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ENHANCING EFFECTIVENESS AND FINANCIAL SUSTAINABILITY OF PROTECTED AREAS IN MALAYSIA

“PA FINANCING PROJECT”

(PIMS 3967)

FINAL REPORT

June 2020



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PA Financing Project
Enhancing Effectiveness and Financial Sustainability
of Protected Areas in Malaysia

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GLOSARRY

APR	Annual Progress Report
AWP	Annual Work Plan
BIOFIN	Biodiversity Finance Initiative
DWNP	Department of Wildlife and National Parks
EFT	Ecological Fiscal Transfer
EPAM	Effective Protected Area Management
ERNP	Endau Rompin National Park
GEF	Global Environment Facility
IBD	Institute of Biodiversity
IC-CFS	Improving Connectivity in the Central Forest Spine Landscape
IP	Implementing Partner
JNPC	Johor National Parks Corporation
KATS	<i>Kementerian Air Tanah dan Sumber Asli</i> (Ministry of Water, Land Natural Resources)
M&E	Monitoring and Evaluation
METT	Management Effectiveness Tracking Tool
MOTAC	Ministry of Tourism and Culture
MTR	Mid-Term Review
MYR	Malaysian Ringgit
NCTF	National Conservation Trust Fund
NSC	National Steering Committee
NFPA	National Framework for Protected Area
NGO	Non-governmental Organization
NPBD	National Policy on Biological Diversity 2016 – 2025
PA	Protected Area
PIR	Project Implementation Review
PMU	Project Management Unit
PSPC	Perak State Parks Corporation
SOP	Standard Operating Procedures

SRF	Strategic Results Framework
TE	Terminal Evaluation
TEEB	The Economics of Biodiversity and Ecosystems
UNDP	United Nations Development Programme
USD	United States Dollar
WCS	Wildlife Conservation Society
WII	Wildlife Institute of India
WWF	Worldwide Wildlife Fund

INTRODUCTION

The UNDP-supported and GEF-financed full-size project entitled “Enhancing Effectiveness and Financial Sustainability of Protected Areas” (PA Financing Project) is being implemented by the Department of Wildlife and National Parks (DWNP) in Malaysia. In addition to DWNP, the other two key agencies: Johor National Parks Corporation (JNPC) and Perak State Parks Corporation (PSPC) were functioned as Implementing Partners (IPs) for the project. The target project sites under the Project: Royal Belum State Park; Endau Rompin State Park and Taman Negara National Park which come under the jurisdiction of the three protected area agencies covers a total area of 597,858 million hectares. The Project officially started on 5 June 2012 – project document signature date. However, the actual implementation began in January 2013 with the appointment of Project Manager and spanned over a period of eight years till 3 June 2020.

The *objective* of the project is to establish a performance-based financing structure to support effective protected area system management in Malaysia. Interventions to achieve this objective are structured into three outcome components, designed to address barriers at the national network, sub-national network and site PA levels, as follows:

Outcome 1: Systemic and institutional capacities to manage and financially support a national PA system by addressing barriers at the national systems level to improve management effectiveness and financial sustainability of protected areas.

Outcome 2: Technical and institutional capacities to manage sub-national PA networks, including capacities for effective financial management by strengthening the sub-PA network capacity to be able to meet the management standards set under Outcome 1 so as to decrease funding gap of the PA network.

Outcome 3: Effective site-level PA management by improving basic PA management capacities where required and will also enhance the management and business planning skills of PA managers, to enable the PA system to maximize revenue generation and to streamline costs. Three of the most critical PAs, namely Taman Negara National Park, Endau-Rompin National Park, and Royal Belum State Park, are targeted under this component.

Performance and Achievement of Results

The terminal evaluation (TE) was conducted from January to June 2020. In-terms of achievements of major outputs the Project’s **performance is not encouraging particularly in relation to performance-based financing for conservation**. The lack of progress is due to the institutional complexities encountered during the lifetime of the Project. Despite of these challenging circumstances the Project made significant gains in a number of areas, which is being elaborated in following paragraphs.

Objective of the Project: *Establishing a performance-based financing structure to support effective Protected Area system management in Malaysia*

According to TE it is moderately satisfactory performance. The Project was instrumental in establishing operating guidelines for National Conservation Trust Fund (NCTF – formed by Government in 2015) incorporating elements of performance-based criteria in awarding the grants. In 2019, the Government announced additional financial allocation (Ecological Fiscal Transfer) through annual budgetary process as an incentive to State Governments to protect and expand existing natural forest reserves and protected areas; **and the Project's** support to the finalization of the PA Master List with data on protected area coverage across the country initially was considered as a basis for funding appropriation. Despite of these intervention, however, both vehicles fell short of expectations and were unable to develop into effective funding mechanisms as envisioned in the Project objective, partly due to **Government's budgeting and administrative system.**

OUTCOMES:

Outcome 1: Systemic and institutional capacities to manage and financially support a national PA system by addressing barriers at the national systems level to improve management effectiveness and financial sustainability of protected areas - Moderately Satisfactory. Significant efforts taken at National level: i) Publication of PA Master List and ii) Adoption of National Framework for Protected Area (NFPA). The PA Master List serves as the single **official source to represent the country's PA coverage** locally and internationally; whilst, NFPA with considerable and detail-oriented effort on: identifying priority gaps, setting / adopting common PA standards, articulating key NFPA strategic actions and stakeholders, and establishing coordination mechanisms for NFPA implementation. However, lack of progress in advancing one of the core products such as The Economics of Ecosystems and Biodiversity (TEEB) study and Sustainable Financing Framework is a setback on the overall achievement of this Outcome during the lifetime of the Project. Nevertheless, process of developing both outputs are on-going and will be materialized after the Project with the support of UNDP CO.

Outcome 2: Technical and institutional capacities to manage sub-national PA networks, including capacities for effective financial management - Highly Satisfactory. The success of this outcome is strongly reflected in the outputs and results delivered and the impacts made at the PA management authorities throughout the lifetime of the Project. DWNP as the IP played a key role, making conscious efforts from the beginning to invest heavily in both institutional and professional capacities in sub-national PA networks. Some of the early success includes establishment of dedicated six weeks training programme for PA front-liners: Effective Protected Area Management (EPAM) conducted at the Institute of Biodiversity (IBD). Whilst **this effort helped to lay the foundation for DWNP's future vision of transforming IBD into a National Training Center**, it also helped the Project to extend its support to Sabah and Sarawak. The Project supported 25 officers to attend specialized 3 months training in Wildlife Institute of India (WII); and the graduates subsequently appointed as resource persons and teaching faculty to develop contents and delivery of EPAM. In addition, a series of other trainings locally and internationally, organized and supported by the Project equipped key stakeholders from across the country with the technical and soft skills, awareness and qualifications to better implement and management of PAs. The content of these trainings was exhaustive, covering everything from nurturing

leadership, patrolling, use of equipment and approaches to community engagement. Institutional strengthening approach was further enhanced through review of PA enactments at the State level, addressing the gaps and weaknesses in the current legal framework enabling PA authorities for effective management.

Outcome 3: Effective site-level PA management - Satisfactory. Key outputs include completion of Management and Business Plans for the three target sites. The Management Plans were adopted by the respective PA authorities and with the support of Project, some of the strategies have been implemented. For both Taman Negara and Endau Rompin, the Plans are at different stages of **incorporation into DWNP's and JNPC's annual work plans; whilst the Project extended additional support to PSPC to develop detailed implementation framework for Royal Belum**. Another notable outcome is the adoption of National Template for METT. This output was leveraged from the experience and lessons gained through conducting METT assessment as part of Project monitoring and evaluation process. Overall, these interventions have been constructive in communicating the key PA management imperatives to the PA authorities and State Governments, that the need to have well defined and structured management plans; legal framework; and performance tracking tool.

PROJECT OUTPUTS

Deliverable of Outputs:

Outputs delivered throughout Project's life-time ranges from:

- i) Policy intervention notes; programme development in support of conservation efforts at Federal Government: a) NFPA; b) PA Master List; c) Operating Guidelines for NCTF and; d) Strategic Plan and Resource Mobilization Strategy for NCTF.
- ii) Institutional strengthening at sub-national level: a) IBD Transformation Blueprint; b) Establishment of EAPM Training; c) PSPC Enactment review and legislative gap analysis for DWNP and JNPC.; and d) Sustainable Finance Plans for 3 PA agencies.
- iii) Site levels management reinforcement: a) Management Plans for the 3 PAs; b) National METT template; c) site specific capacity building and training; d) development of SOP for enforcement and training; and d) provision and installation of equipment to support patrolling and enforcement.
- iv) Communication materials advancing PAs images: a) Visitors Guides for Taman Negara and Endau Rompin; b) Trail maps for all 3 PAs.
- v) Knowledge sharing sessions: a) Two national PA managers conferences and Regional Forum on Sustainable Financing for Conservation; c) three gatherings and knowledge exchange for rangers **throughout the country during World Rangers' Day**.

- vi) Local community engagement: Nature guide and additional livelihood training for local communities in Endau Rompin.
- vii) Capacity development and competency upliftment: opportunities provided to attend numerous training programmes locally and internationally addressing variety of subject matters ranging a) specialized training programme in WII, India; b) nurturing leadership for PA front-liners; c) patrolling and enforcement; and d) use of advanced technology.

COLLABORATION WITH PARALLEL INITIATIVES

Two other parallel initiatives were overlapped with lifetime of PA Financing Project: i) Improving Connectivity for the Central Forest Spine Landscape project (IC-CFS) funded by GEF and; ii) UNDP Biodiversity Finance Initiative (BIOFIN) with some common and complementing components amongst the three. PA Financing leveraged on IC-CFS particularly for community engagement in Endau Rompin, whereby both Projects joined forces to conduct training programme for the community in creating additional income generating opportunities through eco-tourism activities. The planning methodology for conservation financing introduced through BIOFIN was further expanded to train PA Financing Project stakeholders and the data collected on Biodiversity Expenditure Review (BER) and Finance Needs Analysis (FNA) formed valuable inputs to the development of Sustainable Finance Plans.

KEY OBSERVATIONS AND LESSONS

1. The project was relatively successful to varying degrees in realizing its core objective and three associated outcomes. The **Project's interventions generally have been foundational and the results and impacts more profound at PA authorities and site levels.** At the Federal level the gains were less impactful due to the institutional complexities and jurisdictional authority between Federal and State governments over the management of PAs and wildlife.
2. Both PSPC and JNPC appreciated greatly that their level of understanding, skills and competency in-terms PA management have improved considerably through the Project; and for DWNP the Project provided additional avenue to enhance its competency.
3. **On the progress and achievement of Project's objectives:**
 - i. In-terms of **"Institutional Strengthening"**, **Project's impacts were tangible and visible at implementing partners and site levels;**
 - ii. **However, on "Sustainable Financing" the progress was not up to expectations due to:**
 - a) **in Malaysia's context the notion of performance-based financing is at its infancy,** thus lack of clarity and understanding in-terms of stated objectives and planned interventions;
 - b) delay in initiating related key activities such as TEEB and Sustainable Financing Study;
 - c) facing bottlenecks to make in-road into existing Government budgetary framework.

4. In-terms of gender and community engagement, wherever there were entry points, the Project has taken the necessary initiatives to engage the local communities and orang asli. The impacts were visible for communities around Endau Rompin in Johor, compared to other project sites: Taman Negara, Pahang; and Royal Belum, Perak.
5. The **Project's success** is could be attributed largely to the strong commitment and ownership shown by the main implementing partner (IP) Department of Wildlife and National Parks (DWNP). As the main designated IP, DWNP was expected to spearhead the whole Project which include two other agencies JNPC and PSPC. However, this arrangement posed considerable challenge at the beginning, though DWNP is a Federal agency responsible for managing Taman Negara, but JNPC and PSPC are State agencies responsible for managing Endau Rompin and Royal Belum respectively, with their own institutional system and decision-making mandates, thus in practical sense the Project had to deal with three separate PA authorities. To communicate and familiarize all the key stakeholders at the three PA authorities and State Governments **on the Project's intended interventions, the Management Team** had to spend extra time and take additional steps, which resulted in some delays in **initiating Project's** activities in Johor and Perak.
6. From the turnover perspective, the Project encountered several notable changes during its lifetime. This include changes of personnel within Project Management Team; National Project Directors; Executive Heads at project partners in Johor and Perak, but the most crucial one was the change of Federal government in 2018 and subsequently in 2020. Ministerial changes and portfolio adjustments as a result of government changes, to some extent had dampened **Project's efforts** to institutionalize its results into federal government policy framework and ensuring ownership and sustainability. Despite of these challenges, the Project continued to make encouraging progress at site and PA **authorities'** levels by refocusing the priorities at site levels and capitalizing on the opportunities presented at participating States level.
7. Towards the tail-end, the Project is faced with unexpected challenges since mid-March 2020, arising from Covid-19 pandemic and ensued lockdown which restricts stringently movement of Project staff and stakeholders from participating in Project related activities. This necessitated Management Team to review AWP 2020 and planned activities for the last quarter before the Project is closed officially on 3 June 2020. As a result, a number of activities were cancelled; and for some other activities such as TEEB survey and CLE training for PSPC, switching to digital platform using on-line services.

PROJECT FINANCE

The Project's finance derived mainly from two channels: direct cash contribution by GEF and co-financing and in-kind contributions by Government through participating IP and project partners. GEF contribution amounted to USD 5.6 million and expected co-financing and in-kind contribution from Government was USD 13.3 million. Towards end of Project, in-kind contribution was estimated around US 19.2 million surpassing the initial estimates. The co-financing and in-kind contributions were in the forms of development expenditure, time spent by the counterparts and services rendered by them in support of Project; provision of office facilities and infrastructure; hospitality during meetings and consultation sessions; and participation in conferences and training. However, the IP and project partners decided to attribute the one-off infrastructure investment made at the site levels during 2015 – 2016, **as complementary to Projects' interventions which is reflected in the final** co-financing and in-kind contribution estimates. In terms of GEF grant, the Project managed to achieve about 95% expenditure of USD 5.6 million, at the end of Project.

INSTITUTIONAL ARRANGEMENT

The Project was governed efficiently by well-structured institutional arrangements at various levels. The National Steering Committee (NSC) chaired by KATS (formerly NRE) served as the highest decision-making body providing strategic direction for the implementation of the Project, and the Project Management Unit (PMU) was entrusted with the responsibility of day-to-day operation of the Project in coordination with UNDP CO. The support rendered by DWNP as designated IP and the commitments assumed by National Project Director (NPD) were pivotal in ensuring the smooth functioning of the Project for the past eight years.

CONCLUSION

The Project was aimed at establishing a performance-based financing structure to support effective protected area system management in Malaysia. Interventions to achieve this objective were structured into three outcome components and entailed to effect systemic changes to address barriers at the national network, sub-national network and site PA levels.

At the end of Project, overall, it made gains particularly at the level of the protected areas and, to a lesser extent, at sub-national level. But at federal level achievements were less significant.

On the whole, the project design was strong, and the project remained relevant with GEF priorities and closely aligned specifically with National Policy on Biodiversity (NPBD) (2016- 2025). **The project's** outcomes were ambitious, as they aimed to address changes at the three levels simultaneously. Management of protected areas is delegated to a number of different organizations (federal and State **agencies**) and **there is no single protected area management authority or "owner"**. Within the existing governing **structure and with PA authorities' own mandates for decision-making**, creating synergy and convergence at the three levels has been the major challenge.

The associated assumptions and level of risks, especially relating to institutional complexities were beyond the capacity of Project to mitigate, and persistently dampened potentials impacts of the Project. The challenges were further exacerbated by Project's **attempt to introduce two major and relatively new** concepts of business planning and performance-based financing for PA and conservation sector, resulted in failing to achieve them.

Despite of these challenges, the Project has been foundational initiative and contributed significantly in several key areas. One of the areas is on the relevance and adoption of various economic instruments and sustainable financing mechanisms to enhance management of biodiversity and PA. This was **echoed by one of Ministry's officials:**

"The Project has helped us recognize the importance of economic instruments to incentivize States to undertake biodiversity conservation, and the Ministry has proposed that EFT implementation to be strengthened in future, including through the establishment of quality indicators and through a Measurement, Reporting and Verification (MRV) mechanism."

The other key outputs: NFPA; PA Master List; National METT Template; six weeks EPAM training have been pioneer initiatives attempting to create some level of synergies at national scale amongst different PA management agencies. Some other initiatives though not elaborated in the Project design have yielded fruitful results arising from adaptive management exercised by the Project from the beginning. This included decision to extend Project support to Sabah and Sarawak enabled broader engagement and **participation of PA agencies and stakeholders from those regions. The "Gap Analysis" conducted** on the respective Enactments of DWNP, JNPC and PSPC during the development of Management Plans for the three Parks established the basis for them to review and enhance the enactments. Based on the gap analysis PSPC proceeded with enacting a new **"Enactment" with the support of the Project.**

In many respects the PA Financing Project was ground-breaking and the first of its kind in Malaysia, however, sustaining and having ownership of those outputs and results amongst key stakeholders, particularly at federal level, remains a major concern. Perhaps, prospects are much brighter at site and sub-national levels, as there are people now doing something different from what they were doing before; as such there is a shift from the **"business as usual" to a new mindset.**

PROJECT INFORMATION

PROJECT RELEVANCE

Malaysia is considered as one of 17 of the world's mega-diverse countries with many endemic species of flora and fauna. The flora of Malaysia is estimated to comprise about 15,000 species. The fauna of Peninsular Malaysia includes over 200 species of mammals and 400 species of resident birds. Almost 90% of terrestrial biological species in Malaysia **occur within natural forests. However, Malaysia's rapid economic development in recent decades has caused loss of forest ecosystems through conversion into agricultural lands and urban areas.**

Recognizing the challenge of balancing development and conservation priorities, Malaysia has established a network of protected areas (PAs) for the protection of biodiversity. In Peninsular Malaysia PAs cover 13.2% of land area, which are managed by either Federal or State governments. Most of the PAs were **established prior to the country's Independence in 1957. In the Third Malaysia Plan 1976-1980,** it was proposed 22 new PAs be formed in Peninsular Malaysia (Malaysia 1975). To date, however, some of the proposed PAs have not been fully established such as the Ulu Muda Wildlife Reserve in Kedah, Mersing Nature Monument in Johor, and Sungai Nenggiri Wildlife Reserve in Kelantan. More recently, the National Policy on Biological Diversity 2016 – 2025 aims to achieve 20% of land under PAs.

PROBLEMS THAT THE PROJECT SEEKS TO ADDRESS

While increasing the area under PA status continues to be a challenge, the management of the existing PAs are constrained by a few sustainable financing barriers. In general, government expenditures for environmental management and nature conservation are lower than other areas of public policy. Malaysia in a recent study was highlighted as the 7th in terms of underfunding for biodiversity conservation compared to other countries (Waldron et al 2013). As PAs in Malaysia continue to depend heavily on government funding sources from both state and federal agencies, resource commitment in the form of government funding is imperative to ensure the effective management of PAs and **conservation of the nation's biodiversity heritage. Concurrently, investments are needed to facilitate a transformational change to diversify funding sources to support PA management over the long term.**

The project aims to address sustainable financing barriers at three levels—namely at *national systems* level, at the *sub-national PA network* level, as well as at the *site* level.

At the national systems level, barriers include:

- **Mismatch in the costs and benefits of establishing PAs, between national and sub-national government authorities; and**
- **lack of consistency, comparability and complementarities amongst different sub-national PA networks and individual sites, which hinders the creation of an effective, representative and well-managed national system.**

At the sub-national PA network level, barriers include:

- **Fragmented planning and management structures, with unclear and overlapping jurisdictions;**
- **Absence of clear mechanisms for trans-boundary planning and cooperation, or management of trans-boundary PAs;**
- **Lack of integration between PAs and broader landscape-level land-use and national development planning; and**
- **Fragmented and inconsistent financial planning and budgetary allocation systems.**

At the site level, barriers include:

- **Inadequate technical and professional management capacities; and**
- **Lack of systems, policies and mechanisms for PA revenue generation or effective revenue recovery.**

The Project is fully consistent with key biodiversity policy documents namely the National Policy on Biological Diversity, 2016-2025 and the Common Vision on Biodiversity 2009. In 2016, Malaysia revised its 1998 Policy on Biological Diversity (NPBD) in line with the Global Biodiversity Aichi Targets with a view to halt biodiversity loss. The current policy has 17 targets and has a clear provision and target on **PAs. Target 6 specifies that “By 2025, at least 20% of terrestrial areas and inland waters, and 10% of coastal and marine areas, are conserved through a representative system of protected areas and other effective area-based conservation measures”. In addition, inter alia, it also highlights** the need to establish a Framework for a National PA System by 2018, establishment of a PA Master list, and the recognition of Community Conserved Areas (CCAs) as part of national PA System and encourage the participation of indigenous and local communities in CCA.

Table 1: Project Data Sheet

Project Title	<i>Enhancing Effectiveness and Financial Sustainability of Protected Areas in Malaysia</i>		
UNDP Project ID	3967	PIF Approval Date	30 March 2010
GEF Project ID	3906	CEO Endorsement Date	30 March 2012
Atlas Award ID	00066114	Atlas Project ID	00082355
Country	Malaysia	ProDoc Signature Date	5 June 2012
Region:	Asia and the Pacific		
GEF Focal Area/Strategic Objective	Biodiversity GEF-4 Strategic Programs: BD1-SP1-PA Financing BD1-SP3-PA Networks		
UNDP Malaysia CPAP Outcome	Sustainable & Resilient Development		Country Programme
National Development Objective	Pursuing Green Growth for Sustainability and Resilience		11 th Malaysia Plan Strategic Thurst
GEF Implementing Agency	UNDP		
Implementing Partner	Assigned by KATS: Department of Wildlife and National Parks (DWNP) through a National Implementation Modality.		

	Project partners: Johor National Parks Corporation; and Perak State Parks Corporation
Executing Entity	Ministry of Water, Land and Natural Resources (KATS) - Formerly Ministry of Natural Resources and Environment

PROJECT MILESTONES

The Project's important milestones are as shown in Table 2. Though the Project was signed on 5 June 2012, which marks the official commencement of the Project, however, administratively started in January 2013 with the appointment of Project Manager.

Table 2: The Project Timeline

Milestone	Date
PIF Approval	30 March 2010
Project Approved for Implementation	29 March 2012
CEO Endorsement	30 March 2012
UNDP Prodoc signed	5 June 2012
Implementation commences	5 June 2012
Project Manager starts Inception Phase	January 2013 March – September 2013
Mid-Term Review Completion	December 2017
Project Operational Closure	3 June 2020
Terminal Evaluation Completion	July 2020

PROJECT INCEPTION PHASE

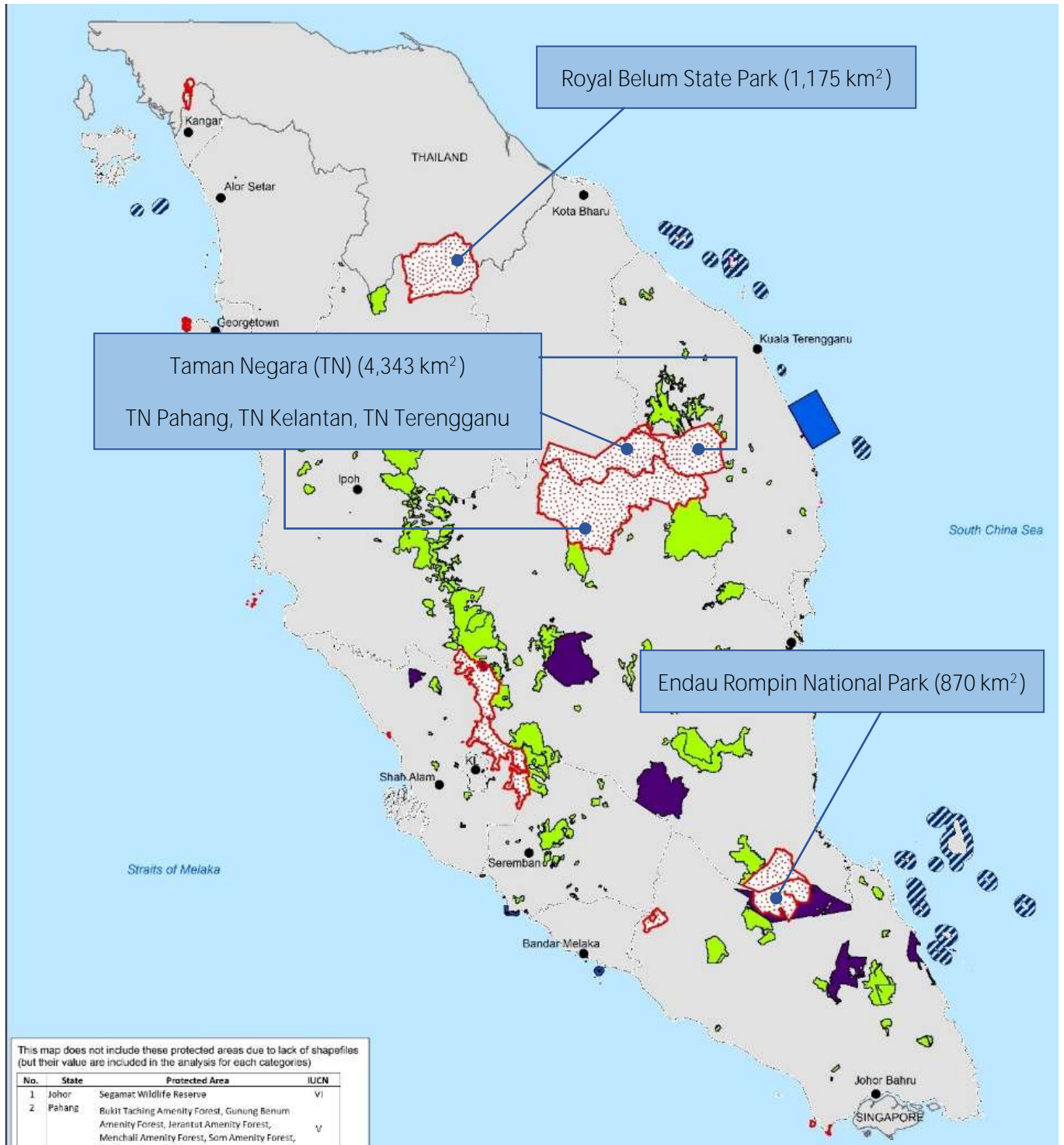
The Inception Phase played pivotal role in charting the implementation roadmap for the Project. It was conducted for six months from March – September 2013, and final report was adopted by National Steering Committee (NSC) in October 2013. A series of consultations were held engaging wide range of stakeholders. Key basis for consultations were to ensure that Project was able to deliver end-of- project targets in consideration of existing political; policy and institutional environment for managing PAs; and to keep the related **activities corresponding to Project’s outputs; outcomes and objective to a manageable and achievable level**. As a result, the Strategic Results Framework (SRF) was assessed methodically and changes were proposed to the outputs, related activities, end of project targets and **indicators stated in SRF without altering the Project’s “Objective” and “Outcomes”**. Accordingly, appropriate amendments were made to some activities; some were dropped, and some were merged with similar activities amongst the outputs. One of the important amendments included to extend **Project’s support to Sabah and Sarawak** beyond the original scope of Project.



Group Photo

PAFP Inception Report Team, October 2013

Figure 1: Project Sites



PROJECT FINANCE

The Project's finance derived mainly from two channels: direct cash contribution by GEF and, co-financing and in-kind contributions by Government through participating IP and project partners as shown in Table 3. GEF contribution amounted to USD 5.6 million and expected in-kind contribution from Government was USD 13.3 million. Towards end of Project, co-financing and in-kind contribution was estimated around USD 19.2 million surpassing the initial estimates. The co-financing and in-kind contributions were in the forms of development expenditure, time spent by the counterparts and services rendered by them in support of Project; provision of office facilities and infrastructure; hospitality during meetings and consultation sessions; and participation in conferences and training. However, the IP and project partners decided to attribute the one-off infrastructure investment made at the site levels during 2015 – 2016, as complementary to Projects' interventions which is reflected in the final in-kind contribution estimates. In-terms of GEF grant, the Project managed to achieve about 95% expenditure of US\$5.6 million, at the end of Project.

Table 3: Project Financing

Project Financing	at CEO endorsement (USD)	At Closure (USD)
[1] GEF Financing	5,600,000	5,300,000
[2] UNDP Contribution	100,000	-
[3] Government	13,300,000	19,200,000
[4] Other partners	--	--
[5] Total co-financing	13,400,000	19,200,000
TOTAL PROJECT COSTS	19,000,000	

PROJECT PERFORMANCE AND KEY RESULTS

OBJECTIVE AND/OR OUTCOME LEVEL

The analysis on the progress of Project's objective and outcomes is measured against the end of Project targets and indicators as stated in SRF. The Prodoc has established 17 indicators corresponding to Project's Objective and 3 Outcomes to gauge the end-of-project achievements. During Mid-Term Review (MTR) it was observed that: 4 end-of-targets were achieved; 7 partially/on-going; and 6 at risk. At the Terminal Evaluation (TE) gradual progress have been observed: 8 end-of-targets achieved; 4 partially/on-going; and 5 not achieved.

OBJECTIVE: TO ESTABLISH A PERFORMANCE-BASED FINANCING STRUCTURE TO SUPPORT EFFECTIVE PROTECTED AREA (PA) SYSTEM MANAGEMENT IN PENINSULAR MALAYSIA

The Project was instrumental in establishing operating guidelines for National Conservation Trust Fund (NCTF – formed by Government in 2015) incorporating elements of performance-based criteria in awarding the grants. In 2019, the Government announced additional financial allocation through annual budgetary process as an incentive to State Governments to protect and expand existing natural forest reserves and protected areas; and the Project's support to the finalization of the PA Master List with data on protected area coverage across the country initially was considered as a basis for funding appropriation. Despite of these interventions, however, the performance-based financing structure was not able to be institutionalized into Federal and State governments budgetary systems, for reasons:

- Both vehicles NCTF and EFT fell short of expectations and were unable to develop into effective funding mechanisms as envisioned in the Project document. Lack of readiness on the **Government's part to explore these mechanisms** with potential to complement government budgetary framework for conservation initiatives.
- Lack of understanding on the concept and application of performance-based financing on a national scale further exacerbated by bureaucratic bottlenecks arising from diverse management structure and institutional arrangements over management of PAs and conservation areas between Federal and State Governments.

Indicator 1: Increase in the Government investment in PA management operation.

Both operational and development budgets peaked in 2014 above the end of project targets and subsequently dropped in 2015 as a result of economic slowdown. Due to the Federal-State institutional arrangements, budgets for DWNP are sourced from Federal funding while budgets for JNPC and PSPC especially operational budgets are sourced from the respective states. In addition, PA budgets are still subject to fluctuations as business as usual scenario continues to persist without any institutional changes in terms of sustainable finance. Figure 2 and 3, illustrated trends in both operating and development budgets for DWNP, JNPC and PSPC.

Figure 2: Operating Budget Allocation

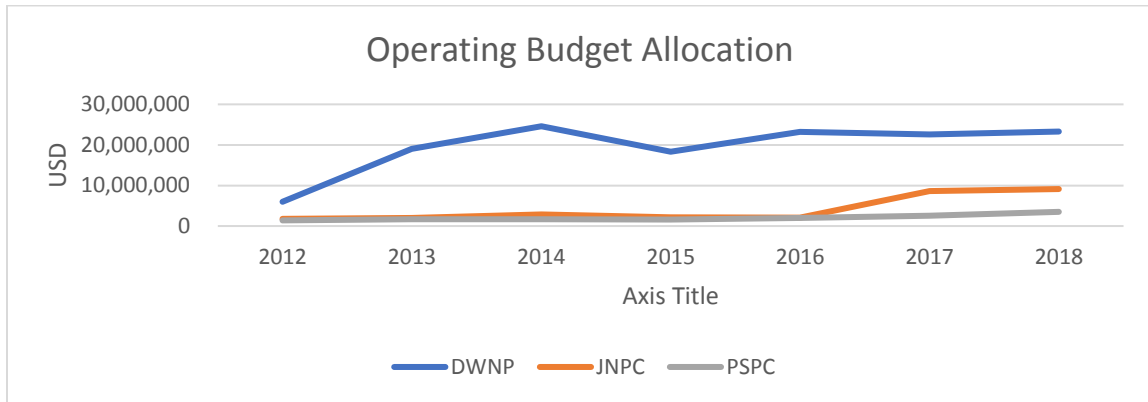
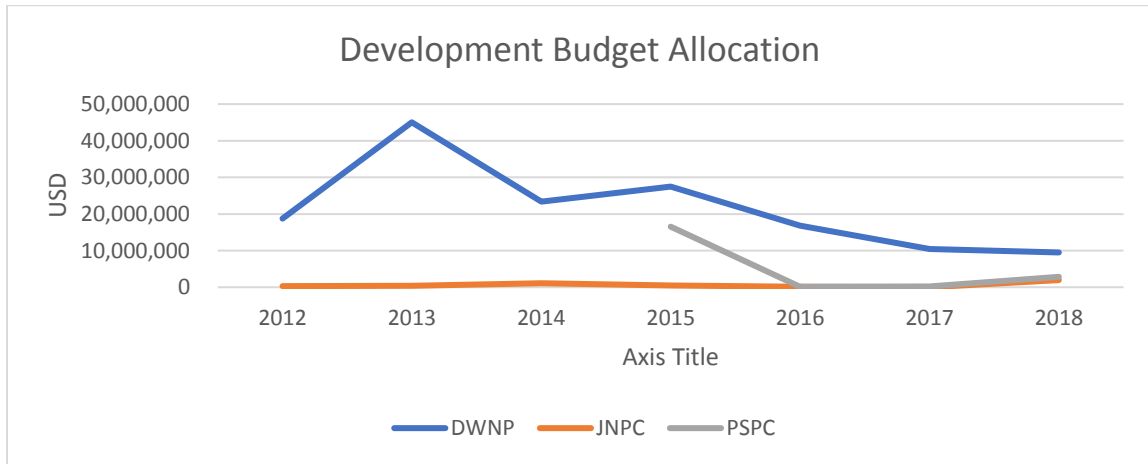


Figure 3: Development Budget Allocation



Indicator 2: Financial sustainability scorecards for the PA networks.

The requirement was to conduct two assessments: one in during mid-term and final one towards the end of Project to compare with the baseline established during the Project formulation phase in 2010. However, the Project managed to conduct additional two assessments involving broad participation of IPs and relevant stakeholders. The financial sustainability scorecard rating is presented in Table 4.

Table 4: Financial Sustainability Scores

Financial Sustainability Score		2010	2012	2014	2016	2018	Target
Taman Negara / DWNP	DWNP	50%	41%	56%	49%	52%	60%
Endau Rompin State Park / Johor National Parks Corporation	JNPC	44%	41%	40%	37%	34%	55%
Royal Belum State Park / Perak State Parks Corporation	PSPC	40%	29%	43%	47%	51%	50%

Both DWNP and JNPC registered lower scores than the expected at the end of Project. This shows their continued dependency on government allocation which is subjected to Federal and State Governments decisions and overall fiscal position of the economy. PSPC was able to enhance its financial position through imposition of new conservation fee; increasing entrance fee for Royal Belum; and additional fee collection from boat operators in Lake Temenggor.

Outcome 1 (National Level): Systematic & Institutional Capacities to manage and financially support a national PA System.

The Project made significant progress in achieving two key outputs: i) Establishment of the policy framework for the National PA system; and; ii) Integrated PA Information and performance monitoring system. However, lack of progress in advancing two other core outputs: i) The Economics of Ecosystems and Biodiversity (TEEB) for Protected Areas in Peninsular Malaysia and, ii) Sustainable Finance Plans for three PA agencies, mitigated the overall achievement of this Outcome. Nevertheless, process of developing both outputs are on-going and will be materialized after the Project with the support of UNDP CO.

Indicator 1: Establishment of the policy framework for the National PA system.

The NFPA is the main output aimed at: i) adoption of standardized categorization of PAs based on IUCN categories; ii) harmonizing management principles and approaches; and iii) create a common scheme with standardized capacity building programme for PA personnel. The process of establishing the NFPA created a common platform to bring together all the key stakeholders including Sabah and Sarawak. NFPA was adopted by KATS in February 2020 and agreed to provide initial financial support to initiate the working groups at the three regions exploring further on the implementing mechanism.

Indicator 2: Integrated PA information and performance monitoring system

The publication of **“A Master List of Protected Area in Malaysia: A Tool for National Biodiversity Conservation, Management and Planning”** marked a significant milestone in the official compilation of terrestrial and marine protected areas in the country. Whilst, the List helps to enhance governance and management of protected areas in the country, it also will eliminate inconsistencies and inaccuracies in the official reporting of PAs, by harmonizing the definition and categorization of Pas amongst the many different agencies involved, thus streamlining relevant policies and programmes. The List provides an official baseline for both terrestrial and marine protected area coverage until 30 June 2016. Future changes in the coverage will be reflected through periodical reviews in continuous consultation with relevant stakeholders.

Indicator 3: Financial incentive system based on primarily on performance indices

A financial incentives system based on performance-based indices yet to be established. NCTF was considered a mechanism with potential for introducing performance-based financing. The Project supported the establishment of **“operating guidelines” for NCTF which incorporated some elements of performance-based financing.** Further support extended to develop i) Strategic Plan; and, ii) Resource

Mobilization Strategy producing a sustainability roadmap for NCTF. The outputs were delivered to KATS in January 2020. Datapoints developed on the coverage of PAs in the country (PA Master List), initially was considered as basis for determining the quantum for appropriating the budget allocation from Federal to States in 2019 announced by Government in 2018. However, the prevalent systemic issues amongst the Federal and State Governments hampered any further progress in this area.

Indicator 4: National PAs system mainstreamed in the budgeting process for 5-year Malaysia Plan:

In 5-year Malaysia Plans, there is no dedicated budget line has been created specific for PAs. The current budget allocation is estimated about 1% (MYR 2 billion) of the annual budget which is made based on programmes and projects carried out by key agencies responsible for biodiversity conservation. The TEEB study will be instrumental to providing the business case for increased investment and a dedicated budget line in the long term.

*Indicator 5: **Increased number of “bankable” projects in support of PA management** approved for funding through operational grants.*

The framework for performance monitoring has yet to be established. Though NCTF has been identified as an avenue for integrating the performance-based financing system, the NCTF in its existing form is unable to support the system mainly due to the lack of sustainable source of funds and limited capacity to manage the Fund. In Malaysia’s context, the notion of “performance-based financing” still at its infancy, thus lacking deliberation on the definition, purpose, scope and its impact.

Outcome 2: Technical and Institutional Capacities to manage sub-national PA networks, including capacities for effective financial management

Outcome 2 aims at building technical and institutional capacity to manage sub-national PA networks including capacity for effective financial management. The success of this outcome is strongly reflected in the outputs and results delivered and the impacts made at the PA management authorities. DWNP as the IP played a key role, making conscious efforts from the beginning to invest heavily in both institutional and professional capacities in sub-national PA networks. Some of the early success includes establishment of dedicated six weeks training programme for PA front-liners: Effective Protected Area Management (EPAM) conducted at the Institute of Biodiversity (IBD). Whilst this effort helped to lay the **foundation for DWNP’s future vision of transforming IBD into a National Training Center**, it also helped the Project to extend its support to Sabah and Sarawak. The Project supported 25 officers to attend specialized 3 months training in Wildlife Institute of India (WII); and the graduates subsequently appointed as resource persons and teaching faculty to develop contents and delivery of EPAM. In addition, a series of other trainings locally and internationally, organized and supported by the Project equipped key stakeholders from across the country with the technical and soft skills, awareness and qualifications to better implement and management of PAs. The content of these trainings was exhaustive, covering everything from nurturing leadership, patrolling, use of equipment and approaches to community engagement. Institutional strengthening approach was further enhanced through review of PA enactments, addressing the gaps and weaknesses in the current legal framework enabling PA authorities for effective management.

Indicator 1: Financing gap decreased by at least 25 % in the target PA sub-networks (PSPC, DWNP, JNPC)

The funding for DWNP registered marginal increase in 2014 as reflected in financial scorecards analysis. Compared to baseline score of 50% in 2010, it rose to 56% in 2014; and declined to 52% in 2019, eight points lower than the expected end of project results. For JNPC the performance not encouraging, as the scores declined to 34% in 2019 (way short-off expected 55%), compared to the baseline score of 44%. This is mainly due to their continued dependency on government allocation which is subjected to Federal and State Governments decisions and overall fiscal position of the economy. However, PSPC was able to enhance its financial position through imposition of new conservation fee; increasing entrance fee for Royal Belum; and additional fee collection from boat operators in Lake Temenggor. PSPC only agency able to exceed the target by scoring 51% than the expected 50%. When endorsed by the respective Park agencies, sustainable financing plans are expected to provide guidance on how PA agencies can improve their financial planning tools and address financing gaps for Taman Negara, Royal Belum and Endau-Rompin.

Indicator 2: Increase in capacity development indicator score (%) for three target sub-national PA networks: DWNP; PSPC and JNPC

Over the Project period, all three agencies registered improved performance in-terms of capacity development and knowledge building due to the concerted interventions made by the Project in providing various training opportunities to meet the general and specific needs of PA agencies including the states of Sabah and Sarawak. Table 5 illustrates the progress made by PA agencies.

Table 5: Capacity Development Scores

Capacity Development Score		2010	2012	2014	2016	2018	Target
Taman Negara / DWNP	DWNP	61%	58%	64%	66%	73%	70%
Endau Rompin State Park / Johor National Parks Corporation	JNPC	61%	58%	64%	65%	69%	70%
Royal Belum State Park / Perak State Parks Corporation	PSPC	45%	49%	55%	66%	67%	55%

Indicator 3: Number of PAs successfully meeting national management criteria and accessing performance-based financial transfers from the Federal system.

National management criteria for PAs management yet to be established. Though both NCTF and EFT were considered having potentials to incorporate performance-based financial transfer, but both were unable to be scaled-up, **despite of Project's interventions**. KATS has indicated its plans to form a working group to build **upon on the Project's inputs and** to oversee the development of performance measurement criteria/indicators to support PA authorities and States. In this regard, adoption of national template on METT will help to provide further inputs into development of performance measurement criteria.

Indicator 4: Economic and financial planning capacity institutionalized in the three sub-national PA network agencies.

Under the existing government management structure and rigid rules pertaining to “head-count”, it is not feasible to establish a dedicated unit in PA agencies and States for revenue diversification to complement government funding for conservation.

In collaboration with BIOFIN, Project introduced biodiversity finance planning methodology to PA networks and State governments. Through the study on Sustainable Finance Plans, awareness and knowledge of PA agencies further enhanced on the options and processes for identifying feasible mechanisms for revenue diversification. JNPC has taken initiatives to create a business development unit, though presently not staffed due to resource constraint. DWNP has agreed to strengthen existing finance division by creating dedicated positions to look after conservation finance planning.

Indicator 5: Coordination between the sub-PA network agencies.

Coordination between the various PA agencies have been strengthened through both formal and informal channels, including through regular meetings; formal governance bodies, consultations and trainings, workshops and knowledge sharing sessions. The collaboration between the 3 PA networks (DWNP, JNPC and PSPC) showed marked improvement during the Project period contributing effectively for successful implementation of Project activities at PA agencies and site levels. However, coordination amongst Terengganu, Kelantan and Pahang (for Taman Negara) lacked progress, as the Project needed to seek assistance of DWNP and KATS.

Outcome 3: Effective Site Level Management

Under this outcome, the Project made considerable progress. Key outputs include completion of Management and Business Plans for the three target sites. The Management Plans were adopted by the respective PA authorities and with the support of Project some of the strategies have been implemented. For both Taman Negara and Endau Rompin, the Plans are at different stages of **incorporation into DWNP’s and JNPC’s** annual work plans; whilst the Project extended additional support to PSPC to develop detailed implementation framework for Royal Belum. Another notable outcome is the adoption of National Template for METT. This output was leveraged from the experience and **lessons gained through conducting METT assessment as part of Project’s M & E process** and the **impacts of Project’s intervention is reflected the progressive improvement achieved in METT scores** for the three parks. Overall, these interventions have been constructive in communicating the key PA management imperatives to the PA authorities and State Governments, that the need to have well defined and structured management plans; legal framework; and performance tracking tool.

Indicator 1: Number of PAs successfully meeting national management criteria and accessing performance-based financial transfers from the Federal system.

National level management criteria yet to be established. The Management Plans for three Parks: Taman Negara; Royal Belum State Park and Endau Rompin National Park have been finalized and adopted by DWNP; PSPC and JNPC, respectively. The Project provided further support for the implementation of the Plans and for PSPC a detailed implementation framework for Royal Belum Management Plan is

developed. **With the Project's** support national template on METT is developed providing additional performance measurement tool at PAs level. It is envisaged that elements/criteria will help to establish framework for performance-based financial transfers. Knowledge and lessons gained from developing these tools were shared with Kedah State Government in its efforts to establish a new legal framework to effectively manage protected areas in Kedah including Ulu Muda forest reserve.

Indicator 2: Improved management effectiveness as per METT scores for three target PAs.

Overall, all three Parks registered improved performance. The PA authorities acknowledge that the **Project's interventions have made the differences through the outputs** and results. PA agencies have come to appreciate the value as an evaluation tool, and national template on METT was produced in Malay language (Bahasa Melayu); and adopted it as national performance measurement tool for gauging management effectiveness of the PAs. The METT scores for the three Project sites are illustrated in Table 6.

Table 6: METT Scores

METT Scores		2010	2012	2014	2016	2018	Target
Taman Negara / DWNP	DWNP	73%	57%	75%	75%	76%	82%
Endau Rompin State Park / Johor National Parks Corporation	JNPC	57%	54%	60%	68%	69%	68%
Royal Belum State Park / Perak State Parks Corporation	PSPC	52%	54%	67%	68%	73%	65%

Indicator 3: Increase in gross revenue amount and revenue sources of the three demonstration PAs.

Both DWNP and PSPC registered upward trends in revenue generation from Taman Negara and Royal Belum.

For Taman Negara, the flow of tourists remained steady for the last few years, and additional revenue **averaging about 10% mainly contributed by sales of Visitor's guide** produced with Project support.

For Royal Belum, the gross annual revenue registered marked increase since 2017. PSPC capitalized on increasing entrance fee to the Park and introducing new fees. Since early 2017; entrance fee was increased by RM 5.00; imposed new conservation fee of RM 5.00; and further in end of 2017 a fee of RM 50.00 was imposed on each houseboat based on per entry into the park.

However, revenue generation for Endau Rompin in Johor experienced downward trend due to closure of Peta entrance for almost a year; and marginal reduction in entrance fee implemented by JNPC since 2018.

Indicator 4: Length of park patrolled per year, Number of patrolling programmes per year, Percentage of the area patrolled per year, Number of patrolling staff, number of illegal activity (including encroachment and poaching) cases within PA reported

The Project design did not provide provisions to make interventions to increase staff or frequency for patrolling activities. Supports were provided to enhance knowledge and skills of those involved in

patrolling and enforcement through training and other means such as SMART patrolling; training and SOP for enforcement, supply of camera traps and tele-communication equipment. Nevertheless, progress was monitored through activities carried out by the PA agencies. Since 2016, with support of Federal funding joint operations through 1MBEON programme involving a number of enforcements agencies including armed forces were carried out in all the three Parks. This helped to increase the frequency and areas covered, in addition to the regular patrolling exercises undertaken by PA agencies.

Indicator 5: Tiger population as a flagship species in target PAs namely Taman Negara, Endau-Rompin National Park and Royal Belum State Park.

This indicator is not related directly to Project's performance. Progress is monitored through initiatives taken by PA authorities to estimate number of tigers. In 2014, the tiger population was estimated around 250 – 300. In 2018, Government launched National Survey on Tiger and the survey is in its final stage of completion. However, preliminary estimates on the number of tigers remaining in the three critical habitats in not encouraging. **The Government in March 2019, has launched 'Save Malayan Tiger Campaign' that include:** i) Fund raising through crowd sourcing and private sector donors ii) Mobilizing the general public to partake in the campaign through education and awareness raising, and iii) joint operations with armed forces to increase patrolling. An improved new facilities for tiger rehabilitation, **"Wildlife Rehabilitation and Conservation Center"** is being built in Lanchang, Pahang.

OUTPUT LEVEL

Project managed to deliver a wide range of outputs, to a large extent achieving the targeted deliverables as stated in Project Document. The outputs are elaborated as follows:

1. Policy intervention notes; programme development in support of conservation efforts at Federal Government: a) NFPA; b) PA Master List; c) Operating Guidelines for NCTF and; d) Strategic Plan and Resource Mobilization Strategy for NCTF; e) TEEB of PA in Peninsular Malaysia.
 - The National Framework for Protected Areas (NFPA). The NFPA is the main output aimed at establishing a standardized framework for managing PAs in the country. NFPA emphasized on three aspects namely: i) adoption of standardized categorization of PAs based on IUCN categories; ii) harmonizing management principles and approaches; and iii) create a common scheme with standardized capacity building programme for PA personnel. The initiative to establish NFPA proved to be constructive providing a common platform for PA authorities including Sabah and Sarawak addressing the issues relating to management of PAs from national perspective, whilst each agency retaining its jurisdictional authority as provided in its respective legislative framework.
 - The Protected Area Master List. The List is the first official reference listing all the terrestrial and marine PAs representing the PA coverage in the country. The List provides an official baseline for both terrestrial and marine protected area coverage until 30 June 2016. Future changes in the coverage will be reflected through periodical reviews in continuous consultation with relevant stakeholders.
 - Operating Guidelines for NCTF. The NCTF (National Conservation Trust Fund) was established by Government in 2015 as complementary financing for conservation, in addition to Government allocation. The **“Operating Guidelines” incorporating some elements performance-based financing criteria**, developed by the Project was adopted by NRE to operationalize NCTF in 2015.
 - Strategic Plan & Resource Mobilization Strategy for NCTF. At the request of NRE, Project developed both documents and delivered to Ministry in January 2020. It is envisaged that these documents will help to chart the future direction of NCTF and ensuring long term sustainability of NCTF.
2. Institutional strengthening at sub-national level: a) IBD Transformation Blueprint; b) Establishment of EAPM Training; c) PSPC Enactment review and legislative Gap Analysis for DWNP and JNPC.; and d) Sustainable Finance Plans for 3 PA agencies.
 - IBD Transformation Blueprint. This output to assist DWNP in implementing the **Government’s Civil Service Transformation Strategies by establishing “centres of excellence” in specialized areas. The Institute of Biodiversity (IBD) was identified as with potential becoming “centre of excellence” for catering the needs and train competent manpower in conservation and wildlife management.** Project made substantial investment conducting series of consultations engaging wide range of stakeholders charting the strategic direction for IBD transformation. As a result, IBD Transformation Blueprint was delivered to DWNP in January 2019.

- **Specialized 6 weeks training course on “Effective Protected Area Management (EPAM)”** established since 2015. This is one of the early success and pioneer efforts of the Project, training programme conducted by IBD opened to all PA agencies including Sabah and Sarawak. Project invested substantially providing training to the trainers and teaching faculty; consultation sessions to develop curriculum and course modules; supply of equipment and accessories; 22 units of laptops for training. Since 2015, five series of training have been conducted. From 2020, DWNP will continue with the training. Efforts are under way for the IBD to award certificates recognised by the Sijil Kemahiran Malaysia (Department of Skills Development) and has also partnered with a local technical university: University Technology Mara (UiTM) to make its offerings available **as part of the academic institution’s standard curriculum and will be offered** as the Executive Protected Area Diploma Program.
3. Site levels management reinforcement: a) Management Plans for the 3 PAs; b) National METT template; c) site specific capacity building and training; d) development of SOP for enforcement and training; and d) provision and installation of equipment to support patrolling and enforcement.
- Management Plans for three target sites: Taman Negara, Royal Belum and Endau Rompin delivered in 2017 and adopted by respective agencies in 2018. Detailed implementation plan for Royal Belum Management Plan delivered in May 2020.
 - National template on Management Effectiveness Tracking Tool (METT) developed in Bahasa Melayu developed and delivered to DWNP in March 2020. This template will be used as a general management performance measurement tool for all PAs in the country.
 - SOP for enforcement for Royal Belum developed and related training were conducted for PSPC officers in December 2019.
 - Supply and installation of communication equipment for Taman Negara and Royal Belum
4. Communication materials advancing PAs images: a) Visitors Guides for Taman Negara and Endau Rompin; b) Trail maps for all 3 PAs.
- Taman Negara: Visitors Guide and Trail Maps delivered in 2016



Taman Negara Visitors’ Guide



Kuala Tahan Trail Map

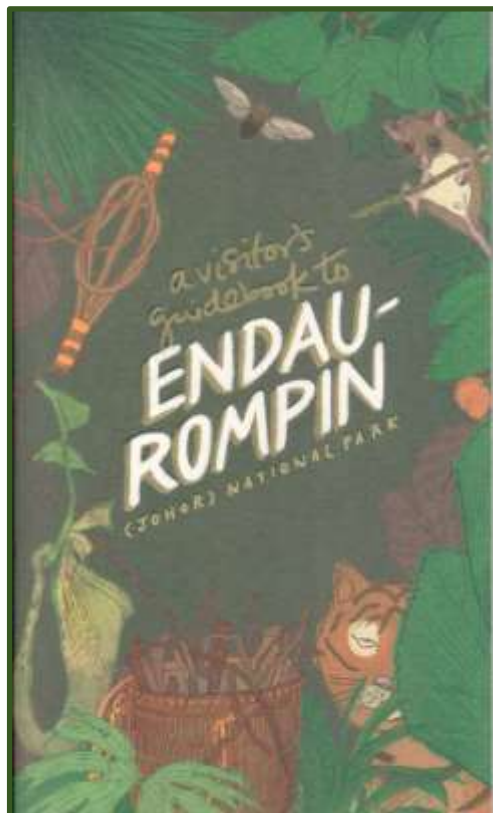
- Endau Rompin: Trail Maps in 2018; Visitors Guide in March 2020



Endau Rompin Trail Maps (Peta Entrance)



Endau Rompin Trail Maps (Selai Entrance)



*Endau – Rompin (Johor) National Park
Visitors Guide*

- Royal Belum: Trail Maps in 2019



- Taman Negara signages in 2017



Interpretative Panels



5. Knowledge Sharing sessions: a) Two national PA managers conferences; b) Regional Forum on Sustainable Financing for Conservation
 - Pioneer efforts providing a platform for PA managers and front-liners from throughout **the country to gather. Two national PA managers' conference were organized: 2014 & 2016.**
 - Regional Forum of Sustainable Financing in 2017. Participation included counterparts from Asia Pacific region; and resource persons and experts from various countries and international organizations.

6. Local community Engagement: Nature guide and additional livelihood training for local communities in Endau Rompin.
 - JNPC has successfully carried out several sessions of engagement with local communications around ERNP. Community engagement activities have been held in collaboration and coordination with PA Financing, IC-CFS and DWNP; summarized as follows:
 - The Nature Guide Training was held from 5 – 22 Sept 2017, in which 35 participants passed the exam and qualified for the nature guide license issued by the Ministry of Tourism and Culture (MOTAC). The application for the license with complete documentation was submitted to MOTAC in February 2018 and a nature guide license was issued by MOTAC in April 2018.

KEPUTUSAN PEPERIKSAAN KURSUS PEMANDU PELANCONG BERKEMAHIRAN ALAM SEMULAJADI SETEMPAT (TAHAP 2)

Dengan segala hormatnya saya ingin menarik perhatian tuan/puan berhubung perkara di atas.

2. Adalah dimaklumkan bahawa Kementerian telah membuat semakan meneliti keputusan peperiksaan Kursus Pemandu Pelancong Berkemahiran / Semulajadi Setempat (Tahap 2) yang telah diadakan pada 5 – 20 September 2017.

3. Sukacita dimaklumkan bahawa tuan/puan telah **LULUS** Peperiksaan Kursus Pemandu Pelancong Berkemahiran Alam Semulajadi Setempat (Tahap 2) di **Bahasa Malaysia** menerusi sesi kursus yang dijalankan oleh Jabatan Perlindungan Hidupan Liar dan Taman Negara (Perhilitan). Tuan/Puan adalah layak untuk memohon dan mendaftarkan diri sebagai pemandu pelancong berlesen dari Kementerian ini. Pihak tuan/puan adalah dikehendaki untuk mendaftarkan



- In 2019, a Certificate of Tourism Related Education Course was held from 29th – 20th March to facilitate the renewal of the nature guide license of Orang Asli from Kg. Peta and Selai. The event was organized by Johor City and Nature Guide Association with support from JNPC.
- Recce of Handicraft Development for Women Group of Kg. Peta was held from 19th – 20th Nov 2017, which aimed to assess the potential of handicraft development in Kg. Peta and the quality of handicrafts from artisan in Kg. Peta. Handicraft items that were commonly produced included basket, mats, key chains etc., and these items were mainly made of rattan, resam fern, pandan leaf, mengkuang leaf etc.



- Technical Visit to Pulau Carey and the National Handicraft Day at Kuala Lumpur was held from 26th - 28th March 2018. The visit to Pulau Carey created a platform for experience sharing while allowing the Tompoq topoh group to promote community peer learning in handicraft development. The visit to NHD provided an opportunity for the woman group from Kg. Peta to observe that types and quality of crafts available in the market.
- Follow up from the Technical visit in March 2018, workshop on Handicraft Development Workshop for Women Group in Kg. Peta was held from 26th – 28th September 2018 in Kg. Peta. The workshop aimed to strengthen the dyeing skill and to enhance the quality of **the handicrafts by Kg. Peta’s artisan. Two trainers from Gerai Orang Asli and Tompoq Topoh Pulau Carey** were engaged and a total of 10 artisans attended the dye workshop in Kg. Peta. It was observed that the variety and type of the handicraft design from artisans has increased compared to the first visit in Nov 2017. The active artisans continue to produce the handicrafts with a significant improvement on the workmanship and the choice of the color.



- Community Engagement, Krau Wildlife Reserve:
 - A dialogue session with the Orang Asli communities living adjacent to the Krau Wildlife Reserve (WR) was held in Taman Negara, Kuala Tahan in November 2018. Arising from a series of encroachment and poaching activities in the Krau Wildlife Reserve (WR), numbering 50 and 148 cases respectively out of 488 offenses recorded in 2017. A workshop was organized to effectively engage the local communities to identify their issues and challenges living in and within the Krau WR; to encourage a better understanding between the local communities and DWNP to mitigate these problems.
 - Total of 29 participants came from Kampung Berdut, Kampung Penderas, Kampung Pasu, Kampung Lubuk Wong, Kampung Pian, Kampung Terbol, Kampung Paya Rekoh, Kampung Enggang, Kampung Bayek and Kampung Senel. The participants were divided into 5 groups to discuss over 2 days on 1) What does Krau WR mean to them; 2) What are the issues and; 3) What are the solutions? The participants were also introduced to the concept of community-based eco-tourism (CBE) and visited Kampung

Dedari (a Batek village) and Kampung Gol (a Malay kampung) on the third day to see and learn from the ground the different models of running CBE.

- Series of sustainable Trail-Building and Maintenance Workshops involving PSPC staffs and local community in Royal Belum conducted in 2018, 2019 and 2020. Part 2 was in March 2019 (Perak)
7. Capacity development and competency upliftment: opportunities provided to attend numerous training programmes locally and internationally addressing variety of subject matters ranging: a) specialized training programme in WII, India; b) nurturing leadership for PA front-liners; c) patrolling and enforcement; and d) use of advanced technology.
- Financial support for 22 participants to attend a 3 months training at the Wildlife Institute of India in Wildlife Management from XXXX to XXXX;
 - Participation in Korea National Parks Friendship Programme for 5 participants from XXXX to XXXX;
 - Exchange visits by the *Orang Asli* community to Sabah to be sensitized to community management and income generating opportunities;
 - Equipping the IBD with a dedicated training lab and outfitting it with computer terminals;
 - The joint training of Part 2 ArcGIS with hands-on practical for rangers of PSPC, JNPC and Perak DWNP was held from 28th Oct to 1st Nov 2018 at Petaling Jaya. This training marked the completion of the training syllabus for conservation planning in protected areas.
 - Joint training session on SMART patrolling, Wilderness first aid; the application of standard modules for communication via walky-talky involving rangers of JNPC, PSPC, and DWNP.



- Technical visits supported by the Project, including:
 - Technical missions to Smithsonian Institute in US in 2014; and Wildlife Institute of India in 2018.
 - Technical visit to Yayasan Sabah and Conservation Areas, for Johor stakeholders (Nov 5-9, 2018)
 - Technical Visit to Danum Valley and Kinabalu Park, Sabah for Perak Stakeholder (Jan 24-28, 2019)
 - Technical Visit to SUK Sabah, Maliau Basin and Forestry Sabah for Pahang Stakeholder (March 3-9, 2019)
 - The experience and benefits have been positive on all fronts.

The visits provided experience exchange on sustainable financing and implementation of finance support for Protected Areas in Sabah. They also enabled the stakeholders to learn best management practices on enhancing management and enforcement and improving government-private partnership and new marketing strategies.



Meeting with Forest Department in Kaziranga during Technical Mission to WII, India

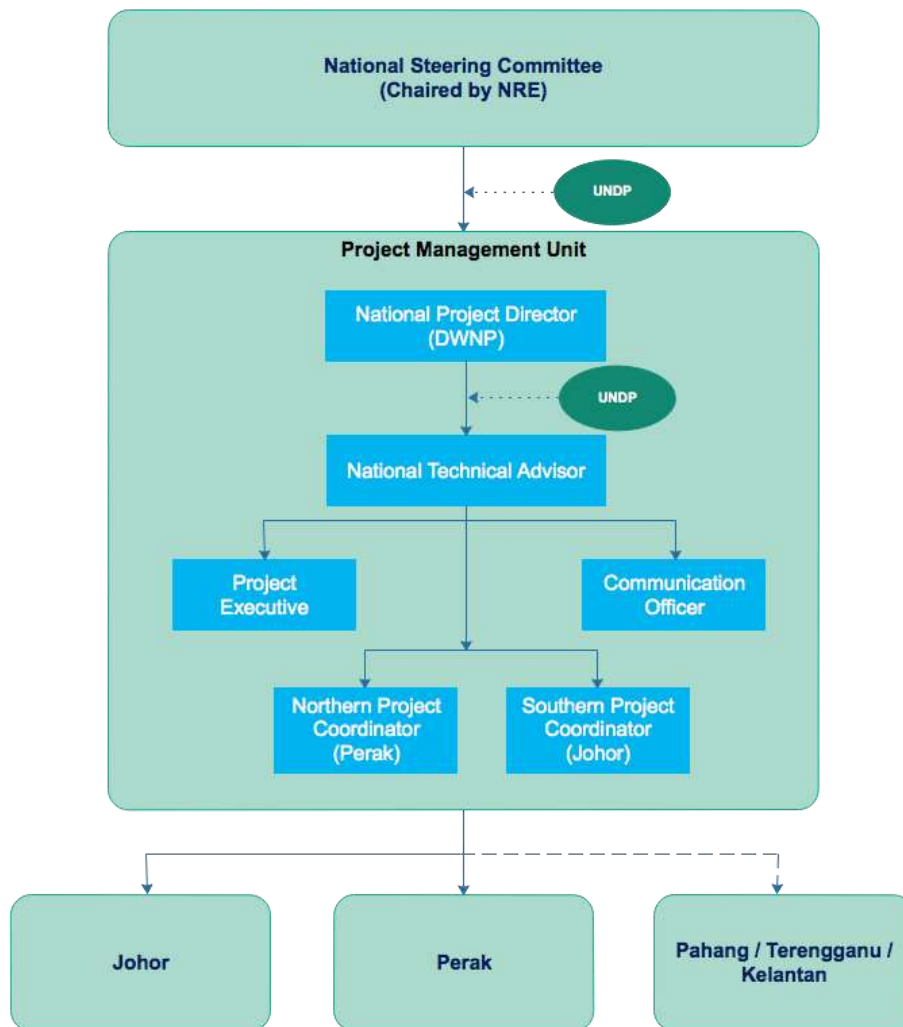


Technical Visit to SUK Sabah, Maliau Basin and Forestry Sabah for Pahang Stakeholder

PROJECT GOVERNANCE

The Project established appropriate governance structure as per Project Document which are echoed in the Inception Report as well (illustrated in Figure 5). The project was to be executed under the NIM modality, with the Department of Wildlife and National Parks as the designated IP (one of its senior Director assigned as National Project Director) was responsible for efficient and effective use of project resources and achievement of the project objective and outcomes.

Figure 4: Project Governance Structure



National Steering Committee

The National Steering Committee (NSC) was vested with the overall responsibility of providing guidance and advice on the implementation of the project to ensure delivery of targeted outputs and outcomes in line with the project objectives. Initially Ministry of Natural Resources and Environment (NRE) chaired the NSC, and since May 2018 it was Ministry of Water, Land and Natural Resources (KATS) with the change of Government. The NSC meets at least twice a year, and throughout Project period it has met **10 times. At the participating State Governments level in Perak and Johor, the Project's interventions** were overseen by State Coordinating Committees chaired by State Economic Planning Units. These committees met at least once a year. The NSC and State Coordination Committees was supported by PMU on the planning and execution of Project activities.

Project Management Unit

The Project Management Unit (PMU) played the crucial roles in managing daily operation of project activities. The PMU was consisting of National Project Director (NPD and Chair), Project Team (as Secretary); UNDP; KATS; PSPC and JNPC. The Project Team employed directly under the Project headed by Project Manager and other Team members include Project Executive; Communication Officer and State Coordinators at Pahang; Johor and Perak. However, the Project Team was left with only Project Manager and Project Executive towards the last year of its implementation. The **Team's main** tasks were to ensure the Project is being implemented according to the planned schedule and deliver the targeted **outputs and results and Project's finances are managed in accordance with established procedures of UNDP and Government.** The PMU held regular meeting at least once a month, and throughout Project period PMU has met a total of 42 times. In terms of **purchasing and contracting Project's related goods and services**, PMU adopted two-pronged approaches with the approval of NSC: a) for purchases of **'Goods and Services' adopted Government procedures** and DWNP being the decision making authority; and b) for procurement of **"Consultancy Services" followed UNDP procurement practices.**

Project Stakeholders

The Project has worked closely with a large number of stakeholders right from inception phase and throughout its implementation. The Project Document has identified a whole list of stakeholders elaborating with their roles and responsibilities and their potential stake/involvement in the Project. Over the course of implementation, Project Team had reached out to many other stakeholders engaging them as working partners and consultation counterparts. Notable inclusion are stakeholders from Sabah and Sarawak. The stakeholders involved in the Project could be categorized into primary and secondary.

Primary Stakeholders were those **directly affected by the PA Financing project's outcomes**; and responsible for providing management guidance to the Project. This include the three IP and project partners: DWNP; JNPC and PSPC and local communities. And those who have been directly involved in **Project's** implementation from an IA and EA perspective and stakeholders with direct managerial

authority were the Department of Wildlife and National Parks and NSC members. These stakeholders have been integral to determining the success of the project. UNDP primarily took on the role of quality assurance to the Project as GEF agency, while maintaining an active stakeholder in providing policy advisory and project cycle management services to the project implementation.

Another group of stakeholders within primary category include NGOs; consultants; resources persons and subject matter experts. This group **though not beneficiaries of Project's impacts and** somewhat will be removed once their tenure is over, they have been direct contributors to the delivery of key outputs of the Project. The subject matter experts driven outputs include TEEB; National METT; NFPA; NCTF; whilst technical knowledge and expertise helmed by NGOs such as WWF and WCS were effectively tapped by Project to strengthen the capabilities and skills of PA agencies.

Secondary Stakeholders include those who have been instrumental to the long-term sustainability and replication of project results. This group is with the decision-making authorities and functions as **enablers for policy formulation by incorporating Project's outputs and results. The group includes** KATS, EPU, MEA, UPEN, State government entities of Pahang, Johor and Perak, CSOs and all national and State parks who have taken part in myriad trainings and site visits, as well as benefitted from enhanced collaboration and communication through the PAF Project.

Figure 5: Stakeholders Networking



NATIONAL OWNERSHIP AND SUSTAINABILITY OF PROJECT RESULTS

Project received strong support from key government stakeholders including Federal Ministries and agencies; throughout its implementation. Particularly, DWNP as the main IP ensured the Project is provided with all the necessary support, and PSPC and JNPC played vital roles in anchoring firmly **Project's activities at the States and sites level. Nevertheless, in the final analysis** on ownership, sustainability and **up-take of Project's** outputs and results to effect policy and programmatic changes at various levels depended on number of other factors, and more often these factors are beyond the control of Project. These factors generally are associated with the identified risks which form as barriers **to achieving intended Project's objective.**

The Project was effectively implemented and managed to deliver key outputs. The gains were more tangible at the level of protected areas themselves and to a lesser extent at sub-national levels. At federal level, achievements were less significant. Where possible, the project collaborated on efforts by parallel initiatives, the implementation of BIOFIN in Malaysia and the UNDP-supported GEF-financed IC-CFS project, to deliver outputs similar in scope to leverage financial efficiencies.

The core Objective of the Project is creating a sustainable performance-based financing system for the PA network in Malaysia. This framework has yet to be established. Key stakeholders were provided with the necessary knowledge and awareness on the processes and the benefits of establishing such a system in the country. Complacency amongst PA agencies with the existing budgetary framework, the rigidity it is adhered to, and non-readiness of government agencies to try out a new system – hampered the Project from making any further in-road into this area. It is only in the long-term that environmental impacts will be seen from the processes and financial sustainability measures that will eventually be put into place if deemed to be a government priority.

Outcome 1: At Federal and National Level

Outcome 1 and associated outputs aimed at effecting policy and programmatic changes at Federal/National level is at high risk of ownership. Despite, key outputs: NFPA; PA Master List; NCTF Strategic Plan Resource Mobilization Strategy have been delivered, the Federal agencies were yet to establish a roadmap for continuity or sustainability plan. The low level of ownership was further exacerbated by frequent institutional changes (3 Ministries changes within Project period) and high turnover of key personals and counterparts; in addition to the persisting governance and institutional complexities in-relation to conservation of biodiversity and PA management.

Outcome 2: At Sub-national Level

Outcome 2 aimed at sub-national level has demonstrated good potential for ownership of some of the **outputs. Notably the six weeks training programme, 'Effective Protected Area Management (EPAM)'** established with substantial investment by Project, DWNP has claimed strong ownership and put in place **a plan for continuity. Whilst, instituting EPAM into IBD's annual training schedule, DWNP also** plans to obtain professional accreditation in collaboration with a higher learning institute and offer the

course to a wider range of participants. Work in progress with UiTM to offer EPAM at Executive Diploma level.

The IBD **Transformation Blueprint is in consistent with DWNP's strategic direction to transform IBD into national training center**, however, it is still requiring policy consensus amongst relevant federal entities and enabling DWNP to realize the implementation potentials.

The Sustainable Finance Plans (SFP) for the three PA agencies (DWNP, PSPC and JNPC) was delivered in June 2020. The Plans provide a taxonomy of sustainable financing mechanisms for the PAs to explore for creating additional revenue generating opportunities and strengthening their financial positions. Greater appreciations are observed about SFP at PSPC and JNPC, compared to DWNP at Federal level. PSPC and JNPC comprehend their mandates within their respective legislative framework and potential to adopt and implement such mechanisms compared to DWNP, which is subject largely to the federal **Ministry's** decision.

Outcome 3: Sites Level

Significant gains materialized at all three target sites: Taman Negara; Royal Belum and Endau Rompin. All three PA agencies have adopted respective Management Plans. For Royal Belum, PSPC has developed detailed implementation framework; whilst DWNP and JNPC have taken initiatives to **incorporate the Plans' strategies into their annual work plans**.

Another product with huge potential for long term sustainability and national adoption is the National Template on METT. The METT was introduced **as part of Project's M&E process. Through the 4** assessments conducted during the Project period, the IP and project partners realized the value of adopting METT as performance measuring tool at their site level. A national METT template in Bahasa Malaysia is produced and DWNP plans to introduce to all the other parks in the country.

In many respects the PA Financing Project was ground-breaking and the first of its kind in Malaysia, however, sustaining and having ownership of those outputs and results amongst key stakeholders, particularly at federal level, remains a major concern. Perhaps, prospects are much brighter at site and sub-national levels, as there are people now doing something different from what they were doing before; as such there is a **shift from the "business as usual" to a new mindset**.

MONITORING, EVALUATION AND REPORTING

The monitoring, evaluation and reporting processes were established in accordance with UNDP and GEF M&E framework and were undertaken at various levels and stages. The M&E process consists of **two aspects**: i) to evaluate the effectiveness of Project's performance using end of project targets against baseline and indicators established in SRF and also GEF Biodiversity Tracking Tools; b) to assess operational and internal control to ensure financial procedure compliance. M&E activities undertaken during Project lifetime is presented in Figure 6.

Figure 6: Schematic for Monitoring and Evaluation Activity for the PA Financing Project



MONITORING AND EVALUATION

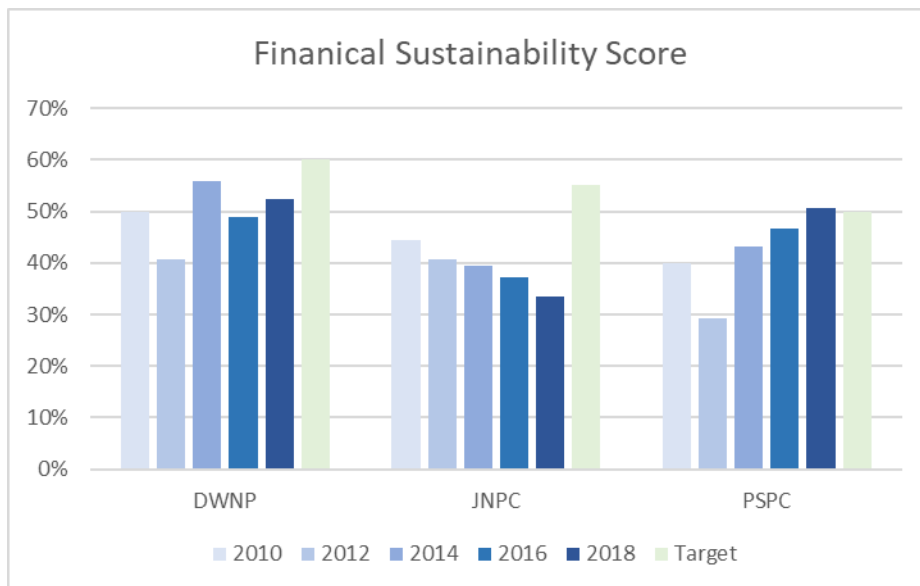
Project Level M&E

The **Project's M&E** process started since Inception Phase and continued throughout its lifetime through various means and mechanisms. During Inception Phase the Strategic Results Framework (SRF) was assessed methodically in consultations with key stakeholders and changes were proposed to the outputs and corresponding activities, end of project targets and indicators at the outcome level stated in SRF without altering the **Project's "Objective" and "Outcomes"**. The changes were proposed in consideration of **development that have taken place since the Project's formulation in 2010; viability of** implementing some related activities and achieving expected targets by end of Project in the context of prevailing institutional complexities. Accordingly, appropriate amendments were made to some activities; some were dropped, and some were merged with similar activities amongst the outputs.

Since then, **the Project's performance and progress was appraised through:** i) submission of annual Project Implementation Review (PIR) to UNDP and GEF; ii) Mid-year Progress Report and Annual Progress Report to EPU and UNDP in Malaysia; iii) bi-annual Progress Reports to NSC; and iv) monitoring visits. In addition, Project organized regularly formal and informal consultations and briefing with key stakeholders including UNDP CO to seek guidance and advice as and when necessary.

The other notable M&E completion was the GEF Tracking Tool which includes, Financial Sustainability Score Cards and the Management Effectiveness Tracking Tool, and Capacity Development Score Cards were each completed **four times during the project's lifetime** – in 2012, 2014, 2016 and 2018 (in addition to 2010, in order to establish a baseline value). The assessment scores are presented in Figures 7, 8 and 9.

Figure 7: Financial Sustainability

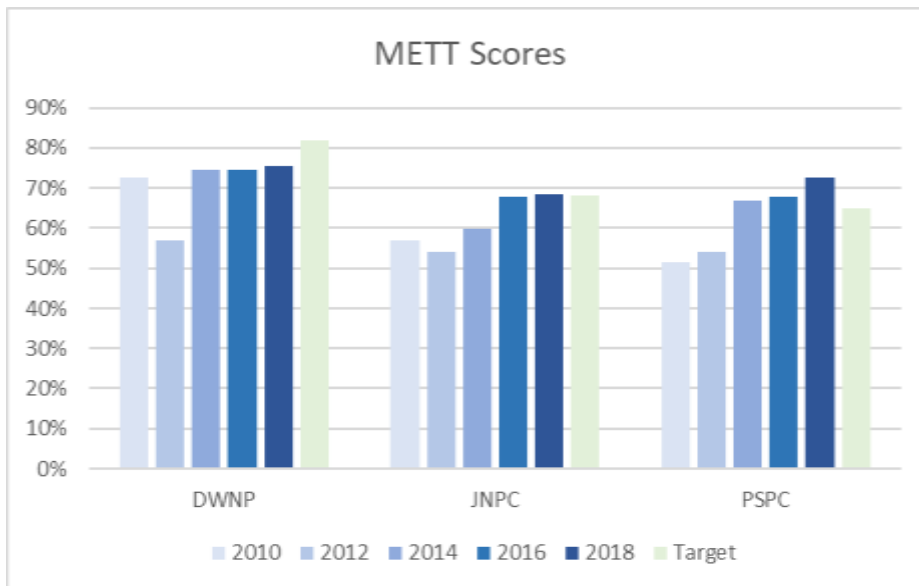


(For Financial Sustainability Scores refer to Table 4)

Figure 8: Capacity Development Scores



Figure 9: Management Effectiveness Tracking Tool (METT) Scores



(For METT Scores refer to Table 6)

Project successfully met two important milestones in-terms of M&E required under GEF funded full size projects: i) Mid-Term Review (MTR) and ii) Terminal Evaluation.

MID-TERM REVIEW (MTR)

The MTR was carried out in 2017, with the field mission was conducted in May 2017, and final report was delivered in December 2017 after the stakeholders' consultation in October 2017. The principal purpose of this midterm review (MTR) is to evaluate project progress to-date, and to provide critical recommendations which can help to ensure that project performance is optimized during the time remaining until project closure, so that ultimately, the intended project objective and outcomes are more likely to be realized.

Table 7: Summary of MTR Findings

Indicator Assessment Key:

Target already achieved	Target is partially achieved or on-track to be achieved by the end of the project	target is at high risk of not being achieved by the end of the project and needs attention
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Indicator	Baseline Level	Level in 1st PIR (self- reported) (Based on PIR 2013 for 2012)	End-of-project Target	Rating / Assessment	Justification for Rating
Objective: To establish a performance-based financing structure to support effective Protected Area (PA) system management in Peninsular Malaysia					

Indicator	Baseline Level	Level in 1st PIR (self-reported) (Based on PIR 2013 for 2012)	End-of-project Target	Rating / Assessment	Justification for Rating
Objective Indicator 1: Increase in the Federal Government investment in PA management	<ul style="list-style-type: none"> • USD 7.25 million in 2010 for the DWNP, JNPC and PSPC • USD 6 million in 2011-2012 development budget under 10th Malaysia Plan 	<ul style="list-style-type: none"> • Operating budget (2012): USD8.13 million • Development budget (2011-2012 under 10th Malaysia Plan) USD8.6 million 	<ul style="list-style-type: none"> • 25% increase of operational budget in real terms for the 3 target PA networks based on aggregate funding from Federal and State Government source. • 25% increase in development budget under the 5-year Malaysia Plan 	<ul style="list-style-type: none"> • At risk 	<ul style="list-style-type: none"> • From baseline to 2013-2104, the combined operating budget for DWNP, JNPC and DWNP increased (PIR 2013 – 2015) • Development budget rose from baseline, and peaked (at USD17 million) in 2015 • Sufficient funding for JNPC and PSPC was sourced from the respective states (PIR 2013). Persistent concerns: <ul style="list-style-type: none"> • Risks still exist: funding is dependent upon national economic conditions (PIR 2016), and there is a need for diversification of funding sources to stabilize the flow of funds • A stronger country commitment to biodiversity protection is required, to be reflected in higher levels of funding allocated for this purpose • Funding has not yet been tied to a performance based financing structure; such a structure has yet to be established • The indicator for increased investment is not strongly correlated with strengthened biodiversity conservation—much of the development budget has been earmarked for facilities and infrastructure, which may not directly support conservation objectives.

Indicator	Baseline Level	Level in 1st PIR (self- reported) (Based on PIR 2013 for 2012)	End-of-project Target	Rating / Assessment	Justification for Rating
Objective Indicator 2: Financial sustainability scorecard for the 3 PA networks	<ul style="list-style-type: none"> • DWNP: 49.8% • JNPC: 44.4% • PSPC: 40% 	<ul style="list-style-type: none"> • DWNP: 40.6% • JNPC: 40.6% • PSPC: 29.2% 	<ul style="list-style-type: none"> • DWNP: 60% • JNPC: 55% • PSPC: 50% 	<ul style="list-style-type: none"> • Partially achieved / on track 	<ul style="list-style-type: none"> • Scorecards were conducted at baseline, inception, and before midterm review. A final review is expected in December 2018 at the end of the project, bringing a total of 4 scorecards, instead of 3 as required for full scale projects. • The financial sustainability scorecard rating has overall increased with PSPC exceeding the end of project target in 2013. • The reason for the leap in PSPC scores from 29.2% in 2012 to 53.1% in 2013 were attributed to significant improvements in the park's capacity in financial management and planning with technical support from the Perak State Government • On-going scoring shows a rising trend.
Outcome 1: Systemic & institutional capacities to manage and financially support a national PA System					

<p>Indicator 1: Establishment of the policy framework for the National PA system</p>	<p>No framework exists, resulting in a fragmented PA system with a large number of PAs gazetted under different acts based on varied management standards</p>	<ul style="list-style-type: none"> • Built upon the decision to incorporate the Interim PA Masterlist as part of the CBD Programme of Work on Protected Areas Action Plan (PoWPA) in Malaysia under the purview of the Ministry of Natural Resources and Environment (MoNRE). • First year focussed on consensus building through consultations with state and PA network agencies to encourage adoption of the PA Masterlist. • Challenges recognised: <ul style="list-style-type: none"> (i) No common definition and classification of PAs (ii) Discrepancy of PA coverage data (iii) Overlaps of PAs with different classification under multiple 	<p>A single framework with clear categorisation of all the PAs in the PA Master List in Peninsular Malaysia, with uniform, accepted management standards and reporting requirements</p>	<ul style="list-style-type: none"> • Partially achieved / on track 	<ul style="list-style-type: none"> • The National PA Framework is in its final stages of completion. It went through few rounds of consultations through national workshops as well as targeted meetings to build consensus among different agencies and stakeholders. The project included the participation of PA agencies from Sabah and Sarawak and also included marine parks to reflect a truly national entity. • The project provided support to finalize the Interim PA Master list and this has now been completed. • The project catalysed a platform for greater networking and engagement of key agencies and partners in PA management in Malaysia <p><u>Other considerations:</u></p> <ul style="list-style-type: none"> • Ensure that PAs included in Master list, including classification of PAs perform a biodiversity conservation function, in fact as well as in name; • Consider the role of the potential area at the landscape level that important provides connectivity linking biodiversity rich PAs. • Put in place appropriate mechanisms to operationalize and implement the Action Plan of the National PA Framework
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Indicator	Baseline Level	Level in 1st PIR (self-reported) (Based on PIR 2013 for 2012)	End-of-project Target	Rating / Assessment	Justification for Rating
		<p>gazettements (iv) Existing PAs are governed by multiple federal and state legislations</p>			
<p>Indicator 2 (in part): Integrated PA information system</p>	<p>Neither performance criteria nor monitoring systems specific to PA management exist</p>	<ul style="list-style-type: none"> • An implementation plan with detailed activities to support the establishment of a national integrated PA system was outlined during the first PIR. • The first PIR noted the need to set up indicators for measuring and monitoring PA performance before setting up the information system. • The information system is aimed primarily for PA performance monitoring and guide PA related 		<ul style="list-style-type: none"> • Already achieved 	<ul style="list-style-type: none"> • Project website operationalized in 2014 to serve as the foundation for the national integrated PA management information system • Project consulted FRIM and subsequently received support for hosting a PA database within the Clearing House Mechanism's Biodiversity Database (PIR 2015). • Project developed a PA profile template capturing essential management oriented data starting with the three PA sites. • The newly established National Biodiversity Centre (NBC) (under NRE) took over the PA Database from FRIM and rebranded the Clearing House Mechanism as the Malaysian Biodiversity Information System (MyBis) (PIR 2016). • Strategic links were established between NBC and WWF-Malaysia in sharing knowledge for data verification • DWNP and the PA Financing project organized

Indicator	Baseline Level	Level in 1st PIR (self-reported) (Based on PIR 2013 for 2012)	End-of-project Target	Rating / Assessment	Justification for Rating
		decision-making processes.			<p>National Framework on PA Consultation Meeting in June 2016, introducing MyBis to key federal and state agencies on PAs.</p> <ul style="list-style-type: none"> • Maps were introduced in the PA Masterlist database through collaboration with the NBC. • The project adapted and leveraged an existing database (MyBis) to establish the information system of PAs in Malaysia. It also supported steps to operationalize the information system. • Efforts were made to consult and engage State agencies in adopting, integrating data and updating the Masterlist <p><u>Additional comments:</u></p> <ul style="list-style-type: none"> • Other opportunities for furthering coordination and data dissemination are still available (e.g., with Malaysian Centre for Geo-spatial Data Infrastructure (MACGDI))
Indicator 2 (in part): Integrated PA performance monitoring system	Neither performance criteria nor monitoring systems specific to PA management exist	<ul style="list-style-type: none"> • An implementation plan with detailed activities to support the establishment of a national integrated PA system was 	A national, integrated PA information system established with the primary function of PA performance	At risk	<ul style="list-style-type: none"> • Framework for performance monitoring has not yet been established

Indicator	Baseline Level	Level in 1st PIR (self-reported) (Based on PIR 2013 for 2012)	End-of-project Target	Rating / Assessment	Justification for Rating
		<p>outlined during the first PIR.</p> <ul style="list-style-type: none"> The first PIR noted the need to set up indicators for measuring and monitoring PA performance before setting up the information system. The information system is aimed primarily for PA performance monitoring and guide PA related decision-making processes. 	<p>monitoring, and decision support for relevant government bodies</p>		
<p>Indicator 3: Financial incentive system, based primarily on performance indices, established and operational.</p>	<p>No performance-linked financial incentive system exists.</p>		<p>System established supporting a minimum of 866,000 ha of the PA estate</p>	<ul style="list-style-type: none"> At risk 	<ul style="list-style-type: none"> Rationale, purpose, definition, scope and impact of a performance based financing system not sufficiently assessed in the ProDoc to justify inclusion as a key aspect of the project objective The stock-taking analysis of the NCTF did not include assessment of performance-based financing structure in its scope of work.

Indicator	Baseline Level	Level in 1st PIR (self-reported) (Based on PIR 2013 for 2012)	End-of-project Target	Rating / Assessment	Justification for Rating
					<ul style="list-style-type: none"> • The draft Operating Guidelines supported by the PA Financing project for NCTF included general criteria for project selection, appropriate indicators, and M&E system, but did not specify performance indicators for PA related projects/initiatives; the 2014 PIR states that a pilot scheme of the performance-based financing structure will be introduced through the NCTF but to date this has not been accomplished • Performance based monitoring has been incorporated into the METT and Financial Sustainability scorecard (GEF tracking tools) at park level, but not linked to financing • There is no clear indication of progress on performance based incentive systems at the PA network/national level.

Indicator	Baseline Level	Level in 1st PIR (self-reported) (Based on PIR 2013 for 2012)	End-of-project Target	Rating / Assessment	Justification for Rating
<p>Indicator 4: National PA System mainstreamed in the budgeting process for 5-year Malaysia Plan; increased number of “bankable” projects in support of PA management approved for funding through operational grants.</p>	<p>No budget line for PA management in Malaysia Plan. Currently the budgets for PA infrastructure development is determined based on individual requests from State governments with no systematic planning looking at conservation priorities of the national PA network as a whole.</p>	<ul style="list-style-type: none"> • Planning stages through the Implementation Plan (inception report) that was submitted to the Steering Committee in for endorsement (PIR 2013). 	<p>Dedicated PA budget line in Malaysia Plan Budgeting process of PA management / development is conducted based on increased levels of conservation priorities within the Federal and State funding system, using a range of tools including economic valuation results</p>	<ul style="list-style-type: none"> • At risk 	<ul style="list-style-type: none"> • The indicator is linked to Output 1.4: “Budgetary framework created to increase financial support for PAs, allocated on the basis of performance.” However, progress on the activities corresponding to this output has been limited: <ul style="list-style-type: none"> • 1.4.1—“to compile cases where special budget lines have been created to cater for the needs of PA management”: no progress noted • 1.4.2—“to propose a budgetary framework for PA funding that is based on performance and needs within the current development financing and planning (rolling plan) framework”: no progress noted • 1.4.3—“to establish a Conservation Trust Fund”: accomplished, but scope of the NCTF is not focused specifically on PAs solely and no performance based finance structure is mentioned • 1.4.4—“to conduct the Malaysian TEEB study to recognize, capture and demonstrate the total economic value of PAs in order to support justification for increased investments in PAs”: soon to commence, after significant delay • The project contributed to the NRE draft strategy

Indicator	Baseline Level	Level in 1st PIR (self-reported) (Based on PIR 2013 for 2012)	End-of-project Target	Rating / Assessment	Justification for Rating
					<p>paper on biodiversity and environmental management submitted to EPU in June 2014 as part of the 11th Malaysia Plan budgetary process, advocating for increased resources in PA conservation programme (PIR 2014)</p> <ul style="list-style-type: none"> In Strategy Paper 12 of the 11th Malaysia Plan, PAs are mentioned as Focus Area C: Strategy C1, while Focus Area A includes a strategy on sustainable financing. Each of the three focal sites and their respective PA agencies have applied for budget allocations under the 11th Malaysia Plan (PIR 2015). It is not clear whether the project contributed inputs, time, and support for the applications, nor whether there was any follow-up or successful outcomes

Outcome 2: Technical and institutional capacities to manage sub-national PA networks, including capacities for effective financial management

Indicator 1: Financing gap decreased by at least 25 % in the target PA sub-networks (PSPC, DWNP)	<p>Current financing gaps based on regional benchmark of 196 staff per 1,000 km² and US\$ 1,000 per km² are:</p> <ul style="list-style-type: none"> DWNP - USD8.69 millio 	Detailed financing gaps analysis being conducted for the three PA networks (PIR 2013).	An average 25% decrease in the financing gaps of the 3 PA sub-network agencies, in real terms through operationalis ation of	<ul style="list-style-type: none"> Partially achieved / on track 	<ul style="list-style-type: none"> Target for indicator reached All three PA Networks registered notable increases in year 2014 operating budget allocation compared to 2013. For development budget, in 2014 both PSPC and JNPC networks received additional allocation from the Federal Government for
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Indicator	Baseline Level	Level in 1st PIR (self-reported) (Based on PIR 2013 for 2012)	End-of-project Target	Rating / Assessment	Justification for Rating
	<ul style="list-style-type: none"> • PSPC USD2.12 million 		financial management and revenue diversification models across the sites.		<p>eco-tourism related infrastructure development. (PIR 2015).</p> <ul style="list-style-type: none"> • Financing gap analysis results indicate that DWNP and PSPC exceeded the targeted 25% average decrease in financing gap in 2014 (Note: JNPC is not reported here, as it has a budget surplus, rather than a deficit) • In November 2015 the project organized a workshop on Sustainable Financing with Johor state. The sessions focused on revenue diversification. Similar support is envisaged for PSPC (PIR 2016). • Management and business plans, completed in 2017, are expected to provide guidance on how PA agencies can improve their financial planning tools and address financing gaps for the three parks (PIR 2016).
<p>Indicator 2: Increase in capacity development indicator score (%) for three target sub-national PA networks</p> <ul style="list-style-type: none"> - DWNP - JNPC - PSPC 	<p>Average - 54%</p> <ul style="list-style-type: none"> • DWNP 61% • JNPC 61% • PSPC 45% 	<ul style="list-style-type: none"> • Capacity scorecard assessments were conducted during the inception phase with the following score: <ul style="list-style-type: none"> - DWNP: 64% - JNPC: 58.3% 	<p>An average 10% increase of the capacity development indicator score for each target sub-national PA networks.</p> <ul style="list-style-type: none"> - DWNP: 70% - JNPC: 70% 	<ul style="list-style-type: none"> • Already achieved 	<ul style="list-style-type: none"> • Capacity score for DWNP and JNPC was at 63.5% compared to the target of 70% while PSPC reached the end of project target of 55% (PIR 2016) (See Figure 5). • JNPC's improved score is mainly due to: greater legal capacity for enforcement arising from the revision of JNPC Enactment; increased number of staff

Indicator	Baseline Level	Level in 1st PIR (self-reported) (Based on PIR 2013 for 2012)	End-of-project Target	Rating / Assessment	Justification for Rating
		<p>- PSPC: 49%</p> <ul style="list-style-type: none"> The reason for the drop by 5% in JNPC could be due to the fact that many personnel are hired on a contract basis (PIR 2013). 	- PSPC: 55%		<ul style="list-style-type: none"> PSPC improvements stemmed from: revision of the State Park Enactment to strengthen enforcement and penalties; cooperation between PSPC and other agencies (DWNP, State Forestry Department and the Royal Army Force) through the 1MBEON cooperation program The project has been supporting the following capacity building initiatives: <ul style="list-style-type: none"> IBD Transformation (EPAWM course) Development of training materials train the trainers empowerment equipping GIS training lab at IBD supplying important reference books materials on wildlife and PA management developing original materials (maps, guidebooks) to enhance knowledge dissemination both for park personnel and the general public sending personnel from the three PA focal sites for training locally and internationally (Sarawak, Korea, WII-India, Smithsonian) supporting Orang asli communities (learning trips and support for

Indicator	Baseline Level	Level in 1st PIR (self- reported) (Based on PIR 2013 for 2012)	End-of-project Target	Rating / Assessment	Justification for Rating
					<p>development of management plan)</p> <ul style="list-style-type: none"> • Training for METT/tracking tools • Capacity building and training needs assessment for the three focal parks as part of the management and business plan development • Building networking arrangements for park rangers, PA managers • Facilitating National PA Framework discussions • Producing Proceedings for the 1st National PA Managers Conference (June 2014) <p><u>Other Considerations (cited in PIR 2015):</u></p> <ul style="list-style-type: none"> • Through the Public Service Department, Federal government has approved 66 additional positions, to be deployed mainly to intelligence and forensic units that will assist DWNP in strategizing enforcement and patrolling activities in Pas • State Governments of Johor and Perak have approved additional positions for JNPC and PSPC on permanent basis instead of the current contractual modality • NRE has decided to transform Institute of Biodiversity (IBD) under

Indicator	Baseline Level	Level in 1st PIR (self-reported) (Based on PIR 2013 for 2012)	End-of-project Target	Rating / Assessment	Justification for Rating
					<p>DWNP into a national institute for PA and wildlife management, providing targeted capacity building and training programmes to all PA practitioners in the country</p>
<p>Indicator 3: Number of PAs successfully meeting national management criteria and accessing performance-based financial transfers from the Federal system</p>	<p>No baseline exists</p>	<ul style="list-style-type: none"> The national management criteria have yet to be established (PIR 2013) 	<p>At least eight (8) among the terrestrial PAs over 20,000 ha under DWNP, JNPC and PSPC</p>	<ul style="list-style-type: none"> At risk 	<ul style="list-style-type: none"> The national management criteria for performance-based financial transfers from federal to sub-national are yet to be established. While it was planned that performance-based monitoring and evaluation system would be pilot-tested through the operationalization of the NCTF by mid-2015, this has not yet materialized (PIR 2014 and 2015). There is a lack of documentation or analysis that demonstrates progress, or that past efforts to mainstream performance-based financing are linked to METT and TT <p><u>Other considerations:</u></p> <ul style="list-style-type: none"> The development of management plans for the three target sites can provide important feedback to establishing the basis for national management criteria (PIR 2015) PIR 2016 noted that under the current budgetary system and financial allocation mechanisms

Indicator	Baseline Level	Level in 1st PIR (self-reported) (Based on PIR 2013 for 2012)	End-of-project Target	Rating / Assessment	Justification for Rating
					<p>practiced by Government (a sector-based approach), it might not be possible to introduce performance-based criteria or standards to determine the financial allocation quantum for a specific sector (e.g., for PAs and wildlife conservation). However, it may be possible within the Departments to introduce performance-based criteria. In this regard, DWNP has taken some initiative to incorporate METT as part of its management performance monitoring tool for a few parks under its jurisdiction</p>
<p>Indicator 4: Economic and financial planning capacity institutionalized in the three sub-national PA network agencies</p>	<p>There is minimal human capacity or institutional structure to address issues of financial sustainability.</p>	<ul style="list-style-type: none"> Specific activity has been included in the Project Implementation Plan to explore the possibility for establishing a sustainable financing unit to build up expertise to solicit funds (PIR 2013). 	<p>A unit is established in each of the sub-national PA agency dedicated to revenue diversification that will ensure financial sustainability</p>	<ul style="list-style-type: none"> Partially achieved / on track 	<ul style="list-style-type: none"> Main aim of this indicator is to explore the possibility of establishing sustainable financing units in the PA agencies (PIR 2014); it was ascertained that all agencies already have specific units in place that are responsible for financial planning, hence the focus should be to enhance the skills for sustainable financial planning within these units (PIR 2015) Current practice is based largely on government budgetary allocations and there is limited focus at present on diversification of funding sources and ensuring performance-based financing

Indicator	Baseline Level	Level in 1st PIR (self-reported) (Based on PIR 2013 for 2012)	End-of-project Target	Rating / Assessment	Justification for Rating
					<ul style="list-style-type: none"> • All Federal Ministries and agencies are expected to apply outcome-based budgeting from 2016/2017 onward (PIR 2015) • A range of options and opportunities for revenue diversification at site and agency levels have been explored (Sustainable Financing Workshop, Johor, 3 November 2015); further advancement of the sustainable financing strategies proposed for Johor is being considered; similar support is also envisaged for PSPC • Further efforts will likely explore options for enhancing in house capacity for revenue diversification as recommended in draft business plans for PSPC and JNPC (PIR 2016) <p><u>Other Considerations:</u></p> <ul style="list-style-type: none"> • While progress has been made towards achieving results for this indicator, greater success in operationalizing sustainable financing mechanisms might have been achieved, had discussions and consideration of this subject been initiated sooner • At the <u>project</u> level, the principles of sustainable financing have not yet been defined; this is required as an important step in order to enable the actual

Indicator	Baseline Level	Level in 1st PIR (self-reported) (Based on PIR 2013 for 2012)	End-of-project Target	Rating / Assessment	Justification for Rating
					<p>implementation of sustainable financing mechanisms</p> <ul style="list-style-type: none"> • Also, at the higher <u>policy</u> level, it is necessary to establish a mandate by formulating a sustainable financing policy/statement which can support the implementation of sustainable financing initiatives • It is necessary that dedicated personnel or unit be assigned to work on business plans and sustainable finance initiatives
Indicator 5: Coordination between the PA agencies	Minimal coordination mechanisms	<ul style="list-style-type: none"> • The Institute of Biodiversity (IBD) under DWNP has the potential to be transformed into a PA Centre of Excellence providing coordinated programmes in terms of training, capacity building and management practices. (PIR 2013) 	Three agencies have common management approaches, PA performance monitoring mechanisms, and capacity development programmes	<ul style="list-style-type: none"> • Already achieved 	<ul style="list-style-type: none"> • The project supported the transformation of the IBD into a Centre of Excellence for PA and wildlife management; IBD's training programmes extend to all PA networks, thus providing a platform for greater networking and communication among PA agencies in Malaysia (PIR 2014), and a common national training platform for personnel from PA agencies (PIR 2015) • The project has contributed towards standardization of PA management through its support for the National Framework for PAs; at the same time, consultation activities related to the PA framework created a platform for communication

Indicator	Baseline Level	Level in 1st PIR (self-reported) (Based on PIR 2013 for 2012)	End-of-project Target	Rating / Assessment	Justification for Rating
					<p>and coordination among PA agencies and other related agencies (e.g. Forestry Department) (PIR 2015)</p> <ul style="list-style-type: none"> • Planned development of a standardized template for PA management and business plans is another way in which standardisation and coordination among PA agencies will be supported (PIR 2015). • In 2015, 15 participants from Taman Negara NP and Pahang State Government participated in a four-day training/exchange programme at Endau Rompin hosted by JNPC. In 2016, DWNP and Taman Negara NP reciprocated by hosting staff and communities from Endau Rompin NP • Rangers from PSPC, JNPC and DWNP were supported to attend a World Ranger Day programme hosted by Sabah Parks and WWF-Malaysia in August 2015. • Project provided assistance with planning and support for the World Ranger Day programme organized by WWF-Malaysia with the Forest Department Sarawak at Kubah National Park in August 2016. <p><u>Other considerations:</u></p> <ul style="list-style-type: none"> • Provide continuing support for recurring events

Indicator	Baseline Level	Level in 1st PIR (self-reported) (Based on PIR 2013 for 2012)	End-of-project Target	Rating / Assessment	Justification for Rating
					<p>to strengthen conservation (e.g.,World Rangers Day, PA Managers Conference)</p> <ul style="list-style-type: none"> • PA Management and Business Plans prepared with project support can be utilized for preparation a standardized template for adoption by Pas nationwide (PIR 2015).

Outcome 3: Effective site-level PA management

<p>Indicator 1: Number of PAs with updated and approved management and business plans with implementation of it enabling the PAs to meet the national performance criteria required to access additional Federal funding</p>	<p>No baseline exists</p>	<ul style="list-style-type: none"> • The national management criteria and performance based financial transfers have yet to be set up. • Initial reviews were conducted on the status of management plans in the three PAs. The findings indicate that new/ revised management plans are needed (PIR 2013). Business plans for the three PAs have not 	<p>All 3 target PA sites have approved management and business / financing plans 20% increase in federal allocation of funding</p>	<p>Partially achieved / on track</p>	<p>Management and business plans completed (first drafts delivered by the consultancy in May 2016; plans presented to the key stakeholders—PA management authorities, State Governments, and local communities from the three sites</p> <p>A standard template describing the key elements of a PA management plan was elaborated at a national stakeholder consultation workshop held in June 2016. However, the national criteria and performance based financial transfers have yet to be set up – still at the same level as the first PIR Gap Analysis and Stocktaking exercise completed; found very useful particularly to the PA Authorities; gap analysis on</p>
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Indicator	Baseline Level	Level in 1st PIR (self- reported) (Based on PIR 2013 for 2012)	End-of-project Target	Rating / Assessment	Justification for Rating
		been developed previously.			<p>legislation and enactments governing PA management helped to highlight the weaknesses and inadequacies of the legislation in terms of expounding the mandate, roles and functions of PA management authorities</p> <p>PA management authorities (DWNP, JNPC and PSPC) are in the process of undertaking a thorough review of their respective legislation based on the key findings of the gap analysis</p> <p>Through the engagement of a legal expert, project will provide technical support to the State Government (PIR 2016)</p> <p>Discussions on the replication of developing a management plan for the Gunung Ledang National Park Johor have been initiated</p>
Indicator 2: Improved management effectiveness as per METT scores for three target PAs.	METT scores in 2010: DWNP: 74 JNPC: 58 PSPC: 53	Results of METT in 2013: DWNP: 56 JNPC: 53 PSPC: 56 Training on the METT was carried out for the three sites Potential reasons for the lower scores for Endau Rompin and	Average 10% increase in METT scores for 3 target PAs Taman Negara (DWNP): 82 Endau-Rompin (JNPC): 68 Royal Belum (PSPC): 65	Partially achieved / on track	METT scores for 2014 (PIR 2015): Taman Negara NP 74.5% (score 76) Endau-Rompin NP 59.8% (score 61) Royal Belum SP 66.7% (score 70) The METT score for Taman Negara remained little changed from baseline at 74.5%. The METT score for Endau Rompin registered a slight

Indicator	Baseline Level	Level in 1st PIR (self- reported) (Based on PIR 2013 for 2012)	End-of-project Target	Rating / Assessment	Justification for Rating
		Taman Negara were recorded due to the increasing threats faced at the two sites for illegal hunting and poaching (PIR 2013).			<p>increase</p> <p>Royal Belum SP recorded a score of 70, exceeding the project target</p> <p>In 2015, PA Division of DWNP enhanced its monitoring of protected areas through the use of drones; the PA Financing Project supported two training courses (held in Oct 2015 and Feb 2016) for 10 rangers and officers to enhance their skills using the new drones for monitoring (PIR 2016).</p> <p>DWNP has also been stepping up its boundary demarcation exercises. Five PAs have been inspected based on their Certified Plans and signs have been installed to clearly mark the protected area boundaries (PIR 2016).</p> <p>Through the project, PA agencies have come to appreciate the value of the METT as an evaluation tool</p> <p>Benefits of applying a consultative approach by including the participation of partners during the METT assessment has also been recognized; being considered for adoption by DWNP as a “standard operating procedure” for their other sites</p>
Indicator 3: Increase in gross revenue amount and revenue	<ul style="list-style-type: none"> Taman Negara MYR 350,000 from entrance fees 	<ul style="list-style-type: none"> Initial assessment during the inception 	20% increase in gross revenue for the 3 target PA sites over	Already achieved	Increase in revenue from 2010 for the three sites. These increases in revenue are linked to respective PAs’

Indicator	Baseline Level	Level in 1st PIR (self-reported) (Based on PIR 2013 for 2012)	End-of-project Target	Rating / Assessment	Justification for Rating
sources of the three demonstration PAs	and recreational related charges <ul style="list-style-type: none"> • Endau-Rompin National Park MYR 216,172 from entrance fees, tourism and recreational charges, income from concessions • Royal Belum State Park MYR 126,000 from entrance fees and recreational related charges 	phase indicates that there is a potential to increase fees imposed currently as a means to increase revenue (PIR 2013). <ul style="list-style-type: none"> • The challenge is to create an enabling environment for PAs to retain the revenue generated and to earmark them for park management (PIR 2013) 	the project period.		normally programmed financing mechanisms and not necessarily attributable to project interventions. <p>Taman Negara NP collected RM600,000 from entrance fees, permits and other recreation related charges, a slight increase</p> <p>Endau-Rompin NP collected RM283, 644 in site-based revenue in 2014 (ENRP Business Plan)</p> <p>Royal Belum SP collected RM308,012 from accommodation and permits (PIR 2016).</p> <p>The potential for additional revenue generation for the target sites will be addressed through the preparation of management and business plans</p> <p>The proposed TEEB study at the three sites will be used by the project to build a strong business and social case for investment in safeguarding the protected areas in its continual engagement with the State Governments and other potential donors (PIR 2015).</p> <p>The study will provide substantive inputs to the State Governments in their preparation of annual budgeting and development plans. However, the project needs to be mindful to emphasize the need for reinvestments of these revenue into PA</p>

Indicator	Baseline Level	Level in 1st PIR (self-reported) (Based on PIR 2013 for 2012)	End-of-project Target	Rating / Assessment	Justification for Rating
					management. Gradual increase in revenues generated indicates the potential of PAs in generating economic benefit, and may also indicate increased demand and interest for visitation at PAs
<ul style="list-style-type: none"> • Indicator 4: Length of park patrolled per year • Number of patrolling programmes per year • Percentage of the area patrolled per year • Number of patrolling staff Number of illegal activity (including encroachment and poaching) cases within PA reported 	<p>Taman Negara: 5 -10 km per day Taman Negara: 8 - 10 days per month by walking Taman Negara: 10% Taman Negara: 2 cases in 2010</p>	<ul style="list-style-type: none"> • The project is finalizing its implementation plan that will detail out the outputs and specific activities to address the indicator. The implementation plan will be presented to the National Steering Committee for endorsement (PIR 2013). 	<p>25% increase 50% increase 25% increase 50% increase</p>	<ul style="list-style-type: none"> • Partially achieved / on track 	<ul style="list-style-type: none"> • The Department of Wildlife and National Parks (DWNP) has intensified patrolling activities in PAs and surrounding areas by undertaking joint operations with other enforcement agencies such as Army and Volunteers of Malaysian People (RELA) • In 2013, DWNP carried out 66 patrols in Taman Negara and 5 joint patrols with army 5. • In 2014, in addition to its regular patrols in Taman Negara, DWNP carried out 6 joint patrols with Malaysian Armed Forces under the 1MBEON (1Malaysia Biodiversity Enforcement Operation Network) Programme spearheaded by the governments National Blue Ocean Strategy (NBOS). • In 2015, joint patrols under 1MBEON continued with the involvement of the DWNP Peninsular Malaysia together with the Ministry of Defense (MINDEF) through the Malaysian Army (TDM). A total of 12 operations involving 829 enforcement

Indicator	Baseline Level	Level in 1st PIR (self- reported) (Based on PIR 2013 for 2012)	End-of-project Target	Rating / Assessment	Justification for Rating
					<p>personnel were carried out in the 3 main landscapes: Taman Negara (Pahang, Kelantan, and Terenggan), Endau-Rompin National Park, Johor and Royal Belum State Park, Perak. This represented a doubling of the number of operations and a 30% increase in personnel (PIR 2016)</p> <ul style="list-style-type: none"> • As reported in the PIR (2016) the financial contribution to the 1MBEON programme increased to RM1.47 million compared to RM0.57 million in 2014 • At Royal Belum State Park, NRE, DWNP and Forestry Department conducted 4 joint patrolling programmes. • Royal Belum State Park and Endau Rompin National Park have no regular patrolling programmes. The two PA agencies PSPC and JNPC responsible for these two sites do not have dedicated patrolling units (PIR 2014). • Funding received by DWNP for this programme in 2014 was MYR570,000. A total of 636 personnel were involved in these patrols: comprising 252 staff and 384 Army personnel. • Area covered in Taman Negara NP: 143,300 Ha or 33% of the total park area. A total of 19 poachers were arrested and charged. Encroachment activities in

Indicator	Baseline Level	Level in 1st PIR (self-reported) (Based on PIR 2013 for 2012)	End-of-project Target	Rating / Assessment	Justification for Rating
					<p>the boundary of the Park were uncovered and halted.</p> <ul style="list-style-type: none"> • A total of 18 Cambodian and Vietnamese poachers were arrested and charged. A further 33 locals were arrested in the course of enforcement operations. In total, 63 signs of poaching (bullet casings, snares, and others) and 120 illegal campsites/encroachment sites were recorded.
<p>Indicator 5: Tiger population as a flagship species in target PAs namely Taman Negara, Endau-Rompin National Park and Royal Belum State Park</p>	<p>Estimated tiger population for year 2013*: Taman Negara: 18 (No data for Endau-Rompin National Park or Royal Belum State Park)</p> <p>*Estimated tiger population for the three target PAs for year 2013 will be used as baseline and the baseline figures will be indicated in the next Project Implementati</p>	<ul style="list-style-type: none"> • Estimated to be the same as the baseline level (PIR 2013) 	<p>50% increase in tiger population</p>	<ul style="list-style-type: none"> • At risk 	<ul style="list-style-type: none"> • Tiger survey was conducted at the three sites by DWNP and partners, namely WWF, WCS and MyCAT. Based on the survey, tiger population is estimated between 0.57 to 0.84 tigers per 100 sq km (PIR 2014). • The official figure made public in 2014 is 250 340 tigers. This is based on field-based data gathered from seven known tiger ranging areas in Peninsula Malaysia. Estimates are based on camera trap surveys and field observation, mainly by Wildlife Conservation Society, DWNP and WWF Malaysia. Taman Negara, Endau-Rompin and Royal Belum among the seven areas studied • During mission activities, stakeholders expressed extreme concern about the effects of continuing poaching activities upon tiger populations, stating that local

Indicator	Baseline Level	Level in 1st PIR (self-reported) (Based on PIR 2013 for 2012)	End-of-project Target	Rating / Assessment	Justification for Rating
	on Review 2013 2014.				<p>populations could be extirpated within a matter of years</p> <p>The tiger population estimates recorded no changes in 2015 (PIR 2016). However, population estimates from year to year may not be comparable—there is a need to ensure that population measurements are standardized.</p> <ul style="list-style-type: none"> • <u>Other considerations:</u> • More studies are needed beyond these areas: in order to obtain a reliable estimate for the whole country, it is important that additional forested areas are also studied. • It remains difficult to estimate tiger population and compare data from previous years. A definitive comparison with previous estimates quoted in the baseline figure is not feasible as the previous method of data collection and extrapolation is different (PIR 2015)

Table 8: MTR Recommendations and Management Response

	MTR Recommendation	Management Response	Key Action identified	Responsible Agent	Status (Not Initiated/ Initiated/ Completed/ No Longer Applicable PLEASE UPDATE THE BELOW)	Due Date (PLEASE UPDATE THE BELOW)	Comments	Status as per May 2020
	1. Implement <i>Key Actions</i> to Achieve Performance-Based Sustainable Financing Standards							
High Level Recs	<i>Key Action 1:</i> Ensure budget considerations for PAs are included under the Malaysia Plan, every 5 years.	<p>1.1 Currently the National Conservation Trust Fund is being operated by the Ministry of Natural Resources and Environment (NRE) with an allocation of RM 10 million from the Government. The PA Financing Project helped NRE to develop the Operating Guidelines to operationalize the Fund, which include a set of criteria for project selection; approval and monitoring and evaluation.</p> <p>In January 2018; the Project has initiated with the engagement of a resource person to undertake study on developing “Strategic Plan and Resource Mobilization for National Conservation Trust Fund”. The</p>	1. Undertake study on developing “Strategic Plan and Resource Mobilization for National Conservation Trust Fund	KATS, DWNP, MEA and PMU	on-going	31-Dec-18	<p>Recommendations to restructure NCTF have been submitted to KATS in September 2018. KATS acknowledged the need to restructure the NCTF and exploring the option of reviewing Section 10 of Treasury Regulations under which the Fund currently being operated. With the support of PA Financing Project “Resource Mobilization Strategy” being developed and wider level of stakeholders</p>	<p>Main outputs: i) Strategic Plan and ii) Resource Mobilization Strategy for NCTF completed and submitted to KATS in January 2020. With the support of projecta wider stakeholders consultation session was planned for both outputs. However, change of Government and Covid-19 lockdown halted the process.</p>

		study will provide options and strategic directions for strengthening the management and ensuring long term sustainability of the Fund.					consultations are planned particularly with potential contributors into the Fund.	
High Level Recs	Key Action 2: Revisit the fundamental issues of performance based financing	PA Financing Project collaborating with BioFin Project developing guidelines and criteria for budget proposals and allocation for conservation of biodiversity related programmes and projects under the Malaysian Five Year Plan. It is envisaged that these guidelines will be incorporated into the planning process of 12th Malaysia Plan; and elements of biodiversity conservation will be made part of criteria for budget allocation to the line ministries and agencies.	2. Developing BioFin guidelines which is to be submitted to MEA by the end of 2018	KATS & MEA	on-going	31-Dec-18	Project is collaborating with BioFin activity, conducted a training session for state governments and agencies on financial planning for conservation in March 2018. Further training sessions are planned targeting specific training needs of participating states such as Johor and Perak. Meantime, findings and observations from BioFin Phase 1 activities will be advanced further for the consideration of decision makers in MEA and MOF; particularly to incorporate BioFin methodology/criteria for 12th Malaysia Plan projects.	An integrated report and policy brief on BioFin Phase 1 initiatives have been completed. The outputs synthesises findings and observation made on the application of BioFin tool for conservation financial planning and propose some policy options for Government's consideration ways to incorporate BioFin into 12th Malaysia Plan.

High Level Recs	2. Establish Action Plan on Protected Areas and Sustainable Finance	In January 2018, the Project initiated study on "The Economics of Economics and Biodiversity (TEEB)" for three target sites Taman Negara; Endau Rompin and Royal Belum. The study plans to develop evidence base for increased financial support and investment for the PAs by demonstrating its economics and non-economics contribution and values to the society.	3. Study on "The Economics of Economics and Biodiversity (TEEB)" for three target sites Taman Negara; Endau Rompin and Royal Belum	KATS, MEA, DWNP, JNPC, PSPC	Initiated	Apr-20	Two resource persons have been engaged in January 2018 to undertake study. In May 2018, the resource persons undertook extensive stakeholders' consultation with participating states and implementing partners DWNP, JNPC and PSPC. The sessions helped to identify key areas for economic valuation for the 3 sites as well as targeted response (approximately 1300 for each site involving four categories) for the survey. Findings from the survey will provide fundamental inputs for the economic valuation for the 3 sites. PA Financing Project and UNDP are currently in the process of appointing a survey company and it is expected that the survey will start in June 2019.	The economics survey was launched in October 2019 and expected to be completed by May 2020. However, the actual survey was started only in February 2020, and to date only 16% of the targeted 3900 participants have been covered. Due to Covid-19 lockdown, the survey is halted since March 2020. The Team has worked on alternate approaches to pursue with the survey using digital platform. On-line survey for general public was launched on 13th May 2020. For tourist and others expected to be completed by September 2020, and TEEB analysis will be continued after that.
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High Level Recs		Another study on “Sustainable Financing Plan” will be undertaken in 2018 targeting the three PA authorities: DWNP; JNPC and PSPC. This study will explore various market and non-market based financial mechanisms that could be adopted by the PA agencies for generating additional revenues at site and agency level.	4. Study on “Sustainable Financing Plan” will be undertaken in 2018 targeting the three PA authorities: DWNP; JNPC and PSPC	KATS, DWNP, JNPC, PSPC & State Govts	Initiated	Dec-19	PMU decided not to launch a separate study. Findings from Business Plans developed for DWNP, JNPC and PSPC and lessons from BioFin will be further evaluated and enhanced through series of training sessions for the agencies with the aim of strengthening conservation financial planning.	A study on developing Sustainable Financing Mechanisms plan was launched in Oct 2019. Final draft of the Plan for DWNP, JNPC and PSPC already submitted and will be finalized by end of May 2020.
High Level Recs	3. Strengthen Budget Planning and Budget Platform	Capacity building programme will be conducted for the Federal and State agencies. The BioFin methodology will be introduced, a structured method of developing financial planning for conservation of biodiversity. Whilst findings of TEEB provides economical argument for increased investment for conservation; the BioFin methodology will be able to enhance the planning capacity for incorporating elements of conservation into development projects and programme.	5. BioFin training workshops for federal & state planning units, to introduce the BioFin methodology	MEA, MOF, PA Agencies	Initiated	Dec-19	Will be addressed together with actions planned for Recommendation No. 2.2.	status-quo

High Level Recs		Another initiative is to explore the establishment of Business development unit in PA management unit. This recommendation was raised through the findings of Business Plans developed for the three PA agencies – stress the need of a dedicated unit focussing on financial planning for conservation.	6. Establishing dedicated Business Development Units in the PA Managements	PA Agencies	Initiated	will be determined by respective PA agencies and state governments	It is the States' government's discretion to decide on the process and when to establish the Unit. However, for both Perak and Johor the immediate priority is to strengthen capacity of existing for financial planning for conservation within the existing planning units.	Under respective State Governments' consideration.
High Level Recs	4. Develop and Pilot-Test Sustainable Financing Mechanisms	Business Plans have been developed for the three PA agencies (DWNP; JNPC and PSPC) highlighting funding options and mechanisms that could be adopted and implemented at site and agency level. These options and mechanisms will be further scrutinized assessing the viability of implementation with the Agencies in accordance with legal mandate vested with them. In addition, the Sustainable Financing study also will able to provide some insights into this	(key action #4: Sustainable Financing Study)				Will be addressed together with recommendations 2 and 3.	status-quo
High Level Recs	5. Promote Institutional Strengthening at All Scales to Achieve Sustainable Finance Goals	IBD transformation plan to develop into a national training centre catering the capacity and skills development needs of PA agencies in the Country. The Project extends technical assistance to develop strategic actions particularly to strengthen IBD's training portfolio.	7. IBD restructuring plan developed	KATS, DWNP, JPA	Initiated	31-Dec-19	In December 2018, a brainstorming session was organized to develop strategic framework for IBD transformation. The resource persons engaged from SPEARS	Based on IBD transforamtion outline framework produced in January 2019, the Project continued its support to DWNP to conduct a series of consultation sessions to distill further the outline framework into a detail action plan. As a result, Blueprint for IBD

							<p>International applied ‘Contextualized Leadership Execution’ method to gauge the leadership ability amongst DWNP officials to spearhead the IBD transformation. At the end of the Brainstorming session a framework outline for IBD transformation was produced through a comparative analysis with similar institutions around the world and major roles played by them in biodiversity conservation. The framework outline helps to identify areas and functions of IBD that could be further enhanced within the capacity and competency of DWNP. A workshop is scheduled from 2 till 4 May 2019 with the aim of presenting the framework outline to KATS; JPA and MOF; and to develop implementation plan.</p>	<p>transformattion has been developed for DWNP's action.</p>
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High Level Recs		The six weeks training programme on "Effective Protected Area Management (EPAM)" will be strengthen further by acquiring professional accreditation for the programme.	8. Professional accreditation for the Effective Protected Area Management (EPAM) training programme obtained	DWNP, JPA	Completed?	31-Dec-18	DWNP is working with MOA and UiTM to obtain professional accreditation for EPAM by 2019.	Agreement has been achieved with UiTM for accreditation. DWNP planned to elevate the training into Executive Diploma level this year.
High Level Recs		Financing Project collaborating with BioFin initiative to introduce methodologies for biodiversity conservation financial planning at all level: Federal, State and Agencies. In addition to specialised training sessions; this will be carried out through Sustainable Financing Study.	(key action #5: BioFin training workshops for federal & state planning units, to introduce the BioFin methodology)		Initiated		First training session is scheduled in March 2018. Target group all States Economic Planning Units and States Finance Offices.	No further action taken.
High Level Recs	6. Confirm That Government Actions Intended to Support and Strengthen Biodiversity Conservation, Actually Do So	The Government (NRE; DWNP and other key agencies will embark on National Policy on Biodiversity (NPBD) roadshow heightening the objectives; programmes and targets to be achieved with the State Governments. The Policy will provide the basis for financial planning for biodiversity conservation related program and projects.	9. NPBD policy roadshow	MEA, MOF, KATS, DWNP, Federal & State agencies	Not initiated	2021 (12MP)	To be planned for 12 MP period	No further action, deposite of Project's offer to KATS to support the roadshow.
High Level Recs		PA Financing Project provides support to PA Agencies in-terms of revision of respective "Enactments" and study on sustainable financing. There is general consensus amongst PA agencies and State governments to strengthen and the governing structure (legal	Technical support to reviews of state enactments relating to PA management	KATS, DWNP, Park Agencies	Initiated	31-Dec-19	Project decided to withdraw support to Johor for JNPC Enactment review, as the proposed review was not in conformity with GEF/UNDP's principles for	Final draft of new enactment for PSPC presented to Perak State Government in December 2019.

		framework) and study the options and mechanisms for creating improved financing modes for biodiversity conservation programmes.				<p>technical assistance.</p> <p>A meeting was held in March 2019 with Pahang, Terengganu and Kelantan with regard to review/peel of Taman Negara Enactment and produce a new Enactment. Project will help to develop a “concept paper” raising all the critical pre-conditional issues that must be addressed before proceeding with drafting a new enactment. The next course of actions will be decided by the respective States and agencies.</p> <p>Perak recently only submitted its request for PSPC Enactment review, however it is too late for Project to initiate and complete the process within the remaining project period. Attention will be given to develop SOP for enforcement (wildlife crime; poaching) as part of Management Plan strategies for RBSP.</p>	
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High Level Recs		Developing strategic plan and resource mobilization strategies for NCTF. The study will elaborate on the various strategic options to transform the fund into and independently managed ensuring long term sustainability of funding sources; and mechanisms to address the financing gaps amongst the PA agencies.	Study on NCTF strategic plan & resource mobilization strategies	KATS, MEA, DWNP	Initiated	31-Dec-19	The 1st draft of "Resource Mobilization Strategy" for NCTF will be submitted to KATS in April 2019.	Final outputs of NCTF: i) Strategic Plan and ii) Resource Mobilization Strategy submitted to KATS in January 2020.
High Level Recs	7. Promote Greater Community Engagement and Empowerment	Collaborating with PA agencies, developing mechanisms to engage the local communities for co-management in line with management plan of Endau Rompin (JNPC). With support of Project the local Community have formed a Cooperative which will help them to develop income generating opportunities as well as addressing land tenure issues faced by them. The Cooperative also can be used as a platform by the PA authority to engage the Community in an effective manner.	Engagement with local communities through cooperatives formed for developing income generating activities	UNDP, DWNP, PSPC, JNPC, MOTAC, JAKOA, PMU	Initiated	31-Dec-19	A number of training and consultative sessions involving ERNP local communities were conducted. In addition, in December 2018 a dialogue between local communities from Krau Wildlife Reserve and government agencies was conducted.	JNPC pursuing follow-up actions with communities in Endau Rompin.
High Level Recs		To prioritize the strategies and action plans elaborated in Management Plans for three Parks, related the co-management of the parks with the engagement of local communities.	involving local communities through engagement platforms established	DWNP, JNPC and PSPC	on-going	Dec-19	Addressed by respective agencies. JNPC plans to organize a session with local communities on the management zone planning. Perak prioritized strengthening of enforcement and project will support developing SOP.	Project supported PSPC: i) developing SOP for enforcement and training of PSPC staffs. Completed in January 2020. ii) currently assisting in developing Implementation Framework for Royal Belum Management Plan. will be completed by May 2020.

High Level Recs		To collaborate with IC – CFS with focused intervention for engaging local communities and CBOs. IC-CFS will built upon the capacity building platform developed for CBOs and local community; developing income generating opportunities at site levels.	utilising capacity building platform developed by IC-CFS project to engage local communities	PMU, DWNP, JNPC, PSPC, IC-CFS PMU	Initiated	31-Dec-19	Due to IC- - CFS is undergoing restructuring, planned collaborative activities are put on hold.	No further action.
High Level Recs	8. Extend the Project Timeframe	The Department of Wildlife and National Parks (DWNP) as implementing partner of PA Financing Project will submit the request for extension of project timeframe.	Submission of project extension	DWNP and UNDP	Submitted	Jun-18	Taking into account government procedural and decision -making process; extended project timeframe is necessitated to realize some of the Project's outputs and results.	completed
High Level Recs	9. Continue High-Level Engagement For Greater Buy-In and More Effective Implementation of the Project	Processes have already been put in place to communicate the Project's outputs and intended results to the decision makers particularly in Johor and Perak. This process will be continued by producing appropriate project communique assisting the PA authorities and State Government to adopt and implement Project's outputs. This includes: Management Plans for PAs; review of legal framework and mechanisms for sustainable financing. The Project will provide additional support by assisting the PA agencies to prioritize strategies and action plans from the Management Plans for implementation.	Developing knowledge products such as PA Management Plans, legal framework reviews, and sustainable financing mechanism report, as well as action plans	PMU, DWNP, JNPC, PSPC,	Initiated	Dec-18	All the 3 agencies DWNP, PSPC and JNPC have formally adopted their respective management plans. plans to table the Plan to PSPC's board for adoption of Management Plan for Royal Belum.	Both JNPC and PSPC: Management Plans for Endau Rompin and Royal Belum adopted by their respective Boards. For Taman Negara by DWNP. Project continued provide support based on IPs needs such as SOP for enforcement for PSPC.

Medium Level Recs	10. Ensure That Indicators in the SRF are Specific, Measurable, Achievable, Relevant and Time-Bound (SMART)	PMU will undertake the review of SRF to determine the validity and applicability of the targets and indicators as set in the project document.	SRF review	PMU	Completed	31-Dec-18	It was tabled at the NSC meeting on the 30th November 2017, and PMU incorporated inputs and comments from NSC into SRF.	Adopted. The effectiveness evaluated further during terminal evaluation.
Medium Level Recs	11. Strengthen Communication and Coordination, and Leverage Collaboration	Collaborating with BioFin project, introducing the methodology for conservation financial planning to Federal and State Agencies.	Key action #5	PMU	on-going		A training workshop on BioFin iwas conducted in March 2018, targeting State Government planning units.	no further action.
Medium Level Recs	Between the PA Financing Project and Related Initiatives	In collaboration with IC – CFS, joint initiatives focusing on local communities engagement in conservation; in addition capacity building and creating livelihood and income generating opportunities	Joint initiatives with IC-CFS to engage local communities	PMU & IC-CFS PMU	stalled	2019 (pending IC-CFS restructuring)	Due to IC- - CFS is undergoing restructuring, planned collaborative activities are put on hold.	no further action

Medium Level Recs	12. Establish More Effective Communications Platform Linking Up the States of Pahang, Terengganu and Kelantan in Taman Negara	DWNP will look into the possibilities of establishing "management committee" for Taman Negara comprising the 3 States, coordinating implementation of Management Plan and addressing related issues. Meantime, Taman Negara "Enactment" will be reviewed with the aim of streamlining the governing legal framework for Taman Negara between the 3 States.	Establishing management committee for Taman Negara & review of enactments between 3 states	KATS, DWNP	Initiated	31-Dec-18	KATS and DWNP have initiated coordination meeting with the respective states. As a result agreement has been reached to review Taman Negara Enactment. In this regard, a meeting was held in March 2019 with Pahang, Terengganu and Kelantan with regard to review/ repeal of Taman Negara Enactment and produce a new Enactment. Project will help to develop a "concept paper" raising all the critical pre-conditional issues that must be addressed before proceeding with drafting a new enactment. The next course of actions will be decided by the respective States and agencies.	Project provided support at the request of KATS for joint consultation with 3 States particularly on the possibilities for enacting new enactment for Taman Negara. Project delivered a concept paper on this in June 2019. It is for KATS to follow-up.
Medium Level Recs	13. Apply a "Theory of Change" Approach		within the jurisdiction of respective governments agencies		Not initiated		Project management will need to discuss considering the jurisdiction issue and GEF requirements	

TERMINAL EVALUATION (TE)

The TE was undertaken in 2020, with field mission was conducted in February 2020, and final report was delivered in June 2020. The TE was carried out with the aim of providing a systematic and comprehensive review and evaluation of the performance of the project by assessing its design, processes of implementation, and achievement relative to its objectives. Under this overarching aim, its objectives were: i) to promote accountability and transparency for the achievement of GEF objectives through the assessment of results, effectiveness, efficiency, relevance, sustainability and impact of the partners involved in the project; and ii) to promote learning, feedback and knowledge sharing on the results and lessons learned from the project and its partners as a basis for decision-making on policies, strategies, programme management and projects, and to enhance knowledge and performance.

Summary of TE Findings

The prospect of achieving a Sustainable Financial Framework based on common performance-based metrics within the PA sector is highly relevant for Malaysia and holds much promise in terms of potential impact. There were profound institutional and systemic issues that prevented the PAF Project from achieving its full potential and realizing its core objective. As a result, the financial sustainability of the PA sector has not found its footing in Malaysia, and post project other initiatives will have to take on **important strands of work and “loose ends” at each level for lasting benefits to accrue**. The Project's high replication potential requires a concerted effort at all levels to assess best modalities and national instruments for creation of opportunities for PA financing and the sustainability of revenue streams going forward.

The adaptive management demonstrated by the project should be commended, with reference to the re-focusing of project priorities to the site level when opportunities presented themselves and when the institutional changes at other levels required recalibration and nurturing of relationships. The PMU acted with foresight and demonstrated its ability to seamlessly pivot from one outcome to the other.

A strategic decision taken early in the project - in response to a fundamental design weakness, which expanded the project scope to include both Sabah and Sarawak - has paid dividends. This has enhanced both formal and informal cooperation and has gone beyond its original concept by developing communication links between PA managers and *Orang Asli* communities. The conservation sector is likely to benefit from this well into the future.

The approach taken by the project towards education and institutional and professional capacity, from raising the profile of the IBD, work on the development and delivery of the EPAM module, supporting skill set enhancement by sending trainees to attend a three month wildlife management course at the WII, and delivering countless and indispensable training courses to raise the profile and qualifications of rangers, local communities and women alike, was of the highest standard and should be used as a benchmark for other projects.

The project also demonstrated, while it takes time due to the political complexities, there are indeed options to move away from reliance on State funds. Despite historical barriers to raising park fees, these were increased at Royal Belum State Park with the other two sites not far behind. While the project

made gains in this area, there remains barriers to other revenue streams being explored, including: i) bed night fees at the accommodation facilities within protected areas themselves, ii) 'conservation' fees for visitors to protected areas, iii) limitations in the way concession fees generated from Mutiara resort can be used when they go to the State, and iv) infrastructure fees channeled to federal accounts with parks not having access or a say in how the money is allocated.

Other barriers still remain. These include: i) the persistence of underlying threats to biodiversity – although there is the hope that by achieving financial sustainability, efforts will be made to address the threat, their root causes and the barriers to effective management of the protected areas, ii) governance issues and complex bureaucracy, iii) high rates of change among personnel leading to loss of momentum, institutional memory and lack of ownership, and iv) marginalization of the environment sector.

Insufficient country ownership and the provision of technical and managerial support beyond what one would expect from a NIM arrangement has placed a large burden of work and responsibility on an understaffed Project Management Unit, which has also undermined project progress to an extent.

In conclusion, despite the challenges it faced, the project demonstrated tremendous value in key areas. Further, in each of the areas in which the project worked, there are people now doing something **different from what they were doing before; as such there is a shift from the "business as usual" to a new mindset.**

Table 7: The Strategic Results Framework showing End-of-Project status

Objective:	To establish a performance-based financing structure to support effective Protected Area (PA) system management in Peninsular Malaysia	
Indicator 1:	Increase in the Federal Government investment in PA management	Not Met
Indicator 2	Financial sustainability scorecard for the 3 PA networks: DWNP, JNPC, PSPC	Partially Met
Outcome 1:	Systemic & institutional capacities to manage and financially support a national PA System	
Indicator 1:	Establishment of the policy framework for the National PA system	Met
Indicator 2 (1 st part):	Integrated PA information system	Met
Indicator 2 (2 nd part):	Integrated PA performance monitoring system	Not Met
Indicator 3:	Financial incentive system, based primarily on performance indices, established and operational	Partially met
Indicator 4:	National PA System mainstreamed in the budgeting process for 5-year Malaysia Plan; increased number of "bankable" projects in support of PA management approved for funding through operational grants	Not Met
Outcome 2:	Technical and institutional capacities to manage sub-national PA networks, including capacities for effective financial management	
Indicator 1:	Financing gap decreased by at least 25 % in the target PA sub-networks (PSPC, DWNP)	Met
Indicator 2:	Increase in capacity development indicator score (%) for three target sub-national PA networks - DWNP , - JNPC, - PSPC	Met

Indicator 3:	Number of PAs successfully meeting national management criteria and accessing performance-based financial transfers from the Federal system	Not Met
Indicator 4:	Economic and financial planning capacity institutionalized in the three sub-national PA network agencies	Partially Met
Indicator 5:	Coordination between the PA agencies	Met
Outcome 3:	Effective site-level PA management	
Indicator 1:	Number of PAs successfully meeting national management criteria and accessing performance-based financial transfers from the Federal system	Met
Indicator 2:	Improved management effectiveness as per METT scores for three target PAs.	Met
Indicator 3:	Increase in gross revenue amount and revenue sources of the three demonstration PAs	Met
Indicator 4:	Length of park patrolled per year; Number of patrolling programmes per year; Percentage of the area patrolled per year; Number of patrolling staff, Number of illegal activity (including encroachment and poaching) cases within PA reported	Partially Met
Indicator 5:	Tiger population as a flagship species in target PAs namely Taman Negara, Endau-Rompin National Park and Royal Belum State Park	Not Met

Financial Performance Auditing

The following audits and financial monitoring have been undertaken:

- May 2020 (ongoing): A virtual audit of the UNDP-CO, including the PAF Project;
- December 2019: HACT spot check in December 2019 covering USD 137,458.68 of expenditure between the period of January 2018 to June 2019. This reported no issues of concern;
- January 2016: UNDP Micro Assessment Exercise and the Harmonized Approach to Cash Transfer (HACT) Assurance Activities. The findings of which indicated that the project management and finance staff at the IP were not familiar with standard UN financial management rules and financial reporting procedures and recommended training to ensure compliance with standard UN financial management rules and implementation;
- December 2016: Monitoring Stage Quality Assurance Report which resulted in an overall **“highly satisfactory”** rating of the project;
- April 2015: Audit by the National Audit Department of Malaysia which assessed the financial performance of the project and covered expenditure disbursements of the CDR and assessed various documents such as the Statement of Assets, Statement of Cash Positions and undertook an overall assessment of the operational and internal control systems.

REPORTING

Generally, the reporting and work planning procedures have been consistent with UNDP implementation guidelines and the Project complied fully with the established reporting requirements. This included Annual Work Plans; Mid-year Progress Report and Annual Progress Reports submitted annually to Government of Malaysia and UNDP CO; Project Implementation Review submitted yearly to GEF and UNDP CO. In addition, **Project's progress** was also reported through minutes of monthly Project Management Unit and twice a yearly progress reports to National Steering Committee, which the progress reports also were shared with a wide range of stakeholders. Activities specific outcomes were reported through periodic site visits and follow-up mission reports. The NSC served as the highest decision-making authority providing policy guidance and direction to PMU and overseeing the overall implementation of the Project. The PMU in-charge of day to day affairs of the Project constantly in consultations with NPD and UNDP CO reporting on the status and seeking guidance and advice on compliance of implementation guidelines.

PROJECT FINANCIAL ANALYSIS

The Project's finance derived mainly from two channels: direct grant contribution by GEF and co-financing & in-kind contributions by Government through participating IP and project partners. GEF contribution amounted to USD 5.6 million and expected co-financing & in-kind contribution from Government was USD 13.3 million (Table 13). Towards end of Project, co-financing and in-kind contribution was estimated around USD 19.2 million surpassing the initial estimates. The co-financing and in-kind contributions were in the forms of development expenditure for protected area management and/or conservation, time spent by the counterparts and services rendered by them in support of Project; provision of office facilities and infrastructure; hospitality during meetings and consultation sessions; and participation in conferences and training. However, the IP and project partners decided to attribute the one-off infrastructure investment made at the site levels during 2015 – 2016, **as complementary to Projects' interventions which is reflected in the final in-kind** contribution estimates. In-terms of GEF contribution, Project managed to achieve about 95% expenditure of USD 5.6 million, at the end of Project.

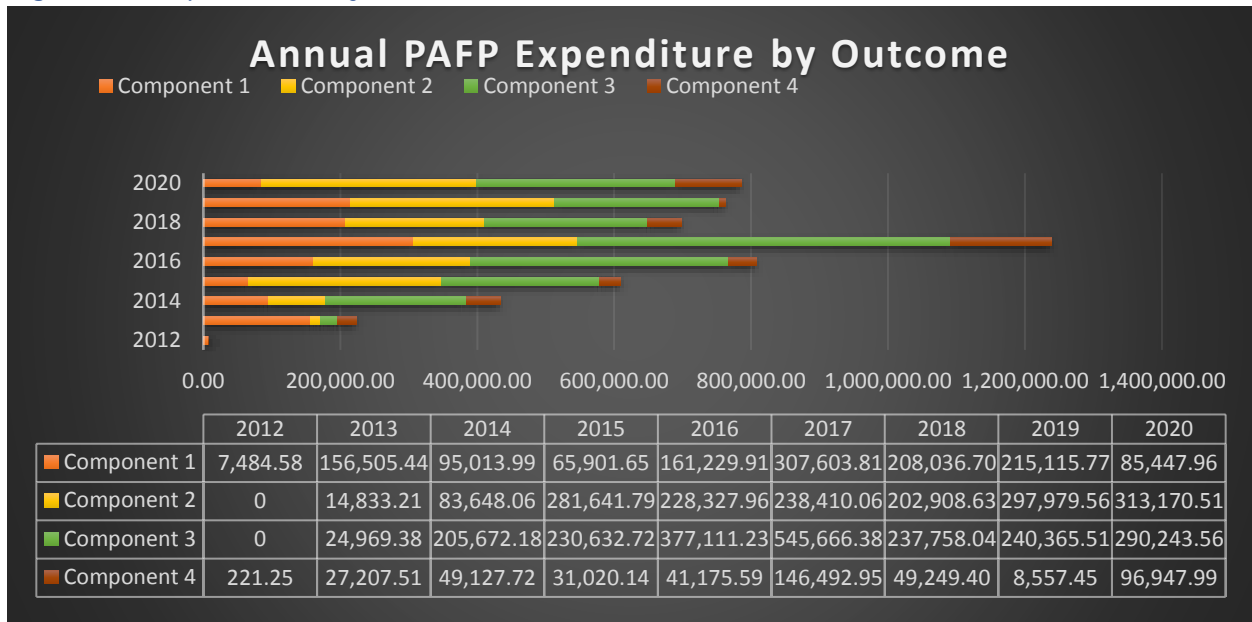
Table 8: Project Finance

Project Financing	at CEO endorsement (USD)	At Closure (USD)
[1] GEF Financing	5,600,000	5,300,000
[2] UNDP Contribution	100,000	-
[3] Government	13,300,000	19,200,000
[4] Other partners	--	--
[5] Total co-financing	13,400,000	19,200,000
TOTAL PROJECT COSTS	19,000,000	

PMU prepared annual work plans (AWP) detailing planned activities under each component and corresponding budget for each calendar year submit to UNDP CO for approval. Annual budget estimates are made following UNDP procedures based on ProDoc budget appropriation for each component. Annual budget monitored and reviewed regularly to ensure expenditure trend is on track and amendments were made when need arises with the approval of UNDP.

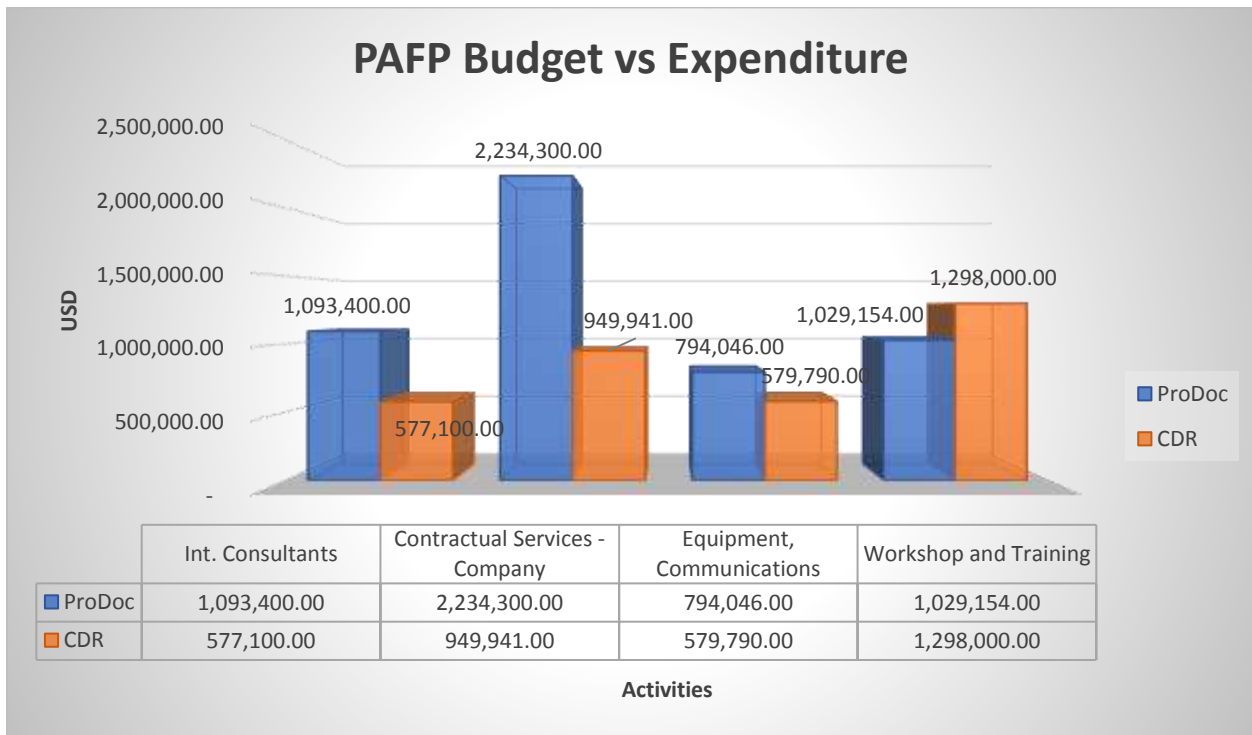
The yearly expenditure by component is presented in Figure 10.

Figure 10: Project's Year-by-Year Financial Performance



Project budget appropriation based on ProDoc by major Atlas account code is illustrated in Figure 11. Most of the budget is targeted for securing consultancy services (company) and followed by hiring international and local individual consultants.

Figure 11: Budget Allocation vs Expenditure



Estimated end of Project budget expenditure by major accounts codes is presented in Figure 11. Most of the expenditure was for workshops, training and knowledge sharing sessions, and the total expenditure exceeding allocation made at the beginning of the Project, **indicating Project's** emphasize on developing capacity and competency of PA front-liners covering the whole country including Sabah and Sarawak. The Project did not utilize much of anticipated services by consultancy services by companies and international consultants. Only for two activities they were engaged: TEEB Study and developing Management and Business Plans for the three targets. The Project mostly relied on **local consultants capitalizing on internally developed expertise and knowledge. The Project's** overall finance partly benefitted also from the strengthening of USD against MYR during the Project period.

BEST PRACTICES AND SUCCESS STORIES

Actions aimed at improving relations with the local community can yield positive results. In the case of the PA Financing project, several initiatives along these lines were undertaken. Training and capacity building of PA personnel (especially mid-level employees) for improved engagement with local communities (including Orang Asli and others) initiated a significant mindset change and positive impacts for PA management: greater understanding of community needs and expectations resulted in improved relationships, which in turn paved the way for greater cooperation. At the same time, Orang Asli community members were afforded the opportunity to visit sites where initiatives with other **indigenous communities had been successfully implemented (e.g., in Sarawak), which "opened their eyes" to new possibilities, improved their understanding, and made them aware of what might be accomplished in collaboration with PA managers in their own area.**

Informal opportunities for professionals to meet and network are a powerful tool for enhancing information exchange and cooperation. The project supported a wide range of activities and events which provided opportunities for PA managers and personnel to come together, to meet and discuss their experiences and ideas about PA management issues, and to seek possible solutions. These activities and events included various training programs, **the National Protected Area Managers' Conferences and World Rangers' Day celebrations (among others). Continuation of such activities is important especially in the face of cuts to PA management budgets.**

Implementing the elements of project activities in their proper sequence improving efficiency and strengthening results. Institutional complexities remained a persistent challenge throughout **Project's lifetime** given the governance of PAs and biodiversity is distributed between a number of agencies. **Project's approach** in initiating activities that addressing common areas of interest and focussing on areas that within administrative capacities of PA agencies without infringing into jurisdictional or legal issues, proven fruitful. Such activities included NFPA; PA Master List; training and capacity building and National METT template.

Leveraging opportunities for collaboration can help to achieve greater impact. Two other parallel initiatives were overlapped with lifetime of PA Financing Project: i) Improved Connectivity for Central Forest Spine (IC-CFS) and; ii) Biodiversity Finance Initiative (BIOFIN) with common and complementing

components amongst the three. PA Financing leveraged on IC-CFS particularly for community engagement in Endau Rompin, whereby both Projects joined forces to conduct training programme for the community in creating additional income generating opportunities through eco-tourism activities. The planning methodology for conservation financing introduced through BIOFIN was further expanded to train PA Financing Project stakeholders and the data collected on Biodiversity Expenditure Review (BER) and Finance Needs Analysis (FNA) formed valuable inputs to study on Sustainable Finance Plans.

Inviting broader stakeholder participation can yield unexpected and increased benefits. For the project, this was especially exemplified in the approach taken for the preparation of the METT tracking tool. Preparation of the METT scorecards involved a collaborative effort among a range of different partners. This provided a platform for deeper discussions and partnership-building between PA agencies and other key stakeholders. At the same time, it fostered a wider sense of ownership, acceptance and uptake of METT as a robust mechanism for measuring management effectiveness of the PAs, than might have otherwise been achieved without such broad participation. The Project has also worked closely with a large number of stakeholders throughout its implementation. Project effectively engaged technical expertise and subject matter experts to deliver some of key outputs include TEEB, National METT, NFPA, NCTF; whilst technical knowledge and expertise helmed by NGOs such as WWF and WCS were effectively tapped by Project to strengthen the capabilities and skills of PA agencies.

LESSONS LEARNED (ISSUES/CHALLENGES, ADAPTIVE MANAGEMENT AND MANAGEMENT RESPONSES)

Issues and Challenges:

1. The institutional complexities encountered had a cascading effect at every stage of **implementation and achievement of Project's results.**
2. Management of protected areas is delegated to a number of different organizations (federal and State agencies) and there is no single protected area management authority or "owner". **Within the existing governing structure and with PA authorities' own mandates** for decision-making, creating synergy and convergence at the three levels has been the major challenge.
3. **The project's outcomes were ambitious, as they aimed to address changes** at the three levels: federal, sub-national and sites, simultaneously. The **Project's attempt to introduce two major** and relatively new concepts of business planning and performance-based financing for PA and conservation sector, resulted in failing to achieve them.
4. DWNP though designated as main IP, the Project had two more project partners: PSPC and JNPC. This overstretched the Project in-terms of additional efforts and resources to socialize and having buying-in amongst the three IP and project partners resulting delays in starting project activities.
5. **Assumptions and level of risks especially relating to institutional issues beyond Project's** capability to address such as effecting changes into budgetary allocation for PAs and conservation.

Adaptive Management & Management Response

The setbacks encountered to some extent were managed through adaptive management exercised from the beginning of the Project. The adaptive management approach enabled the Project to refocus its priorities and capitalized on opportunities where presented, when things seem not working as expected. During Inception Phase the Strategic Results Framework (SRF) was assessed methodically and appropriate amendments were made to some activities; some were dropped, and some were merged with similar activities amongst the outputs. At the outset the project scope was expanded to include Sabah and Sarawak, in addition to Peninsular Malaysia, impact on project effectiveness. It was felt that the continuous exclusion of these two regions from the project would defeat the long-term objective of bringing the management of PAs and wildlife under a single framework.

Other notable adaptative management included:

- The benefits of this decision can be seen in the vision articulated in the NFPA, whereby the long-term functioning of this framework is very much tied to the operationalization of working groups for Peninsular Malaysia, Sabah and Sarawak;
- Refocusing priorities yielding tangible results particularly at sub-national and site level.

- The adoption of the METT as “standard operating procedure” by all park agencies’ partners is a good example of harmonizing operations and can be considered an essential step to realizing performance-based objectives;
- A landmark court ruling during project implementation threatened the integrity of one of the target protected areas and would have undermined it being managed as one contiguous area. **However, the Project’s approach to co-management has created a win-win scenario for the Jakun Orang Asli of Kampung Peta, which lies in the Endau-Rompin National Park, and park management alike.** The approach taken by the project towards community engagement in Endau-Rompin was of the highest standard.

ASSUMPTIONS AND RISKS

1. The Project Document identified eight risks to the project achieving its objectives, which were also **included as assumptions in the intervention logic. Of these, two were considered as “moderate” risks, three were considered as “low to moderate” risks, and the remaining three rated as “low” risks.** In summary, the risks were:

Moderate:

- Federal government agencies are hesitant to create a dedicated budget line item for national PA systems;
- Conflicts between conservation and development in state planning.

Low to Moderate:

- Sustainable financing will be constrained by limited cooperation between, and amongst, government agencies;
- PA management and staff continue to be under resourced and lack motivation or incentives;
- Economic downturn or crisis takes place in Malaysia severely slowing down the economy or leads to a possible shift in priorities.

Low:

- Regulatory inertia limits potential for revenue generation;
- **Climate change undermines conservation of biodiversity within Malaysia's PAs;**
- Reduced levels of tourism affect revenue generation potential.

2. The Inception Report made two adjustments and one addition to the risk table in the Project Document. The last two risks related to climate change and diminished tourism levels were dropped altogether as the probability of them occurring was considered to be negligible. The following was added as a moderate risk:

Moderate:

- Lack of incentive and motivation of States and federal to engage in longer term strategy planning for joint federal and state financing of Protected Areas.

APPENDIX

RISK LOG

Annex 1: Risks and Mitigation Measures

<i>Risk</i>	<i>Rating</i>	<i>Mitigation Measure</i>
Federal government agencies are hesitant to create a dedicated budget line item for national PA systems	Medium	The project will support quantification of the PAs' economic contributions to national development, in order to raise awareness among the decision makers on the importance of the PAs and expected return on investments in the PAs. In addition, part of this concern will be addressed by focusing resources on State level Governments, given that 'land' concerns are within their jurisdiction. State governments play a strategic role in that they are the primary operational unit within the national framework. By strengthening their arguments, using collaborative approaches, and increasing their investments, they will be able to introduce a 'leverage' effect both at the Federal level, and the community level. Key State-managed parks, with strategic partners, including the national coordination mechanism, will also be able to deliver technical assistance to other PAs within the national system. A key element of the strategy will be to ensure continuous engagement with the Ministry of Finance.
Conflicts between conservation and development in state planning	Medium	The project will explicitly address this risk by piloting innovative financing mechanisms in a number of PAs, demonstrating that conservation is a potential revenue-earning process rather than a drain on scarce resources. The PA network capacity building component of the project will also help to overcome this risk. However it is clear that trade-offs between conservation within PAs and more mainstream development land uses will continue to be a central concern for this project. The project will build capacity of PA management authorities to strengthen their arguments and better present and articulate the longer term economic benefits that can be derived from effective protected area management.
Sustainable financing will be constrained by limited cooperation between and amongst government agencies	Low to Medium	A common interest amongst agencies on sustainable financing is expected to support better coordination between agencies. The project development process has been consultative and inclusive. Key government partner agencies, including State-level PA networks, have indicated good support. Critical Federal Government agencies such as the Economic Planning Unit have also been fully consulted on this initiative, and have provided endorsement for it to proceed. These stakeholders will be represented in all key fora, particularly the project steering committee and national coordination mechanism.

		Efforts will be made to pursue a three-pronged strategy. First to target the Federal level officials for training and awareness creation, and second, to strengthen capacity of State level counterparts and PA site level practitioners to improve the quality of data, information and proposals that flow to Federal levels. Third, a project knowledge management / communications strategy will also help to increase visibility and disseminate best practices.
PA management and staff continue to be under- resourced and lack motivation or incentives	Low to Medium	The project will combine capacity building for performance based financing, with human capital growth, particularly at the site level. By exposing existing PA staff to new knowledge and ideas, and introducing the notion of performance-based financing, it is believed that levels of motivation will increase. Efforts to introduce 'collaborative leadership' models of thinking, will help staff feel more responsible for the performance of the PA. Performance-based reward systems and other efforts to 'professionalize' PA management will help increase levels of interest and retention.
Economic downturn or crisis takes place in Malaysia severely slowing down the economy, or leads to possible shift in priorities	Low to medium	Among the key objectives of the project is to ensure that there is a better understanding of the inextricable links between conservation of ecosystem and species biodiversity and economic growth. This can be a positive sum game. The notion of 'total economic value' will be supported by real time data on the ecosystem valuation, and moreover, as PAs improve their management effectiveness and implement business plans, investment opportunities will be identified and created which will stimulate economic activities throughout various value chains, for example, in ecotourism.
Regulatory inertia limits potential for revenue generation	Low	The piloting of alternative financing sources in individual PAs will require the development of new regulations. Part of the problem under the business-as-usual scenario is that a fragmented PA system is unable to mobilize sufficient support to effect such changes; as a result of the project, support should be much stronger. Awareness raising amongst policy makers will also help to overcome this risk. The project envisions regular engagement with key decision making bodies at Federal and State levels, with a view to ensuring the biodiversity remains towards the top of the agenda. Moreover, by bringing objective, verifiable and policy- relevant information to decision-makers through the integrated information management system, and the proposed National Biodiversity Centre, among others, it is believed that policy processes will be enhanced. This will be particularly effective if key Government stakeholders are kept engaged throughout the project implementation, and are also sufficiently influenced by exposure to global and regional experiences, to make them want to take a leadership role in biodiversity conservation.

<p>Climate change (CC) undermines conservation o biodiversity within Malaysia's PAs</p>	<p>Low</p>	<p>Climate change is likely to affect natural ecosystems over time, but this project actually will strengthen the resilience of PAs in Malaysia to respond to CC impacts by establishing the operational and financial capacities to manage PAs. The focus on supporting any form of PA which is effective and well-managed, rather than committing to an institutionalized set of sites, also provides greater flexibility to respond to evolving climate pressures over time. Capacity building during the management plan development process will include training on how to conduct vulnerability assessments using the International Panel on Climate Change (IPCC) methodologies.</p>
<p>Reduced levels of tourism affect revenue generation potential</p>	<p>Low</p>	<p>Both domestic and international tourism have been increasing strongly in Malaysia. This is unlikely to change in the future as Malaysia continues to be the top destination for international tourists among the ASEAN countries. The country continues to invest significantly in tourism promotion. Moreover, rising income levels and a growing interest in nature-based activities has generated a sustained increase in domestic visitation to parks and nature reserves.</p>
<p>Lack of incentive and motivation of States and federal to engage in longer term strategy planning for joint federal and state financing of Protected Areas.</p>	<p>Moderate</p>	<p>State Governments and Agencies were exposed and educated on the alternative ways and mechanisms for them to strengthen their financial sustainability for conservation. One option was to explore the viability of additional revenue generating mechanisms at site levels within their mandates as stipulated in their Enactments. Perak capitalized on this and introduced additional measures to increase revue</p>

OTHER RELEVANT INFORMATION

Annex 2: Amendments to SRF Adopted During Inception Phase

Original Objective and Outputs	Changes and New Objective and Outputs
<p>Original Objective: To establish a performance-based financing structure to support effective Protected Area (PA) system management in Peninsular Malaysia</p>	<p>Baselined: To establish a performance-based financing structure to support effective Protected Area (PA) system management in Malaysia</p> <p>Change/Justification: The reference to Peninsular Malaysia has been removed from the objective as the performance-based financing system established will support all protected areas in the country. This makes the objective consistent with the project title.</p>
<p>Output 1.1: Policy framework established in support of development of a national PA system, with uniform criteria for PA establishment and management standards</p>	<p>Baselined: National framework established in support of developing a national PA system, with uniform criteria for PA establishment and management standards</p> <p>Change/Justification: The National Policy on Biological Diversity is the overarching policy for protected area management. Therefore, it is not necessarily that a new formal policy is required.</p> <p>Instead a framework will be established for the National PA system.</p>
<p>Output 1.2: Performance measurement indices developed and adopted for (i) individual PAs and (ii) overall PANetworks with identified targets for financial requirements</p>	<p>Baselined: Performance measurement indices developed and adopted for (i) individual PAs and (ii) overall PA networks with identified targets for financial requirements.</p> <p>No Change</p>
<p>Output 1.3: PA information and knowledge management system established to support the national PA system management</p>	<p>Baselined: PA information and knowledge management system established to support the national PA system management.</p> <p>No Change</p>
<p>Output 1.4: Budgetary framework created to increase Federal Government financial support for PAs, allocated on the basis of performance</p>	<p>Baselined: Budgetary framework created to increase financial support for PAs, allocated on the basis of performance.</p> <p>Change/Justification: The exclusive reference to Federal</p>

Original Objective and Outputs	Changes and New Objective and Outputs
	Government has been removed as financial support can also come from other sources.
Output 1.5: Structures and processes created for NRE to provide performance- based operational and capital grants to PAs on the basis of performance against national indices, and other relevant criteria	Baselined: Structures and processes created for NRE to provide performance-based operational and capital grants to PAs on the basis of performance against national indices, and other relevant criteria No Change
Output 1.6: A national mechanism established for periodic independent review of PA performance and conduct monitoring and evaluation in relation to grant allocation methodologies	Output dropped as monitoring and evaluation will be built into the structures as suggested in activities under Output 1.5
Output 1.7: Capacity of Federal EPU and MoF is strengthened to ensure sustainable financing of PA management is addressed in the annual budget	Baselined: Capacity of key Federal (EPU and MOF) and state agencies is strengthened to ensure sustainable financing of PA management is addressed in the annual budget Change / Justification: Added "Key Federal" as there may be other agencies included for instance NRE and could also include State agencies
Output 2.1: PA network financing plans developed, incorporating strategies for revenue diversification for PA networks	Baselined: PA network financing plans developed, incorporating strategies for financing source diversification for PA networks Change / Justification: Changed to broaden the scope of revenue generation to include overall financing source diversification
Output 2.2: Policies and guidelines for PA revenue diversification and retention institutionalized in the targeted PA sub- network agencies	Baselined: Policies and guidelines for PA financing diversification and retention institutionalized in the targeted PA agencies Change / Justification: PA sub-network changed to PA agencies to clarify and eliminate confusion
Output 2.3: Three target PA networks have sufficient institutional and technical capacity to support component PAs to meet national management criteria and access performance-based financial support system	Baselined: Three target PA networks have sufficient institutional and technical capacity to support their PAs to meet national management criteria and access performance-based financial support system

Original Objective and Outputs	Changes and New Objective and Outputs
	Change / Justification: Clarified as the focus is for JNPC, PSPC and DWNP need to support their own PAs, not "Component PAs"
Output 2.4: Leadership of the management personnel in targeted PA sub- networks strengthened to develop and implement effective PA management strategies	<p>Baselined: A Centre of Excellence to meet the long-term capacity development needs of PA authorities is established.</p> <p>Change / Justification: Changed in order to institutionalise leadership development, training and PA advisory services by transforming the existing Institute of Biodiversity in DWNP to a PA Centre of Excellence with a country wide mandate</p>
Output 3.1: PA Management Plan developed for target PAs and replicated to wildlife PAs over 20,000 ha	<p>Baselined: PA Management Plan developed for target PAs and replicated to other PAs over 20,000 ha</p> <p>Change / Justification: The explicit reference to wildlife has been removed to maintain focus on various categories of PAs.</p>
Output 3.2: PA business plans developed for target PAs and replicated for wildlife PAs over 20,000 ha, clearly identifying revenue generation and revenue recovery strategies to increase gross revenues by an average of 20% against revenues at project start.	<p>Baselined: PA business plans developed for target PAs and replicated for PAs over 20,000 ha, clearly identifying cost of implementing the management plan, means of financing the management actions, revenue generation and revenue recovery strategies, with a 20% gross revenue increase over the project period for the three target PAs.</p> <p>Change / Justification: Language has been changed to emphasise the cost of implementing the management plan and to clarify that the 20% increase in revenue generation is end of project compared to beginning of project.</p>
Output 3.3: Technical skills of PA managers and field staff in place for effective implementation of the management plans and business/financing plans	Output dropped as technical skills training moved to output 2.4 as part of the PA Centre of Excellence
Output 3.4: Functional capacities of the target PAs improved, meeting the minimum performance criteria under the national standards	<p>Baselined: Functional capacities of the target PAs improved, meeting the minimum performance criteria under the national standards</p> <p>Change / Justification: Only numbering change</p>
Output 3.5:	Baselined: Best practices and lessons documented,

Original Objective and Outputs	Changes and New Objective and Outputs
<p>Best practices and lessons documented, integrated into social marketing/communications strategies and used in replication and scaling up</p>	<p>integrated into communications strategies and used in replication and scaling up</p> <p>Change / Justification: Numbering change and text clarified to fit all under “communication strategies”</p>

Summary of mid-term review ratings and recommendations

Annex 3: MTR Ratings & Achievement Summary

Measure	MTR Rating	Achievement Description
Project Strategy	N/A	N/A
Progress Towards Results	<p><i>Objective:</i> To establish a performance-based financing structure to support effective Protected Area systems management in Malaysia</p> <p>Achievement Rating: 3: MODERATELY UNSATISFACTORY (MU)</p>	<p>While a system has been put in place through the National Conservation Trust Fund (NCTF) which could provide the required PA financing, thus far, large questions remain as to the sourcing for sustained, ongoing funding of the NCTF, and whether or not such funding will be reflective of a performance-based approach.</p> <p><u>Continuing risks:</u> (i) strong mandate for protected area conservation and sustainable financing through a focused policy statement is urgently needed; efforts on sustainable finance will continue to be ad hoc unless a transformational change occurs at the policy and structural levels; (ii) diversification of funding sources is needed to stabilize the flow of funds that are earmarked for PAs; (iii) a stronger country commitment to biodiversity protection through enhancing federal support towards state-level conservation efforts is needed; (iv) funding has not yet been tied to a performance based financing structure, and such a structure has not been clearly defined; (v) safeguards are needed to ensure that any increased investment earmarked for improved PA management, is in fact closely correlated with strengthening biodiversity conservation and addressing conservation priorities; (vi) while the project goal and outcomes reflect appropriate aspirations, the analysis from the MTR indicated that the performance-based concept in financing may have been placed too high in the project results framework (as an objective) and might be more realistically placed as an outcome.</p>
	<p><i>Outcome 1:</i> Systemic and institutional capacities to manage and financially support a national PA system by addressing barriers at the national systems level to improve management effectiveness and financial sustainability of protected areas</p> <p>Achievement Rating: 4: MODERATELY SATISFACTORY (MS)</p>	<p>A National PA Framework is under development which focuses on setting up uniform criteria for PA establishment and categorization; a national PA management information system has been established; the project has supported PA Managers' Conferences and World Ranger Day as mechanisms to strengthen management capacity nationwide. METT has been introduced and taken up enthusiastically as a means to self-evaluate PA management effectiveness; the Institute of</p>

		Biodiversity (IBD) is being transformed into a national training institute to build capacity for PA and wildlife management. <u>Continuing risks:</u> (i) there is a lack of coherent structure for a performance-based financing system, and performance measurement indices have not been developed; (ii) increase in national-level budget support for PAs has not progressed significantly, (iv) there is a lack of initiatives to enhance the capacity of key federal agencies to address sustainable financing of PAs in the annual budget.
	<p><i>Outcome 2:</i> Technical and institutional capacities to manage sub-national PA networks, including capacities for effective financial management</p> <p>Achievement Rating: 4: MODERATELY SATISFACTORY (MS)</p>	Capacity for PA management at the PA network level has been improved through extensive training including the application and adoption of the METT, and knowledge exchange programs; it is expected that capacity will continue to be built through the transformation of the IBD; a variety of activities supported by the project have contributed to better coordination among the three target State agencies; preliminary efforts have been initiated to build capacity in sustainable finance. <u>Continuing risks:</u> (i) little progress has been made to link financing with performance. and improved capacity; (ii) Closer coordination and commitment among PA agencies are needed to ensure that policies and guidelines for PA financing diversification and retention in targeted PA agencies are realised. (iii) mandate is needed for a dedicated person/unit to drive efforts towards meeting PA financing needs.
	<p><i>Outcome 3:</i> Effective site-level PA management</p> <p>Achievement Rating: 5: SATISFACTORY (S)</p>	Management and business plans completed for the target PAs; METT scores overall improved and METT appreciated as valuable instrument for evaluating management effectiveness; gradual increase in revenues generated at 3 PAs; patrolling at PAs improved through innovative programs (e.g., 1MBEON); progress made in controlling encroachment and poaching. <u>Continuing risks:</u> (i) Despite ongoing efforts and progress in enforcement, poaching continues and threatens the survival of the tiger population in Peninsular Malaysia; (ii) Mandate, support, and adequate capacity for the implementation and monitoring of the management and business plans is needed.
Project Implementation & Adaptive Management	Achievement Rating: 5: SATISFACTORY (S)	Seven implementation components (following below) were evaluated. Overall, project implementation was satisfactory. There are also some indications to suggest that the project has

		<p>been adaptive—and opportunistic—in its management. Among these are the fact that the project extended some activities to apply a landscape level focus to ensure greater ecological integrity. Also the project established linkages or aligned with other government initiatives such as IBD, MyBis, and SMART patrolling, to mobilize cooperation within agencies and among key stakeholders.</p> <ol style="list-style-type: none"> 1. <u>Management arrangements</u>: NSC and PMU meetings were consistent and well attended, however a high level of turnover among attendees of key agencies and partners has had adverse impacts on project effectiveness 2. <u>Work planning</u>: Evidence suggests that consultations conducted as part of work planning process were effective. More time is required to build on early progress in a number of areas, so an extension of project timeframe is suggested. Administrative requirements have resulted in long delays in contracting and procurement, which have affected project scheduling and efficiency. 3. <u>Finance and co-finance</u>: Up to December 2016, the project expenditure was USD2,400,820, reflecting a 43% expenditure of the total GEF allocation. Co-financing commitment increased by approximately 42% over the original amount reflecting strong support from the Government with the inclusion of initiatives related to Royal Belum State Park; currency fluctuations have been favourable, increasing available project resources 4. <u>Project-level monitoring and evaluation</u>: A variety of project level M&E mechanisms (e.g., HACT Assurance Activity Report, NIM audit report, HACT micro-assessment report, METT) have been utilized and these have generally been effective 5. <u>Stakeholder engagement</u>: Stakeholder engagement was initiated in the project planning and inception stages, and subsequently has been leveraged through various partnership arrangements (e.g., with IBD, SMART patrolling, CAITS, MyBis, IC-CSF, BIOFIN); National level consultations have been conducted for PA Framework and Masterlist; engagement has also taken place at the community level, including Orang Asli (OA) communities with different levels of engagements at the three sites. Engagement
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		<p>and capacity building efforts have facilitated better relations between park managers and OA communities especially in ENRP. Benefit sharing to local communities needs to be more clearly articulated and demonstrated in order to promote greater community ownership which can lead to more effective management and enforcement in the PAs.</p> <p>6. <u>Reporting</u>: reporting requirements (e.g., NSC meeting minutes, PIRs, etc.) have been carried out fully</p> <p>7. <u>Communications</u>: Internal communications among project personnel, as well as communications between project personnel and key stakeholders for project planning purposes, have generally been effective. The project has engaged in a robust program for external communications, including the production of high quality informational materials (e.g., trail maps, guidebooks) intended for dissemination to stakeholder community members and the general public.</p>
Sustainability	<p>Achievement Rating: 2: MODERATELY UNLIKELY (MU)</p>	<p>There are several significant issues and risks that threaten the sustainability of the project in the foreseeable future. Project actions to-date have been adversely affected by the following factors, and sustainability of key project outcomes may continue to be so affected in the future:</p> <ul style="list-style-type: none"> • Lack of clear definition of "performance-based" financing structure • Lack of appreciation by PA managers on the importance of effective business planning • A need to fully operationalize the NCTF • Long processing time for contracting and procurement • High level of turnover among personnel of key agencies • Continuing conflicts between conservation and development objectives in State planning • Inconsistent levels of commitment from Federal and State government officials, especially at higher levels, to ensuring preservation of natural and biodiversity values <p>The above-mentioned risk factors are significant,</p>

		<p>and threaten the sustainability of the core project objective and outcomes, especially with respect to the financial sustainability targets. However, the project has achieved success in other important areas, which will likely continue in the future. This is especially true in the area of building knowledge, skills and capacity, both among the public and among PA personnel. Over time, such benefits may “spill over” and help to indirectly support achievement of the originally intended financial sustainability outcomes.</p>
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Annex 4: TE Ratings & Achievement Summary Table

Item	Rating	Comment
Overall project results	MS	The Project made gains particularly at the level of the protected areas themselves and, to a lesser extent, the sub-national level. At a federal level, achievements were less significant but the institutional context and systemic complexities made this persistently challenging.
IA & EA Execution		
Overall quality of implementation and execution	S	<p>In the face of significant implementation challenges, the project managed to make important headway, particularly at the site level and, on institutional and professional capacity building activities, at the sub-national level. Nurturing relationships and obtaining buy-in on the importance and direction of the project was exceedingly time-consuming with the number of institutional and personnel changes.</p> <p>The PMU operated at a high level of professionalism and integrity. The small size of the PMU following the MTR (relative to remaining disbursement), coupled with slow decision-making processes, have contributed to delays and is a barrier to the finalization of project deliverables. The current PMU, composed of a project manager and project executive, has been clearly stretched to take on the multiple tasks at different levels and would have benefited from operating at full capacity.</p>
Implementation Agency Execution (UNDP)	S	<p>In the context of existing processes and frameworks, UNDP has performed its functions as Implementing Agency satisfactorily, with a few issues that could be strengthened.</p> <p>The project suffered from excessively complex management chains which made communication and coordination difficult at times.</p> <p>To enhance IA functions and requirements for implementing the GEF project, the UNDP-CO would benefit from enhanced capacity and augmentation at the Programme Officer level.</p>

Executing Agency Execution (DWNP / KATS)	MS	The government proved more of an obstacle to project implementation and did not take on the accountabilities associated with the NIM. There was little government ownership of the project and institutionalization of the core objective, key outcomes and outputs. In contrast, the protected area managers proved to be more committed to the shared vision and good partners to the project.
M&E		
M&E design at project start-up	S	The design of the M&E for the project and the inception phase was standard for all UNDP-GEF biodiversity projects.
Overall quality of M&E	S	M&E was tackled in intermittent bursts at key junctures of the project. The M&E led to some adaptive management of the project – with particular reference to the re-focusing of the project to the pilot/demonstration sites when the institutional changes were occurring at the central level as a result of electoral processes or, when there were opportunities to do so.
M&E plan implementation	S	The M&E plan was implemented satisfactorily with no shortcomings.
Outcomes		
Overall quality of project outcomes	MS	<p>With the exception of gaps at the objective level, the majority of the indicators in the SRF were achieved. Through the SFPA, MPs, BPs and trainings, the Project set the foundation for, and built capacities that resulted in greater PA management effectiveness, as well as an increase in revenues and budgets for the PAs at the sub-national and site level.</p> <p>Overall, the project demonstrated that there are indeed options for diversifying revenues for protected areas away from the previous forms of State revenue.</p>

Relevance (R or NR)	R	<p>The project remained relevant to the GEF priorities and is closely aligned with the legal framework within Malaysia, specifically the NPBD (2016-2025).</p> <p>The project was less relevant to the UNDP country programme document for Malaysia (2016-2020) partly as a result of the fact that it fell outside of the development priorities for the country and partly because the environment sector is not currently seen as a pathway to enable the transition towards a high-income, inclusive and sustainable economy, as envisioned in its Vision 2020.</p>
Effectiveness	S	<p>The project was effectively implemented by a small professional team. The way in which the project adapted to change and seized opportunities to achieve key outcomes, as well as its approach to retroactively incorporating community engagement and gender considerations, was also notable.</p> <p>Where possible, the project dovetailed on efforts by parallel projects, the implementation of BIOFIN in Malaysia and the UNDP-GEF Central Forest Spine initiative, to deliver items similar in scope to leverage financial efficiencies. Myriad factors, including reporting discrepancies, shortcomings in internal communications, gaps in governance / leadership and administrative processes, resulted in long delays in contracting and procurement, negatively affected project scheduling and ultimately its efficiency.</p>
Efficiency	MS	
Sustainability (L, ML, MU, UL)		
Overall likelihood of sustainability	ML	<p>Institutional and financial sustainability is the aspect that is most concerning and the political / institutional changes over the lifetime of the project did not inspire confidence.</p> <p>Hope can be derived from the top-notch processes and governance mechanisms articulated in the NFPA, if these can be operationalized and key commitments included in the forthcoming 12th Malaysia plan. Unfortunately, both the recent change in government and the COVID-19 pandemic has once again unseated the continuity of the Project in the</p>
Financial sustainability	ML	
Socio-economic sustainability	ML	
Institutional/governance sustainability	MU	

Environmental sustainability	L	<p>final stretch of implementation and its ability to ensure a smooth operational transition and institutional ownership of the NFPA and associated processes / governance.</p> <p>The budget commitments made in the 2019 and 2020 Budget Speeches, while a move in the right direction, may be short-lived unless a radical overhaul to the NCTF and finalization of performance-based criteria related to subsequent EFTs are made.</p>
Impact (S, M, N)		
Environmental Status Improvement	N	A gap to gauging environmental sustainability at the national level is that key outputs, expected to contribute to this parameter, have yet to be delivered and are expected post-project. The TEEB and Sustainable Financing Framework are key to raising the profile of the economic value and potential of the environment sector in Malaysia. Until then, the State
Environmental Stress Reduction	N	<p>government's dependence on the resource sector is likely to continue. At site level management and business planning, together with renewed capabilities and profile of the IBD, are likely to lead to a more lasting legacy.</p>
Progress towards stress/status change	N	<p>It is only in the long-term that environmental impacts will be seen from the processes and financial sustainability measures that will be put into place.</p> <p>Contextually, the biodiversity indicator in the SRF was wholly inappropriate as the tiger population, as a flagship species, was neither not actively monitored nor in alignment with the scope.</p>

Annex 5: The Strategic Results Framework

The Strategic Results Framework showing End-of-Project status and the TE comments and ratings

Indicator Met	Indicator Partially Met	Indicator Not Met
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<i>Objective: To establish a performance-based financing structure to support effective Protected Area (PA) system management in Peninsular Malaysia</i>				
Indicator	Baseline	End of project target	End-of-project status (level as of 15 May 2020)	TE Rating & Comments
Indicator 1: Increase in the Federal Government investment in PA management	<ul style="list-style-type: none"> • USD 7.25 million in 2010 for the DWNP, JNPC and PSPC • USD 6 million in 2011-2012 development budget under 10th Malaysia Plan 	<ul style="list-style-type: none"> • 25% increase of operational budget in real terms for the 3 target PA networks based on aggregate funding from Federal and State Government source • 25% increase in development budget under the 5-year Malaysia Plan 	Data for 2019 and 2020 not available	<p><u>Indicator Not Met</u></p> <p>Based on 2019 PIR:</p> <ul style="list-style-type: none"> • Overall marginal upward trend for operational budget and downward trend for development budget; • Annual budget allocation in 2017 for the three PA authorities was reduced compared to 2016 as a result of overall

				<p>budget cut exercised by the Federal and State governments ;</p> <ul style="list-style-type: none"> At project closure, funding is still very much dependent upon national economic conditions and funding has not yet been tied to a performance-based financing structure.
<p>Indicator 2: Financial sustainability scorecard for the 3 PA networks</p> <ul style="list-style-type: none"> DWNP JNPC PSPC 	<p>49.8% DWNP 44.4% JNPC 40% PSPC</p>	<p>60% DWNP 55% JNPC 50% PSPC</p>	<p>Conclusions drawn from the 2018 Financial Sustainability Scores:</p> <p>52% DWNP 34% JNPC 51% PSPC</p>	<p><u>Indicator Partially Met</u></p> <ul style="list-style-type: none"> Scorecards were conducted a total of 4 times, instead of the 3 required for full-size projects; There is a consistent upward trend for both DWNP and PSPC,

				<p>with the latter exceeding the end of project target;</p> <ul style="list-style-type: none"> • Significant strides in PSPC scores as a result of the park's enhanced capacity in financial management and planning with technical support from the Perak State Government
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Outcome 1: Systemic & Institutional Capacities to manage and financially support a national PA System

Indicator	Baseline	End of project target	End-of-project status (level as of 15 May 2020)	TE Rating & Comments
Indicator 1: Establishment of the policy framework for the National PA system	No framework exists, resulting in a fragmented PA system with a large number of PAs gazetted under different acts based on varied management standards	A single framework with clear categorization of all the PAs in the PA Master List in Peninsular Malaysia, with uniform, accepted management standards and reporting requirements.	<ul style="list-style-type: none"> • NFPA adopted by KATS in February 2019 which included parameters and a new model for the categorization of PAs; • NFPA updated in December 2019 with: i) reference to PA coverage in the country; ii) usage of 	Indicator Met

			<p>standardized PA categories;</p> <ul style="list-style-type: none"> • NFPA fully consistent with the implementation of Target 6 (quantity of PAs) and Target 7 (quality of PAs) of the NPBD 2016-2025; • Clear roadmap articulated in the NFPA for its operationalization, including governance and formation of working groups in three regions: Peninsula Malaysia; Sabah and Sarawak. 	
Indicator 2a (first part): Integrated PA information system	Neither performance criteria nor monitoring systems specific to PA management exist	A national, integrated PA information system established with the primary function of PA performance monitoring, and decision support for relevant government bodies.	<ul style="list-style-type: none"> • The project dovetailed on efforts to create a national clearing-house mechanism for the period 2011-2020 in alignment with CBD Decision X/15; • PA Master List, as well as the GIS mapping of the PAs in the country was completed in 2019 and efforts made to migrate data to MyBis; • PA Master List actively leveraged 	<u>First part of Indicator Met</u>

			to determine PA coverage for each State to enable allocation of RM 60 mil to strengthen the management of PAs.	
Indicator 2b (second part): Performance monitoring system	Neither performance criteria nor monitoring systems specific to PA management exist	A national, integrated PA information system established with the primary function of PA performance monitoring, and decision support for relevant government bodies.	<ul style="list-style-type: none"> No framework for performance monitoring at federal level although PSPC adopted KPI software to underpin management decisions and investments. 	<u>Second Part of Indicator Not Met</u>
Indicator 3: Financial incentive system, based primarily on performance indices, established and operational.	No performance-linked financial incentive system exists.	System established supporting a minimum of 866,000 ha of the PA estate	<ul style="list-style-type: none"> A financial incentives system based on performance-based indices yet to be established; NCTF is in the process of being restructured and a consultant has delivered four key deliverables to inform the process: i) A current state assessment ii) a future state analysis iii) recommendations on how the NCTF could be restructured, and iv) a resource 	<u>Indicator Partially Met</u>

			mobilization report; <ul style="list-style-type: none"> • A one-time matching grant of the NCTF and ad-hoc disbursements through an EFT scheme. 	
Indicator 4: National PA System mainstreamed in the budgeting process for 5-year Malaysia Plan. Increased number of "bankable" projects in support of PA management approved for funding through operational grants.	No budget line for PA management in Malaysia Plan. Currently the budgets for PA infrastructure development is determined based on individual requests from State governments with no systematic planning looking at conservation priorities of the national PA network as a whole.	Dedicated PA budget line in Malaysia Plan Budgeting process of PA management/development is conducted based on increased levels of conservation priorities within the Federal and State funding system, using a range of tools including economic valuation results	<ul style="list-style-type: none"> • There is no dedicated budget line specific for PAs in the Malaysia Plan; • The current budget allocation is estimated about 1% (MYR 2 billion) of the annual budget which is made based on programs and projects carried out by key agencies responsible for biodiversity conservation. 	<u>Indicator Not Met</u> <ul style="list-style-type: none"> • The TEEB study will be instrumental to providing the business case for increased investment and a dedicated budget line. • Post-project this should be the priority of any follow-up investments or projects. • Efforts to penetrate the Twelfth Malaysia Plan should be expedited.
<i>Outcome 2: Technical and institutional capacities to manage sub-national PA networks, including capacities for effective financial management</i>				

Indicator	Baseline	End of project target	End-of-project status (level as of 15 May 2020)	TE Rating & Comments
<p>Indicator 1: Financing gap decreased by at least 25 % in the target PA sub-networks (PSPC, DWNP)</p>	<p>Current financing gaps based on regional benchmark of 196 staff per 1,000 km² and US\$ 1,000 per km² are:</p> <ul style="list-style-type: none"> • DWNP – MYR8.69 million (US\$2.90 million) • PSPC – MYR2.12 million (US\$0.71 million) 	<p>An average 25% decrease in the financing gaps of the 3 PA sub- network agencies, in real terms through operationalization of financial management and revenue diversification models across the sites.</p>	<p>Since the MTR:</p> <ul style="list-style-type: none"> • All three implementing Partners (DWNP; JNPC; PSPC) registered marginal increase in their operational budget allocation in 2018; • When endorsed by the respective park agencies, management, business plans and sustainable financing frameworks are expected to provide guidance on how PA agencies can improve their financial planning tools and address financing gaps for Taman Negara, Royal Belum and Endau-Rompin; • There have been ad hoc and periodic investments noted in the 2019 and 2020 budget speeches that will add to financial 	<p><u>Indicator Met</u> Based on MTR results, financing gap analysis results indicate that DWNP and PSPC exceeded the targeted 25% average decrease in financing gap in 2014. The TE is keeping this Indicator as “met” for the additional observations noted in the end-of-project status column.</p>

			<p>position of the park agencies;</p> <ul style="list-style-type: none"> The PSPC is undergoing an organization restructuring to increase its staff in alignment with the management plan. 	
<p>Indicator 2: Increase in capacity development indicator score (%) for three target sub-national PA networks</p> <ul style="list-style-type: none"> DWNP JNPC PSPC 	<p>Average – 54%</p> <p>61% (DWNP)</p> <p>61% (JNPC)</p> <p>45% (PSPC)</p>	<p>An average >10% increase of the capacity development indicator score for each target sub-national PA networks.</p> <p>70%</p> <p>70%</p> <p>55%</p>	<p>Capacity Development Scorecards assessment was conducted for the three PA networks four times:</p> <p>DWNP:</p> <p>2010 = 61%</p> <p>2012 = 58.3%</p> <p>2014 = 63.5%</p> <p>2016 = 65.62%</p> <p>2018 = 72.9%</p> <p>JNPC:</p> <p>2010 = 61%</p> <p>2012 = 58.3%</p> <p>2014 = 63.5%</p> <p>2016 = 64.6%</p> <p>2018 = 68.7%</p> <p>PSPC:</p>	<p><u>Indicator Met</u></p> <p>Over the Project period, all three agencies registered improved performance in terms of capacity development and knowledge building due to the concerted interventions made by the Project in providing various training opportunities to meet the general and specific needs of PA agencies including the states of Sabah and Sarawak.</p>

			<p>2010 = 45.0%</p> <p>2012 = 49.0%</p> <p>2014 = 55.2%</p> <p>2016 = 65.6%</p> <p>2018 = 66.76%</p>	
Indicator 3: Number of PAs successfully meeting national management criteria and accessing performance-based financial transfers from the Federal system.	No baseline exists	At least eight (8) among the terrestrial PAs over 20,000 ha under DWNP, JNPC and PSPC)	<ul style="list-style-type: none"> • KATS has formed a working group to oversee the development of performance measurement criteria/indicators to support PA authorities and States to further expand coverage of PAs and management; • EFTs were launched in 2018 but disbursement to date is not based on any performance-based criteria/indicators; • KATS is reviewing future EFT implementation and has signaled its need to be strengthened through the establishment of quality indicators and an MRV mechanism. 	<p><u>Indicator Not Met</u></p> <p>National management criteria for performance-based financial transfers from federal to sub-national are yet to be established.</p>

<p>Indicator 4: Economic and financial planning capacity institutionalized in the three sub-national PA network agencies.</p>	<p>There is minimal human capacity or institutional structure to address issues of financial sustainability.</p>	<p>A unit is established in each sub-national PA agency dedicated to revenue diversification that will ensure financial sustainability</p>	<ul style="list-style-type: none"> • Under the existing government management structure and rigid rules pertaining to “head-count”, it is not feasible to establish a dedicated unit in PA agencies and States for revenue diversification to complement government funding for conservation; • Collaboration with BIOFIN has introduced the financial planning methodology to the PA networks and State governments; • Options for revenue diversification elaborated in the Business Plans for the 3 parks will be explored further guiding the PA authorities on the processes on implementing the feasible mechanism. 	<p><u>Indicator Partially Met</u></p> <p>Sustainable Financing Framework delivered but not endorsed at the end of the TE. The Framework should be a vehicle into creating a business case for the creation of such units.</p> <p>It is reassuring that at least JNPC has created a business unit, albeit presently not staffed due to resourcing issues.</p>
<p>Indicator 5: Coordination between the sub-PA</p>	<p>Minimal coordination mechanisms</p>	<p>Three agencies have common management approaches, PA performance monitoring</p>	<ul style="list-style-type: none"> • The 3 PA networks are governed by its’ own enactments and management 	<p><u>Indicator Met</u></p> <p>Coordination between the</p>

network agencies.		mechanisms, and capacity development programmes.	<p>structure. Therefore, adoption of improved or new management approaches are subject to the respective PA authorities. The legal assessments undertaken have advanced the prospect of harmonizing approaches but States will ultimately have the final say during approvals;</p> <ul style="list-style-type: none"> • The Project has led to considerable improvements in coordination and collaboration, as well as enhanced trust with the States of Sabah and Sarawak. This includes, through the proposed NFPA working groups, joint patrolling with law enforcement agencies and by leveraging frontier technologies; combating wildlife crimes; and search and rescue operations. 	<p>various PA agencies have been strengthened through both formal and informal channels, including through regular meetings; formal governance bodies, consultations and trainings, workshops and knowledge sharing sessions, as well as coordination through WhatsApp.</p>
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Outcome 3: Effective site-level PA management

Indicator	Baseline	End of project target	End-of-project status (level as of 15 May 2020)	TE Rating & Comments
<p>Indicator 1: Number of PAs successfully meeting national management criteria and accessing performance-based financial transfers from the Federal system.</p>	<p>No baseline exists</p>	<p>All 3 target PA sites have approved management and business / financing plans</p> <p>20% increase in federal allocation of funding</p>	<ul style="list-style-type: none"> The Management Plans for three Parks: Taman Negara; Royal Belum and Endau Rompin have been finalized and adopted by DWNP; PSPC and JNPC, respectively; The Project is in discussion with the agencies for providing further support for the implementation of the Plans; Further financial support will be provided to develop Management and Business Plans for Gunung Ledang Park in Johor. 	<p><u>Indicator Partially Met</u></p> <p>The business plans have not been approved and operationalized for DWNP and JNPC, which is a gap in being able to communicate effectively with, and provide a business case to, State and federal economic agencies.</p>
<p>Indicator 2: Improved management effectiveness as per METT scores for three target PAs.</p>	<p>METT scores in 2010: Taman Negara - 74 Endau-Rompin - 58 Royal Belum - 53</p>	<p>Average 10% increase in METT scores for 3 target PAs</p> <p>TN – 82 ER NP – 68 RB - 65</p>	<p>Taman Negara National Park: 2010 = 72.5% 2012 = 56.9% 2014 = 74.5% 2016 = 74.5% 2018 = 75.5%</p> <p>Endau Rompin: 2010 = 56.8%</p>	<p><u>Indicator Met:</u></p> <p>Overall, all three Parks registered improved performance. The PA authorities acknowledge that the Project's</p>

			<p>2012 = 53.9%</p> <p>2014 = 59.8%</p> <p>2016 = 67.7%</p> <p>2018 = 68.6%</p> <p>Royal-Belum:</p> <p>2010 = 51.5%</p> <p>2012 = 54.0%</p> <p>2014 = 66.7%</p> <p>2016 = 67.7%</p> <p>2018 = 72.5%</p>	<p>Interventions have made the differences through the outputs and results.</p> <p>PA agencies have come to appreciate the value of the METT as an evaluation tool and have adopted it as Standard Operating Procedure.</p>
<p>Indicator 3: Increase in gross revenue amount and revenue sources of the three demonstration PAs.</p>	<p>Taman Negara – MYR 350,000 from entrance fees and recreational related charges</p> <p>Endau-Rompin National Park – MYR 216,172 from entrance fees, tourism and recreational charges, income from concessions</p> <p>Royal Belum State Park – MYR 126,000 from</p>	<p>20% increase in gross revenue for the 3 target PA sites over the project period.</p>	<p><u>2018 Figures</u></p> <p>Gross revenue generated for the three sites in 2018:</p> <p>DWNP:</p> <p>2016 = MYR 717,971.00</p> <p>2017 = MYR 620,546.00</p> <p>2018 = MYR 681,244.00</p> <p>Compared to 2017, overall revenue for 2018 from Taman Negara registered an increase about 10%. The revenue generation also includes receipts from</p>	<p><u>Indicator Met:</u></p> <p>Target achieved at MTR.</p> <p>The COVID-19 pandemic is expected to upend the current upward trend and diversification of revenue sources due to decreased tourist numbers and visitors. When things normalize, the gradual increase</p>

	<p>entrance fees and recreational related charges</p>		<p>sale of Taman Negara Visitors Guide and Trail Maps, which were produced with the support of Project.</p> <p>JNPC: 2016 = MYR 276,598.80 2017 = MYR 256,489.64</p> <p>The Peta entrance to Endau-Rompin park was closed for maintenance starting August 2017, and no visitors were allowed to enter. This affected the gross revenue generation for the Park in 2017.</p> <p>PSPC: 2016 = MYR 391,706.00 2017: = MYR 602,820.84 2018 = MYR 588,984.00</p> <p>Compared to 2016, gross revenue in 2017 and 2018 registered marked increase. The increase was attributed to: i) a conservation levy of RM 5.00 per visitor imposed from end of March 2017; ii) a fee of RM 50.00 imposed on each houseboat</p>	<p>In revenues generated thus far indicate there is scope for further diversification in generating economic benefit.</p>
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			per entry to Royal Belum from November 2017.	
Indicator 4: Length of park patrolled per year Number of patrolling programmes per year Percentage of the area patrolled per year Number of patrolling staff Number of illegal activity (including encroachment and poaching) cases within PA reported	Taman Negara: 5 – 10 km per day Taman Negara: 8 - 10 days per month by walking Taman Negara: 10% Taman Negara: 2 cases in 2010	25% increase 50% increase 25% increase 50% increase	<ul style="list-style-type: none"> 20 million MYR pledged in 2019 for enhanced enforcement, of which 5 million MYR has been earmarked for recruitment and training of retired soldiers and indigenous groups for patrolling in Peninsular Malaysia; In 2018, seven joint patrolling operations under 1MBEON were carried out. Two for Taman Negara Kelantan, and one each for Pahang, Terengganu, Krau Wildlife Reserve; Endau Rompin and Royal Belum. A total of 471 personnel participated in the operations (DWNP = 218; Forestry Dept = 14; Army = 221; JNPC = 14; and PSPC = 7). In 2017, for Taman Negara under 1MBEON, a total of 6 	<p><u>Indicator Partially Met</u></p> <p>While still at a disadvantage due to the criminal element and preparedness of poachers, the Project has clearly stepped up patrolling activities through intensified patrolling activities in PAs and surrounding areas by undertaking joint operations with other enforcement agencies.</p> <p>The COVID-19 pandemic and economic downturn are clearly real and constant threats to gains made under the project due to anticipated reduced visitor numbers and</p>

			<p>patrolling operations jointly conducted by DWNP and Malaysian Armed Forces. It involved 517 personnel for 108 days with 66 arrests made;</p> <ul style="list-style-type: none"> • In 2017, for Royal Belum under 1MBEON 2 joint operations involving 4 agencies (PSPC, DWNP, MAF, and Forestry Department). These operations involved 172 personnel for 28 days but no arrests were made. • Besides IMBEON patrolling, an additional 7 day joint patrolling known as Operasi Khazanah coordinated by Royal Malaysian Police at the district level (Hulu Perak) was held at Royal Belum in November 2017 involving 50 personnel from PSPC and various other enforcement agencies. 	<p>revenue. Government will have to redouble its efforts. Patrolling may even be compromised by lockdown orders resulting in an uptick of poaching activity. It would not be surprising if there is a downward trend in the number of endangered species in the next year.</p>
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			<ul style="list-style-type: none"> In 2017, for Endau Rompin, under IMBEON, 2 operations were carried out with 4 agencies (JNPC, MAF, DWNP and Forestry Department) with 172 personnel for 28 days and 6 arrests were made. In addition, JNPC carried out 2 patrolling operations with 18 personnel involved; and together with Johor Wildlife Conservation Project another 6 operations with 65 personnel involved. 	
Indicator 5: Tiger population as a flagship species in target PAs namely Taman Negara, Endau-Rompin National Park and Royal Belum State Park.	<p>Estimated tiger population for year 2013*: Taman Negara: 18 (No data for Endau-Rompin National Park or Royal Belum State Park)</p> <p>*Estimated tiger population for the three target PAs for year 2013 to be used</p>	50% increase in tiger population	<ul style="list-style-type: none"> A tiger survey was conducted at the three sites by DWNP in partnership with WWF, WCS and MyCAT and based on the survey, tiger population is estimated between 0.57 to 0.84 tigers per 100 sq km (PIR 2014); The last official figure made public in 2014 suggested 250 - 	<p><u>Indicator Not Met</u></p> <p>It is important to note that not meeting this indicator is by no fault of the Project as it did not invest in tiger conservation by design.</p> <p>Data on tiger population and numbers is</p>

	<p>as baseline and the baseline figures will be indicated in the next Project Implementation Review 2013/2014.</p>		<p>340 tigers remaining;</p> <ul style="list-style-type: none"> • The Government in March 2019, has launched 'Save Malayan Tiger Campaign' that will include: i) Fund raising through crowd sourcing and private sector donors ii) Mobilizing the general public to partake in the campaign through education and awareness raising, and iii) joint operations with armed forces to increase patrolling. • The TE observed improved new facilities for tiger rehabilitation at the Wildlife Rehabilitation and Conservation Center. 	<p>tightly guarded by the government and the TE team was not able to elicit the information even from the WCS who undertakes monitoring.</p> <p>The TE can comfortably infer however that numbers are clearly on a downward trend based on the following data points:</p> <ul style="list-style-type: none"> • The Malaysian Conservation Alliance for Tigers (a collaboration between the government and wildlife NGOs) has gone on record to estimate there are probably only 150 of the cats left in the wild. • Numbers of recorded poaching events have
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				<p>increased over the life of the Project at both Royal-Belum and Endau-Rompin;</p> <ul style="list-style-type: none">• PSPC indicated the species could become extinct in the next six to seven years, based on estimates of 60 tigers seven years ago with studies showing only 23 left (60% decline).
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