

SGP COUNTRY PROGRAMME STRATEGY FOR OP6

MALAYSIA

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List Of Acronyms

| | |
|----------|--|
| ABS | Access and Benefits Sharing of Biological Resources |
| ACR | Annual Country Report |
| AMR | Annual Monitoring Report |
| AWAM | All Action Women's Society |
| AZAM | Angkatan Zaman Mansang Sarawak |
| BCI | Borneo Conservation Initiative |
| BMUB | Federal Ministry for Environment, Nature Conservation, Building, and Nuclear Safety, GERMANY |
| CAP | Consumer Association of Penang |
| CBO | Community Based Organisation |
| CETDEM | Centre for Environment, Technology and Development, Malaysia |
| CFS | Central Forest Spine |
| CPMT | Central Programme Management Team |
| CPS | Country Program Strategy |
| CRP | Crocker Range Park |
| CSO | Civil Society Organisation |
| CSR | Corporate Social Responsibility |
| ENSEARCH | Environmental Management and Research Association of Malaysia |
| EPU | Economic Planning Unit, Malaysia |
| FSP | Full Size Project |
| GEC | Global Environment Centre |
| GEF | Global Environmental Facility |
| GEF SGP | Global Environmental Facility Small Grants Programme |
| GHGs | Green House Gases |
| GOM | Government of Malaysia |
| ICCA | Indigenous Peoples' and Community Conserved Territories and Areas |
| ILCs | Indigenous and Local Communities |
| IOI | Industrial Oxygen Incorporated |
| IP | Indigenous People |
| JOAS | Jaringan Orang Asal SeMalaysia |
| KP | Kinabalu Park |
| KPIs | Key Performance Index |
| LEAP | Land Empowerment Animals and People |
| M&E | Monitoring and Evaluation |
| MENGO | Malaysian Environmental NGOs |
| MNRE | Ministry of Natural Resources and Environment |
| MNS | Malaysian Nature Society |
| MOSTI | Ministry of Science, Technology and Innovation |
| NAMA | Nationally Appropriate Mitigation Actions |
| NAPA | National Action for Protected Areas |
| NBSAP | National Biodiversity Strategy and Action Plan |
| NC | National Coordinator |
| NCTF | National Conservation Trust Fund |
| NECAP | National Elephant Action Plan |
| NGO | Non-Governmental Organisation |

| | |
|---------|---|
| NSC | National Steering Committee |
| NPP | National Physical Plan |
| NTCAP | National Tiger Action Plan |
| ODS | Ozone Depleting Substances |
| OP5 | Operational Phase 5 |
| OP6 | Operational Phase 6 |
| PACOS | Partners of Community Organisations in Sabah |
| POPS | Persistent Organic Pollutants |
| PEMANDU | Performance Management And Delivery Unit, Prime Minister's Department |
| RAF | Resource Allocation Framework |
| SDG | Sustainable Development Goals |
| SGP | Small Grants Programme |
| SFM | Sustainable Forest Management |
| SI | Strategic Initiatives |
| STAR | System for Transparent Allocation and Resources |
| SWOT | Strength, Weakness, Opportunities and Threats |
| TED | Turtle Excluder Devise |
| TMP | Tun Mustapa Park |
| TRAC | Trust Account |
| UMW | United Motor Works |
| UNCCD | United Nations Convention to Combat Desertification |
| UNDP | United Nations Development Programme |
| UNFCCC | United Nations Framework Convention on Climate Change |
| WCS | Wildlife Conservation & Science (Malaysia) Bhd |
| WWF | World Wide Fund for Nature |

SGP COUNTRY PROGRAMME STRATEGY FOR OP6

COUNTRY [MALAYSIA]

OP6 resources (estimated US\$)¹

| | | |
|--|---------------------------------|-----------|
| a. Core funds: | None | 400,000 |
| b. OP5 remaining balance: | | 77,589 |
| c. STAR funds: | | 1,923,077 |
| | Biodiversity | 907,452 |
| | Climate Change | 925,481 |
| | Land Degradation | 90,144 |
| d. Other Funds to be mobilized: | | |
| | Global ICCA Support Initiative: | 400,000 |

1. SGP COUNTRY PROGRAMME - SUMMARY BACKGROUND

The purpose of this document is to provide a Country Programme Strategy (CPS) for implementation of the Global Environment Facility (GEF) Small Grants Programme (SGP) Operational Phase 6 (OP6) in Malaysia for a period of 4 years, starting from 2015 - 2018. The CPS is a dynamic document and will be subject to regular review, update and change or adjustments that are in line with the GEF SGP strategic objective, as well as depending on the achievements of the outcomes and targets.

Malaysia is situated in South East Asia, with a land area of 329,613 km², consisting of two areas that are Peninsular Malaysia, which is part of mainland South East Asia, and Sabah and Sarawak, which are part of the island of Borneo. It has land borders with Thailand in Peninsular Malaysia, and Indonesia and Brunei in Sabah and Sarawak. The two parts of Malaysia, which are separated from each other by the South China Sea, share a largely similar landscape in that both feature coastal plains rising to hills and mountains.

The SGP Malaysia Country Programme started in 1999 since the SGP OP2 1999-2004. As a GEF corporate programme, it provides a series of demonstration projects for further scaling up, replication and mainstreaming to civil society, indigenous and local communities (ILC) in order to deliver global environmental benefits through community and local solutions.

Traditionally, the SGP Malaysia County Programme focuses on the five GEF focal areas:

- biodiversity,
- climate change,
- land degradation,
- international waters and
- persistent organic pollutants.

¹ The level of SGP OP6 resources is an estimated total of: (i) the GEF6 core grant allocation (to be reviewed annually by CPMT on the basis of performance, co-financing and strategic partnerships, demonstrated NSC commitment rates, and UNOPS delivery); (ii) approved STAR resources; as well as (iii) other sources of third party cost sharing & co-financing (country, regional and/or global levels). Note that countries with remaining OP5 balances that have not been pipelined, will be expected to use these balances in line with the OP6 strategic approach in order to be coherent in terms of SGP programming and results expected.

However, in this OP6, projects will be implemented under broader and inclusive seven OP6 Strategic Initiatives that are linked to GEF focal area, which will be further elaborated in Section 3.

The funds for SGP are obtained from both GEF Core fund and the dedicated GEF fund to Malaysia, i.e. Resource Allocation Framework (RAF) in OP4 and System for Transparent Allocation and Resources (STAR) in OP5 and OP6, respectively. Beginning from OP4, the SGP Malaysia Country Programme's projects were funded solely by the RAF and STAR, while the GEF Core fund supports the SGP Secretariat operational costs in the country.

Since the beginning, a total of 163 projects have been implemented with total grants of USD 5,891,925 from GEF and USD 11,356,542 from co-financing. SGP has benefited more than 100 grantees from throughout Malaysia. The projects were implemented within the GEF focal areas, as shown in Table 1 and distributed in the three sub-national regions of Malaysia, as shown in Table 2.

Table 1: Projects and GEF Focal Areas

| Focal Areas - Total | Number of Projects | Grant Amount | Co-financing in Cash | Co-financing in Kind |
|----------------------|--------------------|----------------------|----------------------|----------------------|
| Biodiversity | 107 | 3 903 917 USD | 10 470 122 USD | 2 864 824 USD |
| Climate Change | 26 | 987 471 USD | 668 330 USD | 769 816 USD |
| International Waters | 4 | 231 262 USD | 4 214 USD | 472 463 USD |
| Multifocal Area | 15 | 509 883 USD | 174 509 USD | 380 246 USD |
| Chemicals and Waste | 6 | 113 000 USD | 30 967 USD | 104 508 USD |
| Land Degradation | 5 | 146 392 USD | 8 400 USD | 97 163 USD |
| TOTAL | 163 | 5 891 925 USD | 11 356 542 | 4 689 020 |

Table 2: Projects distribution by sub-national regions

| Sub national Regions | No. of Projects |
|----------------------------|-----------------|
| Peninsular Malaysia | 100 |
| Sabah | 37 |
| Sarawak | 26 |
| Total | 163 |

1.1 National results and accomplishment

SGP Malaysia country programme has been complementing the Government's initiatives in addressing environmental management and conservation through communities participation. SGP has been playing a crucial role, particularly in enhancing the capacities of CBOs, NGOs and CSOs to lead and be responsive towards the actions and interventions made at the local level in the nation's efforts of protecting and conserving the environment and natural resources, as well as maintaining the fine balance between human needs and sustainable development. The programme also impacted policy, awareness and technological practices in various environmental management areas.

The SGP portfolio has supported 11 micro-hydro projects under the Climate Change focal area for communities that are without access to the electricity grid in remote locations. This sustainable

development reduces the reliance on the use of fossil fuels for lighting by promoting the usage of renewable energy, hence contributing to the reduction of GHG emission. It also improves the livelihoods of the communities by generating alternative income and providing them more disposable income. The importance lies within the design of the projects that incorporates other cross cutting areas, such as protection of the watershed areas (an important element of conservation of biodiversity) and more importantly, enforcing ownership through active local community engagement. Through capacity-building and training, local communities learn to manage the system in ensuring the sound financial viability and the sustainability of the micro-hydro system through the establishment of community-based committees. A case study is underway to showcase the common principles and underlying modalities of community-based micro-hydro systems by demonstrating how to replicate rural electrification using low cost inventions. It also provides a platform for dialogue with government authorities. One of the projects in Kampung Madung Abun, Belaga, Sarawak also won the Energy Globe Award in May 2015 for Community-based watershed management system towards supporting the sustainable use of renewable energy.

Kota Damansara Urban Park had managed to influence local government decisions and policy formulation by gazettement of the urban forest as **Kota Damansara Community Forest Reserve**. The project has inspired the local community to take citizen action towards creating an improved environment. In 2004, SGP supported an initiative by a coalition of urban communities, who believes that the conservation of the last remaining patch of rainforest could be made possible through their resident associations. The aim was to retain the biodiversity of this forest, with an area size of 857 acres in the midst of urban housing development, which serves as a green lung and recreation park, as well as a natural resource for biodiversity education and motivational activities for the people from all walks of life. Guided by one of the oldest conservation CSO, the Malaysian Nature Society raised the awareness and reached out to communities, far and near, creating an environment that is suitable for community use, including youth groups, special-needs (disabled) and the indigenous Temuan community, who provides guided services while managing a herbal garden for educational purposes. Further enhanced by the documentation of the biodiversity, a management plan was developed. The Kota Damansara Community Forest Reserve was officially gazetted in 2010 and the Kota Damansara Community Forest Society was formalized in the following year to co-manage this urban community park with the state Forestry Department. To date, the objectives of safeguarding the forest and ensuring its sustainable use are upheld and continue to receive corporate funding through their self-supporting fundraising efforts.

SGP was one of the first to provide support for mangrove ecosystem regeneration in Malaysia through the fishermen's associations. The positive impacts generated by this activity have attracted the interest of many private enterprises to fund such projects under their corporate social responsibility. Mangrove rehabilitation technique such as Ecological Mangrove Rehabilitation and traditional knowledge has been regarded as an effective way for mangrove rehabilitation. By using this technique, the local livelihood was improved through higher fish catch, promotion of ecotourism and handicraft making in several sites located in Penang, Johor, Selangor and Johor. The linkage of smart partnership between the rehabilitation efforts by the existing local communities, ongoing research by the governmental research institutes and the corporate social responsibility programme by the private sector is important in achieving the landscape results for mangrove protection and rehabilitation along the coast of Malaysia.

Conservation of the Terubok fish has recorded success through active community participation. The project started with awareness-rising by explaining to the local community about the life cycle of Terubok fish. With the better understanding of reproduction cycle of Terubok fish, the consumption of Terubok eggs and fishing during closed fishing seasons among the local community has reduced substantially. The project achieved the greatest result when the local community adopted various sustainable livelihoods activities. It also created a better quality of life for the community. Similarly, ecotourism projects provided alternative livelihood and encouragement of protection of nature. SGP has funded projects on the promotion of ecotourism at Tasek Bera (Pahang), Ulu Geroh (Perak), Sedili Kechil, Kg. Linting and Endau Rompin (Johor), Langkawi (Kedah), Sg. Nenggiri (Kelantan),

Ma'Daerah (Terengganu), Kota Belud, Penampang, Kinabatangan, and Kudat (Sabah), Bau and Semantan (Sarawak). In addition, the development of environmental and conservation education programme at the Bornean Sun Bear Conservation Centre (BSBCC) raised awareness on the importance of protecting natural habitats of Sun Bear and prevent its poaching and trading. The collaboration between the BSBCC and Sabah's State Forestry and Wildlife Department further led to a policy that could support the conservation of Sun Bear.

SGP funded a project to raise the awareness of consumers, demonstrate viable and cost-effective alternatives to POPs products and reduce emissions of unintentional POPs. The project was conducted in five states: Penang, Perlis, Kedah, Perak and Selangor. A well-documented book was published with an explanation of POPs, advocating POPs-free lifestyle. Provision of alternatives and lessons learned in this project can be facilitated for replication of good practices at the national, regional and global levels.

SGP has funded several projects that contributed to the integrated management of Tun Mustapha Park (TMP). This is to ensure the communities that are dependent on the protected area for their livelihoods have the capacity and are able to take part in the management of the park. A strategic project funded by SGP has strengthened the formation of a coalition of all the existing community-based organisations. It also helped to scale up the community participation in resource management and capacity building to **support** for the establishment of the TMP as well as to facilitate sustainable livelihood improvement. Fund raising to support community-based organisation within a greater initiative such as the gazetting of the TMP enabled the programme to achieve a bigger impact through a combination of resources from the established NGO.

Aimed at conserving the marine biodiversity through the reduction of sea turtle by-catch in commercial shrimp trawling, a pilot project was embarked on the awareness and capacity building mission for the local fisherfolk communities to undertake more sustainable methods, particularly through the use of turtle excluder devices (TEDs). To convince the community that there was a minimal loss in their catch, live trials were conducted together with the community by demonstrating the use of the TEDs and its impact on the catch. These trials were also replicated in a second location and expanded to other locations with the integration of the Federal Fisheries Department. Through the capacity building for both the fisherfolk communities and the authorities/policy makers, an NGO-led initiative has expanded to a national level commitment and led to the establishment of a national policy on the use of TEDs on shrimp trawlers, beginning in Peninsular Malaysia. A lesson learned is that strategic thinking should be incorporated into the project design to achieve a bigger impact and upscaling. In this context, the upscaling was initiated and implemented through 10 years of continuous effort of working with different partners and donors. Key outcomes include 1) removal of barriers to critical knowledge needed for decision-making in effective conservation of sea turtles; 2) incorporation of sea turtle and ecosystem conservation priorities and measures into relevant policy, planning and regulatory framework review processes; and 3) enhancement of the local fisher community-based stewardship of sea turtles at selected important sites. In 2015, MRF received a prize for the sustainability of this TED project from The Green Organisation (thegreenorganisation.org) in recognition of the positive impacts of the project on the sustainability of fisheries in Malaysia and the conservation of sea turtles.

On the advocacy and awareness, recycling centre projects had a multiplier effect when the Department of Housing and Local Government created an enabling environment for hypermarkets and supermarkets to have recycling and active 'green' centres next to their outlets. Similarly, the enhanced biodiversity management projects based on the herbal and medicinal garden concept was replicated by other government agencies, such as the Department of Agriculture and Forestry, and helped to upscale the commercialization of medicinal plant species. The SGP Annual Report 2015 quoted the Sabah Bio-Cultural Law Project (SBLP) as an exemplary gender empowerment project. By using focused groups in the community, women are given chances to involve in the planning and decision-making processes. Participatory methods in training sessions, workshops, role-playing scenarios, and dialogues also increased the participation of women in the project planning process. As a result, when the project implementation began, two women were elected out of five representatives by the community to be part

of the Melangkap Bio-Cultural Committee, whose task was to ensure smooth relations between the project proponent and the five districts. In fact, the Sabah Biodiversity Centre is now using this protocol to set up prior informed consent protocols in other communities for the purpose of the Access and Benefit Sharing Law that is currently developing in Malaysia.

1.2 Existing Sources of Co-financing and Partnership

The SGP country programme is one of the largest funding programmes available for NGOs and communities in the environmental management area in Malaysia. There are many synergies that can be provided by the SGP programme to the mainstream environmental management within the sustainable development context in Malaysia. These include working together with ministries and state governments. At least four main ministries are relevant to SGP's contribution, which are Ministry of Natural Resources and Environment, Ministry of Energy, Green Technology and Water, Ministry of Agriculture and Ministry of Rural and Regional Development. Almost all strategies within the Pursuing Green Growth for Sustainability and Resilience Thrust in the 11th Malaysia Plan (2016-2020) have a linkage to the OP6 Strategic Initiatives. SGP will continue to look into the potential by leveraging this partnership in the current phase. UNDP Country Office will be a major partner for the SGP programme to promote the Sustainable Development Goals 2030. The SGP programme could provide support at the community level to some of the on-going FSP GEF projects that UNDP is supporting the government of Malaysia. However, given the strategic approach of UNDP in a middle-income country like Malaysia, the partnership that could be provided by UNDP Malaysia in SGP OP6 will be limited to support the projects upscaling and enhancement of monitoring and evaluation. SGP has also established a partnership with individual NGOs and CSOs at the project level to raise mutual interest and capacity of ILCs.

Some of the challenges of the existing management of SGP programme and the partnership include;

- i) Lack of monitoring and evaluation among NGOs and communities to timely manage and deliver projects,
- ii) Lack of partnership with research-based organization/institutions to support both SGP and the grantees in technical knowledge and assistance, and
- iii) Lack of synergy with the existing on-going government agencies at both national and local levels.

1.3 Potential Co-financing and Partnership for effective implementation of SGP initiatives in OP6)

Working with the network of environmental related NGOs is already on-going for SGP Malaysia and it is expected that this collaboration will provide more results in the grant making and non-grant making role. In the past, there were no significant international collaborators for SGP Malaysia. However, in OP6, German donors are committed **to provide for the Indigenous Peoples' and Community Conserved Territories and Areas initiative**. SGP Malaysia will also seek further sponsorship from corporate.

To ensure the influence of upscaling and policy on the conservation while generating co-benefit in terms of additional income and capacity for the grantees, SGP will use the experience and resources from the past project to look for potential projects and effective implementation. For example, the tripartite working model between the government agency, NGOs and the local community in the TED and Biocultural projects and the supporting networks for effective upscaling in the Integrated Organic Farming project. Past grantees are also requesting SGP to identify and introduce sub-national research and training organization in the formulation and implementation. The success of gazettement of the protected areas had required strong support and commitment from the local community and the establishment of partnership between the government, NGOs and corporations. OP6 should target to reach a policy change in the government and private energy sector to ensure this successful model can be taken up at a larger scale throughout the country with their full financial support..

Working within the selected landscape/seascape, SGP will take the opportunity to seek partnership with NGOs network in the specific areas to promote awareness of the SGP grants as well as to build a capacity of new and smaller CSOs and ILCs for the effective implementation. SGP would need to identify institutions and NGOs who could help to provide monitoring and evaluation support. To promote and enhance local technologies for conservation and sustainable development, local research institutions need to be identified in providing technical support.

Based on the experiences gained from the model projects, partnerships and the sources of co-financing of the past projects, to effectively implement the OP6, SGP Malaysia should focus on obtaining the co-financing from the private sector and line Ministries, getting monitoring/evaluation and upscaling synergy from UNDP, and promoting capacity building and advocacy with other NGOs. Another urgent institutional set up that is needed under OP6 is to establish some form of the local consultation body that can streamline and provide a consensus for greater impact of the clustered projects within a particular landscape.

2. SGP COUNTRY PROGRAMME NICHE

2.1 Alignment with national priorities

The SGP country programme is highly relevant to the international commitment of the Government of Malaysia on environmental management and sustainable development. In fact, given their strength in community development, SGP has a significant niche in contributing to these commitments.. Table 3 shows the country ratification of the relevant Rio Conventions and national planning framework.

Table 3: List of relevant conventions and national/regional plans or programmes

| Rio Conventions + national planning frameworks | Date of ratification / completion |
|---|--|
| UN Convention on Biological Diversity (CBD) | June 1994 |
| Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) | 1978 |
| CBD National Biodiversity Strategy and Action Plan (NBSAP) | 1998 |
| Nagoya Protocol on Access and Benefit-Sharing (ABS) | In progress |
| UN Framework Convention on Climate Change (UNFCCC) | July 1994 |
| Montreal Protocol | 1989 |
| RAMSAR Convention on Wetlands | 1994 |
| Basel Convention on Hazardous Waste | 1993 |
| UNFCCC National Communications (1 st , 2 nd , 3 rd) | 2000, 2011, 2014 |
| UNCLOS (The United Nations Convention on the Law of the Sea) | 1996 |
| Cartagena Protocol on Biosafety | Sept 2003 |
| Minamata Convention on Mercury | Signatory Sept 2014 |
| UNFCCC Nationally Appropriate Mitigation Actions (NAMA) | In progress |
| UNFCCC National Adaptation Plans of Action (NAPA) | NA |
| UN Convention to Combat Desertification (UNCCD) | June 1997 |
| Stockholm Convention on Persistent Organic Pollutants (POPs) | 2002 Succession |
| Poverty Reduction Strategy Paper (PRSP) | NA |
| UNCCD National Action Programmes (NAP) | None |
| GEF National Capacity Self-Assessment (NCSA) | July 2008 |
| GEF-6 National Portfolio Formulation Exercise (NPFE) | March 2015 |

| | |
|--|------------|
| Strategic Action Programmes (SAPs) for shared international water-bodies | None |
| National Environment Policy | |
| National Water Resources Policy | 2012 |
| National Solid Waste Management Policy | 2006 |
| National Green Technology Policy | |
| 11 th Malaysia Plan | 2016-2020 |
| National Policy on Biological Diversity | 2016-2020 |
| National Climate Change Policy | |
| Man and Biosphere (MAB) Program under UNESCO | On – going |

2.2 SGP OP6 Programme and Opportunities for local community's involvement

Many of these commitments require the Government of Malaysia to develop and implement policy, regulations, protocols, guidelines, technology and practices that support the achievement of the global environmental benefits/goals. While the Government of Malaysia is able to provide the infrastructure and resources, it is the stakeholders such as communities and NGOs that could provide feedback and demonstrate how these processes can be achieved accordingly.

While the planning at the national level can be done by the government, in fact, the main concern of the Economic Planning Unit is the execution of the government ministries at both the state and local levels. As such, the 11th Malaysia Plan provides a wide opportunity for NGOs and communities to be involved in the implementation of the Green Growth for Sustainability and Resilience Thrust in the 11th Malaysia Plan (2016-2020). As the community involvement is the main focus of SGP, the programme will provide support to communities in achieving or contributing to the implementation of these national priorities at the local level in all the selected landscape/seascape. The regional economic corridors developed by the government are also tuned to support the community-based development that relates to sustainable development. Each of these corridors provides targets for the community to achieve in managing the environment within the corridors.

The National Environment Policy, National Policy on Biological Diversity, National Policy on Climate Change and National Green Technology Policy provide for significant participation of communities and NGOs to implement their strategy and action plans.

As for the implementation of international environmental goals in Malaysia, there is an urgent need in preparing and building the capacity between the communities and NGOs. The Nagoya Protocol on Access and Benefit Sharing of Biological Resources and the Copenhagen Action under the UNFCCC require the community to develop practices and adopt technologies that could promote low carbon society and enhance natural resource management. Another main focus will be on the implementation of the Global Goals (SDG 2030) in Malaysia, which requires the awareness, capacity and rights of the community in pursuing the goals. For the newly completed National Policy on Biological Diversity and the National Biodiversity Strategies and Action Plans (NBSAP), the participation of communities is required in order to achieve the goals and targets.

SGP Malaysia will continue to support the capacity building of communities and NGOs in all GEF areas of biodiversity, climate change, land degradation/agro-ecology and waste and chemical management within the grant making strategies. This will be in line with the national priorities of the international conventions that are committed by Malaysia, as listed in Table 3. In addition, the capacity building initiatives will be provided in cross-cutting areas with the purpose of enhancing the ability of communities to understand, aware and develop activities that are related to the conventions, programmes and plans. A particular attention for capacity building will be given to the access of the benefit sharing of biological resources, especially in traditional knowledge and prior informed consent.

2.3 Potential for complementary and synergy of selected OP6 strategic initiatives

The potential for complementary and synergy of the OP6 strategic initiatives with the directions of all stakeholders are as below:

Table 4: SGP contribution to national priorities / GEF-6 corporate results

| 1 SGP OP6 strategic initiatives | 2 GEF-6 corporate results by focal area | 3 Briefly describe the SGP Country Programme niche ² relevant to national priorities/other agencies ³ | 4 Briefly describe the complementation between the SGP Country Programme UNDP CO strategic programming |
|---|--|---|--|
| Community landscape/seascape conservation – biodiversity management | <i>Maintain globally significant biodiversity and the ecosystem goods and services that it provides to society</i> | <p>Government Of Malaysia (GOM) MNRE supports the Common Vision 2012 that promotes mainstreaming of landscape management. GOM have created Central Forest Spine and Heart of Borneo for conservation mainstreaming and economic corridors for sustainable development. These initiatives will provide communities' supported activities as potential projects for SGP in policy implementation like the mainstreaming biodiversity conservation in forestry, tourism and plantations. The management and preservation of the primary and secondary linkages within the CFS can be supported by communities living in the buffer zones.</p> <p>GEF projects Sustainable financing of Protected Areas Management, Central Forest Spine linkages, Biodiversity conservation in multiple-use forest landscapes, and Green Technology Application for the Development of Low Carbon Cities supports landscape conservation. This could provide synergy for community initiatives in regards to traditional knowledge, bioprospecting, human-wildlife conflict, and alternative sustainable livelihood initiatives.</p> | The UN and UNDP have been promoting clustering of projects and programme within a landscape or production landscape in order to see bigger development results. UNDP also promotes the inter-institutions coordination at the sub-national level and evaluation of ecosystem services for low income groups. Some of the landscape/seascape areas for SGP will be on or adjacent to landscape and seascape areas of UNDP projects. SGP project implementation can take the opportunity to link with the sub-national agencies to support the communities with income generation activities by valuing the ecosystem services in the areas of water and non-timber natural resources. |

² "Niche" refers to the role or contribution that the Country Programme is best fitted to perform and for which the other stakeholders agree with

³ Describe only for those OP6 strategic initiatives that will be programmed by the SGP country programme.

| 1 SGP OP6 strategic initiatives | 2 GEF-6 corporate results by focal area | 3 Briefly describe the SGP Country Programme niche ² relevant to national priorities/other agencies ³ | 4 Briefly describe the complementation between the SGP Country Programme UNDP CO strategic programming |
|--|--|---|--|
| | | <p>NGOs There are many NGOs that have large biodiversity related, on-going initiatives that could be useful for SGP to link with to promote community involvement. This includes MNS, WWF, and GEC.</p> | |
| Innovative climate-smart agro-ecology; Community landscape/seascape conservation | <i>Sustainable land management in production systems (agriculture, rangelands, and forest landscapes)</i> | <p>GOM The Ministry of Agriculture supports the implementation of Convention on Desertification and has programmes to promote ecological land management. The SGP could initiate projects to support this in the areas of agro-ecological practices such as conservation agriculture, permaculture, systems of crops intensifications, and organic farming in the traditional indigenous and local community. Other opportunities in the areas of supporting resilience and the capacity of agriculture systems to adapt to climate change and to mitigate emissions of GHGs from farming.</p> <p>NGOs Niche NGOs like GEC, CAP, and CETDEM have on going initiatives in sustainable agro-ecology programme that SGP can support.</p> | UNDP supports the enhancement of resilience and mainstream disaster risk reduction and strengthens multi-hazard risk governance. SGP could synergize with UNDP to identify capacity support and community governance for risk management in high risk areas. |
| Community landscape/seascape conservation – international waters | <i>Promotion of collective management of trans-boundary water systems and implementation of the full range of policy, legal, and institutional reforms and investments contributing to sustainable use and maintenance of ecosystem services</i> | <p>GOM MNRE is committed to enhancing the marine protected areas to 10% from 1% currently. SGP could support initiatives with communities to provide local knowledge of biodiversity in these areas and build co-management governance with the authorities. Species protection projects can also be significant. SGP can also support projects to identify the areas worthy of gazettelement for protection.</p> <p>GEF projects</p> | UNDP supports natural resource management and institutional capacity strengthening and communities benefitting. SGP could provide initiatives to remove barriers for co-management of marine natural resources such as low awareness and capacity and identification of local technologies to conserve biodiversity. |

| 1 SGP OP6 strategic initiatives | 2 GEF-6 corporate results by focal area | 3 Briefly describe the SGP Country Programme niche ² relevant to national priorities/other agencies ³ | 4 Briefly describe the complementation between the SGP Country Programme UNDP CO strategic programming |
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| | | <p>Mainstreaming of Biodiversity Conservation into River Management. This initiative provides an opportunity for SGP to create projects that promote river and coastal communities to identify riverine biodiversity and assist in river management. Riverine biodiversity tourism that can support alternative livelihood also can play a role.</p> <p>NGOs GEC, WWF and Reef Check are some of the NGOs that could partner with SGP on community involvement in riverine and marine natural resources management.</p> | |
| Energy access co-benefits | <i>Support to transformational shifts towards a low-emission and resilient development path</i> | <p>GOM MNRE and MGTEW are supporting various strategies for low emission economy under the National Climate Change Policy and National Green Technology Policy. To support low carbon economy, SGP can continue to create renewable energy and energy efficiency initiatives by way of providing catalytic financing for community to develop, innovate and manage technologies like small hydro, solar, biomass, bioenergy, and efficient stoves, transport, and machineries with the focus on innovation and scaling up of these innovations and integrated with other conservation and or economic initiatives for climate resilience, and reducing poverty.</p> <p>GEF projects Energy Efficient Low-carbon Transport, GHG Emissions Reductions in Targeted Industrial Sub-Sectors through EE and Application of Solar Thermal Systems, and Buildings Sector Energy Efficiency Project (BSEEP). Although these initiatives are largely targeted at building policy and capacity of agencies, SGP could seek</p> | Innovative mitigation action that promotes the use of clean technologies for energy generation and extension of service to the underserved population. SGP could provide opportunities for UNDP to support small-scale projects to reach the last mile in energy access among remote and rural communities and at the same time using clean technologies if not GHGs free sources. |

| 1 SGP OP6 strategic initiatives | 2 GEF-6 corporate results by focal area | 3 Briefly describe the SGP Country Programme niche ² relevant to national priorities/other agencies ³ | 4 Briefly describe the complementation between the SGP Country Programme UNDP CO strategic programming |
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| | | <p>synergies to provide community's involvement (including urban households) in the implementation of the policies or testing of technologies at a smaller scale at the local level.</p> <p>Other Donors British High Commission supports climate change policy and technologies.</p> <p>NGOs CETDEM, EcoKnights, LEAP , JOAS, TONIBUNG and BCI are organisations that operate in this field. SGP could partner with them to provide sustainable energy access to indigenous and local communities.</p> | |
| Local to global chemicals coalitions | <p><i>Increase in phase-out, disposal and reduction of releases of POPs, ODS, mercury and other chemicals of global concern</i></p> | <p>GOM Committed to the implementation of Minamata Convention and promotes recycling as major part of waste management policy. SGP could support in areas of pesticide management, promotion of organic farming and citification, and development of technologies and alternative to pesticides, waste Management – reduce open burning, recycling, manage for livelihoods, awareness and heavy metals and other chemicals - reduce open burning, recycling.</p> <p>GEF projects Minamata Convention Initial Assessment in Malaysia project</p> <p>NGOs Community recycling Association and NGOs like TREES, CETDEM and ENSEARCH can be partners for SGP to involve communities in these initiatives.</p> | <p>UNDP supports management of waste and chemical sector with a focus on people-centric development and healthy environment. SPG could partner with UNDP to support community networks and coalition to influence policy and management of waste.</p> |

| 1 SGP OP6 strategic initiatives | 2 GEF-6 corporate results by focal area | 3 Briefly describe the SGP Country Programme niche ² relevant to national priorities/other agencies ³ | 4 Briefly describe the complementation between the SGP Country Programme UNDP CO strategic programming |
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| CSO-Government dialogue platforms | <i>Enhance capacity of civil society to contribute to implementation of MEAs (multilateral environmental agreements) and national and sub-national policy, planning and legal frameworks</i> | <p>GOM Supported stakeholder's consultation in the development of 11th Malaysia Plan on green growth thrust. MNRE promotes stakeholders dialogue before the development of national regulations like ABS and Biosafety Law SGP can provide capacity building and awareness on the Multilateral Environmental Agreement and the scope of community involvement and identify policy, technologies and cultural aspects that communities and NGOs need to know and prepare. SGP can support the 11th Malaysia Plan and opportunities for communities and NGOs participation. In addition, SGP can support network of civil society in the achievements of National Policy on Biological Diversity and National Biodiversity Strategies and Plans (NBSAP) including the importance of traditional knowledge on biological resources.</p> <p>GEF projects All GEF projects require policy development with the emphasis on public consultation and community input.</p> <p>NGOs MENGO, ENSEARCH, AZAM, PACOS are some of the organisations that can support SGP to develop this platform.</p> | UNDP supports the national engagement of stakeholders in multilateral negotiations in order to share best practices, challenges and perspectives. SGP could support communities participation in the national engagement of stakeholders in these MEAs. |
| Social inclusion (gender, youth, indigenous peoples) | <i>GEF Gender Mainstreaming Policy and Gender Equality Action Plan and GEF Principles for Engagement with Indigenous Peoples</i> | <p>GOM The 11th Malaysia Plan's First Strategic Trust is to enhance inclusiveness towards an equitable society and commitment to enable all regardless of gender, ethnicity, socio-economic level and geographical location. SGP has an advantage of past experience in working with indigenous communities and</p> | UNDP supports inclusive development and growth by way of prioritizing women, indigenous communities and vulnerable groups. SGP could look into supporting the bottom 40 group which is the main target group for UNDP country programme. |

| 1 SGP OP6 strategic initiatives | 2 GEF-6 corporate results by focal area | 3 Briefly describe the SGP Country Programme niche ² relevant to national priorities/other agencies ³ | 4 Briefly describe the complementation between the SGP Country Programme UNDP CO strategic programming |
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| | | <p>women groups at the local level. SGP could intensify the creation of more ICCA initiatives and provide support to youth groups to take advantage of conservation initiatives in both rural and urban areas.</p> <p>GEF projects All GEF projects require gender mainstreaming and support communities especially indigenous groups.</p> <p>NGOs SGP could work with environmental, NGOs like PACOS and women NGOs like AWAM to promote gender mainstreaming activities within the projects.</p> | |
| Contribution to global knowledge management platforms | <i>Contribute to GEF KM efforts</i> | <p>GOM 11th Malaysia Plan's Strategy A2: Enhancing awareness to create shared responsibility through comprehensive communication, education, and awareness programmes and platforms for knowledge sharing. SGP will allocate resources to capture the lessons learned (success and failure) and good practices identified in a form of a workshop, publication and knowledge fair.</p> <p>GEF projects All GEF projects require sharing of knowledge products from the lesson learned.</p> | UNDP supports knowledge networks and South-South Cooperation, especially in natural resources valuation, management and mainstreaming. SGP will promote its grantees to share and learn with/from other CSOs in the region via the south-south cooperation, especially taking advantage of the SS cooperation initiated under the UNDP CO programme. |

3. OP6 STRATEGIES

In the OP6 (2015 – 2018), there are three major strategic priorities for SGP, namely landscape/seascape approach, newly framed grant making strategic initiative, and added scope in the form of grant maker + strategies initiatives.

The implementation of the landscape/seascape approach will allow SGP to better focus on the grant-making and promote strategic programming and clustering of small grant projects, with the aim of achieving landscape-scaled impacts. Within the selected landscape/seascape in each country, SGP will focus on supporting and coordinating concrete actions at the grassroots level by providing small-scaled finance to local community-led projects within the given prioritized landscapes. SGP will also review, analyze, and codify the results of these on-the-ground actions to distill and disseminate the useful findings that can be used for replication within the country and in other parts of the world in future.

The four grant making strategic initiatives are:

1. Community landscape/seascape conservation to maintain globally significant biodiversity and the ecosystem goods and services that provide to the society.

To achieve this goal, the strategy encompasses four areas that will be supported by SGP:

- i. improve the sustainability of protected area systems;
- ii. reduce threats to biodiversity;
- iii. sustainably used biodiversity; and
- iv. mainstream conservation and sustainable use of biodiversity into production landscapes/seascapes and sectors such as tourism, plantation and forestry.

2. Climate Smart Innovative Agro-ecology.

Agro-ecology can be defined as a set of principles and practices to enhance the resilience and ecological, socio-economical and cultural sustainability of farming systems. Therefore, agro-ecology is a science, a practice and a social movement for sustainable agriculture. It uses the basic ecological principles for the design and management of agro-ecosystems by combining production and conservation of natural resources on the same land units. Through agro-ecology practices, farmers will be able to better manage the risk associated with climate change in the conventional agriculture, which often requires expensive external farm inputs.

SGP will support the communities with the projects that apply climate smart agro-ecology practices that:

- Reduce agriculture emissions and increase carbon sequestration (enhance carbon stocks in biomass and soil)
- Enhance soil organic matter and soil protection (organic farming)
- Enhance water conservation in agriculture
- Promote sustainable agriculture & aquaculture to improve ecosystem health that supports sustainable livelihood
- Apply agroforestry practices in farmland – integration of trees and shrubs into crop and animal farming systems to create environmental, economic and social benefits.
- Promote restoration and conservation of farm land
- Promote agro-biodiversity
- Enhance local capacity on climate smart agro-ecological innovations
- Promote the improvement of indigenous agriculture knowledge in natural resource management
- Promote knowledge sharing on agro-ecological innovations

3. Low Carbon Energy Access Co-Benefits

The initiative of low carbon energy access is to reduce the emission of GHGs by providing energy supply through energy efficiency and renewable energy. SGP will support catalytic financing for

community technologies in both sectors of energy efficiency and renewable energy, including micro-hydro, solar, biomass, and bioenergy, with the focus on innovation and upscaling. The SGP granted projects will support integrated approaches on the basis of co-benefits, such as improved climate resilience and livelihoods, reduced deforestation, improved carbon sequestration, reduced poverty, better health benefits and enhanced gender equality to achieve the sustainable development goals. Focus will also be given to capacity development efforts, enabling the community to develop innovative technologies.

4. Local to Global Chemicals Management

Under this strategic initiative, SGP OP 6 aimed to prevent the exposure of humans and the environment to harmful chemicals and waste, including POPs, mercury, harmful chemicals and heavy metals. It will be carried out through the community-based approaches by preventing, reducing or eliminating the production, usage, consumption and emissions/releases of these harmful substances. The activities that will be supported by SGP are pesticide management of agriculture and organic farming, reduction of chemicals usage and contamination, avoidance of open burning of solid waste, capacity development, awareness raising and knowledge sharing. In addition, SGP will also support the local projects that consolidate and coordinate all the existing chemicals, waste and heavy metals, which will contribute to the global chemicals management. To address the current implementation gaps in chemicals and waste management, SGP will support projects that undertake the activities in these four thematic areas:

- i. **Pesticide management** – packaging, storing and disposal of obsolete pesticide, promotion of organic farming and certification, and development of technologies and alternatives to pesticides;
- ii. **Waste management** – reduce open burning, recycling, waste management and technical capacity development for waste management;
- iii. **Heavy metals and other chemicals** – avoid the use or release of heavy metals and other chemicals, promote alternative livelihoods activities for miners and enhance community awareness.
- iv. **Coalitions and networks** – development and implementation of local certification, develop manual/guidelines and national policies to influence chemical import/export and linkages between producers and consumers.

3.1. Cross-cutting OP6 grant-making strategies

The consultations and assessments at the national level as described in Section 1 and the results of the scoping exercise are presented in Table 4. A few critical cross-cutting OP6 projects can be identified to support the initiatives at the national level outside of the selected landscape/seascape areas. These include important initiatives that strategically position the country programme and prepare the stakeholders to later implement the OP6 initiatives pertaining to capacity development, knowledge management, policy and planning, CSO-government dialogue platforms and fellowships for the indigenous peoples.

1. Capacity building and Awareness in the following scopes (but not limited to):
 - Understanding of the SGP OP6 Strategic Initiative and how the project contributes to the overall achievement of OP6
 - The Multilateral Environmental Agreement and the scope of community involvement. This includes the identification of policy, technologies and cultural aspects that need to be known and prepared by the communities and NGOs.

- Increase visibility and promotion of the SGP initiatives to potential grantees; establish partnerships and sharing of findings.
 - Understanding of the 11th Malaysia Plan and opportunities for communities and NGOs participation
 - Training in proposal development, grant application, monitoring and knowledge management.
 - Training in project management, implementation and financial management for the potential grantees and grantees.
 - Strengthen the network of civil society in the achievements of National Policy on Biological Diversity and National Biodiversity Strategies and Plans (NBSAP), including the importance of traditional knowledge of biological resources.
2. Evaluation of the past projects in Sarawak, Sabah and Peninsular Malaysia with the specific assessment on the impact of the projects and lesson learned from the local, state and national perspectives.
 3. Cross learning opportunity development among the communities and NGOs; development of the online platform and another forum.

3.2 Landscape/seascape-based OP6 grant-making strategies

The landscape/seascape approach for grant making is new to SGP Malaysia. During the stakeholder consultation workshop, almost all participants understood and showed appreciation for this approach in terms of the advantages and benefits gained from the SGP program. However, the main concern raised was that the approach for obtaining the SGP grants might not be applicable for the potential grantees outside the selected landscape. The concern was then solved by SGP in their assurance that there will be at least 30% funds of grant making projects available for the grantees outside the selected landscape. SGP also assured that the communities can receive the huge benefits by clustering the projects with the common landscape goals, especially those that are related to the focused capacity building activities.

SGP conducted three workshops to promote the landscape/seascape approach and to get feedback from the past and potential grantees, as well as the government agencies. Based on the outcome of the workshop, meetings with individual stakeholders and focus group discussions were held to discuss further about the criteria for selection of potential landscape areas.

There are at least five examples of the landscape/seascape approach that are noted as being practiced by the government of Malaysia.

- MNRE have promoted the past landscape management through Common Vision for Biodiversity, National Biodiversity Policy and creation of Central Forest Spine (as a result of the National Physical Plan) and Heart of Borneo.
- The Economic Planning Unit created the Economic Corridors for a better development of targeted landscape for economic and social development.
- The Ministry of Agriculture has developed regionally based agricultural development programmes
- The MNRE also prompted the Integrated Coastal Zone Management to better coordinate and manage the development and environmental management along the coastal area. The Coral Triangle Initiative with regional countries, specifically in the eastern coastal of Sabah.

However, based on the discussion with stakeholders and by taking the selection criteria into account, it is impossible to solely choose the landscape/ seascape for OP6 using the current existing examples as above.

The main criteria used to select a more representative landscape/seascape for SGP OP6 are:

1. **National priorities.** Alignment with national priorities such as 11th Malaysia Plan (2016-2020) and national policy related to environmental management such as NBSAP, National Policy on Biological Diversity, National Forestry Policy, National Climate Change Policy, National Physical Plan and significant Protected Areas.
2. **Global significance.** The area is a critical ecological hotspot where there is a great need for vulnerable communities with low capacity, such as RAMSAR site, Man and Biosphere programme areas, endangered species and highly valuable protected areas.
3. **Capacity of both community and institutions.** The level of community interest and the extent to which communities are organised, and the extent of current cooperation among different actors, ability to collaborate with other partners and institutional capacity for stewardship at community-and-landscape levels (local governance).
4. **Existing initiatives.** The areas must be areas where there is existing funding but no community elements (social inclusion), with the potential for triple wins (social, economic, environmental). This will benefit SGP with less investment and big impact. It must have the potential to build on the existing community-level governance systems (such as ICCAs), the potential for landscape/seascape linkages in order to combine resources with other large-scale efforts (government or non-government or international assistance) and the potential to implement capacity building activities and exchanges; influencing policy at the local, national and regional levels, including KPIs or indicator that can be jointly developed.
5. **Alignment/linkages with OP6 strategic initiatives.** It is important that there are issues relating to the initiatives that can be implemented within the area, namely Landscape/Seascape Approaches, Climate-Smart Agro-Ecology Practices, Low Carbon Energy Access Co-Benefits, and Local to Global Chemical Management Coalitions.
6. **SGP past projects.** Building on the areas where SGP has laid a strong foundation with many past projects would provide the clustering of projects under landscapes/seascapes to becoming more visible.

Based on the second consultation with the stakeholders, including CSOs, NGOs and government agencies, the following landscapes/seascapes are proposed:

1. Coastal Peninsular Malaysia
2. Peninsular Malaysia's Central Forest Spine Linkages
3. Coastal Sarawak
4. Inland and Highland Sarawak
5. East Coast of Sabah
6. West Coast of Sabah
7. Highland of Sabah

Except for the landscape of Central Forest Spine, which is an existing landscape recognized by a national plan, the rest of the proposed landscapes/seascapes are defined for the specific purpose of SGP OP6 context. This means that the actual size and coverage are based on estimation and as such, there is no fixed definition of the coastal area to define the length of land for the chosen coastal landscape. Similarly, the definition of inland and highlands used here is to capture the area that consists of a certain characteristic of terrain and ecosystems, which are different from the coastal areas.

However, the classifications of these landscapes/seascapes do exhibit different ecosystems and represent a specific type of the local and indigenous communities. All these landscapes/seascapes fulfill the criteria as mentioned above and are defined for the purpose of SGP OP6 in reporting the results obtained from the projects cluster within the areas with a bigger impact.

1. Coastal Peninsular Malaysia

This area covers both the west and east coast belt of peninsular Malaysia, as well as the southern coast bordering Singapore. There is no formal administrative, economic or conservation landscape in this area, although the Economic Planning Unit and Department of Irrigation and Drainage developed the Integrated coastal Zone Management plan a few years ago. The area consists of the largest urban areas in the west coast from Perlis to Johor and the east coast of Kelantan, Terengganu and Pahang. The area is the highest populated urban and semi-urban area in Malaysia.

The area fulfills criteria of the national priorities such as the 11th Malaysia plan for green growth, global significance in terms of RAMSAR sites and protected areas, community's capacity in implementing the climate change and biodiversity programmes and existing initiatives such as economic corridors, past SGP projects and alignment with the OP6 strategic initiatives.

All four SGP OP6 strategic initiatives can be implemented in this area. The challenges in this area are waste management, climate change mitigation and adaptation, agriculture and food security, urban biodiversity and water catchment issues and portable water. The potential grantees included are the urban and rural local communities and indigenous people. There is a high potential to get support from the existing economic development and environmental management implemented by various Federal and State government, the local government and NGOs.

2. Peninsular Malaysia's Central Forest Spine Linkages

The Central Forest Spine (CFS) of Peninsular Malaysia, which composed of four main forest complexes, is an important natural landscape of Malaysia. The Federal Government of Malaysia has formulated CFS Master Plan following the recommendations of the first National Physical Plan (NPP) in 2005, with the aims to increase the integrity of the CFS through conserving and rehabilitating 37 critical linkages between each complex in protecting biodiversity and ecosystem services. The plan was conceived because development activities such as the establishment of planted forests have significantly reduced the extent of primary forest within the landscape and are putting ecosystem services at risk. In addition, the biodiversity monitoring systems are not sufficient in measuring the impacts of these activities on the natural environment. The Forestry Department of Peninsular Malaysia is responsible for implementing the master plan. Currently, a GEF project with UNDP is implemented to support activities under the master plan.

There are 5 State governments and 3 different government agencies involved in the implementation of the master plan. There is a huge potential for the SGP project to be implemented in this area with the support and coordination from these agencies. Most of the population in the CFS area is the indigenous and local community who live in the outskirts of the four protected areas and in the linkage areas.

The area fulfills criteria of the national priorities, such as the CFS Master Plan, global significance in the form of highly valuable protected areas, existing initiatives such as the UNDP-GEF projects on Improving Connectivity in CFS and Enhancing Effectiveness and Financial Sustainability of Protected Area in Malaysia, and alignment with the OP6 strategic initiatives. It is also important for Malaysia's commitment to retain the target of forests and tree cover of at least 50 percent of the land area and the National Tiger Conservation Action Plan (NTCAP), as well as the National Elephant Conservation Action Plan (NECAP).

The implementable SGP OP6's strategic initiatives in this landscape are SI 1 and SI 2. Some of the challenges in this area are human wildlife conflict, protected area management and illegal logging and poaching. In addition, this area also needs rehabilitation for degraded forest and sustainable agriculture.

3. Highland of Sabah

This area specifically covers the Crocker Range Park and Kinabalu Park area, which are also involved in an existing programme called Kinabalu Ecolinc project. It is located in the west coast of Sabah. The Kinabalu Ecolinc Project, which is aimed to provide the connectivity conservation efforts in improving ecological connectivity between Kinabalu Park (KP) and Crocker Range Park (CRP). Forest fragmentation that occurs within these two protected areas due to uncontrolled deforestation and the expansion of agricultural and human activities has been the major issue. Key issues are the growing pressure from commercial tourism, adjacent land uses, encroachment, the need for increased capacity building, and greater public awareness. Tourism pressures are high and growing, but the impacts are currently under control. There is a potential for SGP to promote buffer zones and strengthen the community support through the establishment of Community Conserved areas, participation programme in tourism, agro-ecology, and biological resources prospecting. Institutional partners could come from Sabah Parks, Sabah Forestry Department and local NGOs.

The area fulfills criteria of the national priorities, such as the National Policy on Biological Diversity, Sabah Development Corridors, global significance in the form of high value protected areas, existing initiatives such as the Eco-link programme by Sabah government and Heart of Borneo, community capacity in implementing the biodiversity and climate change programme, past SGP projects and alignment with the OP6 strategic initiatives. All four SGP OP6 strategic initiatives can be implemented in this landscape. The area fulfills criteria of the national priorities as the second biosphere reserved in Malaysia listed under Man and Biosphere program, community's capacity, existing initiatives, and alignment with the OP6 strategic initiatives.

4. West Coast of Sabah

This area covers the marine area of the Coral Triangle Initiatives, the Tun Mustapha Park (TMP) and the coastal area of Kota Kinabalu. The Malaysia Coral Triangle Initiative National Plan Action focuses on the development and implementation of innovative management approaches to overcome climate change risks and overexploitation of marine resources, which impact the livelihood in an area of 1.02 million hectares with more than 50 islands and are located in the north-west of the state of Sabah. The TMP is situated across the Kudat-Banggi Priority Conservation Area and was formally gazetted on 24th May 2016, as well as providing the source of livelihoods to 80,000 coastal inhabitants of diverse ethnic groups. This unique demographic formed the rich cultural heritage of the proposed park. The concept of the park is to be a multiple-use managed area, which includes the areas for strict protection, tourism, artisanal fishing and commercial fishing among others. A multi-stakeholder group made up of government agencies led by Sabah Parks, Sabah Fisheries Department, Universiti Malaysia Sabah and the Land and Survey Department, NGOs including WWF-Malaysia and the local communities have been working together to realize the gazettement of TMP. The area is also under the Coral Triangle Initiative led by the Ministry of Science, Technology and Innovation (MOSTI).

The area fulfills criteria of the national priorities, such as the National Policy on Biological Diversity, global significance in the form of high value protected areas, existing initiatives such WWF Sabah programme and Coral Triangle Initiatives, past SGP projects and alignment with the OP6 strategic initiatives. The SGP OP6 strategic initiatives that can be implemented in this landscape are SI 1, SI 2 and SI 4.

5. East Coast of Sabah

This area covers the important riverine and terrestrial ecosystem starting from Lower Kinabatangan – Segama Wetlands. The site lies along the east coast of the state of Sabah. It is mainly within the administrative district of Kinabatangan, with its northern tip is under the administrative district of Sandakan. Lower Kinabatangan-Segama Wetlands in Sandakan is Sabah’s First and Malaysia’s largest RAMSAR site of 78,803 hectares. It is recognized internationally as an important wetland area. The Sabah Shoreline Management Plan (2005) includes an effective management strategy for the site. Sabah Forestry Department, Wildlife Department, and Department of Irrigation and Drainage are some of the agencies that are involved in the SGP OP6 related Strategic Initiatives. There are 8 villages within, and adjacent to, this Ramsar Site. The villagers are mostly fishermen that gain their livelihood from community tourism.

The area fulfills criteria of the national priorities, such as the National Policy on Biological Diversity, global significance in the form of RAMSAR site, existing initiatives such as the UNDP-GEF Riverine Biodiversity Management, past SGP projects and alignment with the OP6 strategic initiatives. The SGP OP6 strategic initiatives that can be implemented in this landscape are S1, S2 and S3.

6. Coastal Sarawak

The Coastal Sarawak area stretches from the east to the west of Sarawak along its coastline, housing various valleys of settlement that involve most of the Sarawak urban cities and rural communities. The Sarawak coastline is covered with mangrove and nipah forest that are most commonly found in the estuarine areas of Kuching, Sarikei, and Limbang. Peat swamp forests that cover 16 percent of the forested land are concentrated in southern Miri and the lower Baram Valley. These vast areas have many protected areas in Sarawak. The challenges in this landscape vary from urban waste management and climate change adaptation to agriculture and food security, and biodiversity ecosystems losses due to the expansion in logging and plantations. Tourism is also contributing bigger challenges into this area due to the environmentally sensitive ecosystems.

The area fulfills criteria of the national priorities, such as the National Policy on Biological Diversity, 11th Malaysia Plan on Green Growth, global significance in the form of high value protected areas, existing initiatives such the Kuching Wetlands National Park as Sarawak’s first Ramsar site and the Bako Buntal Bay as Malaysia first flyway site under East Asian-Australasian Flyway Partnership (migratory birds), community capacity in implementing the biodiversity and climate change programme, past SGP projects and alignment with the OP6 strategic initiatives. There are many federal and state level government agencies involved in the initiatives related to SGP’s OP6 SIs. These include Ministry of Rural Development, Ministry of Agriculture, Sarawak forestry Department and Town and Country Department. The SGP OP6 strategic initiatives that can be implemented in this landscape are SI 1, SI 2 and SI 4.

7. Inlands and Highland Sarawak

This area consists of many protected areas, including peatland, the buffer zones and Native Customary Rights settlements area in the inlands of Sarawak, bordering with Indonesia and Sabah. Some of these areas are inaccessible areas with uncertain climate and terrain conditions. The Sarawak rainforest has one of the highest concentrations of species per unit area in the world. The Heart of Borneo initiatives area of Sarawak is also located in this area. The challenges in this area are the lack of access to power, subsistence agriculture, natural resources dependent communities and growing tourism and plantation sector. The Sarawak Forest Department, Sarawak Forestry cooperation and the rural development ministry are some of the agencies that operate and manage this landscape. Larger NGOs like WCS and WWF also have many initiatives in this landscape.

The area fulfills criteria of the national priorities, such as the National Policy on Biological Diversity, global significance in the form of high value protected areas, existing initiatives such as the Heart of Borneo, past SGP projects and alignment with the OP6 strategic initiatives. The SGP OP6 strategic initiatives that can be implemented in this landscape are SI 1, SI 2 and SI 3.

Each of the selected landscape needs further socialization to obtain the suitable project type and provide high impact in the areas. A SWOT analysis has to be done before focusing on the types of projects or prioritized strategic initiatives, and strategic partnership needed to be established. Presumably, there should be different focus and partnership in the landscape so that a cross learning at the national level can be established. Similarly, the resource mobilization efforts and monitoring and evaluation will also be tailored to suit the stakeholders and the operated institutions.

SGP will ensure that at least 30% of the funds will be allocated to support those projects that are related to the four core strategic initiatives outside the selected areas.

Recognizing and Strengthening Indigenous Peoples and Community Conserved Areas

Malaysia is one of the 26 partner countries of the Global Indigenous Peoples and Community Conserved Areas (ICCA) Support Initiative funded by the German Ministry of the Environment (BMUB). The project's objective is to improve the recognition, support, and overall effectiveness for biodiversity conservation, sustainable livelihoods and resilience to climate change of territories and areas conserved by the indigenous peoples and local communities through enhanced capacities of all the engaged parties. This objective is expected to contribute to the achievement of Aichi Targets 11, 14 and 18 of the CBD 2020 Global Biodiversity Strategy, in at least 26 countries.

As part of the project support, Malaysia is expected to receive a funding support of US 400,000 (Catalytic grant of US 50,000 for assessment and formulation ICCA country program, development of pipeline projects and assisting the successful grantee partners in the project implementation; and US 350,000 for grant making).

In many parts of Malaysia, traditional and contemporary systems of stewardship embedded within cultural practices such as gompiguno and tagal are implemented to enable the conservation, restoration and connectivity of ecosystems, habitats, and species in accordance with Indigenous worldviews. Such systems may also be referred to "Indigenous peoples" and "community conserved territories and areas" or ICCAs. Under certain conditions, they are more effective than the state protected areas in preventing deforestation, maintaining forest health and conserving biodiversity and natural resources.

Detail assessment and ICCA country program strategy will be developed as an additional part of the CPS through a catalytic grant, and to implement national level projects on ICCAs within the framework of the strategy.

3.3 Grant-maker+ Strategies

3.3.1. CSO-Government Dialogue Platform

SGP offers the advantages of providing and promoting dialogue between the government and CSOs through various platforms. SGP has an accumulation of on-the-ground knowledge of practices, technologies and challenges that can contribute to the government sustainable development agenda, such as the 11th Malaysia Plan and to meet its international environmental commitments.

The first goal of the National Policy on Biological Diversity 2016-2020 is to achieve a significant increase in the contribution of indigenous, local community and civil society to conservation and

sustainable use of biodiversity. The National Climate Change Policy also promotes improved collaborations through an efficient communication and coordination among all stakeholders for effective implementation of climate change responses. The SGP will organize the indigenous and local communities and civil society for a better representation in the National Biodiversity Roundtable, which is to be initiated under the National Policy on Biodiversity Policy 2016-2020. This can be done by providing awareness and incentives for ILCs to contribute ideas and local needs in the policy making process. SGP will enhance the collaboration with CSO networks such as Malaysian Environmental NGOs (MENGO), GEF Civil Society Network and Jaringan Orang Asal Se-Malaysia (JOAS) to initiate dialogue with the government on environmental issues, particularly in waste management, climate resilience, and natural resource management.

SGP will organise annual project workshop to strengthen the mutual understanding and trust between the government and CSOs. The workshop will provide an opportunity for the discussion of issues and challenges of the ILCs, as well as promoting the environmental aspiration and regulation of the local government to the ILCs.

3.3.2. Policy influence

SGP will continue to use the experiences and lessons learned from the NGOs & CSO-le projects in influencing policy suggestion/review, formulation, and implementation at both the local and national levels.

SGP with the support from NSC members **as an agent of policy change, will** identify, review and provide suggestion that will enable the effective participation of ILCs in environmental management in Malaysia. By forming a sub-group within NSC, SGP will conduct a workshop to solicit new ideas for such a policy. SGP will seek for membership and participation wherever possible in national committees or councils related to all environmental issues covered by the OP6 strategic initiatives to better perform this role.

SGP will also promote more policies on the landscape/seascape approach for environmental management as part of the lesson learned from the landscape approach under OP6.

Two major areas that will be promoted by SGP to influence policy are the **valuation of, and improving access to**, ecosystems services by the ILCs as a means of climate change adaptation mechanism for Malaysia. The latter will be done with the close cooperation with UNDP CO.

3.3.3. Promoting social inclusion

Social inclusion will be one of the main agendas for the OP6. SGP will work with the government's social inclusion agenda in 11th Malaysia Plan. In fact, some selected landscapes such as CFS, Crocker Range/Kinabalu Parks and Sarawak highlands, will have a naturally high involvement of indigenous groups by virtue of being the largest communities in these buffer and ecosystem corridor areas. An example of the empowerment of ILCs will be the promotion of the indigenous and community conserved areas (ICCA) in these selected landscapes/seascapes. SGP will also work with CSOs to ensure that the projects implemented will have environmental objectives as well as providing sustainable livelihood to ILCs.

In the socialization workshop, women NGOs and indigenous national NGOs will provide strategic inputs for the formulation of mutually beneficial projects for OP6. SGP will provide support to at least one youth group to take advantage of conservation initiatives in both rural and urban areas.

3.3.4. Knowledge management plan

SGP will allocate resources to implement the lessons learned (success and failure) and good practices identified in a form of workshop and subsequent publication. At the end of the programme, at least one knowledge fair will be conducted to share the lessons learned from the selected landscapes. Individual project grantees will have their own knowledge management plan that will ensure the generation, capturing and management of all dates within the projects.

Another knowledge product that will be produced is an e-bulletin that will be annually published by SGP to disseminate the latest results, news/events, and the potential source of funding and implementation assistance. SGP will seek to actively collect the periodical data and info of the projects and upload them onto SGP global database, especially the GEF CSO Network.

All knowledge products will be documented and presented at the Annual Report meeting.

3.3.5. Communications Strategy

As the OP6 CPS has at least two distinct elements of focused grant making in selected landscape and the grant making + roles, it is important that SGP Malaysia strategically prioritizes the communication of the initiatives to stakeholders in order to promote and build partnership with the communities and CSO/NGOs as the grantees, as well as with the local and national institutions to ensure the effective implementation of the CPS. At least two workshops will be conducted to kick off the CPS in raising awareness and understanding of the CPS to ensure that the stakeholders understand their roles. The outcome of capacity building workshops will also be disseminated in the form of e-bulletin for follow up actions. An online web platform will be established by SGP for grantees to share and communicate ideas on applicable processes, capacity and technologies.

SGP will also ensure that the activities of CSO-GOM dialogue platform and policy influence are communicated to both the local and national institutions, as well as the wider groups of indigenous and local communities. SGP will convey the knowledge generated through the programme including the lesson learned and challenges faced to the government for the implementation and achievements of international environmental agreements.

Similarly, the briefing and updating of initiates, activities and results to the financing partners, especially the private sector will be done to establish a stronger relationship between the resource mobilization partners and SGP in Malaysia.

4. EXPECTED RESULTS FRAMEWORK

4.1. OP6 global project components and SGP Malaysia CPS OP6 Goal, Outcomes and Targets

Goal: Mainstreaming of the landscape/seascape approach for both the grant making and grant making + strategic initiatives to achieve a greater impact and lead to synergies and opportunities for upscaling

The Results Framework summarizes the outcomes, targets, activities and fund that should be logically aligned with each other. SGP Malaysia will provide grants for all 4 Strategic Initiatives of the grant making components and 3 Strategic Initiatives for the grant maker + components. Three types of funds are available, namely Core, STAR and other funds. -

Table 5: Consistency with SGP OP6 Global Programme components

| 1 OP6 project components & Outcomes | 2 CPS targets | 3 Activities | 4 Indicators | 5 Means of verification |
|---|---|--|---|--|
| <p><u>SGP OP6 Component 1:</u> <i>Community Landscape and Seascape Conservation:</i> (Biodiversity: Terrestrial and Marine)</p> <p><u>Outcomes:</u> Improved conservation and sustainable use and management of the important terrestrial and coastal/marine ecosystems through the implementation of community-based landscape/seascape approaches</p> <p><u>Outcomes:</u> Increase in the number of ICCAs and improved management of the protected areas, and the</p> | <p>7 targeted landscape/seascape</p> <p>The typologies include:</p> <p>Landscapes: peat swamp, valley, low-lying plain and mountain.</p> <p>Seascapes: wetlands, mangrove, river basins, lakes, coral reefs</p> <p>Combination of landscape/seascape including: watersheds to coastal mangrove, marine and coral ecosystems</p> | <p>Approximate 22 projects supported by STAR and 8 projects supported by ICCAs-BMUB fund. Estimate 20 projects within the selected landscape and seascape.</p> <p>Support project including but not limited to:</p> <ul style="list-style-type: none"> - Improve the sustainability of protected area systems: Protection and creation of Conservation Area, including ICCAs. Management and rehabilitation of conservation area - Reduce threats to Biodiversity: | <p>Number of landscapes/seascapes with community-oriented approaches established, in support of critical protected areas, related productive landscapes/seascapes, and indigenous community conserved areas and territories (ICCAs) and management plan</p> <p>Hectares of landscape/seascape covered under the improved community conservation and sustainable use of management systems</p> | <p>Individual project reporting by SGP country team.</p> <p>Annual Monitoring Report (AMR)</p> <p>Country Programme Strategy Review (NSC inputs)</p> |

| 1 OP6 project components & Outcomes | 2 CPS targets | 3 Activities | 4 Indicators | 5 Means of verification |
|--|--|--|---|--|
| indigenous and community conservation areas. | Enhance the collaboration of ICCA network and support the establishment of ICCAs - - At least two ICCA initiatives in the selected landscape and seascape. | Flagship/endangered species conservation through community engagement - Sustainable use of biodiversity: improve natural resource management and livelihood improvement (ecotourism, handicraft making, sustainable agriculture, livestock and fisheries). Documentation of traditional knowledge | Number of species and ecosystems impacted | |
| <p><u>SGP OP6 Component 2:</u> <i>Climate Smart Innovative Agro-ecology:</i></p> <p><u>Outcomes:</u> Agro-ecology practices incorporating measures to reduce CO2 emissions and enhancing resilience to climate change tried and tested in protected area, buffer zones and forest corridors.</p> <p><u>Outcomes:</u> Climate smart agro-ecological practices are promoted to mitigate land degradation, increase sustainable productivity and to improve livelihood.</p> | <p>The typologies of agro-ecology practices include traditional aquaculture, mariculture, organic farming and other sustainable farming practices.</p> <p>Community farmers involved in successful demonstrations of typologies of agro ecological practices incorporating measures to reduce farm based emissions and enhance resilience to climate change.</p> <p>Improved climate-smart agro-ecological practices for farmers organizations, groups or networks</p> | <p>Approximate 10 projects supported by STAR. Estimate 7 projects within the selected landscape and seascape</p> <p>Support project including but not limited to:</p> <ul style="list-style-type: none"> - Reduce agriculture emissions and increase carbon sequestration - Enhance soil organic matter and soil protection - Enhance water conservation in agriculture - Promote sustainable agriculture & aquaculture productions - Apply agroforestry practices in farmland – integration of trees and | <p>Number of farmers successfully implemented agro-ecology technologies.</p> <p>Area of land covered.</p> | <p>Individual project reporting by SGP country teams</p> <p>Annual Monitoring Report (AMR)</p> <p>Country Programme Strategy Review (NSC inputs)</p> |

| 1 OP6 project components & Outcomes | 2 CPS targets | 3 Activities | 4 Indicators | 5 Means of verification |
|--|---|--|---|--|
| | | shrubs into crop and animal farming systems - Promote restoration and conservation of farm land - Promote agro-biodiversity - Enhance local capacity on climate smart agro-ecological innovations - Promote & improvement of indigenous agriculture knowledge in natural resource management - Promote knowledge sharing on agro-ecological innovations | | |
| <p><u>SGP OP6 Component 3:</u> <i>Low Carbon Energy Access Co-benefits:</i></p> <p><u>Outcomes:</u> Low carbon community energy access solutions successfully deployed in at least three of the landscapes/seascapes selected.</p> | <p>Innovative typology of locally adapted solutions are demonstrated and documented such as solar, micro hydro, biogas etc.</p> <p>Achieving energy access and co-benefits such as resilience, ecosystem effects, income, and health at the household level</p> | <p>Approximate 10 projects supported by STAR. Estimate 7 projects within the selected landscape and seascape</p> <p>Support project including but not limited to:</p> <ul style="list-style-type: none"> - Renewable energy for remote communities (micro-hydro, solar, biomass, biogas etc.) - Sustainable energy consumption in urban - Capacity development enabling the community to develop & use innovative technologies - Documentation and knowledge sharing among communities to achieve greater impacts. | <p>Number of typologies of community-oriented, locally adapted energy access solutions with successful demonstrations for scaling up and replication.</p> <p>Number of households achieving energy access with locally adapted community solutions, with co-benefits estimated and valued</p> | <p>Individual project reporting by SGP country teams</p> <p>AMR</p> <p>National Communication Report</p> <p>Country Programme Strategy Review (NSC inputs)</p> |

| 1 OP6 project components & Outcomes | 2 CPS targets | 3 Activities | 4 Indicators | 5 Means of verification |
|---|---|---|--|---|
| <p><u>SGP OP6 Component 4:</u> <i>Local to Global Chemical Management Coalitions:</i></p> <p><u>Outcomes:</u> Innovative and practical solutions from community are demonstrated, deployed and transferred in chemicals and waste management.</p> | <p>Focus on innovative tools and approaches for:</p> <ul style="list-style-type: none"> • pesticide management • solid waste management (plastics, e-waste, medical waste and so on), and • heavy metals management • Coalitions and networks | <p>Approximate 5 projects supported by STAR. Estimate 3 projects within the selected landscape and seascape. Support project including but not limited to:</p> <ul style="list-style-type: none"> - Promotion of organic farming and certification, and development of technologies and alternative to pesticides; - Practical models of safe disposal and management of harmful chemicals and waste - Waste reduction and recycling - Demonstrate innovative technology or method to transform waste into useable products. - Advocate for safe management of chemical through awareness raising, education and contribute to government policy | <p>Number of community-based tools/approaches to avoid and reduce waste, pesticide and heavy metals demonstrated, deployed and transferred.</p> | <p>Annual Monitoring Report (AMR)</p> <p>Country Programme Strategy Review</p> |
| <p><u>SGP OP6 Component 5:</u> <i>CSO-Government Policy and Planning Dialogue Platforms (Grant-makers+):</i></p> <p><u>Outcomes:</u> SGP supports establishment of “CSO-Government Policy and</p> | <p>Cross-cutting priority for the CPS at the national level.</p> <ul style="list-style-type: none"> • Capacity building of CSOs and community based stakeholders for engagement in national policy analysis and dialogue processes | <ul style="list-style-type: none"> • Promote inclusion of the indigenous, local communities and civil society in the national policy discussion. • Initiate dialogue with the government on environmental issues | <p>Number of dialogue platforms initiated and CSO and/or CSO networks strengthened to manage such dialogues.</p> <p>Number of representatives per civil society stakeholder groups involved.</p> | <p>Individual project reporting by SGP country teams</p> <p>SGP Global Database</p> <p>Annual Monitoring Report (AMR)</p> |

| 1 OP6 project components & Outcomes | 2 CPS targets | 3 Activities | 4 Indicators | 5 Means of verification |
|--|---|---|--|--|
| Planning Dialogue Platforms”, leveraging existing and potential partnerships. | <p>related to environment and sustainable development.</p> <ul style="list-style-type: none"> Organise workshop to strengthen the mutual understanding and trust between government and CSOs. | through the collaboration with CSO networks - | | Country Programme Strategy Review |
| <p>SGP OP6 Component 6: <i>Promoting Social Inclusion (Grant-makers+):</i></p> <p><u>Outcomes:</u> Gender mainstreaming considerations applied to all projects and training utilized by SGP staff, grantees and NSC members</p> <p><u>Outcomes:</u> Build capacity of IPs and implementation of projects by IPs is supported.</p> <p><u>Outcomes:</u> Involvement of youth and disabled is further supported in SGP projects</p> | <p>Gender equality will be a part of the training for all grantees at the beginning of the projects cycle. This is to ensure grantee partners will apply gender equality in the project implementation.</p> <p>Facilitate the establishment of ICCAs network to promote the recognition of ICCAs and empower the indigenous group.</p> <p>Provide environmental education to students, youth and involve different university students as volunteers in the project implementation, give priorities to the projects led by youth group.</p> | <p>Global level OP6 priority</p> <p>Cross-cutting priority for the CPS at the national level</p> <p>Enhance the collaboration of ICCA network and support the establishment of ICCAs.</p> | <p><i>Number of women involved in SGP projects as grantees and as members.</i></p> <p><i>Number of youth organizations that participate in SGP projects.</i></p> <p><i>Number of indigenous groups lead projects</i></p> | <p>Individual project reporting by SGP country teams</p> <p>SGP Global Database</p> <p>Annual Monitoring Report (AMR)</p> <p>Country Programme Strategy Review</p> |

| 1 OP6 project components & Outcomes | 2 CPS targets | 3 Activities | 4 Indicators | 5 Means of verification |
|---|--|--|--|---|
| <p><u>SGP OP6 Component 7:</u> <i>Global Reach for Citizen Practice-Based Knowledge program (Grant-makers+):</i></p> <p>Digital library of community innovations is established and provides access to information to the communities</p> | <p>Organise workshop and publication on the lessons learned (success and failure) and good practices identified.</p> <p>Knowledge fair will be conducted to share lessons learned between the selected landscapes/seascapes.</p> <p>-</p> <p>-</p> | <p>Organising experience sharing workshop and documentation of lessons learned and good practices.</p> <p>Organizing knowledge fair</p> <p>SGP country teams (NC and PA) global database inputs.</p> | <p>Number of knowledge products systematically collected, organized and shared across countries.</p> | <p>SGP Global Database</p> <p>Annual Monitoring Report (AMR)</p> <p>Country Programme Strategy Review</p> |

5. MONITORING & EVALUATION PLAN

The monitoring & evaluation plan and the scoping exercise begin with the identification of the management arrangement of GEF SGP in Malaysia. Since the SGP is under the administration of UNDP, and the GEF funds in Malaysia are monitored by both the Economic Planning Unit (GEF Political Focal Point) and Ministry of Natural Resources and Environment (Operations Focal Point), the effective role of UNDP, EPU and MNRE is vital. MNRE should report to the Chair of the NSC meeting and keep track of both national and global environmental benefits offered by the programme. EPU should advise the state level planning unit in providing support, guide and monitor for the projects at the state level. For UNDP, it should focus on the monitoring and evaluation of the projects and document the lesson learned based on the upscaling and knowledge products sharing. The indicators and targets set in the Result Framework for each strategic initiative at both the project and country levels will be biannually tracked and annually reported.

The indicators and targets within the landscape for projects will be clear and focused. This will also be done for the grant maker+ strategies so that the indicators and targets set will become more specific and measurable. SGP will provide on-site training for the grantees regarding the monitoring of the indicators designed at the project level. For the landscape approach suggested in the project development and projects cluster, there will also be an opportunity for the grantee to get involved in the M&E of other projects within the cluster. In order to better track and report the issues and concerns and to provide support and guidance at the project level, grantee partners will be given guidance and capacity development on the periodical basis. This will provide the grantees with the opportunity to participate in the M&E and adaptive management. At least two workshops will be conducted for the grantees of each cluster to learn and set the objectives, output and indicators and targets. The results of each individual project will be assessed in a range of criteria matrix and the cumulative progress of each criterion will be reported. To increase the effectiveness of the project monitoring and implementation, monitoring specialist should be appointed on a retainer basis to provide overall support to the grantees within the landscape cluster.

Since grant-maker+ strategies are the additional new emphasis in the OP6, a specific plan is necessary in monitoring and evaluating them. Based on the Results Framework, there are specific targets, activities and indicators representing the five grant maker+ strategies in the three grant maker+ components. These targets and activities need to be monitored by both UNDP Malaysia and CMPT to ensure timely delivery of the outcomes. A timeline for these targets and activities should be determined by SGP Malaysia and presented to NSC and CMPT.

Annual Country Report (ACR) will include the progress towards the CPS outcomes and the necessary adaptive management measures such as the indicators, targets, financial allocation, and monitoring and evaluation plan. The report will include a detailed progress report on the indicators and targets achieved, the financial report and the schedule for monitoring and evaluation plan. Other matters will be the resource mobilization, knowledge management and evaluation reports, if any. Based on the ACR, the NC will prepare the Annual Monitoring Report (AMR) Survey that will be shared with CMPT for accumulation of the SGP results at the global level.

Annual Country Programme Strategy Review will be performed with the purposes of reviewing the indicators, targets, and approaches set, proposing the challenges dealing adaptive management and recommending upscaling activity based on progress on the ground. Typically, the review will be performed before the completion of the ACR. At the end of the operation phase, Strategic Country Portfolio Review will be performed to evaluate and assess the success and challenges of the OP6 as well as recommending strategies for the next phase of SGP in Malaysia. Ideally, this should be conducted independently by an external evaluator.

NSC meetings are essential to assessing the effectiveness of projects, portfolios/strategic initiatives and approaches of both landscape and grant maker+. The meetings are also important in identifying the learning and sharing of knowledge as well as recommendation and agreement of adaptive management on risk management, issues and challenges on the ground. The meetings should be held at least twice; one for the project approval and M&E purpose, and one for the programme strategy review.

Table 6: M&E Plan at the Country Programme Level

| M&E Activity | Purpose | Responsible parties | Budget source | Timing |
|---|---|---|---|---|
| Country Programme Strategy elaboration | Framework for identification of community projects | NC, NSC, country stakeholders , grantee | Covered under preparatory grant | At the start of operational phase |
| Annual Country Programme Strategy Review | Learning; adaptive management | NC, NSC, CPMT | Covered under country programme operating costs | Reviews will be conducted on annual basis ⁴ to ensure CPS is on track in achieving its outcomes and targets, and to take decisions on any revisions or adaptive management needs |
| NSC Meetings for ongoing review of project results and analysis | Assess the effectiveness of projects, portfolios, approaches; learning; adaptive management | NC, NSC, UNDP | Covered under country programme operating costs | Minimum twice per year, one is dedicated to M&E and adaptive management at the end of grant year |
| Annual Country Report (ACR) ⁵ | Enable efficient reporting to NSC | NC presenting to NSC | Covered under country programme operating costs | Once per year in June |

⁴ The CPS is a living document, and should be reviewed and updated as deemed necessary by the NSC on a periodic basis as a part of the annual strategy review.

⁵ The country programme should be reviewed in consultation with the NSC members, national Rio Convention focal points, and the associated reporting requirements. The Annual Country Report should be presented at a dedicated NSC meeting in June each year to review progress and results and take decisions on key adaptive measures and targets for the following year.

| | | | | |
|--|--|-----------------------|---|----------------------------|
| Annual Monitoring Report (AMR) ⁶ Survey (based on ACR) | Enable efficient reporting to CPMT and GEF; presentation of results to donor | NC submission to CPMT | Covered under country programme operating costs | Once per year in July |
| Strategic Country Portfolio Review | Learning; adaptive management for strategic development of Country Programme | NSC | Covered under country programme operating costs | Once per operational phase |

6. RESOURCE MOBILIZATION PLAN

The financing for the SGP OP6 is solely from the STAR allocation for Malaysia. This was approved by the GEF Focal Point, MNRE with an amount of USD1,923,077. This amount consists of USD907,452 from the biodiversity focal area, USD925,481 from the climate change focal area and USD90,144 from the land degradation focal area. As a middle-income country, Malaysia no longer receives bilateral and multilateral funding assistance, except for GEF funds. The availability of local funds for environmental management is very limited and hence the co-financing effort has to be strategic and specific in order to attract the potential funders. The co-financing will strengthen both the grant making and non-grant making role of the SGP in Malaysia.

At the country level, MNRE and EPU (as the NSC members) will provide SGP with a funding possibility under the 11th Malaysia Plan to support the grant making role at the national level and grant maker+ role at the programme level. The matching of these 4 main strategic initiatives of OP6 with the 11MP allocation from the line ministries will enable SGP to identify co-financing potential at both the project and landscape levels, such as the state government and regional corridors' economic agencies who support the environmental programme to be coupled with economic co-benefits. In fact, the economic corridors agencies do have a dedicated environmental management/sustainability division to look into the potential initiatives within their landscape, such as cash and in-kind co-financing.

Based on the past experience gained from the funding of Millennium Development Goals (MDG) in Malaysia, there are potential future funds for SGP related initiatives from the international foundations, such as Arcus Foundation, Foundation for Deep Ecology and Ford International Foundation. There are also potential funding from donor countries of the specific initiative, such as the Indigenous Conservation Community Area development and management. Indigenous peoples and community conserved territories and areas (ICCAs) has a catalytic grant of US\$ 50,000. According to the financial support provided by the German Ministry of the Environment (BMUB), the fund for the project implementation is US\$ 400,000.

The approach of recovering costs to co-finance non-grant costs is no longer suitable for SGP Malaysia since this approach is drastically reduced by UNDP. The UNDP TRAC is limited and has been

⁶ The AMR Survey will essentially draw upon information presented by the country in the Annual Country Report (ACR) with few additional questions. It will enable aggregation of country inputs by CPMT for global reporting.

drastically reduced due to the status of Malaysia as the middle upper-income country. Furthermore, EPU is not in favour of international development agencies, such as UNDP and SGP to serve as a delivery mechanism. EPU prefers the government agencies to implement and deliver all programmes. Moreover, the capacity of SGP is at the minimum; hence the opportunities are low.

Due to the limited funds available through the STAR allocation, the funding for the role of grantmaker + is crucial for SGP Malaysia. MNRE has set up the National Conservation Trust Fund (NCTF) with the following objectives:

- i. To carry out a long term conservation plan to support natural resources management;
- ii. To support Sustainable Forest Management (SFM);
- iii. To conduct research and development activities in the fields of natural resources management and conservation;
- iv. To support capacity building for the implementation of obligations and commitments under multilateral environmental agreements (MEAs), of which Malaysia is a party of; and
- v. To provide a transparent mechanism for receiving and channeling funds to support natural resource management and biodiversity conservation.

There are 4 focus areas of NCTF, namely i) Natural Resource Management; ii) Research and Development; iii) Capacity Building and iv) Sustainable Financing Mechanism. Organisations that are eligible to apply for funding from the NCTF are government agencies, research institutes and universities, locally registered NGOs, community-based organization and civil society organisations. All of them are subjected to other selection criteria. Depending on the final nature of its structure, SGP will put a proposal to tap some fund to conduct its grant maker+ role. Similarly, SGP will mobilize in-kind co-financing from the major NGOs. to jointly conduct the service under the grant maker+ role. The service would be focusing mainly on the awareness and capacity building within the community groups and NGOs, policy recommendations and public policy dialogue with both local and state governments.

The private sector funding available for environmental or sustainability development goals are Ford Foundation, Khazanah Foundation, Sime Darby Foundation, IOI Plantation, Cyparks Sdn Bhd, PEMANDU and UMW. However, SGP will also seek to establish the best mechanism for the governance of funds from the private sector to CSOs.

SGP will conduct media briefs and promotion sessions with potential funders to seek co-financing. This will include dissemination of periodical documentation of SGP activities in the national print and electronic media, showcasing the SGP project results and outputs in conjunction with the national and international events.

7. RISK MANAGEMENT PLAN

The risk management plan can provide SGP with the anticipated risks that could potentially delay or even halt the implementation of the CPS. Moreover, it provides a systematic way of controlling or reducing the risks identified at the beginning stage. The NC will monitor and anticipate the implementation of OP6 if there are any risks that could impact the CPS. These risks will first be

identified by the NSC in terms of the degree and probability, followed by the proposal of the risk mitigation measures. Table 8 describes the risks identified and the mitigation measures.

The Social and Environmental Risk as identified in UNDP's Social and Environmental Safeguards is presumed to be low due to the nature of the SGP project, which is meant to enhance the sustainability of environmental with social co-benefits. Nevertheless, there could be a low degree and probability of the projects supported in creating unforeseeable negative impacts. There are two types of programme risks, namely the implementation issues and the new landscape approach for project formulations. Climate risks are global in nature and may have a low impact on the results of the project as the programme cycle is only 3 years. However, due to the variation in local weather as a result of global climate change impact, some projects may have a higher risk of extreme weather events such as drought and frequent/high intensity of rainfall, which may cause extensive damages or delays in the project implementation. Capacity risk is probably the biggest risk for the SGP implementation according to the past experience. Financial risk is another risk that involves the confirmed STAR allocation and the unforeseeable resource mobilization for grant maker+ role and additional grant making such as upscaling.

Table 7: Description of the risks identified in OP6

| Describe identified risk | Degree of risk (low, medium, high) | Probability of risk (low, medium, high) | Risk mitigation measure foreseen |
|---|--|--|--|
| Social and Environmental Risk (as in the UNDP's Social and Environmental Safeguards) | Low | Low | To have an assessment statement on the negative social and environmental impact at the proposal stage for all projects and clear steps on how this could be avoided, if there are any |
| Programme Risk: Implementation Landscape approach | Medium Management arrangement can lead to slow progress in project approval, implementation and monitoring too many projects. Medium The new approach could lead to less than usual applicants as the geographical limit is set on proposals. | Low Low | NS and MNRE work closely to ensure that project approval funds disbursement and the monitoring schedule is maintained. NC and MNRE conduct awareness and promotion of the new approach in the selected landscape among NGOs and CBOs. |
| Climate risk | Medium The chances of significant change in the climate that could impact project results are low as the programme cycle is only 3 years. But the | Medium | MNRE and NC monitor any significant changes or impact of climate change in Malaysia or the local weather variations. |

| | | | |
|----------------|---|--------|---|
| | local weather variation is possible. | | |
| Capacity risk | High From the evaluation of the past global SGP and the experience in Malaysia, it showed that there could be a significant capacity risk on the project and financial management and reporting by the grantees. | Medium | NC and MNRE ensure that funds and plan are made available for initial, midterm and final capacity building exercise for grantees. |
| Financial risk | Low STAR allocation is confirmed but additional funds through resource mobilization for additional grant making and non-grant making exercise is not confirmed. | Low | NC, MNRE and EPU work within the 11 th Malaysia Plan allocation to line ministries for additional funds for SGP related projects. In addition, efforts will be made to tap on CSR funds from the private sector. |

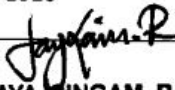
The risks will be tracked annually by NSC during the CPS Annual review. NSC will decide to remove, or add new risks, as well as to adjust the degree and probability of the risk identified with the corresponding mitigation measures, if needed. The critical risk needs to be biannually monitored by NC and reported to NSC if it is deemed urgent. M&E specialist of UNDP will assist NC to monitor all the risks in a timely manner.

8. NATIONAL STEERING COMMITTEE ENDORSEMENT

Note: The signature of endorsement at this point is for the complete and final CPS duly reviewed by the NSC and agreed as the guide to the implementation of OP6 by the SGP Country Programme.


NATIONAL STEERING COMMITTEE ENDORSEMENT FOR SGP MALAYSIA COUNTRY PROGRAMME STRATEGY FOR THE IMPLEMENTATION OF OP6

The signature of endorsement at this point is for the complete and final CPS duly reviewed by the NSC and agreed as the guide to the implementation of OP6 by the SGP Malaysia Country Programme.

| | |
|---------------------|---|
| Name of NSC Member: | JAYA SINGAM RAJOO |
| Organization: | ENVIRONMENT MANAGEMENT AND CLIMATE CHANGE DIVISION MINISTRY OF NATURAL RESOURCES AND ENVIRONMENT |
| Date: | OKTOBER 2016 |
| Signature: |  JAYA SINGAM RAJOO Under Secretary Environmental Management & Climate Change Division Ministry of Natural Resources and Environment |

NATIONAL STEERING COMMITTEE ENDORSEMENT FOR SGP MALAYSIA COUNTRY PROGRAMME STRATEGY FOR THE IMPLEMENTATION OF OP6

The signature of endorsement at this point is for the complete and final CPS duly reviewed by the NSC and agreed as the guide to the implementation of OP6 by the SGP Malaysia Country Programme.

| | |
|---------------------|---|
| Name of NSC Member: | MOHAMAD RAZIF HAJI ABD MUBIN |
| Organization: | ECONOMIC PLANNING UNIT |
| Date: | 31 OCTOBER 2016 |
| Signature: |  |


**NATIONAL STEERING COMMITTEE ENDORSEMENT FOR SGP MALAYSIA COUNTRY PROGRAMME
 STRATEGY FOR THE IMPLEMENTATION OF OP6**

The signature of endorsement at this point is for the complete and final CPS duly reviewed by the NSC and agreed as the guide to the implementation of OP6 by the SGP Malaysia Country Programme.

| | |
|---------------------|--|
| Name of NSC Member: |  Asfaazam Kasbani Assistant Resident Representative Environment & Energy UNDP Malaysia |
| Organization: | |
| Date: | |
| Signature: | |

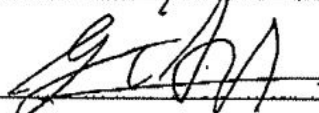
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| | |
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| Name of NSC Member: | MAGESWARI SANGARALINGAM |
| Organization: | CONSUMERS' ASSOCIATION OF PENANG |
| Date: | 22 October 2016 |
| Signature: |  |

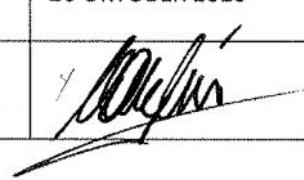
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| Name of NSC Member: | GURMIT SINGH |
| Organization: | CETDEM |
| Date: | 25/10/16 |
| Signature: |  |

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| Name of NSC Member: | PROF. DATO' DR. MAZLIN BIN MOKHTAR |
| Organization: | UNIVERSITI KEBANGSAAN MALAYSIA |
| Date: | 26 OKTOBER 2016 |
| Signature: |  |

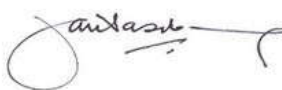
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|---------------------|---|
| Name of NSC Member: | Nicolas J Pilcher |
| Organization: | Marine Research Foundation |
| Date: | 27 October 2016 |
| Signature: |  |

**NATIONAL STEERING COMMITTEE ENDORSEMENT FOR SGP MALAYSIA COUNTRY PROGRAMME
STRATEGY FOR THE IMPLEMENTATION OF OP6**

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|---------------------|---|
| Name of NSC Member: | <u>Jannie</u> Lasimbang |
| Organization: | JARINGAN ORANG ASAL SEMALAYSIA |
| Date: | 26 October 2016 |
| Signature: |  |

ANNEX 1: PARTICIPATORY OP6 LANDSCAPE/SEASCAPE BASELINE ASSESSMENT

Malaysia is divided into 3 major administrative areas: Peninsular Malaysia, Sabah and Sarawak. Most of the environmental management is controlled and managed by the Federal government, with the support of the States in Peninsular Malaysia, Sabah and Sarawak. Pollution control of air, water and to a certain extent of waste, particularly hazardous waste, is under the purview of the Federal agencies.

However, since the matter pertaining to land is under the jurisdiction of the States, on the ground management of pollution control, prevention and management pose various challenges. It is even more difficult to manage and conserve biodiversity resources since the habitats, including the land used, is decided by the States. There are a lot of persuasion in relation to the environmental management in Malaysia between the Federal agencies and State government.

In this regard, the involvement, participation and opportunity of the community in the environmental management have been limited in the past due to the governance structure and capacity. The efforts done by NGOs, CSO and CBOs have geared the government for more community engagement in the environmental management initiatives. In this regard, SGP has become the main source of funding and support of the indigenous and local communities. However, the communities are spread across the spectrum of all landscapes and ecosystems throughout Malaysia for all the SGP's strategic initiatives. As such, the selection of landscape/seascape for the purpose of OP6 has been challenging, to say the least.

Given the initial aspiration, the participating stakeholders in the formulation of the CPS reject the landscape approach due to a number of factors. These include:

1. The fear that some of the NGOs or communities may be excluded if they come from the area outside of the selected landscape/seascape,
2. Since there is no other sources of funds available for the communities directly, restricting the SGP funds to certain areas will leave many communities not able to undertake environmental management and conservation initiatives,
3. The issues covered by SGP are wide as there was no consensus that only specific OP6 Strategic Initiative should be implemented in Malaysia. That would mean it will involve a wide range of communities in all landscapes spread across Malaysia, and
4. The mass of potential grantees in a specific landscape/seascape may not enough if the area chosen are smaller and with limited community capacity.

On the other hand, the stakeholders recognised and understood the rationale behind the proposal for choosing the landscape/seascape approach. They accepted the overall benefits in the followings:

1. There is a need to focus on the reporting of the projects impact within a common landscape/seascape in order to provide visible and sustainable improvements in the environmental benefits of SGP project.
2. The approach will enable SGP to focus on providing effective monitoring and capacity building to communities with common issues on the ground.
3. There could be a focus of specific strategic initiatives in specific landscape/seascape to enable scaling up of impacts with awareness and incentive by the local government, and
4. There are still opportunities for the communities living outside of the selected landscape/seascape to use SGP fund with the availability of 30% of project funds.

In line with the above, the stakeholders would like to propose a larger area of the selected landscape/seascape so that it is more inclusive and can provide a focused platform for impact reporting and monitoring.

There was a consensus that there are strong reasons to exclude any of the OP6 strategic initiatives from SGP's CPS for this phase. All issues related to OP6 strategic initiatives are considered as important for Malaysia. However, there could be an emphasis on certain strategic initiatives for the support in the selected landscape/seascape. Since the projects are generally related to a specific strategic initiative, the relationship between most of the environmental concerns will have overlapping areas. Therefore, some projects may adopt a multifocal approach. For example, the prevention of haze from peat swamp ecosystems will need the linkages between climate change and biodiversity initiatives. SGP will work with the grantees to identify and understand these overlapping issues in the selected landscapes/seascapes. SGP will also ensure that whenever a project under one strategic initiative is connected to another initiative, this link is identified and explored for a greater impact. In relation to this, stakeholders were concerned that there are no specific initiatives that directly related to the conservation, protection and management of water resources and water provision for both urban and rural communities.

As such, water related issues could be included in the multifocal projects.

The stakeholders also emphasized the need of providing greater awareness of the nature and availability of the SGP funds to the potential grantees in the selected landscapes/seascapes. While some of the past grantees are familiar and aware of the processes of GSP funds, however, it was recognised that many communities are still not aware of the SGP existence and the means to obtain funds.

On the resource mobilisation, additional funds will be coming from the local private sector, including both business associations and large companies in the energy and plantation related industries, whose programme is to support environmental initiatives in the selected landscape/seascape.

On the monitoring and evaluation plan, stakeholders highly recommended a focused support for capacity building within the selected landscape/seascape by appointing mentors or experienced SGP grantees to guide the new grantees in the SGP process. This is a direct response from the feedback received that one of the main challenges faced in past SGP is to monitor the reporting of projects by the communities.

1. Coastal Peninsular Malaysia

The Coastal of Peninsular Malaysia consists of east and west coasts. The east coast represents the states facing the South China Sea: Kelantan, Pahang and Terengganu, while the west coast refers to the states facing the Strait of Malacca: Perlis, Kedah, Penang, Perak, Selangor, the federal territories of Kuala Lumpur and Putrajaya, Negeri Sembilan, Malacca, and Johor. This area has the largest concentration of population, urbanisation and industrialisation, especially in the west coast of Malaysia.

Peninsular Malaysia has a coastline of about 1,972 km that borders the South China Sea in the East, the Straits of Johor in the South, and Straits of Malacca in the West. About half of the coastline is beaches and slightly less than half is fringed with mangrove forest. Mangroves are found largely sheltered along the west coast that borders the Straits of Malacca. Key islands such as the Pulau Klang in Selangor and Pulau Kukup in Johor are also predominantly colonized by mangroves. The well-managed Matang mangrove forest is located in the state of Perak. Coral reefs in Malaysia are estimated to cover close to 4,006 km², supporting not less than 700 species of fish that are dependent on coral reefs as their habitat. In the east coast, there is a longer stretch of coral reef from the north east Kelantan to the south Johor, including major designated marine parks in Malaysia.

Three of the economic corridors created to promote the development of Vision 2020 are in this area. As such, development pressure is very high in this landscape and the environmental challenges faced include land degradation, water and air pollution, urban biodiversity, riverine biodiversity and waste management.

2. Peninsular Malaysia's Central Forest Spine Linkages

The National Physical Plan (NPP) identified forest fragmentation as a major threat to the conservation and maintenance of biodiversity and recognized that conserving forest lands would be integral to optimizing the use of land in the country. The multifunctional role of the forest lands should be enhanced through the recognition of the central forest spine and programmes to create linkages and corridors to the more isolated reserves. In essence, connecting these fragmented forests is important to secure the mutual co-existence and benefit for development and conservation (NPP, 2005). Recognizing the importance in securing connectivity of the fragmented forests, the Malaysian government, through the Federal Town and Country Planning Department, has therefore embarked on a master plan study, in which the objective is to re-establish, maintain or restore connectivity in places where it is already lost within the central forest spine of Peninsular Malaysia. The CFS Master Plan covers four major but isolated forest complexes that will be connected to form one large 5.3 million hectare forest complex. It would allow animals to roam freely from the north to the south of the peninsula, ensuring that they would be able to breed. The four main areas are the Titiwangsa-Bintang-Nakawan Range, National Park to Eastern Range, the Southeast Pahang Swamp Forest, Tasik Chini and Tasik Bera and the Endau Rompin National Park-Kluang Wildlife Reserve. The forest complexes will be connected through a network of 37 linkages. Of these, 20, which are known as primary linkages, will directly link the previously disconnected forests, while another 17, known as secondary linkages, will involve creating stepping stones of greenery to connect between forested areas. Among the animals that would be benefited from the implementation of the CFS include big endangered mammals, such as the Sumatran rhinoceros, Malayan Tiger and Elephants. The plan supports the National Elephant Conservation Action Plan and the National Tiger Conservation Action Plan. The challenges faced are poaching, land conversion, human wildlife conflict and fragmentation due to logging and plantations.

3. Coastal Sarawak

The Sarawak coastline in the northeast coast of the island of Borneo is about 1035 km long. It contains an extensive continental shelf area, areas of high biological productivity, a high marine coastal biodiversity and a dense human population along the coast. The coastal plain extends along most of the shoreline of Sarawak. It is particularly extensive in the divisions of Kuching, Sri Aman, Sarikei and Sibu. The terrain group, which has a maximum width of about 150 kilometers, is characterised by peat soil, poor drainage, mangrove, nipah and other swamp forest and tidal inundation. About 12% of the State's land area, mostly along the coast, is covered by peat swamps. The tidal swamp along the coast of Sarawak is covered by mangrove and nipah forest. Those form about 2% of the total forest area and are the most extensive in estuarine areas of Kuching, Sarikei and Limbang.

Development of the coastal mangrove forest is a major threat to mangrove ecosystems in Sarawak. These include the conversions of mangrove ecosystems into the aquaculture pond and eco-tourism industries, reclamation of mangrove forest into housing estates, and industrial complex and commercial ports which lead to habitat losses. An increase of the population density will lead to continuing pressures

on the Sarawak coastal marine eco-systems. An increase in the demand for commercially important fishes will lead to over exploitation of the marine resources due to uncontrolled use of trawling gears. The continuing exploitation of fishery resources above the levels of the maximum sustainable yield will result in the disruption of species composition through the increase in trash fish landing (by catch yield) and recruitment failure of the commercially important marine species. The coral reefs ecosystem in Sarawak has long been under threat due to natural hazards and anthropogenic pollution in the coastal waters. The coral reefs near Miri and Simalajau are suffering coral bleaching due to environmental and human factors. The clearing and reclamation of mangrove forest in the coastal areas will lead to habitat loss for many reptile species found in Sarawak. Conservation efforts by government agencies such as the Sarawak Forestry Corporation are focusing on the sea turtles rather than on other reptile species in the mangrove forests. Sea turtles in Sarawak are highly endangered species due to their slow reproduction rate and habitat destruction. In the urban areas like Kuching, Miri and Sibul, increasing waste management is the main environmental problem. Another challenge is the periodic haze pollution due to the peat swamp forest fire.

4. Inland and Highland Sarawak

The mountainous inland region extends from the State's watershed boundary with Indonesian Borneo, Kalimantan. This region is generally over 300 meters above sea levels with substantial areas exceeding 1,200 meters. By and large, the altitude of the region is the highest in the northeast where the highest point Mount Murut (2,400 meters) is located, and gradually thickly covered by primary jungle and very well dissected by extremely swift flowing rivers with numerous rapids. Three areas in the state – Batang Ai, Sebuyau and Semenggoh – known to have the presence of orang utan that had been turned into national parks, are located in this landscape. Bornean Orangutan's population in Sarawak had stabilised at about 2,500. More than 80% of the State are under forest cover and Forest land in Sarawak is classified as the Permanent Forest Estate (Forest Reserves, Protected Forests and Communal Forests), Totally Protected Areas (National Parks, Wildlife Sanctuaries and Nature Reserves) and Stateland Forest. Six million hectares of the State's forests are designated as the Permanent Forest Estate, which is meant for the sustainable forest management and about 1 million hectares are designated as Totally Protected Areas. Although five types of natural forests are recognised in Sarawak, three main types predominate. These are Hill Mixed Dipterocarp Forest (covering about 9.6 million hectares), Peat Swamp Forest (comprising about 0.75 million hectares) and Mangrove Forest (occupying slightly more than 0.09 million hectares). The other two types, the Kerangas and the Montane Forests, are minimal in size. Hill Mixed Dipterocarp Forest is found in the interior, upriver areas, extending from coastal peat swamps up to heights of 1,500 meters. Montane Forest takes over beyond this altitude.

5. East Coast of Sabah

The site lies along the east coast of the state of Sabah. It is mainly within the administrative district of Kinabatangan, with the northern tip under the administrative district of Sandakan. This area covers the important riverine and terrestrial ecosystem from Lower Kinabatangan – Segama Wetlands. Lower Kinabatangan-Segama Wetlands in Sandakan is Sabah's First and Malaysia's largest RAMSAR site of 78,803 hectares. Sandakan Division is located on the East Coast of Sabah and occupies a total of 28,205 Sq. km or 38.3% of Sabah's territory. It is the largest division in Sabah. The Division's main towns are

Sandakan, Kinabatangan and Beluran. The area has approximately 19.4% of Sabah's total population. The landscape area is about 78,803 hectares (ha); comprising the three Forest Reserves: Trusan Kinabatangan Forest Reserve (40,471 ha), Kulamba Wildlife Reserve (20,682 ha), and Kuala Maruap and Kuala Segama Forest Reserve (17,650 ha). The Kinabatangan Orangutan Conservation Project was established to secure the population in the Kinabatangan floodplain of eastern Sabah. This 78,803 ha site is located within the largest forest covered floodplain in Malaysia, and possibly in Southeast Asia. The site is a particularly good representative example of natural coastal mangrove, brackish and peat swamp forest systems. The site was recognized as an internationally important wetland for its undisturbed ecosystem such as the mangrove forest, and rare peat swamp forest containing a number of rare, endangered and threatened species such as the Sumatran rhinoceros, proboscis monkey and Borneo pygmy elephant. The site was also recognized as ecologically important to provide spawning and nursery grounds for fish and prawns.

6. West Coast of Sabah

This landscape occupies the northwest and northeast portion of Sabah. With an area of 7,588 square kilometers, it occupies 10.3% of Sabah's territory. Kota Kinabalu is situated in this area. It also has approximately more than 30% of Sabah's total population. Kudat Division is an administrative division in the state of Sabah, Malaysia. It occupies the northern tip of Sabah. Its total area of 4,623 square kilometers (6.3% of Sabah's total territory) makes it the smallest of the five divisions of Sabah. The division covers the districts of Kudat, Pitas and Kota Marudu, as well as the islands of Balak, Balambangan, Banggi, Bankawan, Guhuan Utara (North Guhuan), Kalamunian and Malawali. The important ecosystems consist of peat swamp and mangrove at the far west in the Beaufort district to Tun Mustapha marine park in the north east in the Kudat district. Most of the urban area environmental problems such as waste and air pollution are within this area. The area is important for its marine resources, especially the rich coral triangle marine resources areas. The Tun Mustapha park (TMP) occupies 1m hectares (2.47m acres) of seascape off the northern tip of Sabah province in Borneo, a region containing the second largest concentration of coral reefs in Malaysia, as well as other important habitats like mangroves, sea grass beds and productive fishing grounds. It is also the home to scores of thousands of people who depend on its resources – from artisanal fishing communities to the commercial fisheries sector – making it in many ways a microcosm of the entire Coral Triangle bioregion, where environmental protection must be balanced with the needs of growing coastal populations.

7. Highland of Sabah

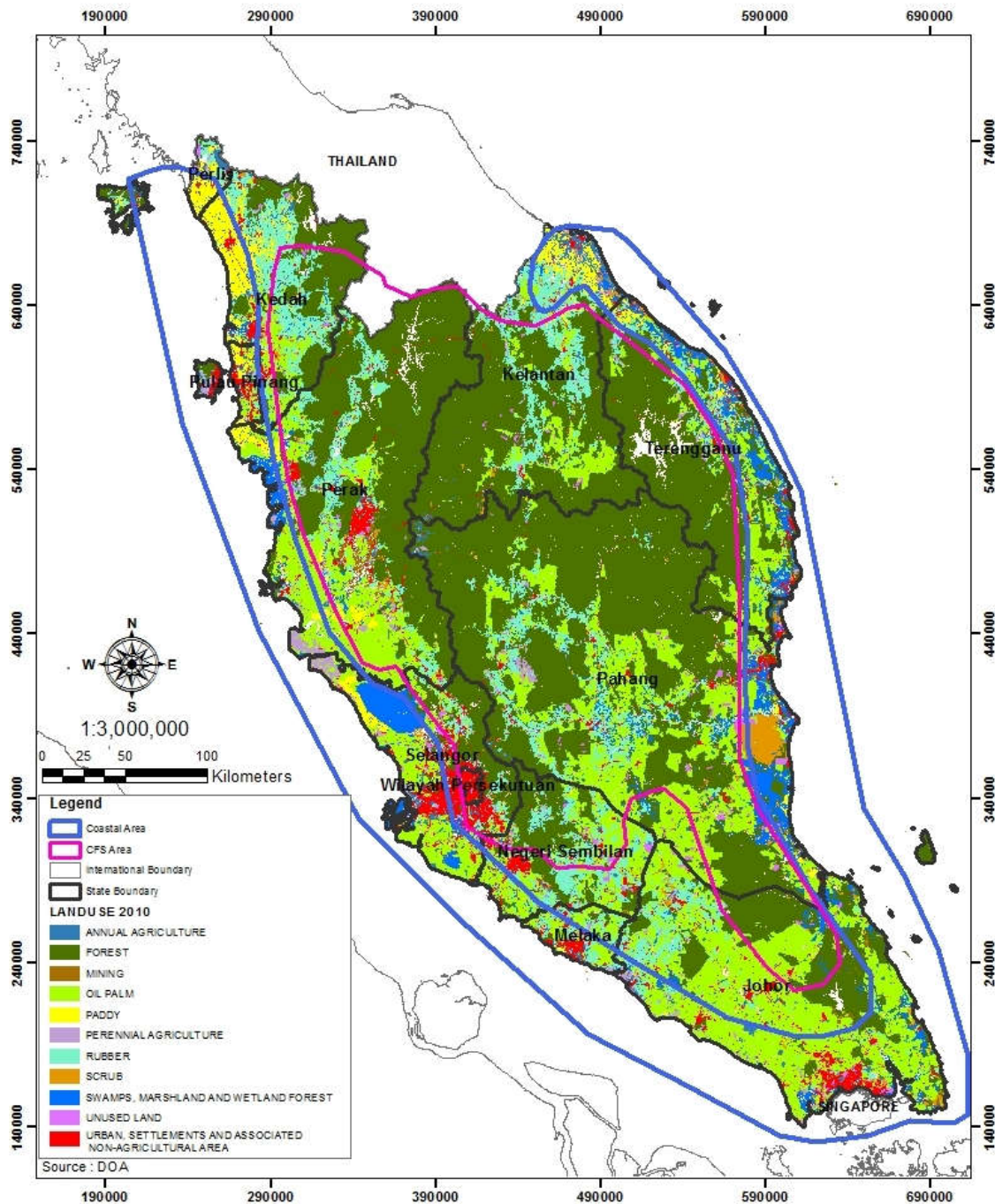
This landscape represents the designated area of the Kinabalu Ecolink Project, which is the connectivity conservation efforts initiated by Sabah Parks to improve the ecological connectivity between Kinabalu Park (KP) and Crocker Range Park (CRP). Although Kinabalu Park and Crocker Range Park reside in the same range, the parks are physically separated from each other; their boundaries are separated by a distance of about 10km at the closest points. Forest fragmentation that occurs within these two protected areas due to uncontrolled deforestation and expansion of agricultural and human activities has been the major issue. Both parks could become completely isolated from each other and the surrounding forests – hence threatening their ecological integrity. This landscape is, therefore, an attempt to create a more harmonized habitat corridor for people, plants and wildlife living in between these two Parks. It is to complement the current conservation practices, based on the principles that local communities are the best guardian of their natural environments and heritages. A feasibility study conducted in 2010 – 2011 suggests two (2) types of zoning areas; Primary Areas and Secondary Areas. The Primary Areas will

be strictly protected; hunting will be prohibited and only the limited resource utilization shall be allowed. Meanwhile, the Secondary Areas shall be managed as zones for sustainable resource utilization, and for eco-tourism and related activities. The basic principles for implementation would be that threats to biodiversity must be reduced with the local communities must be involved in the implementation and management. There will be an establishment of Community Conserved Areas (CCAs) and development of sustainable agriculture for livelihoods and enhanced land management.

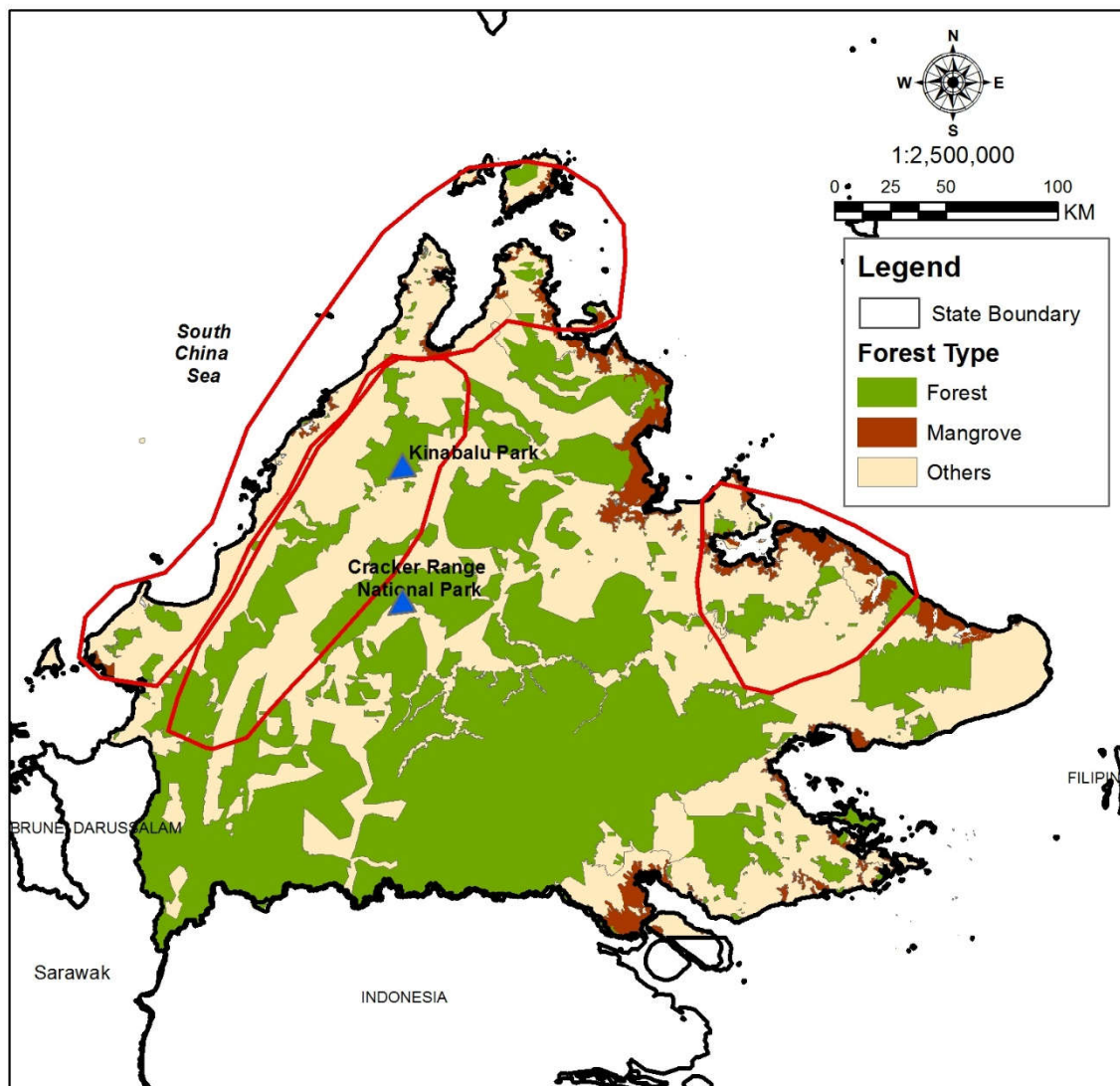
Crocker Range (Malay: Banjaran Crocker) is a mountain range on the island of Borneo. Politically, it lies within the boundary of the Malaysian state of Sabah, located in the northern half of Borneo. It is named after William Maunder Crocker. The mountain range separates the east coast and the west coast of Sabah. At an average height of 1,800 meters (5,900 ft), it is the highest mountain range in Sabah. Mount Kinabalu, one of the highest mountains in Southeast Asia, is part of this range. Part of the range has been gazetted for protection as Crocker Range Park since 1984. The area surrounding Mount Kinabalu has been a state park since 1964 and was the country's first World Heritage Site.

Crocker Range National Park (Malay: Taman Negara Banjaran Crocker) was established in 1984, although the area had previously been under protection as a forest reserve. It covers the north-south Crocker Range, of 1200-1800 meter mountains in Sabah, Malaysia on the island of Borneo, which separates the western coastal plain with the rest of the state. The boundaries of the park have been surveyed, but no facilities exist at present for visitors. The park covers 1,399 km², making it the largest park in Sabah. The park consists of both hill and montane forest, with many species of flora and fauna endemic to Borneo. Maintenance of this forest cover is essential to ensuring a pure water supply for many of the towns and communities in Sabah. The Kinabalu park contains at least five species of primates, such as the orang-utan, gibbons and the furry tarsier with its enormous round eyes, and extremely sociable long-tailed macaques. The Padas River bisects the range between Beaufort and Tenom. Kinabalu Park has an exceptional array of naturally functioning ecosystems. In 2014, it was recognised as a UNESCO Biosphere Reserve.

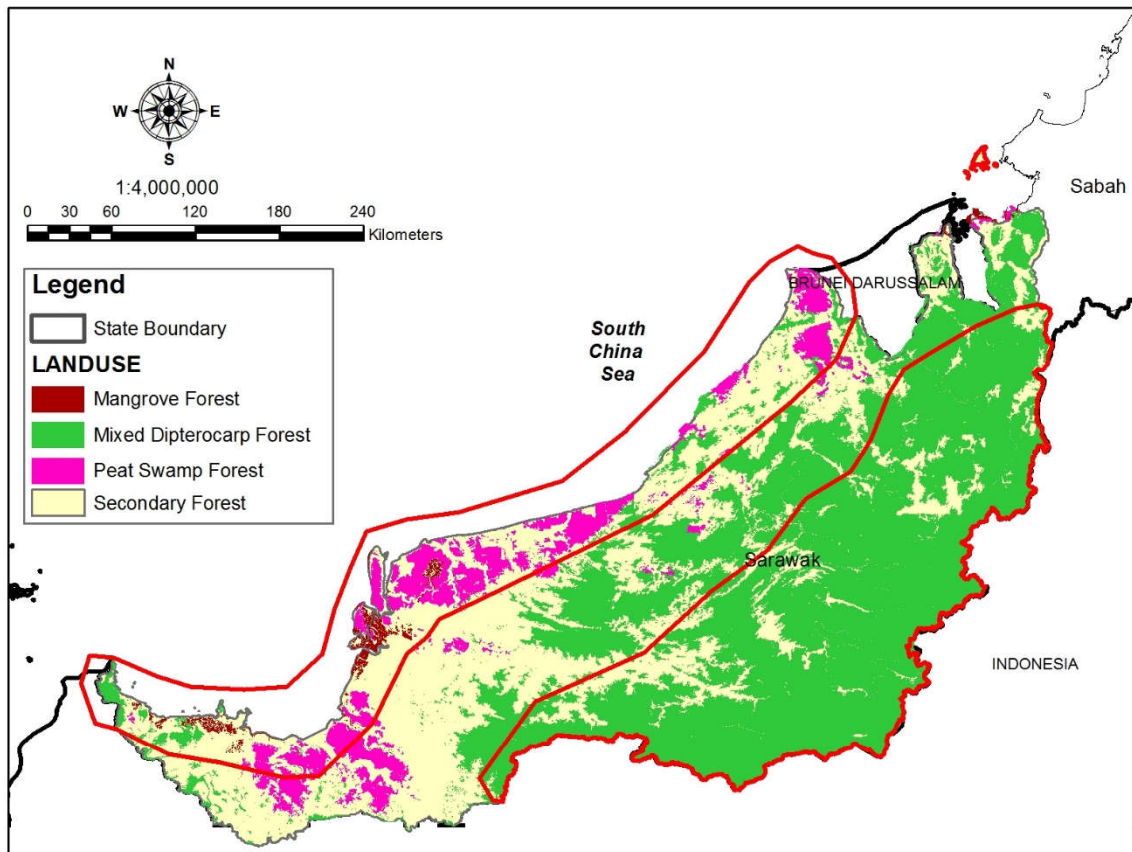
Map 1: Peninsular Malaysia and Selected Landscape/Seascape for Grant-Making under SGP OP6



Map 2: Sabah and Selected Landscape/Seascape for Grant-Making under SGP OP6



Map 3: Sarawak and Selected Landscape/Seascape for Grant-Making under SGP OP6



ANNEX 2: OP6 DONOR PARTNER STRATEGY ANNEXES

As explained in Section 1.3, there are no significant international collaborators for SGP Malaysia since Malaysia is now considered as the upper middle-income developing country. SGP Malaysia should focus on obtaining co-financing from the private sector and line Ministries, getting monitoring/evaluation and upscaling synergy with UNDP, and capacity building and advocacy with other NGOs.

| Donor/Collaboration Partner | Potential for complementary and synergy | Focus Area/OP6 Initiatives |
|--|---|---|
| UNDP Malaysia | Monitoring and Evaluation Gender Mainstreaming | SI 1, 3 and 4 |
| British High Com | Funding for Climate Change Adaptation and Mitigation | SI 3 and Social Inclusion Sabah and Sarawak |
| National Conservation Trust Fund | Funds for communities and NGOs | SI 1 and SI 2 |
| Khazanah National Bhd | Funds for communities and NGOs | SI 1, SI 2, SI 3, and SI 4 |
| PETRONAS | Funds for communities and NGOs | SI 1, SI 2, and SI 4 East Coast Peninsular Malaysia and Sarawak |
| Iskandar Malaysia | Funds for communities and NGOs | SI 1 and SI 3 and SI 4 Johor within the Coastal Peninsular Malaysia |
| WWF Malaysia | Capacity Building and Monitoring and Evaluation | SI 1. Peninsular Malaysia and Sabah |
| PACOS | Capacity Building and Monitoring and Evaluation | SI 1, and SI 2. Sabah |
| AZAM | Capacity Building and Monitoring and Evaluation | Grant Making + Sarawak |
| BMUB Global ICCA Support Initiative | Funds for communities and NGOs | SI 1, SI 2 and SI 3. Sabah and Sarawak |