

PROJECT ANNUAL REPORT

January 2018 to December 2018

<Project Profile>

Project Code	AFoCo/010/2016		
Project Title	Domestication of Endangered, Endemic and Threatened Plant Species in Disturbed Terrestrial Ecosystem in Malaysia and Thailand		
Project Duration	Start date: 19 May 2016 End date: 18 May 2022		
Implementing Agency	Forest Research Institute Malaysia (FRIM)		
Proponent Country	Malaysia		
Project Site	FRIM Research Station at Bidor, Perak		
Target Area ¹	Primary Target Area: Initiating customized restoration and reforestation models Secondary Target Area: Strengthening institutional capabilities, diversifying resources, and promoting regional actions		
Budget and Source of Finance	Total: US\$ - AFoCO: US\$ 6,000,000		
Annual Budget and Source of Finance	Total: US\$ - AFoCO: US\$ 153,720.00 - National budget: US\$ 491,246.00 - Others: US\$ Nil		

¹ Refer to the list of target areas which is in accordance with the objectives and prevailing strategic plan of AFoCO (provided by the Secretariat).

< Implementing Agency Profile>

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Project Manager	Dr Ang Lai Hoe		
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	Dr Ho Wai Mun	Collection and analysis of data,	
		organizing of seminar/workshop,	
		annual and financial reporting,	
Project Members		preparation for external auditing	
	Ms Tang Lai Kuen	Collection of data, assist in	
		organizing of seminar/workshop,	
		assist in financial reporting	

Notes to the Authors & Readers

The project annual report intends to support the Implementing Agency (IA) exercise good management by providing regular, timely and relevant information on the project's progress and achievement. The report also aims to provide a tool for the senior management of the IA and the AFoCO, including the Assembly and the Secretariat, to review, assess and provide guidance in the progress of project implementation.

The project annual report should include the description of activities started or completed during the period covered, and the costs incurred. The report will also elaborate the technical and scientific data used, their analysis, and results/recommendations. The report is recommended to provide elaborations on the achievements following the given format, however the addition or revision of items is allowed in pursuit of more effective and transparent delivery of project results.

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1. Project Overview

(To include objectives and expected outputs from the Project Document, and expected outputs of the year)

Executive Summary

Malaysia and Thailand are a mega-biodiversity landscape and the rapid development and changes of climate had inevitably caused degradation of terrestrial ecosystems. The problem of forest degradation and potential biodiversity loss is critical and Malaysia and Thailand are addressing the problems through research and development activities. Domestication of endangered, endemic and threaten species (EETS) is one of the effective approaches to conserve the germplasm. The Malaysia-Thailand project aims to strengthen bilateral cooperation between the two nations focused on biodiversity conservation, domestication and eco-tourism through pilot testing, workshops on best practices and technology transfer and capacity development.

Immediate Objectives

- To domesticate national red-list species in both countries
- To strengthen cooperation between Malaysia-Thailand on conservation of biodiversity, domestication techniques and technology transfer.
- To exchange knowledge and lessons learned on best practice of rehabilitation and biodiversity conservation.

Expected Outputs

- At least 2 to 5 species of EETS shall be domesticated per year through the cooperation between Malaysia-Thailand.
- Country report of the project is documented and shared through regional workshops.
- Capacity building through short-term training course, internship programme, and publications.

Expected Outputs of 2018

- GPS mapping of a 3 ha area and GPS map developed.
- Planting of 3 ha with endemic, endangered and threatened species.
- Site properties of 3 ha are documented.
- Publication of at least 1 journal paper and 2 proceedings papers.

2. Implementation Progress

2.1 Overall Progress & Review of Performance

(To indicate the state of progress in tabular form.)

Activit			Performance Indicators		Percentage	
y No.	Activity	Timeline	Baseline	Achieved	Executed	Progress Description
Output 1	1	I.				
Α	Site Characteristics	1				
A.1	Site characterization	Dec 2018	Site selection and marking	Site of 3 ha selected. GPS mapping for 2 ha completed.	65%	Mapping has been delayed due to discovery of a big depression in the previously selected site. Thus, a new site was chosen and mapping has to be done all over. The map is expected to be developed by April 2019.
A.2	Procurement of EETS	Dec 2018	Procurement of seedlings, site preparation, planting and tending have been	Letter of Appointment (LoA) for contractor was only issued in 21 Feb 2019. Site preparation	30%	Procurement Branch has nullified the first application and thus a second application was submitted. This caused delay in the internal procurement
A.3	Establishment of model plots		grouped into one single procurement in accordance to national procurement rules.	started on 1 Mac 2019.		process. However, site preparation and planting are expected to be done within two months after appointment of contractor by May 2019.
A.4	Documentation of site properties	Dec 2018	Assessment of plant growth and determination of site properties.	Plant growth monitored and soil sampling is completed.	40%	Soil samples will be processed and sent to laboratory for analysis. Results of analysis are expected to be produced by October 2019.
Output 2						
В	Regional Seminar	T	T			
B.1	NA					
Output 3						
C	Technology Transfe				4000/	Mark to March Mark War and Library and
C.1	Cross visits	May 2018	Cross visit to Mount Makiling, Philippines and Bogor Botanical	Cross visit to Mount Makiling Forest Reserve & Botanical	100%	Visit to Mount Makiling and University of Philippines Los Baños was made together with Royal Forest Department (RFD), Thailand. The

			Gardens, Indonesia have been planned.	Garden, Los Baños was carried out on 15-19 Jan 2018 while visit to Bogor Botanical Gardens was conducted on 2-5 Mac 2018.		purpose of these visits were to enhance the knowledge of implementing agencies on the use, survival and silviculture of tropical species, particularly endangered or threatened species, in rehabilitation and for conservation.
C.2	Knowledge and technology transfer	May 2018	Publication of pamphlet.	A pamphlet has been designed by project members. A total of 300 pamphlets have been printed.	100%	One pamphlet on AFoCo activities in Malaysia (2016-2017) has been printed. The pamphlet has been distributed including during Regional Workshop in Chiang Mai in 2018. Website of Malaysia will be incorporated into Thailand's webpage. Link to Proceedings of Regional Workshop 2017 has been shared with Thailand for this purpose.
Output						
D.1	Local Operation	Max	Cubacion of sytemal	Audit resents for both	100%	Esternal financial audit reports were
	External auditing	May 2018	Submission of external financial audit report.	Audit reports for both Malaysia and Thailand were available in November 2018.		External financial audit reports were delivered by hand to AFoCO Secretariat during 4 th PCM. The reports were delayed as the auditor was busy with other jobs. There were also some misunderstandings on the use of certain terms example 'commitment', which is not used in accounting.
D.2	Attending overseas meeting	Nov 2018	Attending national or international seminars	Attended: 1) 7 th Kuala Lumpur International Symposium on Plant-Soil Interactions at Low pH, Putrajaya, 25-28 Jun 2018. 2) 28th Malaysian Society of Plant	100%	proceedings papers were published. 2) 2 posters presented and will be

				Physiology Conference (MSPPC 2018), 28-30 Aug 2018, Kota Bharu.	published in a transaction in 2019
				3) Regional Workshop, Chiang Mai, 29-30 Nov 2018.	3) Three officers attended the Regional Workshop held by RFD. Dr Ang was the Keynote Speaker and Panel while Dr Ho was the Moderator for Panel Discussion.
D.3	Project Coordination Meeting	Nov 2018	Attending 4 th PCM in Lampang, Thailand	Attended the 4 th PCM 26-28 Nov 2018.	Three officers attended the 4 th PCM. Work and budget plan was presented and important issues were discussed. The delegates also visited the project site in Mae Moh Mine.
D.4	Annual report	Mac 2018	Submission of annual report including financial report.	Annual report and financial report are being prepared since Jan 2019.	The annual report and financial reports are expected to be submitted by March 2019. Malaysia shall compile the reports from Thailand before submitting to AFoCO Secretariat as agreed in 4 th PCM.
D.5	Miscellaneous	NA			

*Note: NA – Not Applicable

2.2 Key Decisions of PSC undertaken

(To summarize key decisions made to address issues and guide the project during PSC meetings organized during the reporting period)

Main Issues	Decisions	Follow-up Actions
PCM	The 5 th and 6 th PCM will be held in Malaysia. The Regional Workshop to be organized back to back before or after 6 th PCM.	144
Project monitoring	Project monitoring will be organized after planting in 2019.	Malaysia to inform AFoCO Secretariat when planting is completed.
Budget	Implementing countries can interchangeably transfer remaining budget between project activities categories.	
Submission of reports	Leading country (Malaysia) to compile progress and annual reports before submission to AFoCO Secretariat.	Malaysia to compile annual and progress reports from 2019.
	Annual report 2018 including financial report to be submitted by March 2019	

3. Issues & Lessons Learned

(To describe the issues encountered and lessons learned during the reporting period in bullet points – a short paragraph for each issue identified and any action taken to address that issue and lessons learned thereof.)

No.	Description of Issues	Actions Taken and Lessons Learned
1.	Attack by wild boars Encroachment and attack of seedlings/ saplings by wild boars causing loss of plants and cost by refilling.	A wild boar perimeter fence measuring 1.2 km was established in June 2018 to prevent the encroachment of the wild boars.
2.	Procurement process The process can take a long time due the various verification steps. One of the procurement which has been delayed since 2016 is the procurement of a weather station for monitoring of microclimate. The fluctuation of market prices for the instrument has caused rejection by internal evaluation committee due to higher price compared to budgeting amount.	There is no other way as procurement above RM20,000 must abide by the standard government procedure. Therefore, market prices have to be surveyed and compared prior to application in order to obtain prices close to budgeted amount.
3.	External auditing The process needs more time than expected. The auditor was also busy with other jobs which have delayed the auditing of this project.	More auditing companies should be considered in the future to ensure that auditing can be finished on time.
	There were also some misunderstandings on the use of certain terms example 'commitment', which is not used in accounting.	The account has been reviewed by FRIM accountant before being re-submitted to the auditor. The accountant has helped in moderating the process, refining the reporting format and checking the drafts of audit report. Project members will continue to consult FRIM accountant in the future for preparation of financial reports (progress / annual).
	There were two different conversion rates which has also caused confusion to the auditor despite several meetings.	There will be a number of conversion rates in the future and thus the use of average rate has been suggested by FRIM accountant to reduce complexity only during reporting.
4.	Site selection There was no issue on site selected encountered in the first planting in year 2017. However, discovery of a huge depression in the second site selected has caused delay in mapping and determination of site properties as plants cannot be planted in the depression.	A new site without depression was selected subsequently. Future mapping and soil sampling should only be conducted after the condition of whole selected site has been ascertained.

4. Outcome and Impact of Project Activities

(To describe the outcome and/or impact from the implementation of project activities)

Activities of rehabilitation and experiences in conservation through this regional AFoCo project since 2016 has been recognized at both national and international levels. With the Regional Seminar held in 2017, a total of 8 ASEAN countries have participated and has successfully aggregated information on similar works in a Proceedings. Since then, officers involved in this project have been invited as speakers in seminars and other events. These include the Regional Workshop in Chiang Mai in November 2018 and National Landscape Day in Putrajaya in February 2019. As the project is only less than three years, more activities and impacts will be observed later including environmental benefits.

5. Conclusion and Recommendation

(To provide the conclusion reached on the state of project implementation, based on the analyses made above. To also recommend any corrective actions or adjustment necessary for the achievement of the project's objectives.)

The Project Leader and members of this Project deeply regret the delay in procurement activities including procurement of seedlings and planting scheduled in 2016 and 2018. As national rules and regulations must be strictly abided to avoid any misconduct, all involved in this project will continue to expedite the necessary process in order to achieve the planned targets. Despite some delays, all planned targets have been achieved. External auditing on the finance of this project has concluded that all activities and cash flows for 2016-2017 were in conformity with approved accounting standards in Malaysia.

The decision during the 4th PCM that implementing countries can interchangeably transfer remaining budget between project activities categories is an important move that will allow flexibility in expenditures. This is because fluctuation in prices and exchange rates is difficult to be predicted. In another example, careful negotiation with seminar package provider has reduced package prices and absence of two international participants has contributed to lower expenditure during organizing the Regional Seminar in 2017. The access fund from that activity has been used in activities of other categories which may further benefit the project.

The project would also benefit with more participation from Korean counterparts in the future. Research agencies as well as universities are welcome to conduct their studies in the AFoCo planting sites as this will not only allow transferring of technology and experiences but also enhancing the role of the Republic of Korea, through AFoCO, with her success in rehabilitation and conservation.

6. Photo records

(To provide relevant project photos with proper description. The photos should include project site photos of before, during and after implementation of project activities. The original electronic files of the photos used in this section should also be submitted.)

Activity A.2: Procurement of EETS



A site visit by the Procurement Branch and potential contractor was guided by Dr Ang LH (in yellow boots) on 13 September 2018. The visit was planned so that potential contractor can quote the appropriate price for supplying of seedlings, planting and tending works.



A second site visit with different potential contractors was organized by the Procurement Branch on 4 December 2018 guided by Dr Ang (in blue cap).





As indicated in 'Issues and Lessons Learned', the project site was constantly encroached by wild boars and as a result, some plants were broken or destroyed (left). At the moment, a perimeter fence using orchid netting (right) was set up around the plot to prevent the encroachment of these wild boars.

Activity A.3 Establishment of model plots







Tending of trees planted in 2017 continued until April 2018. The works included chemical weeding (top left), application of fertilizer (top right) and loosening of soil (bottom).

Activity C.1: Technology Transfer and Capacity Development



A cross visit to Bogor Botanical Gardens in Indonesia was conducted on 2-5 March 2018



A leaflet on the background and progress (2016–2017) of the project has been published. This leaflet will be circulated to visitors of the research site and to all interested parties / stakeholders.

Activity D.1: External Auditing

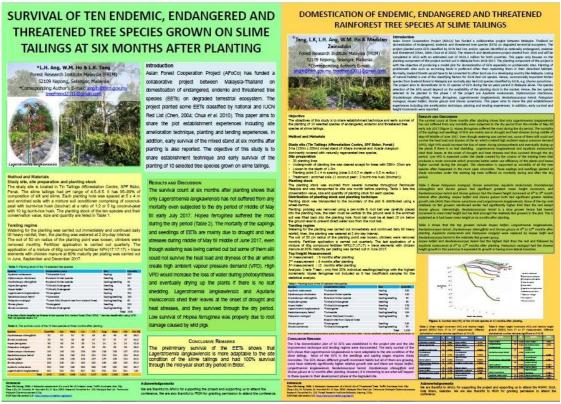


An external financial audit was carried out by FRIM for both Malaysia (above) and Thailand (below) for 2016 and 2017. Reports were handed to RFD and AFoCO Secretariat during 4th PCM in Lampang. The reports found that the statements and activities were in conformity with applicable approved accounting standards in Malaysia.

Activity D.2 & D.3: Attending overseas meeting & Project Coordination Meeting



Project Leader and members attending the 4th Project Coordination Meeting in Lampang (left) and Dr Ang as panel during a Discussion Session with Dr Ho as Session Coordinator (right).



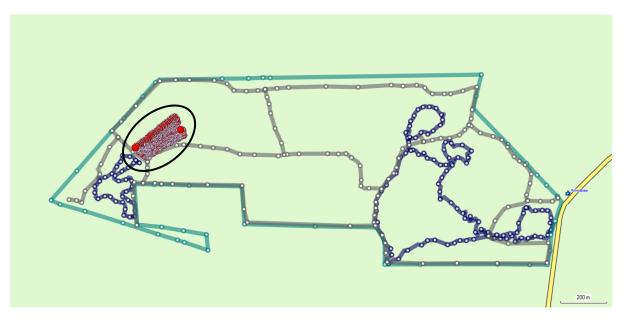
On behalf of the project, Ms Tang Lai Kuen attended and presented results of this project in the 10th International Symposium on Plant-Soil Interactions at Low pH on 25-28 June 2018 at Putrajaya (left) and the 28th Malaysian Society of Plant Physiology Conference on 28-30 August 2018 at Kota Bharu (right) to present preliminary results of the project.

Appendices

Appendix 1. Detailed Results of Key Activities

(To include any material with both audio & visual records of project activities and any relevant documents such as maps, figures and/or maps as to support the report)

Activity A.1 Site characterization



Location of planting site (encircled) in FRIM Research Station Bidor (boundary marked with light blue line).



Planting site where coordinates of each tree (red dots) was tagged using GPS.

As reported in 2017, site locality map needed updating due to mortality and changes of species. The GPS map of three hectares was completed in March 2018.