

2019

Project Implementation Review (PIR)

**MAL: Strengthening PAs**

[Basic Data](#_Toc1)

[Overall Ratings](#_Toc2)

[Development Progress](#_Toc3)

[Implementation Progress](#_Toc4)

[Critical Risk Management](#_Toc5)

[Adjustments](#_Toc6)

[Ratings and Overall Assessments](#_Toc7)

[Gender](#_Toc8)

[Social and Environmental Standards](#_Toc9)

[Communicating Impact](#_Toc10)

[Partnerships](#_Toc11)

[Annex - Ratings Definitions](#_Toc12)

# Basic Data

|  |  |
| --- | --- |
| **Project Information** | |
| UNDP PIMS ID | 3967 |
| GEF ID | 3906 |
| Title | Enhancing the effectiveness and financial sustainability of Protected Areas in Malaysia |
| Country(ies) | Malaysia, Malaysia |
| UNDP-GEF Technical Team | Ecosystems and Biodiversity |
| Project Implementing Partner | Government |
| Joint Agencies | *(not set or not applicable)* |
| Project Type | Full Size |

|  |
| --- |
| **Project Description** |
| Malaysia is one of 17 mega-diverse countries in the world, with a wealth of biological diversity in its terrestrial and marine zones. The flora of Malaysia is exceedingly rich and is conservatively estimated to contain about 12,500 species of flowering plants, approximately 306 species of mammals, more than 742 species of birds, and 547species of reptiles, including a large number of endemics. In order to safeguard the globally significant biodiversity, Malaysia has established networks of protected areas (PAs). In Peninsular Malaysia alone, there are at least four PA networks covering a total area of 2.98 million ha, managed by different agencies including the Federal Department of Wildlife and National Parks, Johor National Parks Corporation, Perak State Parks Corporation and state forestry departments. PAs under different networks are governed by different laws with varying degrees of protection status, and gazetting and de-gazetting procedures. What is common between the different PA networks is that these PAs are largely characterised as sub-optimally managed and severely underfinanced. There are four main reasons for this: (i) non-existent uniform system of national PAs under a common umbrella for achievement of biodiversity conservation goals; (ii) insufficient understanding of the economic value of the PAs and essential contribution they make to national development; (iii) insufficient incentives on the part of the state government to invest in PA management due to the perception that they are foregoing revenue generation opportunities through other forms of land use; and (iv) sub-optimal capacity at the PA management agencies for site management and PA system management. In order to remove these obstacles for optimal PA system establishment and management, the project aims to establish a uniform national wildlife PA system in Peninsular Malaysia and to establish a performance-based financing structure to support effective PA system management. Through a combination of interventions at Federal, PA network and site levels, the project will engender the introduction of system-level thinking, planning and management, supported by innovative, cost-effective and sustainable financing mechanisms. At the federal level, the project focuses on creation of a uniform wildlife PA system with standard criteria for establishment and effective management, development of the national PA system information and knowledge management system, and establishment of performance- based financing mechanisms. At the sub PA network level, the project supports to increase management effectiveness of the PA systems and decreasing of financing gaps, ensuring that PA system management and business planning processes are linked to performance-based financing. At the site level, the project supports functional, technical and management capacity development in order for the individual PAs to meet the nationally set standards and access the financial incentive mechanisms. The interventions are expected to translate into improved management effectiveness in addressing growing threats to biodiversity from, inter alia, poaching and land-use change, firstly within 886,000ha of the terrestrial wildlife PAs. It is in turn expected to have an indirect impact on a larger 2.98 million ha of PA system including the protection forests within the Permanent Reserved Forests (PRFs), as well as the PA networks in the State of Sabah and Sarawak, through future application of the standards and financing mechanisms for those PAs. |

|  |  |
| --- | --- |
| **Project Contacts** | |
| UNDP-GEF Regional Technical Adviser | Mr. Gabriel Jaramillo (gabriel.jaramillo@undp.org) |
| Programme Associate | Ms. Pakamon Pinprayoon (pakamon.pinprayoon@undp.org) |
| Project Manager | Mr. Muthusamy Suppiah (muthusamy.suppiah@undp.org) |
| CO Focal Point | Ms. Pek Chuan Gan (pek.chuan.gan@undp.org) |
| GEF Operational Focal Point | Mr. Nagulendran Kangayatkarasu (nagu@mestecc.gov.my) |
| Project Implementing Partner | Mr. Mohd Taufik Abdul Rahman (taufik@wildlife.gov.my) |
| Other Partners | *(not set or not applicable)* |

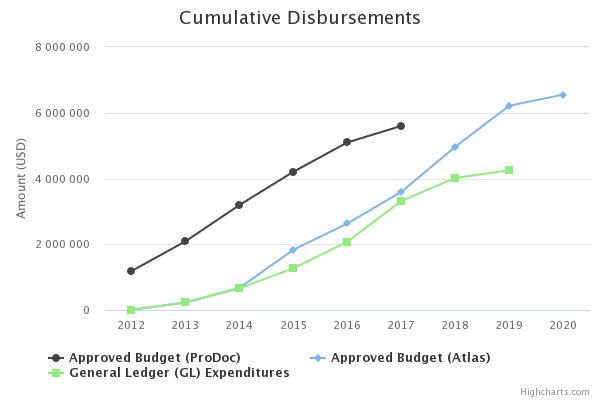
# Overall Ratings

|  |  |
| --- | --- |
| Overall DO Rating | Moderately Satisfactory |
| Overall IP Rating | Moderately Satisfactory |
| Overall Risk Rating | Moderate |

# Development Progress

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Description** | | | | | | |
| **Objective**  **To establish a performance-based financing structure to support effective Protected Area (PA) system management in Peninsular Malaysia** | | | | | | |
| **Description of Indicator** | **Baseline Level** | **Midterm target level** | **End of project target level** | **Level at 30 June 2018** | **Cumulative progress since project start** |
| Increase in the Federal Government investment in PA management | USD 7.25 million in 2010 for the DWNP, JNPC and PSPC        USD 6 million in 2011-2012 development budget under 10th Malaysia Plan | *(not set or not applicable)* | 25% increase of operational budget in real terms for the 3 target PA networks based on aggregate funding from Federal and State Government source    25% increase in development budget under the 5-year Malaysia Plan | The annual budget allocation in 2017 for the three PA authorities (Department of Wildlife and National Parks (DWNP); Johor National Parks Corporation (JNPC); and Perak State Parks (PSPC) was reduced compared to 2016 as a result of overall budget cut exercised by the Federal and State Governments.  Operating budget:  DWNP:  2016: MYR 23, 198,626  2017: MYR 22,624,693  JNPC:  2016: = MYR 2,089,550  2017: = MYR 1,991,911  PSPC:  2016 = MYR 2.0 million  2017 = MYR 2,512,500    Development budget:  DWNP:  2016= MYR 16,793, 710  2017= MYR 10,417, 492  JNPC:  2016= MYR 149,000  2017= No development budget was allocated  PSPC:  2016= MYR 139,200  2017= MYR 200,000    DWNP also provided allocation from Trust Account.  2016 = MYR 600,000.00  2017 = MYR 900,000.00 | The annual budget allocation in 2018 for the three PA authorities (Department of Wildlife and National Parks (DWNP); Johor National Parks Corporation (JNPC); and Perak State Parks (PSPC) remained the same, some registering marginal increase, which was mainly depended on Government’s overall financial positions. There were some additional financial contributions from other sources, reflected as follows:  DWNP:  Operating budget:  2016: MYR 23,198,626  2017: MYR 22,624,693  2018: MYR 23,310,597  Development budget:  2016: MYR 16,793,710  2017: MYR 10,417,492  2018: MYR 9,496,718  Other sources (2018):  Trust Account: MYR 1.1 million  MBEON: MYR 688,016  Donors: MYR 242,000  Permits/Sales/Fees: MYR 681,244  Concession: MYR 197,206.00    JNPC:  Operating:  2016: = MYR 7,960,000  2017: = MYR 8,600,000  2018: = MYR 9,120,000  Development:  2016: MYR 149,000  2017: No development budget was allocated  2018: MYR 1,950,000  Others:  Research grant: MYR 713,576.00  Donors: MYR 636,986.00  MBEON: MYR 40,000.00  Permits/Fees: MYR 953,328.00  Park activities: MYR 903,985.00    PSPC:  Operating:  2016 = MYR 2.0 million  2017 = MYR 2,512,500  2018: = MYR 3,502,545  Development:  2016= MYR 139,200  2017= MYR 200,000  2018: = MYR 2,832,000  Others:  Permit/Fee: MYR 588.984.00 |
| Financial sustainability scorecard for the 3 PA networks      • DWNP  • JNPC  • PSPC | 49.8%  44.4%  40% | *(not set or not applicable)* | 60%  55%  50% | The financial sustainability scorecard for the 3 protected area networks are:    Department of Wildlife and National Parks  Year 2012 = 40.6%  Year 2014 = 49%  Year 2016 = 48.88% (0.92% decrease against baseline of 49.8% primarily due to cuts from federal government budget allocation.)    Johor National Parks Corporation  Year 2012 = 40.6%  Year 2014 = 39.5%  Year 2016 = 37.2% (16.23% decrease against baseline of 44.4% due to no external development funding such as withdrawal of fund from East Coast Economic Region due to land issues with the local communities.)    Perak State Park Corporation  Year 2012 = 29.2%  Year 2014 = 43.1%  Year 2016 = 46.6% (6.6% increases against baseline of 40.0% due to (i) the approval at year-end of 2016 for collecting conservation levy on the park entry permit, which was then implemented on March 2017, and (ii) the approval for the concession of canopy walk at year-end of 2016) (note: assessment done in 2017 for year 2016) | The three target protected area networks under the management of the Department of Wildlife and National Parks (DWNP), Johor National Park Corporation (JNPC) and Perak State Park Corporation (PSPC) received MYR 27,288,176 (~USD6,497,185) with exchange rate of USD 1.00: MYR 4.20) operational budget in 2016.  Compared to base year, the overall operating budget allocation registered a total increase about 17% for all three agencies in 2016; though between agencies the annual allocation may vary depending on the Federal and State Governments’ financial circumstances.    Operating budget for protected area networks under DWNP, JNPC and PSPC in 2012 – 2016 in Malaysian Ringgit (MYR) is as follows:    Department of Wildlife and National Parks  Year 2012 = MYR 5,987,170  Year 2013 = MYR 19,044,232  Year 2014 = MYR 24,603,723  Year 2015 = MYR 18,324,074  Year 2016 = MYR 23,198,626    Johor National Parks Corporation  Year 2012 = MYR 1,778,822  Year 2013 = MYR 1.965,622  Year 2014 = MYR 2,876,179  Year 2015= MYR 2,172,827  Year 2016 = MYR 2,089,550    Perak State Park Corporation  Year 2012 = MYR1.4 million  Year 2013 = MYR1.65 million  Year 2014 = MYR 1.7 million  Year 2015 = MYR1.6 million  Year 2016 = MYR2.0 million    Development budget in 2012 – 2016 in Malaysian Ringgit (MYR):  Department of Wildlife and National Parks  Year 2012 = MYR 18,730,939 (adjusted figure)  Year 2013 = MYR 45,026,485  Year 2014 = MYR 23,390,392  Year 2015 = MYR 27,459,500  Year 2016 = MYR 16,793,710    DWNP also provided financial data on expenditure on Protected Areas from its Trust Account.  Year 2012 = MYR 252,485  Year 2013 = MYR 453,178  Year 2014 = MYR 1,170,243  Year 2015 = MYR 951,328  Year 2016 = MYR 698,011    Johor National Parks Corporation  Year 2012 = MYR 276,827  Year 2013 = MYR 370,395  Year 2014 = MYR 1,128,133  Year 2015 = MYR 476,989  Year 2016 = MYR 149,700    Perak State Park Corporation  Year 2012 = Data not available  Year 2013 = Data not available  Year 2014 = Data not available  (Note: data not available for 2012 – 2014 because allocations were given in one lump sum without itemizing the fund into development fund and/or other budget lines)  Year 2015 = MYR 16.531 million  Year 2016 = MYR 139,200    The annual budget allocation in 2018 for the three PA authorities (Department of Wildlife and National Parks (DWNP); Johor National Parks Corporation (JNPC); and Perak State Parks (PSPC) remained the same, some registering marginal increase, which was mainly depended on Government’s overall financial positions. There were some additional financial contributions from other sources, reflected as follows:  DWNP:  Operating budget:  2016: MYR 23, 198,626  2017: MYR 22,624,693  2018: MYR 23,310,597  Development budget:  2016= MYR 16,793, 710  2017= MYR 10,417, 492  2018:= MYR 9,496,718  Other sources (2018):  Trust Account: MYR 1.1 million  MBEON: MYR 688,016  Donors: MYR 242,000  Permits/Sales/Fees: MYR 681,244  Concession: MYR 197,206.00    JNPC:  Operating:  2016: = MYR 7,960,000  2017: = MYR 8,600,000  2018: = MYR 9,120,000  Development:  2016= MYR 149,000  2017= No development budget was allocated  2018: = MYR 1,950,000  Others:  Research grant: MYR 713,576.00  Donors: MYR 636,986.00  MBEON: MYR 40,000.00  Permits/Fees: MYR 953,328.00  Park activities: MYR 903,985.00    PSPC:  Operating:  2016 = MYR 2.0 million  2017 = MYR 2,512,500  2018: = MYR 3,502,545  Development:  2016= MYR 139,200  2017= MYR 200,000  2018: = MYR 2,832,000  Others:  Permit/Fee: MYR 588.984.00      The financial sustainability scorecard for the 3 protected area networks are:    Department of Wildlife and National Parks  Year 2012 = 40.6%  Year 2014 = 49%  Year 2016 = 48.88%  Year 2018 = 52.4% (0.92% decrease against baseline of 49.8% due primarily to cuts from federal government budget allocation.)    Johor National Parks Corporation  Year 2012 = 40.6%  Year 2014 = 39.5%  Year 2016 = 37.2%  Year 2018 = 33.6% (16.23% decrease against baseline of 44.4% due to no external development funding such as withdrawal of fund from East Coast Economic Region due to land issues with the local community.)    Perak State Park Corporation  Year 2012 = 29.2%  Year 2014 = 43.1%  Year 2016 = 46.6%  Year 2018 = 50.7%(6.6% increases against baseline of 40.0% due to i) the approval at year-end of 2016 for collecting conservation levy on the park entry permit, which was then implemented on March 2017, and ii) the approval for the concession of canopy walk at year-end of 2016) (note: assessment done in 2017 for year 2016)  The financial sustainability scorecard for the 3 protected area networks are:  Department of Wildlife and National Parks  Year 2012 = 40.6%  Year 2014 = 49%  Year 2016 = 48.88%  Year 2018 = 52.4%      Johor National Parks Corporation  Year 2012 = 40.6%  Year 2014 = 39.5%  Year 2016 = 37.2%  Year 2018 = 33.6%    Perak State Park Corporation  Year 2012 = 29.2%  Year 2014 = 43.1%  Year 2016 = 46.6%  Year 2018 = 50.7% |
| **The progress of the objective can be described as:** | | **On track** | | | | |
| **Outcome 1**  **Systemic & Institutional Capacities to manage and financially support a national PA System** | | | | | | |
| **Description of Indicator** | **Baseline Level** | **Midterm target level** | **End of project target level** | **Level at 30 June 2018** | **Cumulative progress since project start** |
| Establishment of the policy framework for the National PA system | No framework exists, resulting in a fragmented PA system with a large number of PAs gazetted under different acts based on varied management standards | *(not set or not applicable)* | A single framework with clear categorisation of all the PAs in the PA Master List in Peninsular Malaysia, with uniform, accepted management standards and reporting requirements | The development of a National Framework for Protected Areas (NFPA) is in line with the implementation of Target 6 (quantity of PAs) and Target 7 (quality of PAs) of the National Policy on Biological Diversity (NPBD) 2016-2025 that was officially launched by the Malaysian government on 22 February 2016.    After many rounds of consultations with key stakeholders, the task was eventually completed at the end of 2017 and the final draft of the National Framework was submitted to the Ministry of Natural Resources and Environment. The draft was forwarded to Sabah and Sarawak for their views and Sarawak particularly have some concerns on the recommendations and governing structure to oversee the implementation of the Framework. Sarawak reserved its’ position on forming a National Committee to oversee the implementation as the governance of PAs comes under the State’s own legislation.    On the 17th May 2018, NRE called for a meeting to discuss about the follow-up actions at NRE to engage both Sabah and Sarawak on the next steps. To address the concerns of Sabah and Sarawak suggestions were made to make some modification to the Framework, water-down the emphasis on a National approach; and instead stepping-up the need to harmonize the management principles and approaches for the PAs in the country. The emphasis of the National Framework or could be modified as Common or Harmonized Framework to: i) adoption of standardized categorization of PAs based on IUCN categories; ii) harmonizing management principles and approaches; and iii) create a common scheme with standardized capacity building programme for PA personnel. | The National Framework for Protected Areas (NFPA) was adopted by Ministry if Water, Lands and Natural Resources (KATS) in February 2019. The development of a National Framework for Protected Areas (NFPA) is in line with the implementation of Target 6 (quantity of PAs) and Target 7 (quality of PAs) of the National Policy on Biological Diversity (NPBD) 2016-2025 that was officially launched by the Malaysian government on 22 February 2016.    Currently, with the support of Project review and updating task of NFPA is undertaken mainly to harmonize NFPA with PA Master List, which was also adopted by KATS in February 2019. The updated version of NFPA is expected to be completed by December 2019, and the harmonization is in-terms of: i) reference to PA coverage in the country; ii) usage of standardized PA categories.  KATS also has formed a working group to oversee the implementation of NFPA between three regions: Peninsula Malaysia; Sabah and Sarawak. |
| Integrated PA information and performance monitoring system | Neither performance criteria nor monitoring systems specific to PA management exist | *(not set or not applicable)* | A national, integrated PA information system established with the primary function of PA performance monitoring, and decision support for relevant government bodies | The PA Master List, as well as the GIS mapping of the PAs in the country has been completed. The Final report was submitted to the Ministry and shared with Sabah and Sarawak and other relevant agencies for their final comments before publishing the report.  The Master List includes 527 protected areas for Malaysia that includes marine parks, fisheries prohibited areas, areas reserved for a public purpose under the land laws, protection forests under the forestry laws, national parks, and state parks under the parks laws as well as sanctuaries or reserves under the wildlife laws. These encompass land areas (4,346,249 ha) and sea areas (1,510,037 ha). Based on this, the terrestrial and marine protected areas coverage for Malaysia is 13.2% and 3.4 % respectively.  Without a national Master List of Protected Areas, there was much confusion in the past in cases where a loose definition of protected areas has sometimes been applied, resulting in the inclusion of areas of inadequate or inappropriate legislative basis, proposed reserves pending gazettement or areas where gazettement was assumed rather than confirmed. This Master List eliminates such doubts by ensuring that only areas that meet the criteria agreed upon by the relevant management authorities (including having a specific Gazette reference number ) are listed. | The PA Master List was endorsed by Government in February 2019 and it will be published in July 2019. The publication of the List marks a significant milestone in the official compilation of Malaysia’s terrestrial and marine protected areas.  The Master List includes 527 protected areas for Malaysia that includes marine parks, fisheries prohibited areas, areas reserved for a public purpose under the land laws, protection forests under the forestry laws, national parks, and state parks under the parks laws as well as sanctuaries or reserves under the wildlife laws. These encompass land areas (4,346,249 ha) and sea areas (1,510,037 ha). Based on this, the terrestrial and marine protected areas coverage for Malaysia is 13.2% and 3.3 % respectively.  This List provides useful inputs:  i. To enhance governance and management of protected areas in the country.    ii. Eliminate inconsistencies and inaccuracies in the official reporting  of PAs, by harmonising the definition and categorisation  of PAs amongst the many different agencies involved, thus  streamlining relevant policies and programmes.    iii. Contains useful land use data crucial for better  land use planning, such as land categorisation as well as its  legal status.    In October 2018, Government announced RM 60 mil allocation to help the States to strengthen the management of PAs and forest reserves. The PA master list was used as the official reference to determine the PAs coverage for each State. |
| Financial incentive system, based primarily on performance indices, established and operational. | No performance-linked financial incentive system exists. | *(not set or not applicable)* | System established supporting a minimum of 866,000 ha of the PA estate | The financial incentives system based on performance based indices yet to be established. During the Mid-term Review , which was undertaken in 2017, the review team made a recommendation to revisit the fundamental issues pertaining to adoption of “performance based financing”.  Amongst the issues:  1.The rationale for adopting performance based for financing conservation.  2.Its relevance, ownership and funding sources.  3.At which level performance based approach can be implemented, and how it relates to the existing framework of outcome based financing.  4.Mechanisms to measure, verify and certify performance.  5.How to build a system that ensure effective implementation, evaluation and reporting.  6.How standards for performance based financing can be institutionalized.  The PMU has taken into account these consideration and exploring the possibilities and adoption of some performance based approach through appropriate platforms. The current budgetary system between federal and state PAs will not provide the platform for establishing standards for performance-based approach at national level. However, study is being carried out to strengthen the National Conservation Trust (NCTF), whereby performance measurement will be stressed-upon for financial allocation to the grantees, and that an independently managed NCTF will able to remove the barriers for funding allocation between Federal and State PA agencies. | The financial incentives system based on performance-based indices yet to be established. Recommendations made during the Mid-term Review in 2017, was raised with relevant Ministries to introduce performance measurement criteria through additional financial mechanisms created by Government: NCTF and EFT.  Currently NCTF is under review that with Project support have developed Strategic Plan, and Resource Mobilizations Strategy, which includes prepositions to adopt criteria/indicators for performance measurement.  EFT which is a pilot scheme launched by Government in 2018. Project provides inputs in the preparations of a Policy Paper recommending to Government to institutionalize EFT as an annual programme. Recommendations include to define performance- based criteria/indicators for distribution of EFT funds.  The project will coordinate with another initiative called “Biodiversity Finance Initiative (BIOFIN)” to develop a set of Project Proposals Review and Assessment Criteria and Indices, that can be used by the relevant agencies; DWNP; NRE; EPU and MoF at Federal level; State UPENs, JNPC and PSPC at state levels. A series of training is being planned for equipping the agencies to utilize the Performance Indices for 12th Malaysia Plan. |
| National PA System mainstreamed in the budgeting process for 5-year Malaysia Plan        Increased number of "bankable" projects in support of PA management approved for funding through operational grants. | No budget line for PA management in Malaysia Plan. Currently the budgets for PA infrastructure development is determined based on individual requests from State governments with no systematic planning looking at conservation priorities of the national PA network as a whole. | *(not set or not applicable)* | Dedicated PA budget line in Malaysia Plan    Budgeting process of PA management/development is conducted based on increased levels of conservation priorities within the Federal and State funding system, using a range of tools including economic valuation results | The TEEB Study was launched in January 2018. The Consultant team made a s scoping visit to all the three sites (Taman Negara; Endau Rompin and Royal Belum) had consultations with various groups of stakeholders. The visits were helpful in terms of identifying the key ecosystem services provided by the three protected areas.  Amongst the services focused on include: biodiversity; non -timber forests products, fish, drinking water, water to hydro-power; flood mitigation, sediment regulation; carbon storage; recreation; tourism and tradition/culture.  Based on these initial assessments, a socio-economic survey will be carried out involving local communities; tour and business operators; relevant government agencies and general public. In collaboration with BioFin initiative, the findings from TEEB study is expected to provide stronger argument for increased investment in biodiversity conservation and protection.  On track / Off track  (Progress should be rated based on actual progress against the end of project target(s) using the indicators.) | Though there is no dedicated budget line specific for PAs in Malaysia Plan, the annual allocation is made based on programmes and projects carried -out by key agencies responsible for biodiversity conservation. The current budget allocation is estimated about 1% (MYR 2 billion) of the annual budget.  To support the need for increased investment, and to rationalize value and contributions of PAs to the economy and well-being of society, the Project launched study on "The Economics of Ecosystem and Biodiversity" (TEEB) in 4th quarter of 2017. the study focuses on three sites: Taman Negara; Endau Rompin and Royal Belum. The findings will be shared with key agencies both at federal and state levels in anticipation that it will help to convince the stakeholders to increase investments into management and protection of key PAs in the country. |
| **The progress of the objective can be described as:** | | **On track** | | | | |
| **Outcome 2**  **Technical and institutional capacities to manage sub-national PA networks, including capacities for effective financial management** | | | | | | |
| **Description of Indicator** | **Baseline Level** | **Midterm target level** | **End of project target level** | **Level at 30 June 2018** | **Cumulative progress since project start** |
| Financing gap decreased by at least 25 % in the target PA sub-networks (PSPC, DWNP) | Current financing gaps based on regional benchmark of 196 staff per 1,000 km ² and US$ 1,000 per km ² are:  • DWNP – MYR8.69 million (US$2.90 million)  • PSPC – MYR2.12 million (US$0.71 million) | *(not set or not applicable)* | An average 25% decrease in the financing gaps of the 3 PA sub- network agencies, in real terms through operationalisation of financial management and revenue diversification models across the sites. | Both DWNP and JNPC experienced budget reduction for operating expenses in 2017 compared to 2016. However, PSPC registered marginal increase during the same period. The PA agencies prepare a budget estimate for each year, but the final quantum is determined based on the Federal and State agencies overall financial strength. Therefore, allocation may vary and fluctuate annually. Insufficient data to describe the details of financial gaps faced by the PA authorities is another constraining factor to determine on the actual financial needs for effective management of PAs.  The Business Plans developed for the three sites (Taman Negara; Royal Belum and Endau Rompin) have provided some insights on the financial needs faced by DWNP, JNPC and PSPC. The respective agencies have adopted the Plans, however, modality is yet to be determined to incorporate the findings inti their financial planning.  The allocation for annual development expenditures are determined on the specific needs of PA agencies to build or improve infrastructure and related facilities. DWNP receives annual allocation direct from the Federal Government. But for JNPC and PSPC based on specific needs and mainly provided by the Regional Economic Development Authorities: ECER and NCER, respectively.  For DWNP development budget for 2017 is RM 10.42 million.  For JNPC no development budget was allocated.  PSPC received about RM 200,000 in 2017. The amount was provided by State Government of Perak RM 140,000 for improving transportation in Royal Belum and RM 60,000 by Perak Tourism for eco-tourism related activities. Revenues generated from entry permits and conservation fees were also used to supplement the fixed allocation by State government which also covered the operation costs. | The annual budget allocation, is not based on the actual financial gaps or management needs of PA authorities. This is due to the insufficient data to describe the details of the financial gaps. However, the business plans developed for the three focal sites: Taman Negara; Royal Belum and Endau -Rompin have provided some insights on the financial needs faced by DWNP, JNPC and PSPC.  The agencies plan their annual work plan based on previous years progress and programmes; and the final allocation is determined by Government depending on the overall financial position of the country.  All three implementing Partners (DWNP; JNPC; PSPC) registered marginal increase in their operational budget allocation in 2018.  Development budget usually meant to finance infrastructure development and other specific needs. In 2018, DWNP allocation remained the same as in previous years, but for JNPC and PSPC there were some additional investment for infrastructure activities.  For DWNP development budget for 2018 is RM 9.5 million. This allocation supplemented by donor funding RM 0.24 million; MBEON programme: RM 0.69 million; Biodiversity Trust Acc: RM 1.0 million. For Taman Negara: permit/fee and activities collection amounted to RM 0.67 million; and concession payment RM 0.2 million; however this amount is shared between State and Federal coffers; and not necessarily ear-marked for re-investment into Taman Negara.  For JNPC development budget in 2018 RM 1.95 million. In addition research grant RM 0.71 million; donors: RM 0.64 million; permits/fees and activities charges: RM 1.86 million.  PSPC received about RM 2.83 million in 2018 for development budget. From permit/fee collection: RM 0.59 million.  Compared to DWNP; JNPC and PSPC retains within their respective Trust accounts revenue collected from entrance fee and certain type of activities and services charges. |
| Increase in capacity development indicator score (%) for three target sub-national PA networks    • DWNP  • JNPC  • PSPC | Average – 54%  61%  61%  45% | *(not set or not applicable)* | An average >10% increase of the capacity development indicator score for each target sub-national PA networks.    70%  70%  55% | Capacity Development Scorecard:  Department of Wildlife and National Parks (DWNP)  2012 = 62%  2014= 63.5%  2016 = 65.62%    Johor National Park Corporation (JNPC)  2012 = 58.3%  2014 = 63.5%  2016 = 64.6%    Perak State Park Corporation (PSPC)  2012 = 58.3%  2014 = 55.2%  2016 = 65.6%    The Project continues to provide various training facilities to meet the general and specific needs of PA agencies including Sabah and Sarawak.  Specialized 6 weeks training course on “Effective Protected Area Management (EPAM)” involving 22 participants from PA agencies; forestry department and other agencies.  Financial support to attend 3 months training in “Wildlife Management” for four officials.  Participation in Korea National Parks Friendship Programme for 2 participants.  Training course on Developing Management Plans for protected areas specific to agencies in Sarawak.  In February 2018, the Project organized a Technical Mission to Wildlife Institute of India (WII) involving senior officials from DWNP and NRE. The mission helped to identify some possible areas of cooperation between WII and DWNP; in addition, drawing WII’s experience in moving forward with IBD’s transformation plan into a national training center for protected areas and wildlife management.  Amongst the areas identified for further cooperation:  1.Obtaining WII’s inputs towards DWNP’s plans to transform IBD.  2.Training of Trainers (ToT) programme to strengthen teaching faculty of EPAM course.  3.Cross reference with modules conducted by WII for wildlife management.  4.Invite WII forensic experts to train DWNP researchers and investigators. | Capacity Development Scorecards assessment was conducted for the three PA networks (DWNP; JNPC and PSPC) in March – April 2019.  DWNP:  2010 = 61%  2012 = 58.3%  2014= 63.5%  2016 = 65.62%  2018 = 72.9%  JNPC:  2010 = 61%  2012 = 58.3%  2014 = 63.5%  2016 = 64.6%  2018 = 68.7%  PSPC:  2010 = 45.0%  2012 = 49.0%  2014 = 55.2%  2016 = 65.6%  2018 = 66.76%  Over the Project period, all three agencies registered improved performance in-terms capacity development and knowledge building due to the concerted interventions made by the Project providing various training facilities to meet the general and specific needs of PA agencies including Sabah and Sarawak.  Specialized 6 weeks training course on “Effective Protected Area Management (EPAM)” involving 22 participants from PA agencies; forestry department and other agencies. This programme will be institutionalized and accreditation will be conferred by the relevant authorities. Through, Project's intervention now the training programme is opened to all PA agencies in the country.  Financial support to attend 3 months training in “Wildlife Management” for four officials.  Training course on Developing Management Plans for protected areas specific to agencies in Sarawak.  Framework outline have been developed for Institute of Biodiversity (IBD) as part of its transformation plan; describing key functions that could be assumed by IBD to be transformed into a center of excellence providing professional and accredited training programme in PA and wildlife management. |
| Number of PAs successfully meeting national management criteria and accessing performance-based financial transfers from the Federal system | No baseline exists | *(not set or not applicable)* | At least eight (8) among the terrestrial PAs over 20,000 ha under DWNP, JNPC and PSPC) | DWNP plans to adopt METT to gauge the management effectiveness for some the PAs.  However, performance based financial transfers is yet to be established.  The National Framework for PAs recommends to develop some mechanisms for consideration of financial transfers. The Ministry of Natural Resources and Environment has initiated discussions to determine on the follow-up steps. | The National Framework for PAs was endorsed by Government in February 2019. Currently, in the process of updating NFPA in line with PA Master List. The updated version will be completed by Dec 2019. The Ministry has formed a working group to oversee the implementation of recommendations which include developing performance measurement criteria/indicators to support PA authorities and States to further expand coverage of PAs and management.  A localized template of METT and Capacity Development scorecard will be developed before end of Project and will be shared with all PA networks as part of establishing performance-based framework to support resources allocation to PA authorities.  EFT which was launched by Government in 2018, is another mechanism that will be institutionalized as annual programme in which the performance-based criteria/indicators will be incorporated. |
| Economic and financial planning capacity institutionalized in the three sub-national PA network agencies | There is minimal human capacity or institutional structure to address issues of financial sustainability. | *(not set or not applicable)* | A unit is established in each of the sub-national PA agency dedicated to revenue diversification that will ensure financial sustainability | Establishing a dedicated unit for revenue diversification within each PA agency is subject to federal and state government's civil services structure. One of the options explored is to strengthen the existing financial planning unit in the PA agencies.    Training have been provided in collaboration with BioFin initiative to introduce the methodology for financial planning for conservation. Efforts will be continued towards this end conducting more training courses to strengthen the financial planning capacity at the agency and State levels. Also exploring the possibilities of strengthening the existing financial planning structure by incorporating the elements of biodiversity conservation. This option will be further assessed the Sustainable Financing Strategy Study for Conservation. | Under the existing government management structure, it is not feasible to establish a dedicated unit in PA agencies and States for revenue diversification to complement government funding for conservation. This fact has been acknowledged during Mid-Term review in 2017; and recommended for modification. The proposal includes strengthening the existing financial planning units/divisions and structures by incorporating elements of biodiversity conservation.  Project is collaborating with another initiative “BioFin”, conducting training sessions introducing the financial planning methodology to the PA networks and State governments. A simplified and user-friendly workbook elaborating the process for conservation financial planning will be produced before end of Project.  Options for revenue diversification elaborated in the Business Plans for the 3 parks will be explored further guiding the PA authorities on the processes on implementing the feasible mechanism. |
| Coordination between the sub-PA network agencies | Minimal coordination mechanisms | *(not set or not applicable)* | Three agencies have common management approaches, PA performance monitoring mechanisms, and capacity development programmes. | The 3 PA networks are governed by its’ own legislature and management structure. Therefore, adoption of improved or new management approaches are subject to the respective PA authorities. Through Project’s intervention coordination between the 3 agencies have improved satisfactorily, particularly in terms of streamlining some of the general management practices. This includes adoption of National Framework for PA; capacity development and skills training in the field of enforcement; use of advanced technologies; combating wildlife crimes; and search and rescue operations. | Coordination between the various PA agencies have been continued through regular meetings; consultations and trainings, workshops and knowledge sharing sessions. |
| **The progress of the objective can be described as:** | | **On track** | | | | |
| **Outcome 3**  **Effective site-level PA management** | | | | | | |
| **Description of Indicator** | **Baseline Level** | **Midterm target level** | **End of project target level** | **Level at 30 June 2018** | **Cumulative progress since project start** |
| Number of PAs successfully meeting national management criteria and accessing performance-based financial transfers from the Federal system | No baseline exists | *(not set or not applicable)* | All 3 target PA sites have approved management and business / financing plans    20% increase in federal allocation of funding | The Management Plans for three Parks: Taman Negara; Royal Belum and Endau Rompin have been finalized and adopted by DWNP; PSPC and JNPC, respectively.  The Project is in discussion with the agencies for providing further support for the implementation of the Plans.  Further financial support will be provided to develop Management and Business Plans for Gunung Ledang Park in Johor. | The Management and Business Plans for three Parks: Taman Negara; Royal Belum and Endau Rompin have been finalized and adopted by DWNP; PSPC and JNPC, respectively.  in 2018, some of the strategies and action plans were implemented with Project's support. this included: provision and installation of communication equipment to improve monitoring and surveillance; specialized training programme; revision of governing legal framework.  Under the existing budgetary framework, allocation of funding is depends on the status of PA authorities either as Federal or States. DWNP as Federal agency receives allocation from federal annual budget; for JNPC and PSPC funding mainly comes from States' budget except in certain circumstances for one-off infrastructure projects. The EFT launched in 2018, with Federal funding is expected to improve financial positions of the State PA agencies. |
| Improved management effectiveness as per METT scores for three target PAs. | METT scores in 2010:    Taman Negara - 74  Endau-Rompin – 58  Royal Belum – 53 | *(not set or not applicable)* | Average 10% increase in METT scores for 3 target PAs  TN – 82  ER NP – 68  RB - 65 | The METT scores are:    Taman Negara National Park  2012 = 58  2014 = 76  2016 = 77 (132% increase against baseline of 58 in 2012 due to steady improvements in acquisition of new technology and capacity building)    Endau-Rompin  2012 = 55  2014 = 61  2016 = 69 (18.7% increase against baseline of 58 due to increase collaboration with Wildlife Conservation Society for enforcement, MoU with Universities for research and preparation and updating/preparation of the Management Plan of ERJNP. Stakeholder engagement was strengthened through the planning process.    Royal Belum  2012 = 56  2015 = 68  2017 = 69 (14.6% increases against baseline of 53% due to the development of the Management Plan and Business Plan for Royal Belum which seeks to enhance park management while strengthening institutional capacity and legislation. | The METT assessment for the 3 Parks were conducted in March – April 2019.  Taman Negara National Park  2010 = 72.5%  2012 = 56.9%  2014 = 74.5%  2016 = 74.5%  2018 = 75.5%  Endau Rompin  2010 = 56.8%  2012 = 53.9%  2014 = 59.8%  2016 = 67.7%  2018 = 68.6%    Royal Belum  2010 = 51.5%  2012 = 54.0%  2014 = 66.7%  2016 = 67.7%  2018 = 72.5%  Overall, all three Parks registered improved performance. The PA authorities acknowledge that, the Project’s interventions have made the differences through the outputs and results:  Management Plans developed and implementation of strategies and action plans  PA specific training and capacity development enhanced knowledge and skills of PA personnel  Joint operations of patrolling and enforcement activities  Gap analysis of governing legal framework was conducted with the view of addressing the gaps through the revision of respective Enactments. Project was unable to proceed with review for Taman Negara (DWNP) and Endau Rompin (JNPC) for some administrative considerations; however for Royal Belum (PSPC) a new draft of legislation will be delivered by end of 2019. |
| Increase in gross revenue amount and revenue sources of the three demonstration PAs. | Taman Negara – MYR 350,000 from entrance fees and recreational related charges    Endau-Rompin National Park –MYR 999,892 from entrance fees, tourism and recreational charges, income from concessions    Royal Belum State Park – MYR 126,000 from entrance fees and recreational related charges | *(not set or not applicable)* | 20% increase in gross revenue for the 3 target PA sites over the project period. | Gross revenue generated for the three sites in 2017:  DWNP: MYR 620, 546.00  Compared to 2016, overall revenue for 2017 from Taman Negara registered a reduction due to lower number of tourists arrival.  JNPC:  2017: MYR 256,489.64  The Peta entrance to Endau Rompin park was closed for maintenance starting August 2017, and no visitors are allowed to enter the entrance. It has affected the gross revenue generation for the Park in 2017.  PSPC:  2017: MYR 602, 820.84  Compared to 2016, gross revenue in 2017 registered almost 54 % increase. The increase was largely attributed to 4 factors: i) a conservation levy of RM 5.00 per visitor imposed from end of March 2017; ii) a fee of RM 50.00 imposed on each houseboat per entry to Royal Belum from November 2017; iii) a substantial increase in number of visitors staying overnight in the Park; and iv) a substantial increase in the number of houseboats entering the park in November and December 2017. | Gross revenue generated for the three sites in 2018:  DWNP:  2016 = MYR 717,971. 00  2017 = MYR 620,546.00  2018 = MYR 681,244.00  Compared to 2017, overall revenue for 2018 from Taman Negara registered an increase about 10%. For 2018, the revenue generation also includes receipts from sale of Taman Negara Visitors Guide and Trail Maps, which were produced with the support of Project.  JNPC:  2016 = MYR 276,598.80  2017 = MYR 256,489.64  The Peta entrance to Endau Rompin park was closed for maintenance starting August 2017, and no visitors are allowed to enter the entrance. It has affected the gross revenue generation for the Park in 2017.  PSPC:  2016 = MYR 391,706.00  2017: = MYR 602, 820.84  2018 = MYR 588,984.00  Compared to 2016, gross revenue in 2017 and 2018 registered marked increase. The increase was attributed to : i) a conservation levy of RM 5.00 per visitor imposed from end of March 2017; ii) a fee of RM 50.00 imposed on each houseboat per entry to Royal Belum from November 2017; |
| Length of park patrolled per year  Number of patrolling programmes per year  Percentage of the area patrolled per year  Number of patrolling staff  Number of illegal activity (including encroachment and poaching) cases within PA reported | Taman Negara: 5 – 10 km per day  Taman Negara: 8 - 10 days per month by walking  Taman Negara: 10%  Taman Negara: 2 cases in 2010 | *(not set or not applicable)* | 25% increase  50% increase  25% increase  50% increase | For Taman Negara under 1MBEON a total of 6 patrolling operations jointly conducted by DWNP and Malaysian Armed Forces. It involved 517 personnel for 108 days with 66 arrests made.  For Royal Belum under 1MBEON 2 joint operations involving 4 agencies (PSPC, DWNP, MAF, and Forestry Department). These operations involved 172 personnel for 28 days but no arrests were made. Besides IMBEON patrolling, an additional 7 day joint patrolling known as Operasi Khazanah coordinated by Royal Malaysian Police at the district level (Hulu Perak) was held at Royal Belum in November 2017 involving 50 personnel from PSPC and various other enforcement agencies.  For Endau Rompin, under 1MBEON 2 operations were carried out with 4 agencies (JNPC, MAF, DWNP and Forestry Department) with 172 personnel for 28 days and 6 arrests were made. In addition, JNPC carried out 2 patrolling operations with 18 personnel involved; and together with Johor Wildlife Conservation Project another 6 operations with 65 personnel involved. | In 2018, seven joint patrolling operations under MBEON were carried out. Two for Taman Negara Kelantan, and one each for Pahang, Terengganu, Krau Wildlife Reserve; Endau Rompin and Royal Belum. A total of 471 personnel participated in the operations (DWNP = 218; Forestry Dept = 14; Army = 221; JNPC = 14; and PSPC = 7). Additional patrolling exercise have also carried out under Smart patrolling programme. Besides, DWNP, JNPC and PSPC carries out their own patrolling operations with the support of Govt budget, private sectors and NGOs. |
| Tiger population as a flagship species in target PAs namely Taman Negara, Endau-Rompin National Park and Royal Belum State Park | Estimated tiger population for year 2013\*:  Taman Negara: 18  Endau-Rompin National Park: XX  Royal Belum State Park: XX    \*Estimated tiger population for the three target PAs for year 2013 will be used as baseline and the baseline figures will be indicated in the next Project Implementation Review 2013 – 2014. | *(not set or not applicable)* | 50% increase in tiger population | There is an on-going national tiger survey in collaboration with NGOs. meantime, initiatives have been to taken to explore the possibilities of incorporating "Conservation Assured - Tiger Standards (CA/TS) as part of improving management of tiger populations in the three sites. | The Government in March 2019, has launched ‘Save Malayan Tiger Campaign.’ the campaign will include:  Fund raising through crowd funding and private sector donors.  Mobilize general public to partake in the campaign through education and awareness raising.  Joint operation with armed forces to increase patrolling  Improved new facilities for tiger rehabilitation |
| **The progress of the objective can be described as:** | | **On track** | | | | |

# Implementation Progress



|  |  |
| --- | --- |
| Cumulative GL delivery against total approved amount (in prodoc): | 75.89% |
| Cumulative GL delivery against expected delivery as of this year: | 75.89% |
| Cumulative disbursement as of 30 June (note: amount to be updated in late August): | 4,249,599 |

|  |  |
| --- | --- |
| **Key Financing Amounts** | |
| PPG Amount | *(not set or not applicable)* |
| GEF Grant Amount | 5,600,000 |
| Co-financing | 13,400,000 |

|  |  |
| --- | --- |
| **Key Project Dates** | |
| PIF Approval Date | Apr 12, 2010 |
| CEO Endorsement Date | Mar 30, 2012 |
| Project Document Signature Date (project start date): | Jun 5, 2012 |
| Date of Inception Workshop | Oct 1, 2013 |
| Expected Date of Mid-term Review | Jul 21, 2017 |
| Actual Date of Mid-term Review | Oct 24, 2017 |
| Expected Date of Terminal Evaluation | Jan 2, 2020 |
| Original Planned Closing Date | Jun 4, 2018 |
| Revised Planned Closing Date | Jun 3, 2020 |

|  |
| --- |
| **Dates of Project Steering Committee/Board Meetings during reporting period (30 June 2018 to 1 July 2019)** |
| 2018-10-30 |

# Critical Risk Management

|  |  |
| --- | --- |
| Current Types of Critical Risks | Critical risk management measures undertaken this reporting period |
| Operational | Current Types of Critical Risks  1. Establishing ‘performance-based standards’ for financial transfers.    It is a continuing risk as acknowledged by the Mid-Term Review as the concept need to be clarified and specified to be incorporated into Malaysian budgetary process. It is unlikely that significant changes could be effected into budget system within the Project period. However, through constructive engagement with IPs and relevant stakeholders, Project was able to establish the processes for introducing “performance-based financial transfers”. One of the measures, included establishment of Ecological Fiscal Transfer (EFT), whereby the Project provided technical inputs clarifying the possible operating structures and formula (eg: based on PA coverage) to determine the quantum of EFT distribution.    2. Achievement of other outputs relating institutional strengthening  Categorized as low risk. Number of issues have gained positive responses form the implementing partners and State governments: adoption of Management Plans and review of respective legislations.  Overall, the risk is low. |

# Adjustments

**Comments on delays in key project milestones**

|  |
| --- |
| **Project Manager: please provide comments on delays this reporting period in achieving any of the following key project milestones: inception workshop, mid-term review, terminal evaluation and/or project closure. If there are no delays please indicate not applicable.** |
| No major issues or constraints encountered during the reporting period. |

|  |
| --- |
| **Country Office: please provide comments on delays this reporting period in achieving any of the following key project milestones: inception workshop, mid-term review, terminal evaluation and/or project closure. If there are no delays please indicate not applicable.** |
| The TEEB study is yet to take place due to procurement issue. The proposed budget by vendor had highly exceeded the allocated budget and requires negotiation to be done before contract could be awarded. Prior to that, the case submission had been submitted to RACP for approval and contract value negotiation will take place with the recommended bidder once approved. It is estimated that the survey will start in October 2019 |

|  |
| --- |
| **UNDP-GEF Technical Adviser: please provide comments on delays this reporting period in achieving any of the following key project milestones: inception workshop, mid-term review, terminal evaluation and/or project closure. If there are no delays please indicate not applicable.** |
| The project was granted 24 month extension due to delays in the project implementation during its first two years and massive & lengthy ministerial re-structuring after the establishment of new government in May 2018. This will allow the project to complete several on-going key activities and other priority interventions in order to achieve the project targets and outputs, and to meet the project objective. This is consistent with the observations and recommendation (key action 8 of the MRT management response matrix) from the midterm review.  The revised date of TE is January 2020 and the revised date of operational closure is June 2020. |

# Ratings and Overall Assessments

|  |  |  |
| --- | --- | --- |
| **Role** | **2019 Development Objective Progress Rating** | **2019 Implementation Progress Rating** |
| **Project Manager/Coordinator** | Satisfactory | *- IP Rating provided by UNDP-GEF Technical Adviser and UNDP Country Office only -* |
| Overall Assessment | For the reporting period and cumulatively, the Project marked significant progress delivering key outputs as planned. More importantly, it is encouraging that the Government have endorsed these outputs that help to achieve the Project’s development objectives.  These include:  1. Management Plans for the three sites (Taman Negara; Endau Rompin and Royal belum) were completed and adopted by the respective PA agencies: DWNP; JNPC and PSPC. Assisted IPs to implement strategies and action plans of the Management plans: i) strengthen communications through installation of advanced communication equipment; ii) engagement of local communities exploring possibilities of making them as partners in managing the parks; iii) review of legal framework of PA networks to strengthen governing structure;    2. The National Framework for PA System in Malaysia was adopted by Government in February 2019. The Ministry of Water, Land and Natural Resources (KATS) formed a working group to oversee and coordinate implementation. The Framework provides a number of constructive action plans aimed at harmonizing management principles and practices amongst PA networks, including mechanism for fiscal transfer from Federal to PA agencies.  3. The PA Master List was finally endorsed by Government in February 2019. The List will be published soon, and it marks a significant contribution from the Project. The List is the first official compilation of legally gazetted terrestrial and marine parks in country. As an official reference it helps to mitigate inconsistencies in PA database, provides a baseline for future review to reflect the changes periodically; and contains useful information/data for land use planning. More importantly it provided the baseline data on PA coverage to Ministry of Finance for the calculation of PA acreages in each State and their legal status.  4. National Conservation Trust Fund (NCTF): two outputs were delivered to KATS. I) Restructuring Strategic Plan:- exploring options to strengthen to strengthen governance; management and operations of NCTF; ii) Resource Mobilization Strategy: exploring options for sourcing contribution from multiple sources to ensure long term financial sustainability of the Fund. A revamped Fund will create a platform to adopt performance-based approach for financial allocation to PA agencies. BioFin initiative adds further impetus to the process providing a structured method for financial planning for biodiversity conservation and protection.  5. Continuous support providing capacity building training programmes meeting specific needs of PA agencies.    The reporting period has been a very productive year for the Project. Cumulatively, the Project has made significant contributions for the achievement of Project’s development objectives. Though bureaucracy and protracted government decision making process causing delays in the progress to some extent; however, over the years the Project have witnessed stronger commitments from IPs and participating States towards implementation of Project’s outputs and activities. This has helped Project’s impacts become more visible and tangible during the reporting period. The impacts also can be evaluated through the assessment of METT and Capacity Development scorecards in which all IPs have shown progressive improvements over the years.  The Project is expected to be closed by June 3rd, 2020. During the remaining the focus will be on implementation of Management Plans; strengthening PA agencies governing structure; and strengthen capacity amongst PA authorities for conservation financial planning.  Overall, the Project’s performance very satisfactory. | |
| **Role** | **2019 Development Objective Progress Rating** | **2019 Implementation Progress Rating** |
| **UNDP Country Office Programme Officer** | Moderately Satisfactory | Moderately Satisfactory |
| Overall Assessment | The project is rated as moderately satisfactory for the overall achievement within reporting period. A two-year extension was granted, and project is due to be completed in June 2020. The operating and development budget allocation within reporting period for the three PA authorities remained the same for Department of Wildlife and National Parks (DWNP), Johor National Parks Corporation (JNPC) and Perak State Parks (PSPC).    Although no financial incentives system based on performance-based indices have yet to be established, the project is exploring Ecological Fiscal Transfer (EFT) which was launched by Government in 2018. The project provided input in the preparations of a Policy Paper (EFT) recommending to Government under the 12th Malaysia Plan to institutionalize EFT as an annual programme.    The adoption of National Framework of Protected Areas and Protected Area Masterlist by KATS on 14 February 2019 is an important output to provide an accurate understanding and eliminate inconsistencies between various PA systems and definitions within the country. This will help in streamlining various relevant policies and programmes for the protection of PAs, evident from the allocation of 60 million from government’s budget in October 2018 for States to strengthen the management of PAs and forest reserves.    The project is rated as moderately satisfactory for its implementation progress in delivery of key outputs with cumulative 75.9% budget expenditure. | |
| **Role** | **2019 Development Objective Progress Rating** | **2019 Implementation Progress Rating** |
| **GEF Operational Focal point** | *(not set or not applicable)* | *- IP Rating provided by UNDP-GEF Technical Adviser and UNDP Country Office only -* |
| Overall Assessment | *(not set or not applicable)* | |
| **Role** | **2019 Development Objective Progress Rating** | **2019 Implementation Progress Rating** |
| **Project Implementing Partner** | *(not set or not applicable)* | *- IP Rating provided by UNDP-GEF Technical Adviser and UNDP Country Office only -* |
| Overall Assessment | For the reporting period the Project marked significant achievements delivered and get endorsed key outputs:  1. National Framework for PAs was adopted by the Government providing a framework for harmonizing management principles and practices amongst PA networks in the country.  2. PA Master List – a first official reference for PA coverage encompassing all three regions: Peninsula Malaysia, Sabah and Sarawak. Established baseline for PA coverage that would help to review for periodical changes in the status of PAs; and mitigate inconsistencies in-terms of reporting at national and international level.  3. Management and Business Plans were adopted for the 3 sites and implemented some of the strategies and action plans.  4. Communications materials for the 3 parks.  5. Mobilized Project’s resources effectively to conduct and implement a number of capacity building programme,  For the reporting period the performance of the Project has been significantly encouraging contributing constructively for the achievement of Project’s development objectives. The Government adopted two outputs: i) National Framework for PAs; and ii) PA Master List. Both outputs are important references to streamline management principles and practices amongst different PA networks. Another significant milestone is the establishment of Ecological Fiscal Transfer (EFT) providing additional financial support to PA authorities and States that would help to strengthen investment for biodiversity conservation.  However, the much anticipated TEEB study is delayed due to the constraints encountered in securing qualified company to undertake the planned socio-economic survey. During the remaining period, efforts will be targeted towards ensuring economic valuation reports for the 3 parks be delivered.  As elaborated in the cumulative progress analysis, the Project’s contribution has become more visible and tangible in the past year, which has been achieved through strong commitments shown by IPs and participating States.  The DWNP has been designated as the IP for the Project; but in reality, there are three different IPs (DWNP; PSPC; JNPC); each with its own decision- making processes and mandate. Thus, coordinating Project’s activities and plans between the IPs still poses some challenges. Over the years, dynamic momentum has been created amongst IPs to see through implementation of Project’s outputs and findings, however, the Project is ending in May 2020, whereby the planned activities may not be feasible to be achieved within the remaining period. The Project is still left with about US$ 500,000, and in my view, another year of extension certainly will enable the Project to utilize the funds effectively to produce more tangible results.  Overall the Projects’ performance is very satisfactory. | |
| **Role** | **2019 Development Objective Progress Rating** | **2019 Implementation Progress Rating** |
| **Other Partners** | *(not set or not applicable)* | *- IP Rating provided by UNDP-GEF Technical Adviser and UNDP Country Office only -* |
| Overall Assessment | *(not set or not applicable)* | |
| **Role** | **2019 Development Objective Progress Rating** | **2019 Implementation Progress Rating** |
| **UNDP-GEF Technical Adviser** | Moderately Satisfactory | Moderately Satisfactory |
| Overall Assessment | This is the sixth PIR for the GEF-4 FS project ‘Enhancing effectiveness and financial sustainability of Protected Areas in Malaysia’. The goal of the project is to ensure that protected areas in Malaysia are underpinned by adequate financial and technical resources, within an overall system that ensures representativeness and nation-wide coherence, safeguarding globally significant biodiversity and playing an essential role in the Nation’s sustainable development. To help move towards this goal, the project’s objective will be to establish a performance-based financing structure to support effective PA systems management. Interventions to achieve this objective are structured into three outcome components, designed to address barriers at the national, sub-national network and site PA levels respectively: Outcome 1, Systemic and institutional capacities to manage and financially support a national PA system; Outcome 2, Technical and institutional capacities to manage sub-national PA networks, including capacities for effective financial management; Outcome 3, Effective site-level PA management. The end-result of this investment will be that Malaysia has established the foundations of a comprehensive, effective and well-resourced system of Protected Areas, rather than just a network of fragmented, stand-alone parks and reserves. Such an integrated system will be better able to conserve the globally valuable terrestrial biodiversity resources, improving overall representativeness by providing incentives for new areas to be put under protection and by ensuring that available financial and technical resources are utilized in the most effective and results-oriented fashion.      Despite the delays caused by a slow start-up phase during its first two years and extensive and prolonged ministerial re-structuring after the establishment of new government in May 2018, the project has gained momentum over the past two years and is now on track to achieve most of the project’s outcomes. Having said that, the project has one critical risk linked to the level of ambition of the project objective of ‘establishing ‘performance-based standards’ for financial transfers. As highlighted by the MTR, considering the lack of appropriate initiatives developed to enable the key stakeholders to understand the rationale and role of performance-based monitoring/financing and how it could benefit PA management in Malaysia, and the limited capacity and scope for adopting such initiative at the national, state and PA level, the performance-based concept in financing may have been placed too high in the project results framework as the objective of the project and might be more realistically placed as an outcome. The project has managed this risk by establishing the processes for introducing “performance-based financial transfers” and by providing inputs to a Policy Paper on Ecological Fiscal Transfer (EFT). On a different but related aspect, while the established National Conservation Trust Fund (NCTF) in principle provides the required mechanism for PA financing, to date and just less than a year away from project's completion, questions remain as to the sourcing for sustained, ongoing funding of the NCTF. As can be observed in the trends of the objective level indicators, protected area budgets are still highly dependent of sometimes volatile public sector funding. Having said that, for 2018, the three target protected area networks registered a total increase about 17% compared to base year in their overall operating budget allocation. While the annual budget allocation in 2018 for the three PA authorities remained the same.    During the reporting period the project reached an overall financial delivery rate of 75.89% paired with the achievement of key milestones and, at the same time, the perseverance of some important challenges to attain the project objective. With these considerations, the Implementation Progress (IP) rating for this PIR is Moderately Satisfactory (MS).    The project has made moderately satisfactory progress towards outcomes, this reporting period has been marked by the institutionalization of project results: For Outcome 1, The National Framework for Protected Areas (NFPA), which is aligned with the National Policy on Biological Diversity (NPBD) 2016-202, was adopted by the Ministry of Water, Lands and Natural Resources (KATS); the PA Master List was endorsed by Government; on the other hand, the financial incentives system based on performance-based indices has not been established yet, this is of concern considering the marginal progress of this output, despite multiple avenues of action tried out by the project, the proposed adaptive management measures [including strengthening synergies with BIOFIN] will have to be accelerated if this outcome is to be achieved by June 2020; The TEEB analysis that will support the efforts to mainstream the National PA System in the budgeting process is underway, once the official report is finalized and endorsed by government, the project will have limited time to share the results with key government agencies and partners, limiting the level of impact this output can have.  Outcome 2 aims at building technical and institutional capacity to manage sub-national PA networks including capacity for effective financial management. A key indicator for this outcome is indicator No. 2, which relates to development of increased capacity for PAs at the sub-national network level. Capacity scores for JNPC and DWNP were at and 68.7%, 72.9% respectively, virtually reaching, and surpassing, the EOP target of 70%, while PSPC (66.7%) and has already surpassed the EOP target of 55%. The project has been supporting many other capacity building initiatives as well, including development of training materials, train the trainers empowerment, supporting Orang Asli communities, and METT training for METT/tracking tools, among other.  Outcome 3 aims for improvement of site-level PA management effectiveness. As informed previously, METT scores are on track or have already been met the project targets in the three target PAs. Also, Management Plans and Business Plans have been finalized for the three target sites. During this reporting period some of these plans were implemented with the support of the project. Gross revenue has increased at all sites due to higher visitor traffic and is on track to achieve the targeted increase of 20% despite the restriction of access for visitors to Endau Rompin park due to maintenance of one of the main entrances of the park. In summary, compared to 2016, gross revenue in 2017 and 2018 registered marked increase due to the conservation levy and entry fee for house boats as reported in last year’s PIR.    Considering the progress made towards the development objectives of the project and the shortcomings to be actively managed as the project approaches its closing date in June 2020, the project is granted a DO rating of (MS) Moderately Satisfactory.    Recommendations  a) Continue to attend to delivery acceleration, particularly now that the project enters the final stage of implementation;  b) Revisit and update the progress on MTR MRs, continue the good adaptive management approach the project has followed to date;  c) Prepare for the TE well in advance, draft a project’s sustainability strategy before TE;  d) CO and PMU to ensure that project achievements, good practices and lessons learned are systematized for future programming;  e) Consider using global communications and KM platforms available through UNDP such Exposure and Panorama. | |

# Gender

**Progress in Advancing Gender Equality and Women's Empowerment**

This information is used in the UNDP-GEF Annual Performance Report, UNDP-GEF Annual Gender Report, reporting to the UNDP Gender Steering and Implementation Committee and for other internal and external communications and learning.  The Project Manager and/or Project Gender Officer should complete this section with support from the UNDP Country Office.

|  |
| --- |
| **Gender Analysis and Action Plan:** *not available* |
| **Please review the project's Gender Analysis and Action Plan. If the document is not attached or an updated Gender Analysis and/or Gender Action Plan is available please upload the document below or send to the Regional Programme Associate to upload in PIMS+. Please note that all projects approved since 1 July 2014 are required to carry out a gender analysis and all projects approved since 1 July 2018 are required to have a gender analysis and action plan.** |
| *(not set or not applicable)* |

|  |
| --- |
| **Please indicate in which results areas the project is contributing to gender equality (you may select more than one results area, or select not applicable):** |
| Contributing to closing gender gaps in access to and control over resources: No |
| Improving the participation and decision-making of women in natural resource governance: No |
| Targeting socio-economic benefits and services for women: Yes |
| Not applicable: No |

|  |
| --- |
| **Atlas Gender Marker Rating** |
| **GEN1:** some contribution to gender equality |

|  |
| --- |
| **Please describe any experiences or linkages (direct or indirect) between project activities and gender-based violence (GBV). This information is for UNDP use only and will not be shared with GEF Secretariat.** |
| not applicable |

|  |
| --- |
| **Please specify results achieved this reporting period that focus on increasing gender equality and the empowerment of women.**    **Please explain how the results reported addressed the different needs of men or women, changed norms, values, and power structures, and/or contributed to transforming or challenging gender inequalities and discrimination.** |
| In the specific case of the communities living near Endau Rompin National Park, special efforts have been taken to ensure that women and girls were included in the participatory planning sessions conducted during a community workshop to map out the village’s development plans. Their views and inputs have been incorporated into the communities development vision and action plan as well as the newly established cooperative |

|  |
| --- |
| **Please describe how work to advance gender equality and women's empowerment enhanced the project's environmental and/or resilience outcomes.** |
| not applicable |

# Social and Environmental Standards

**Social and Environmental Standards (Safeguards)**

The Project Manager and/or the project’s Safeguards Officer should complete this section of the PIR with support from the UNDP Country Office. The UNDP-GEF RTA should review to ensure it is complete and accurate.

|  |
| --- |
| **1) Have any new social and/or environmental risks been identified during project implementation?** |
| No |

|  |
| --- |
| **If any new social and/or environmental risks have been identified during project implementation please describe the new risk(s) and the response to it.** |
| not applicable |

|  |
| --- |
| **2) Have any existing social and/or environmental risks been escalated during the reporting period? For example, when a low risk increased to moderate, or a moderate risk increased to high.** |
| No |

|  |
| --- |
| **If any existing social and/or environmental risks have been escalated during implementation please describe the change(s) and the response to it.** |
| no |

|  |
| --- |
| **SESP:** *not available*  **Environmental and Social Management Plan/Framework:** *not available* |
| **For reference, please find below the project's safeguards screening (Social and Environmental Screening Procedure (SESP) or the old ESSP tool); management plans (if any); and its SESP categorization above. Please note that the SESP categorization might have been corrected during a centralized review.** |
| *(not set or not applicable)* |

|  |
| --- |
| **3) Have any required social and environmental assessments and/or management plans been prepared in the reporting period? For example, an updated Stakeholder Engagement Plan, Environmental and Social Impact Assessment (ESIA) or Indigenous Peoples Plan.** |
| Not Applicable |

|  |
| --- |
| **If yes, please upload the document(s) above. If no, please explain when the required documents will be prepared.** |
| not applicable |

|  |
| --- |
| **4) Has the project received complaints related to social and/or environmental impacts (actual or potential )?** |
| No |

|  |
| --- |
| **If yes, please describe the complaint(s) or grievance(s) in detail including the status, significance, who was involved and what action was taken.** |
| not applicable |

# Communicating Impact

|  |
| --- |
| **Tell us the story of the project focusing on how the project has helped to improve people’s lives.**  **(This text will be used for UNDP corporate communications, the UNDP-GEF website, and/or other internal and external knowledge and learning efforts.)** |
| The Project was not directly involved in improving people's lives in general. the only target group related in this sense is the tribal people and local communities live within and adjacent to the Parks boundary. Project engaged with Communities in Endau Rompin for:  I) organizing themselves collectively to gain from the income generating opportunities arising from eco-tourism activities;  ii) connecting them with communities in other parts of the Country through exchange and study missions  iii) facilitating training and capacity building in nature guide |

**Knowledge Management, Project Links and Social Media**

|  |
| --- |
| **Please describe knowledge activities / products as outlined in knowledge management approved at CEO Endorsement /Approval.**    **Please also include: project's website, project page on the UNDP website, blogs, photos stories (e.g. Exposure), Facebook, Twitter, Flickr, YouTube, as well as hyperlinks to any media coverage of the project, for example, stories written by an outside source. Please upload any supporting files, including photos, videos, stories, and other documents using the 'file lirbary' button in the top right of the PIR.** |
| The Project has produced communication materials for Endau Rompin - highlighting the biodiversity significance of the Park. |

# Partnerships

**Partnerships & Stakeholder Engagment**

Please select yes or no whether the project is working with any of the following partners. Please also provide an update on stakeholder engagement. This information is used by the GEF and UNDP for reporting and is therefore very important!  All sections must be completed by the Project Manager and reviewed by the CO and RTA.

|  |
| --- |
| **Does the project work with any Civil Society Organisations and/or NGOs?** |
| Yes |

|  |
| --- |
| **Does the project work with any Indigenous Peoples?** |
| Yes |

|  |
| --- |
| **Does the project work with the Private Sector?** |
| No |

|  |
| --- |
| **Does the project work with the GEF Small Grants Programme?** |
| No |

|  |
| --- |
| **Does the project work with UN Volunteers?** |
| No |

|  |
| --- |
| **Did the project support South-South Cooperation and/or Triangular Cooperation efforts in the reporting year?** |
| No |

|  |
| --- |
| **CEO Endorsement Request:** [PIMS 3967 Malaysia PA CEO Endorsement\_Final\_Feb 16 2012.docx](https://undpgefpims.org/attachments/3967/212961/1643748/1644040/PIMS%203967%20Malaysia%20PA%20CEO%20Endorsement_Final_Feb%2016%202012.docx) |
| **Provide an update on progress, challenges and outcomes related to stakeholder engagement based on the description of the Stakeholder Engagement Plan as documented at CEO endorsement/approval (see document below). If any surveys have been conducted please upload all survey documents to the PIR file library.** |
| The Project had not encountered any major challenges in engaging the relevant Stakeholders. The Engagement Plan applies at various levels; at working level it has always been constructive and positive. Some constraints with policy and decision makers; however it has not impacted the Project's progress adversely. |

# Annex - Ratings Definitions

**Development Objective Progress Ratings Definitions**

(HS) Highly Satisfactory: Project is on track to exceed its end-of-project targets, and is likely to achieve transformational change by project closure. The project can be presented as 'outstanding practice'.

(S) Satisfactory: Project is on track to fully achieve its end-of-project targets by project closure. The project can be presented as 'good practice'.

(MS) Moderately Satisfactory: Project is on track to achieve its end-of-project targets by project closure with minor shortcomings only.

(MU) Moderately Unsatisfactory: Project is off track and is expected to partially achieve its end-of-project targets by project closure with significant shortcomings. Project results might be fully achieved by project closure if adaptive management is undertaken immediately.

(U) Unsatisfactory: Project is off track and is not expected to achieve its end-of-project targets by project closure. Project results might be partially achieved by project closure if major adaptive management is undertaken immediately.

(HU) Highly Unsatisfactory: Project is off track and is not expected to achieve its end-of-project targets without major restructuring.

**Implementation Progress Ratings Definitions**

(HS) Highly Satisfactory: Implementation is exceeding expectations. Cumulative financial delivery, timing of key implementation milestones, and risk management are fully on track. The project is managed extremely efficiently and effectively. The implementation of the project can be presented as 'outstanding practice'.

(S) Satisfactory: Implementation is proceeding as planned. Cumulative financial delivery, timing of key implementation milestones, and risk management are on track. The project is managed efficiently and effectively. The implementation of the project can be presented as 'good practice'.

(MS) Moderately Satisfactory: Implementation is proceeding as planned with minor deviations. Cumulative financial delivery and management of risks are mostly on track, with minor delays. The project is managed well.

(MU) Moderately Unsatisfactory: Implementation is not proceeding as planned and faces significant implementation issues. Implementation progress could be improved if adaptive management is undertaken immediately. Cumulative financial delivery, timing of key implementation milestones, and/or management of critical risks are significantly off track. The project is not fully or well supported.

(U) Unsatisfactory: Implementation is not proceeding as planned and faces major implementation issues and restructuring may be necessary. Cumulative financial delivery, timing of key implementation milestones, and/or management of critical risks are off track with major issues and/or concerns. The project is not fully or well supported.

(HU) Highly Unsatisfactory: Implementation is seriously under performing and major restructuring is required. Cumulative financial delivery, timing of key implementation milestones (e.g. start of activities), and management of critical risks are severely off track with severe issues and/or concerns. The project is not effectively or efficiently supported.