	Dropped
Page 34 of 123	Activity 2.1.1 Developing the necessary methods of quantifying the amounts of NFTP collected by Orang Asli households.	Activity has been dramatically reduced to desk research based on pre-existing data.
Page 37 of 123	Activity 2.1.3 Develop probability-based models for valuing genetic resources in Perak's forests as a source of 'leads' for new pharmaceutical products	Dropped
Page 50 of 123	Table 2 Ministry of Primary Industries Malaysia UNDP Malaysia Harvard University, USA	Ministry Natural Resources & the Environment UNDP Malaysia University of Miami, USA Duke University, USA University of California, San Diego, USA Harvard University, USA
Page 53 of 123	Members of the National Steering Committee (NSC) will be as follows: Director-General of FRIM, Ministry of Primary Industries Malaysia, Ministry of Science, Technology and Environment , Economic Planning Unit, Forestry Department HQ Peninsular Malaysia, Forestry Department of State of Perak, Perak State Economic and Development Corporation, representative of the local communities and UNDP Malaysia.	Members of the National Steering Committee (NSC) will be as follows: Director-General of FRIM, Ministry of Primary Industries Malaysia , Ministry of Natural Resources and the Environment , Economic Planning Unit, Forestry Department HQ Peninsular Malaysia, Forestry Department of State of Perak, Perak State Economic and Development Corporation, representative of the local communities and UNDP Malaysia.

Page 65 of 123	<p>Terms of Reference for the National Steering Committee (NSC)</p> <p>Chairperson – Secretary General of Ministry of Primary industries of Malaysia</p>	<p>Chairperson – Secretary General of Ministry of Natural Resources and the Environment.</p>
Page 67 of 123	<p>Terms of Reference for the Technical Working Group (TWG)</p> <p>Chairperson – Federal Forestry Department</p>	<p>Chairperson – Director General of FRIM</p> <p><i>Additional member: MTCC</i></p>