



TERMINAL EVALUATION REPORT

APFNET 2073P3-MAS/ITTO PD563/09 Rev.5 (5)



**Community-Based Sustainable Forest Management of
Sungai Medihit Watershed, Sarawak, Malaysia**

September 2018



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Community-Based Sustainable Forest Management of
Sungai Medihit Watershed, Sarawak, Malaysia

**Prepared by
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ITTO**

September 2018

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Executive Summary

Introduction

The terminal evaluation of APFNET 2073P3-MAS/ITTO PD563/09 Rev.5 (5) was conducted by Dr. Tetra Yanuariadi of ITTO whom had visited the project from 13 to 17 August 2018. The purpose of the evaluation is aimed at drawing lessons learned from the Project and provide recommendations for the betterment of similar interventions in the future. The Evaluator has assessed important aspects of the Project which included administrative, financial and operational matters.

The evaluation encompassed a review of available project documents, meetings and discussions with villagers, staffs of the Forestry Administration/the Executing Agency, and carried out field visits to selected project sites.

Evaluation Scope, Focus and Approach

The evaluation should establish to which the project intervention has achieved its planned outputs and outcomes and draw conclusions and recommendations for similar interventions in the future. Therefore, the evaluation is collection of information, the on-the-spot assessment and in-depth analysis of the performance and impact of the Project after its completion.

The terminal evaluation involved a review of available project documents and files, an entry and exit meetings with project key personnel and officers of the Executing Agency, organized visits to project sites, and discussions with local communities.

Findings

The project has been completed with all outputs almost fully delivered. The tiny gap in achievement was caused several factors such as effective management, leadership capacity, and project design. The problem addressed by the project was identified through adequate consultation with the main stakeholders that their support was satisfactorily accorded to the Project during its implementation.

Early on in the Project the Long Napir community misperceived that the Executing Agency was going to take away their land at Long San, the only High Conservation Value Forest in (and partly out of) the catchment and very suitable as a conservation area and demonstration site location, and give it to loggers. This led to community objections. Timely intervention by the EA, through numerous dialogues has finally convinced the communities

that the EA actually wants to help them conserve forest areas. The issuance by the Director of Forests of 'no logging' orders to timber companies for both the proposed conservation areas, Long San and ulu Sg Terasak, indicates the determination of the EA to help the communities.

Conclusions

The specific objectives were mostly achieved because all project's outputs were mostly achieved. This achievement contributed to fulfilling the project's goal. The project benefitted the community through its infrastructure development, capacity building and alternative livelihood activities. The community requested the project to be continued with particular emphasis on capacity building for productive economic activities, including NTFPS development, application of management plan and co-management mechanism, and improving skill on tourism industry.

Recommendations

The formulated recommendations were addressed to the Forestry Department Sarawak (FDS) as the Project Executing Agency, the APFNet and the ITTO. The main recommendations includes:

- As share of NTFPs (gaharu and rattan) in income of households has a good prospective, it is strongly recommended to implement follow-up NTFP-related projects in the Sungai Medihit catchment area taking into account the lessons learned from the completed APFNet/ITTO project;
- The developed management plans for the two sites need to be implemented as early as possible and be regularly monitored their progresses;
- In order to sustain implementation of the critical activities initiated under the project, continued assistance to local communities after project completion is needed; to this end, there is a need to allocate needed resources to the extent possible.
- The project's results need to be effectively disseminated through different channels, including convening a seminar/workshop with stakeholders participation, including private sector.
- To continue supporting the communities in Sungai Medihit (The Kelabits and the Penans) through the second phase of the project developed based on the current project's findings and recommendations. NTFPs development is one of potential target

as this resource development is basically pro-poor, pro-job and pro-environment with relatively small capital requirement; and

- To continue channeling its funds to ITTO for funding projects with improved cooperation scheme. Strengthening cooperation between ITTO and APFNet needs to be promoted through reformatting the functions of project supervisory body.

Lesson Learned

In the first year of its implementation, the project had been encountered with some obstacles, especially on weak coordination between the Project Manager, the EA and the supervisory body. Facilitated by a good coordination between the EA, the ITTO and the APFNet, corrective actions were put in place and all outstanding matters were finally overcome and the project successfully continued its activities. The smooth implementation the project's second year is attributable to the able new project management team of the Forest Department Sarawak, competent PSC and supportive partners especially village administrations and consultants;

One of the critical problems facing the project operations was the accessibility of target villages, especially during the rainy seasons that had to be regularly visited under the heavily damaged road network. The Project would have been managed more efficiently and achieved its objectives more effectively had the road conditions were improved.

Trust building between the project team and the communities is the key success. The project team must effectively communicate with the local people. Therefore, the present of project team members and consultants that can speak the local language is necessary, such situation which exist in the APFNet/ITTO project. Prior to the implementation of the project, there is a need to convey all project idea, scope, intervention etc. to communities in order to avoid misunderstanding and false expectation.



Long house at Long Napir



I. Introduction

1.1. Background and rationale of the terminal evaluation

The APFNet has requested ITTO to carry out a terminal evaluation to APFNET 2073P3 MAS/ITTO PD563/09 Rev.5 (F) 'Community-Based Sustainable Forest Management of Sungai Medihit Watershed, Sarawak, Malaysia'. This is a special project arrangement between APFNet (donor), ITTO (supervisory body), and Sarawak Forestry Department Sarawak (SFD/The Project Executing Agency), stipulated in the Project Agreement Document No.: 2073P3-MAS-PA dated 23 March 2015. Terminal evaluation is performed upon completion of a project implementation, assessing whether the goal(s) and objectives are met effectively and whether extension is needed and how the achievements can be sustained.

The purpose of the evaluation is aimed at drawing lessons learned from the project, as well as guide and advice on the further implementation of the evaluated project and/or on the formulation and implementation of future projects. Evaluation looks beyond the constituent elements of the project, to the validity of its design and to its impact. Reference for the evaluation is the project document and any changes which might have been approved formally during the course of the implementation. The executed terminal evaluation encompassed a review of available project documents, meetings and discussions with villagers, staffs of the Forestry Administration/the Executing Agency, and undertook field visits to selected project sites.

1.2. Project identification

Project serial number	:	APFNET 2073P3-MAS/ITTO PD563/09 Rev.5 (F)
Project title	:	Community-Based Sustainable Forest Management of Sungai Medihit Watershed, Sarawak, Malaysia
Host Government	:	The Government of Malaysia (MAL)
Executing Agency	:	Sarawak Forestry Department (SFD)
Budget	:	Total US\$ 666,710
		APFNet US\$ 460,000
		ITTO US\$ 73,710
		MAL US\$ 133,000
Duration	:	24 months (starting 26 August 2015), extended for 11 months without additional funds until 31 May 2018

1.3. Project context

The goal of the project is to promote the sustainable forest management in Sungai Medihit watershed area by building the capacity of the community, demonstrating innovative operational model and establishing new governance mechanism on community development. The Sungai Medihit Watershed (approx. 35,400 ha) is located in Ulu Limbang in northern Sarawak, Malaysia. Two local indigenous communities, the Kelabit of Long Napir and the Penan of Kampung Bahagia, occupy the catchment. Both communities are subsistence farmers, practice shifting cultivation and depend on resources collected / hunted from the nearby forest. The two communities face many problems in that the catchment area has been logged and its resources are neither sustainably managed nor used to their best advantage. The effects of the problem are that local communities are unable to implement cash-generating activities. The catchment's timber resource base is eroded while innovative ways to restore it are not developed, tested or implemented and the catchment environment is damaged. Society is affected in that the local communities remain poor without a secure livelihood while the resource base and environment continue to be degraded. Also, the catchment's ability to provide environmental services for society at large is compromised.

The specific objectives of the project include:

- To improve sustainable forest management through setting rational forest management plans, applying innovative forest management techniques and establishing effective forest management mechanism;
- To enhance the capacity of communities on sustainable forest management and livelihood development;

- To better the living conditions by renovating the community service infrastructure.

The Project was formulated based on the results of the implementation of ITTO Pre-Project PPD 135/07 Rev. 7 (F) 'Community-based forest management of Sungai Medihit Watershed', executed by SFD in collaboration with Hirosar Jaya Sdn Bhd within the period of six months, starting December 2008. The project strategy involves addressing the key problem through the collection, dissemination and explanation of information to enable local communities to know where, and with what resources, they can operate cash-generating CDPs (Community Development Projects), obviating their need to deplete local resources through a subsistence existence; through formulation of guidelines to permit local communities and license holders alike to sustainably manage the catchment; through the development of skills in local communities and license holders so that they can each sustain and restore catchment resources for profit and the catchment's well-being; and through development of a tradition, process and forum for stakeholders to synergize on catchment management and use.



2. Evaluation design and implementation

2.1. Evaluation scope

The primary purpose of the terminal evaluation is to learn lessons from the Project and to draw conclusions for future projects. The evaluation should establish to which the results of the Project intervention, in terms of outputs, objectives, impacts and sustainability have been achieved and draw conclusions and recommendations for similar interventions in the future. Therefore, the evaluation is collection of information, the on-the-spot assessment and in-depth analysis of the performance and impact of the Project after its completion, with the intent to establish how well it served its purposes, its degree of effectiveness and efficiency, and its sustainability.

The evaluator is to assess all aspects of the Project, from its inception to its completion regarding administrative and financial matters, organizations, communication, consultation and cooperation.

2.2. Approach of evaluation

This terminal evaluation was carried out 2 months after the completion of project activities, from 13 to 17 August 2018. The evaluation involved:

- A review of the project document, annual work plans, minutes of the Project Steering Committee (PSC) meetings, progress reports, project change request, technical and completion reports, financial reports and other available documents;

- An entry meeting with the representative of the Forestry Administration, the Project Key Personnel and consultants was to discuss on the various aspects of project implementation, held in Kuching, Sarawak;
- Field visits to project sites in Limbang District, namely: Kampung Long Napir (Kelabit tribe) and Kampung Bahagia (Penan tribe);
- An exit meeting with representatives of FDS staff and the Project Key Personnel and a Consultant to briefly report and discuss on the general findings of the terminal evaluation mission.

Appendix 1 shows the project sites visited during the terminal evaluation mission. The discussions held with the local people were took place in Kampung Bahagian and Kampung Long Napir.



Field visit to demonstration plot

The realized activities during the evaluation mission is shown in Appendix 2. The visits were well organized by the Executing Agency (EA) that all planned visits were realized. The field visits undertaken were truly tiring and time consuming due to the great distance of the project's sites from the capital city of Sarawak, Kuching.

The key stages of the evaluation include:

- i) In depth analysis of the project design
 - The analysis was carried out with the Project Key Personnel in order to demonstrate the weaknesses and strengths of the design; and
 - The project design was assessed using the APFNet and ITTO Manuals for project formulation with special attention to the logical framework of the project document.
- ii) Assessment of project performance
 - Achieved outputs and objectives were assessed in light of the logical framework available in the project document; and
 - Impact and sustainability were evaluated through visits to selected project sites and through discussions with the stakeholders, including the local communities.



3. Analysis and Findings

3.1 Project design and contribution to achievements

Project identification was adequately accomplished under the completed ITTO pre-project PPD 135/07 Rev. 7 (F). In the design of the project the encountered problems faced by the stakeholders, especially the local communities have been captured. The key problem is that the catchment and its resources are neither sustainably managed nor used to their best advantage. Stakeholders are not equipped with information on catchment resources and how they might profit from them, or with guidelines to help them manage the catchment sustainably. They lack skills to sustain catchment resources for generating cash. They also fail to share what information they have to synergize on how best to handle the catchment and its resources.

Weaknesses of the project design had been elaborated in the project completion report concerning aspects of administrative and financial rules. In addition, the project design weakness may also be attributed to a lack of function of the Supervisory Body in decision making hence affecting timely decision making on urgent matters of the project implementation. Other than this matter, the project design has greatly contributed to achievement of the intended project objectives.

3.2 Achievement of the outputs and specific objectives

All of the project's outputs have been achieved. The achievements of each outputs will be described based on the achievements of each activity and its sub-activities. Most of the specific objectives of the project were achieved.

Early on in the Project the Long Napir community misperceived that the Executing Agency was going to take away their land at Long San, the only High Conservation Value Forest in (and partly out of) the catchment and very suitable as a conservation area and



Meeting with Long Napir people at the traditional long house

demonstration site location, and give it to loggers. This led to community objections. Timely intervention by the EA, through numerous dialogues has finally convinced the communities that the EA actually wants to help them conserve forest areas. The issuance by the Director of Forests of 'no logging' orders to timber companies for both the proposed conservation areas, Long San and ulu Sg Terasak, indicates the determination of the EA to help the communities.

- **Output 1 Community forest management improved**

Main activities' results of the Output 1 were baseline surveys of community socio-economic status, forest resources, biodiversity and traditional cultures completed; two community level forest management plans developed; demonstration activities on Sustainable Forest Management carried out; and a community-based forest management platform and mechanism developed

Activity 1.1 Baseline survey on resources and socio-economic development



Log transportation from a concessionaire in the neighborhood

The activity consists of sub-activities: 1.1.1 Information collection and documents review; 1.1.2 Field investigation; and 1.1.3 Report writing on the basis of findings of the Activity 1.1.1 and Activity 1.1.2. The collected data from the activities indicated the improvement of current situation of the two communities' socio-

economic status and the catchment's forest resources. The relationship between the target communities' socio-economic status and catchment resources availability has also been

clarified and the target communities' needs and obstacles to their socio-economic development are identified.

Assessment on the forest resources has been better understood in terms of forest stand density, species composition, size class distribution; standing commercial timber volume, potential timber volume, growth performance of non-dipterocarp and dipterocarp species. The socio-economic status data collected on the two communities and on selected forest resources is available as an essential precursor to further improvement in community forest management. The results of the socio-economic survey provided a baseline against which Project achievements (e.g. target communities' increased income) could be measured.

Activity 1.2 Community forest management planning

Framework of community forest management planning included community current situation assessment, opportunity and challenge analysis, objective of the community forest management, as well as the strategies, actions and measures to achieve the objective.

The activity consists of sub-activities: 1.2.1 Convene village meetings; 1.2.2 Conduct natural resource mapping with participatory approaches; 1.2.3 Identify priorities and strategies for development of forest resource; and 1.2.4 Develop community forest resource management plans. The results of the activities have made the target communities became aware that they have a role to play in developing ways to manage the nearby forest and its resources sustainably, especially in view of their detailed knowledge of these resources including where they are located and their potential to improve their livelihood.

Community forest management planning could not proceed as the consultant was terminated after less than four months. Also during the Project's second year there was a hiatus during and also the Project Manager resigned. Towards the end of the Project Community Forest Management Plans for both target

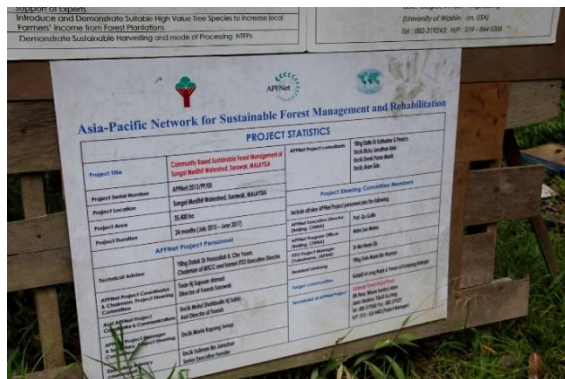


The Nursery for high value local trees species

communities were developed and the location of conservation areas / demonstration sites agreed on. The conservation areas will be especially important as contractors have now started to operate the Licence for Planted Forest (LFP 1961) in ulu Medihit, with impacts on the river water quality already apparent. Local community members now seriously want to obtain planting material of forest tree species, fruit trees and gaharu and rattans to enrich the conservation areas.

Activity 1.3 Demonstrate the sustainable community forest management practices

The field activities of sustainable community forest management practices have been implemented in the two communities, including traditional forest management model combined with advanced silviculture activities, agroforestry system, high ecologic value forest identification and protection, high commercial value tree species planting, collection and processing of NTFPs, training on silviculture treatment as planting, grafting, tendering and low-impact logging.



The Sign board of the project statistics

guidance and supports of the experts; 1.3.4 Introduce and demonstrate suitable high value tree species with the technical supports of experts to increase the income of the local farmers from plantation; and 1.3.5 Demonstrate the sustainable harvesting and processing mode of NTFPs such as rattan and gaharu (*Aquilaria*, Thymelaeaceae). The activities have also made the communities been exposed to the idea of a HCVF protected for community use. Suitable High Value Tree Species that can increase the local farmers' income were identified, namely durian (*Durio*/Bombacaceae), gaharu, *Eusideroxylon zwageri*, *Shorea*, and *Dryobalanops*.

Activity 1.4 Establish the participatory community forest management mechanism

The activity consists of sub-activities: 1.4.1 Sign co-management agreement and hold co-management meetings; and 1.4.2 Conduct co-management activities. The activities have made the local stakeholders better understand their respective roles in promoting Sustainable Forest Management within the Sungai Medihit



Entry Meeting of the evaluation mission at the HQ of Forest Department Sarawak

catchment. The target communities and other stakeholders have expressed their commitment to manage the local forest sustainably. A Co-management Agreement (Activity 1.4.1) has been developed and is at the Sarawak State Attorney General's office, for its legal

implications to be checked before signing. The Co-management Agreement will be translated into Bahasa Malaysia for inclusion in the Community Forest Management Plan.

- **Output 2: Capacity of the community on development enhanced**

Main activities' results of the Output 2 contributed to alternative livelihood activities for the communities, including fish raising demonstration and poultry raising demonstration to address the hunting threat to wildlife, vegetable cropping to tackle the short supply of vegetables, and promoting homestay for eco-tourism as an innovative approach to generate economic benefits for the communities. The village level infrastructures were also completed, including graveling 7 km of road from Camp Kilo 0 to Long Napir, construction of 1.5 km of road to old Long Napir, building a school guesthouse and alternative energy facilities demonstration.

Activity 2.1 Alternative livelihood activities



Renovated homestay at Kampung Bahagia

The activity consists of sub-activities: 2.1.1 Fish-raising demonstration; 2.1.2 Livestock or poultry-raising demonstration; 2.1.3 Vegetable cropping; and 2.1.4 Homestay providing for Eco-tourism. The results of the activities have made the target communities were exposed to four new methods of increasing household

incomes. Each selected household learned at first-hand new skills to increase their livelihood. Each selected household's income was increased lessening their dependence on forest resources for their livelihood and other households gained inspiration from seeing their neighbors succeed with the new methods.

Activity 2.2 Infrastructure improvement contributing to SFM

The activity consists of sub-activities: 2.2.1 Graveling 7 km of Road from Camp Kilo 0 to Long Napir; 2.2.2 Build the multi-functional meeting hall for the community (the 2nd PSC Meeting decided to cancel this activity); 2.2.3 Build the guesthouse for community school; and 2.2.4 Alternative energy facilities demonstration. The activities have impacted on households' daily access to electricity from solar power system. The graveling of road has opened the access to both Long Napir and Kampong Bahagia villages hence improving their economy activities.

As all planned outputs had practically been delivered, the specific objectives of the project must have been nearly achieved noting the existing gap between planned and realized number of activities, especially on the cancellation of Sub-activity 2.2.2 on building the multi-functional meeting hall for the



Solar system developed at Kamung.Bahagia

community due to the disagreement among villagers on the selected site of the construction. As the specific objectives had been achieved, they must have contributed to achieving the goal of the project which was “to promote the sustainable forest management in Sungai Medihit watershed area by building the capacity of the community, demonstrating innovative operational model and establishing new governance mechanism on community development.

3.3 Relevance and impact of the project

The Project was considered in conformity with the missions and objectives of the APFNet and ITTO, as well as with the policies and the development program of the State Government of Sarawak, as demonstrated by consistent supports from the respective parties and the stakeholders during the course of the project’s implementation. Let alone, the Project was developed based on the findings and recommendations of ITTO Pre-Project PPD 135/07 Rev. 7 (F) ‘Community-based forest management of Sungai Medihit Watershed’ in which were well received and endorsed by ITTO Council and the Government of Malaysia.

The Project was also relevant to the State Government’s policies on poverty alleviation. This was the reason why high priority was given to increase incomes of the villagers through rural development programs, such as farming, tourism and handcrafts-making activities by utilizing the available resources surrounding the village areas.

Impacts of the project interventions, especially on enhancing the capacity of the community to carry out alternative livelihood/productive activities/, have been assessed mainly through the discussions with target beneficiaries, namely local communities and government agencies, and visits to selected project sites as outlined below:

Fish raising demonstration

Establishment of a 'ngifang' or 'tagang' system, where fish are protected in areas in their natural riverine habitat, faced initially problems due to river pollution arising from road construction and destruction of fish feeding sites. Later in the Project, after the pollution



The Storage building for tagang system

problems had resolved, a new tagang system site was identified with the assistance of Agriculture Department Sarawak. The fish raising demonstration (Tagang system) was placed at Kampong Bahagia Selected beneficiaries were interviewed and revealed the following facts:

- ✓ The villagers in general were thankful for the training on fish raising. Some villagers have been using the skills acquired through the training in developing its own fish;
- ✓ The main problem facing the fish raising at sites was polluted water due to activities of commercial forest plantation in the upper stream of the area.
- ✓ The low productivity problem is attributable to inadequate tools and facilities of processing.
- ✓ The sustainability of this activity has been proven by the decision of the Agriculture office to take up the Tagang system into its program.

Handcrafts making

Besides diminishing rattan raw materials, the problem on design is obviously related to the lack of experience and limited market information while the problem with quality is mostly relating to the poor tools, experience and craftsmanship. The low selling price experienced by the processors is the logical consequence of the poor design and quality, coupled with the presence of middleman and increasing demand for handicraft using substitute material such as plastic. The processors met expected to receive external assistance in the forms of processing tools and financial support for planting rattan.



Rattan handcraft is facing problem of lacking raw materials

The handcrafts making was not included in the project scope, however the activity producing handicraft using plastic materials has been developing progressively due to the project road construction which had opened up access to the Kampong Bahagia village.

Livestock or Poultry Raising Demonstration

The chicken rearing activity was more active at Kampung Long Napir. Five batches of chickens were successfully reared, each over three months. The Kelabit community had the greater success, with PuanNakap making an average of more than USD 500 [RM 2000] per batch. At sale, each chicken weighed an average of 4.8 kg and was sold at the local price of RM12.50 per kg. Chicken rearing is sustainable only if a supply of chicks can be easily obtained. SKR Long Napir, which is a boarding school, is potentially a good market for halal chickens. Until to date, there is still no way out to cope with the problem of chicks supply.

Vegetable Cropping

A variety of vegetables successfully planted at both Project villages. Villagers were trained on necessary nursery skills and on planting techniques.

The vegetable Project started rather late. The Penan community vegetable cropping area was abandoned for a while as Sarawak Energy Berhad took over the land for a Solar Project. The Penan vegetables are growing well and one Penan vegetable farmer goes as far as a three hour motorbike ride to deliver the vegetables to customers at logging camps. Now the Penan farmers are growing vegetables to meet customer bookings.

Developing guesthouses for community school

Renovation of the Guesthouse at SKR Long Napir, built for Penan parents to use while settling their children in at school, has been completed, even though this Activity faced delays due to objection from the school management. The head of the school has expressed his appreciation for the renovation and requesting further extension of the building.

Developing home-stays catering for eco-tourism

Homestay at Kampung Long Napir had been renovated to improve the back entrance, toilet and bathroom facilities. The Project upgraded Mr Ajang Gabar's house at Long Napir as a homestay. Two rooms were renovated and can accommodate more than 10 people. The Project also upgraded facilities at Puan Nomi's house at Kampung Bahagia to make a homestay that can accommodate two persons at a time. The households involved have learned new skills and both homestay hosts have hosted people. However, there are more things need to be done to make the homestay program in the village economically feasible, such as promotion, improvement of accessibility and means of transportation, as well as adding touristic attractions in the villages. The Tourism Department Sarawak has been informed and has expressed its willingness to follow up the project results.

Demonstration plots

Two demonstration sites for two communities are located in Sungai Terasak. One of the sites (Long Napir community) was visited. The community has planted the demonstration with high value tree species supplied by the project. The established nursery at Kampung Bahagia was also been visited.



Vegetables farming as a new source of income for Kampung Bahagia people

To ensure the sustainability of the demonstration sites further assistances from the EA are still needed for sites maintenance and species enrichment.

Alternative energy facilities demonstration

Installation of solar energy power systems at selected households at both villages is complete. However, it has been superseded by a solar power system provided by the government in February 2017.

Discussions with FDS staffs and local communities

The information on impacts of the project furnished by selected local SFD staffs that are knowledgeable on the project activities is outlined below:

- Ethnic groups were the main target beneficiary of the project; they were poor people and highly dependent on forest resources as important source of income but these people were not easy to deal with in changing their lifestyle;
- These people like to get immediate benefit from any activity they perform; harvesting of NTFPs from nearby forests provides direct produce for immediate consumption or for sale. Their established value is to enter forest, cut and collect desired products, eat and/or sell. The project interventions have introduced them with more productive activities for income generations hence lessening pressure to forest resources;
- The alternative livelihood activities that were developed (vegetable growing, livestock rearing, fish rearing and homestay development) and the alternative energy facilities demonstration benefitted participating households only, due to budget limitations, and while village meetings were held to elect households to represent each target community, the project benefits went to individuals and not to the community as a whole, which became a sore point with the rest of the Kelabit community at Long Napir, especially as a large amount of funds was known to have been allocated to the project;
- The Long Napir community stated that they wished they had been involved in the project design and that the outputs had been designed to benefit all the community

members, not just particular individuals, and would want to go this route in any future project initiative; and

- It is recommended that similar initiatives can be offered with sufficient funding so that any interested households can participate in future follow-up programmes.

3.4 Effectiveness of technology transfer

Training of target villagers was accomplished through a series of activities including: i) conduct of training need assessment, ii) formulation of training program, iii) development of training guidelines, iv) development of training action plans, v) carrying out training sessions, and vi) documentation and evaluation. For effectiveness of technology transfer, training had been carried out in four steps, namely: i) building concepts to the target communities on plantation, harvesting, processing and trade of NTFPs through study tours; ii) building the capacity through conduct of training sessions; iii) improving the necessary skills and techniques for planting and sustainable harvesting of target NTFPs; and iv) following-up actions in utilizing acquired skills.

3.5 Overall post-project situation

The prevailing situation after project completion can be summarized as follows:

- The villagers' income increased to introduced alternative livelihood activities, especially vegetable growing and handicrafts;
- Access of villagers to market their products is much better with the construction of road to connect the village with the main road;
- The established participatory community forest management mechanism has not been operationalized pending formal approval from the authority hence lack of information on its effectiveness;
- The tagang system has great potential for the villagers' income generation however the activity is temporarily stopped awaiting for a new intervention from the Agriculture Department Sarawak; and
- Improved NTFPs harvesting and processing systems are not in place yet. The systems may be developed in the next phase of the project.

3.6 Unexpected effects and impacts

The assumed risk that the community would not accept the project was not foreseen. However, the project had encountered with individuals who were against the project. This had in fact cause delay on the start of the project and also later in the project. Activities 1.3.2 Establish sustainable forest management demonstration sites and 1.3.3 Identify and protect

high conservation value forest, and parts of Activity 1.4 Establish the participatory community forest management mechanism were particularly affected.

It was found that the sanctioned contingency funds of the project were inadequate allocated to cope with unexpected rising of construction materials process and rate of labor.

3.7 Effectiveness of the project implementation

Two Annual Work Plans (AWPs) had been developed and endorsed by APFNet as the guiding documents of project operations. All deviations from the AWP were reported to, reviewed and endorsed by the Project Steering Committee (PSC) and submitted as the Project Change Request to APFNet.

The sanctioned APFNet funds were disbursed to the Executing Agency through ITTO as the project Supervisory Body. The disbursements of the project budget had been made in accordance with the APFNet rules and procedures applying to the projects. The yearly financial auditing was carried out by an independent, registered auditor in accordance with the APFNet manual. The final financial audit reports has not been submitted yet.

Employment of national experts was all made with the prior expressed approval of APFNet. The Project was originally planned for 24 months (starting 26 August 2015), extended for 11 months without additional funds until 31 May 2018. A one-year extension was required to complete all planned activities, without additional funds. The extension had to be made due to several reasons, namely the delay in completion of particular activities and poor management of the previous project team.

The project completion report has discussed issues on problems of project management during the course of project implementation. Most of the issues were related to the lack of capabilities and professionalism of the first Project Manager (Mr. Morris Kapong). Some of the project's consultants were also wrongly selected as their expertise did not match the tasks asked of them. This led to their being terminated. Lack of internal monitoring had also been identified as one of the factor that affecting the effectiveness of the project implementation.

At the outset the Project was not run through the official channel, i.e. the local Kampong Security and Development Committee (JKKK). This happened because of shortcomings of the first Project Manager, who did not follow official protocol. The Long Napir local community perceived that it exhibited a lack of transparency and that benefits were not shared among the whole community. The project may have been more effectively run, and with less delay, if intra-community conflicts within the Long Napir community could have been defused at the outset, if the Project Manager had made more appropriate choices for those consultants who were terminated early in the Project, if the Project Manager had

shown more accountability, and transparency in handling Project funds and keeping to budget lines, and if he had provided the Project Team with a vision and leadership. A structural issue with the Project organization seems to have been that no effective checks and balances had been built in to monitor the Project Manager's performance.

The new Project Management Team has managed to overcome much of the community resistance, holding dialogues involving the JKKK.

3.8 Overall sustainability

Overall sustainability of the project remains to be seen, with the chief sustainable effect being the change of attitude perceived in both communities, who now look to outside sources to help to earn income rather than dependence on the dwindling forest resources. Thus, the Kelabit community is keen to proceed with a tagang project to rear fish in the rivers, assisted by the Agriculture Department Sarawak, and voiced concern at the current pollution of Sungai Medihit due to activities in the Licence for Planted Forest area in upper stream Medihit which affects the river, their main source of income. The Penan have come to rely on the handicraft industry, with now 10 of the Kampung Bahagia ladies involved, and with at least two families able to send their children to train as welders in Kuching and Miri. Also homestays in both communities are now operating. The vegetable growing and chicken rearing activities appear at first not to be sustainable, but setbacks need to be perceived as challenges to be faced and overcome, for instance by trying related activities such as duck rearing that do not rely on purchase of new chicks for every round. The communities themselves are in the best position to suggest new activities, now that their attitudes have started to open, and hopefully the relevant agencies can help them proceed.



Rattan handicraft maker with a buyer

3.9 Overall success/failure of the project

Overall, the Project can be rated as nearly successful in delivering its planned outputs and achieving its intended objectives.

Aside from the above successful achievements, the project had also failed to meet its particular targets namely in Activity 2.1 and delays in implementing some of the activities.



4. Evaluation results and conclusion

4.1. Evaluation results

- The project has been completed with all outputs almost fully delivered and its specific objectives mostly achieved; the tiny gap in achievement was caused primarily by lack of leadership capacity of previous project management;
- The problem addressed by the project was identified through adequate consultation with the main stakeholders that their support was satisfactorily accorded to the Project during its implementation;
- The project design has some problems in capturing the real needs of communities causing mis-targeted activities, such as the need for more interventions on NTFPs development (harvesting and processing);
- Model management plan of community forest for the community-based sustainable management of Sungai Medihit catchment area has been developed under the project in collaboration with the local community owning the rights to manage the forest but the plan is not operational yet nor replicated to other villages;
- The project was implemented in full compliance to the project agreement and existing APFNet rules and procedures.

4.2. Conclusions

- The problems addressed by the Project was identified with the active participation of stakeholders, the process that was necessary for developing sense of belonging and ownership that supports its smooth implementation;
- The problem addressed was inadequately analyzed and resulted in unclear cause-effect relationship, weak vertical logic and weak project design. An adequate problem analysis is a prerequisite to defining a sound and relevant project design;
- Despite weaknesses of project design, the Project had been smoothly implemented in accordance with its workplans and nearly achieved its intended objectives. The smooth implementation is attributable to the able new project management team, competent PSC and supportive stakeholders;
- The specific objectives were mostly achieved because all project's outputs were mostly achieved. This achievement contributed to fulfilling the project's goal.
- The project benefitted the community through its infrastructure development, capacity building and alternative livelihood activities.
- The community requested the project to be continued with particular emphasis on capacity building for productive economic activities, including NTFPS development, application of management plan and co-management mechanism, and improving skill on tourism industry.



5. Recommendations and lesson learned

5.1. Recommendations

For the Sarawak Forestry Sarawak (SFD)/Executing Agency

- As share of NTFPs (gaharu and rattan) in income of households has a good prospective, it is strongly recommended to implement follow-up NTFP-related projects in the Sungai Medihit catchment area taking into account the lessons learned from the completed APFNet/ITTO project;
- In developing a NTFPs project it is strongly recommended to concentrate on a few sites to facilitate intensive monitoring of operations and efficient allocation of resources to critical, relevant activities;
- The developed management plans for the two sites need to be implemented as early as possible and be regularly monitored their progresses;
- The processors of rattan for handcrafts are striving to improve productivity and product quality in order to increase their income; these people are in need of financial assistance to purchase additional processing tools and facilities, and to maintain inventory of needed raw materials, training for improving skills and product designs for which the Forestry Administration needs to appropriately play its role; and
- In order to sustain implementation of the critical activities initiated under the project, continued assistance to local communities after project completion is needed; to this end, there is a need to allocate needed resources to the extent possible.

- The project's results need to be effectively disseminated through different channels, including convening a seminar/workshop with stakeholders participation, including private sector.

For APFNet

- To continue supporting the communities in Sungai Medihit (The Kelabits and the Penans) through the second phase of the project developed based on the current project's findings and recommendations. NTFPs development is one of potential target as this resource development is basically pro-poor, pro-job and pro-environment with relatively small capital requirement; and
- To continue channeling its funds to ITTO for funding projects with improved cooperation scheme. Strengthening cooperation between ITTO and APFNet needs to be promoted through reformatting the functions of project supervisory body.

For ITTO

- Further liaise with the FDS on the follow up of the project's result to develop the next phase of the project;
- To set schedules to discuss the lesson learnt from the project implementation and redesign APFNet/ITTO project management for efficiency and effectiveness purposes.

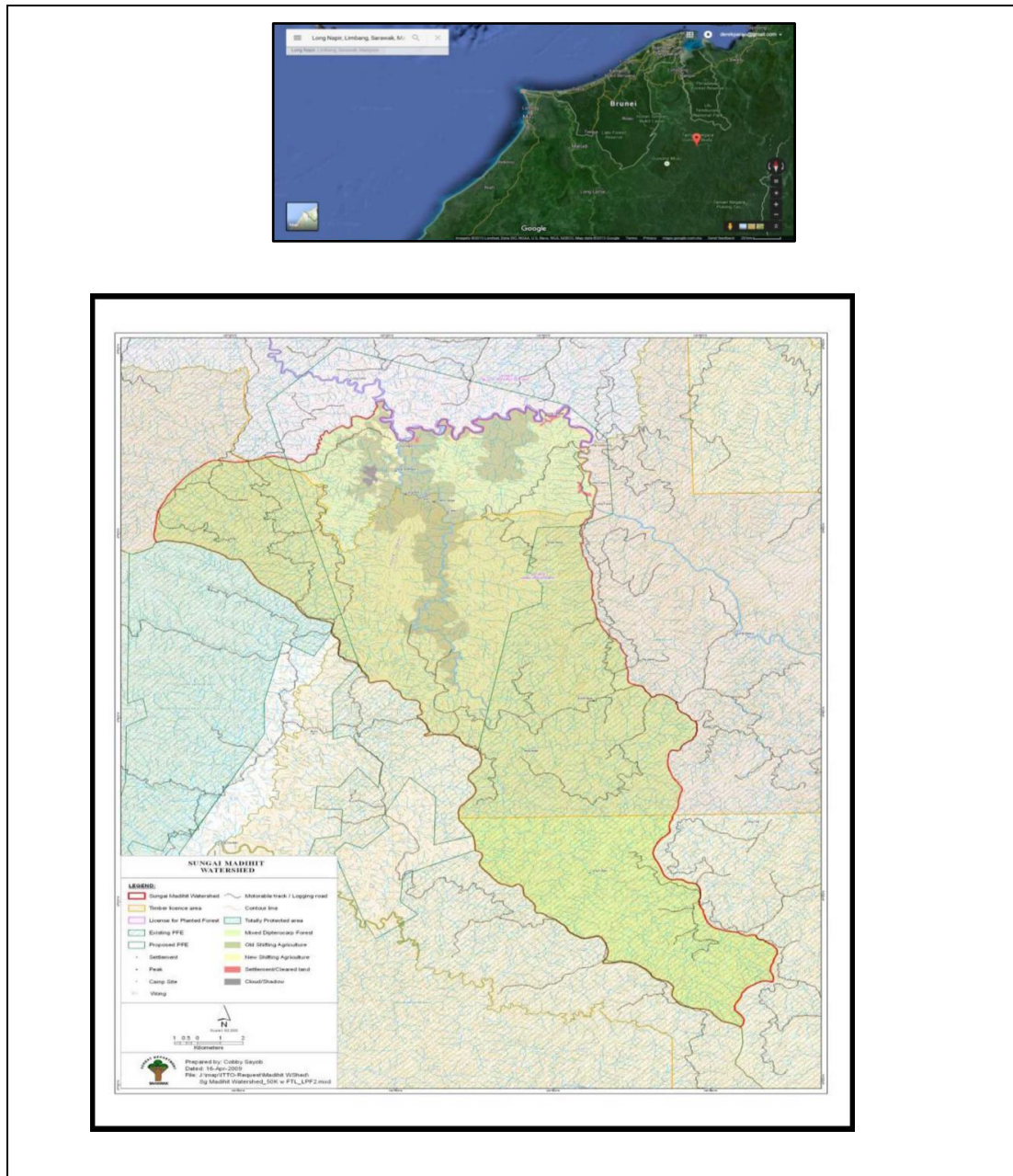
5.2 Lesson learned

- The problems addressed by the Project was identified with the participation of stakeholders, the process that was necessary for developing sense of belonging and ownership that supports its smooth implementation;
- The implementation of the pre-project had identified robust problem analysis as is a prerequisite to defining a sound and relevant project design;
- In the first year of its implementation, the project had been encountered with some obstacles, especially on weak coordination between the Project Manager, the EA and the supervisory body. Facilitated by a good coordination between the EA, the ITTO and the APFNet, corrective actions were put in place and all outstanding matters were finally overcome and the project successfully continued its activities. The smooth implementation the project's second year is attributable to the able new project management team of the Forest Department Sarawak, competent PSC and supportive partners especially village administrations and consultants;
- One of the critical problems facing the project operations was the accessibility of target villages, especially during the rainy seasons that had to be regularly visited under the

heavily damaged road network. The Project would have been managed more efficiently and achieved its objectives more effectively had the road conditions were improved; and

- Trust building between the project team and the communities is the key success. The project team must effectively communicate with the local people. Therefore, the presence of project team members and consultants that can speak the local language is necessary, such situation which exist in the APFNet/ITTO project. Prior to the implementation of the project, there is a need to convey all project idea, scope, intervention etc. to communities in order to avoid misunderstanding and false expectation; and
- ITTO's function as the supervisory body in the project can be more improved for effective project implementation, especially in terms of decision making within the scope of the project implementation. There are rooms for dialogues between APFNet and ITTO for improving their future collaborations.

Appendix 1. Map of the project sites



Appendix 2. Organized events during the evaluation mission

Date	Place	Participants	Events
13 Aug. 2018	Forest Department Sarawak HQ, Wisma Sumber Alam, Kuching, Sarawak	Hamden bin Mohammad (Director, SDF); Shahbudin Hj. Sabki (Project coordinator); Suliman (Assistant Project Coordinator); Consultants (Dr. Katherin, Jiram, Ricky); Sarzali (Project Finance); FDS; and Tetra (ITTO)	Entry meeting
14/15 Aug. 2018	Kampung Bahagia Village	Farmers, homestay operator, villagers	Dialogues on project's interventions, impacts and expectations
	Long Napir Village	Committee members (JKK), homestay operator and villagers Kampong ladies	
17 Aug. 2018	Mega Hotel, Miri	Suliman (Assistant Project coordinator); Consultants (Dr. Katherin); Tetra (ITTO), and FDS staff: <ol style="list-style-type: none"> 1. Haazizkin Jumat, Surveyor 2. Panau Ujom, Site Manager 3. Amin Jais, Field staff 4. Sufian Abdullah, Field Staff 5. Johny Isa, Field Staff 	Exit meeting

Appendix 3. Checklist for evaluation mission

This checklist contains issues which may help mission members to carrying out their evaluation.

- Does the problem analysis confirm the results of the Project identification?
- Are there better technical, financial, or administrative approaches for the Project?
- Does the analysis of the Logical Framework linkages lead to the conclusion that the Project rationale is appropriate?
- Are the Outputs necessary and sufficient to achieve the Specific Objective(s)?
- Are the Activities and related Inputs necessary and sufficient to achieve the Outputs?
- Is the Project Budget appropriate for the Project intent? Are the costs of each input appropriate?
- Will the Project be cost-effective overall?
- Does the level of detail of the Activities allow appropriate definition of related Inputs and costs?
- Has adequate consideration been given to the environmental impact and stakeholder, including local community, participation and ownership?
- Will the results of the Project be sustainable, financially and in other ways?
- In particular do their assumptions still appear valid? If not, why not?
- Were the expected Outputs achieved?
- What problems (if any) caused delays (if any) and what consequences did this have for implementation?
- Was the management and execution of the Project adequate?
- How did actual costs compare with budget provision?
- Were the Specific Objectives relevant?
- Did the Project achieve its Specific Objective(s)?
- Did these Objectives change during implementation?
- Were there unexpected results and impacts, either harmful or beneficial?
- Who in fact benefited from the Project?
- Could the Specific Objective(s) have been achieved more cheaply or better through an alternative design?
- What are the key lessons from the Project?
- What good or bad factors contributed to its relative success or failure?
- Does the Project show up new problems which need to be examined in designing Future interventions?
- What direct recommendations arise either for future similar Projects or for the continued operation of this one?

Appendix 4 Project Logical Framework and key achievements

Items	Intervention Logic	Objectively verifiable indicators of achievement	Sources of information and means of verification	Key Achievement
Goal	To promote the sustainable forest management in Sungai Medihit watershed area by building the capacity of the community, demonstrating innovative operational model and establishing new governance mechanism on community development.	1. Forest management in the watershed area is well improved 2. Village amenities improved	1. Project completion report 2. Project evaluation reports 3. Project monitoring reports	The achievement of the specific objectives has contributed to the attainment of the project's goal.
Specific Objectives	1. To improve the sustainable forest management by rational planning, technique innovation and mechanism design; 2. To enhance the capacity of the community on forest management and livelihood development to contribute sustainable development of local communities; 3. To better living conditions by renovating the community service infrastructure 4.	1. Forests in the watershed are well managed 2. The capacity of the community on forest management and livelihood development is enhanced. 3. The living conditions of the communities are improved.	1. Quality of the forests in the watershed 2. Income increase of the selected households 3. Survey of facilities available	Most of the objectives have been achieved
Output 1	Community forest management improved			Achieved
Activity 1.1	Baseline survey on resources and socio-economic development	The resources and the general socio-economic information in the two communities are available for use	Survey reports of the two communities	Completed

Activity 1.2	Community forest management planning	Participatory approaches and tools are introduced for forest management planning.	Forest management plans for the two communities	Completed
Activity 1.3	Demonstrate the sustainable community forest management practices	New silviculture treatments integrated traditional knowledge are developed and demonstrated in the two community	1. Demonstration schemes for the two community; 2. Activity reports;	Completed
Activity 1.4	Establish the participatory community forest management mechanism	Community governance is enhanced.	1. Co-management agreement for the communities 2. Activity completion report	The mechanism has been completed. Formal approval for the Authority is in progress. The Mechanism is necessary to be implemented in next phase.
Output 2	Capacity of the community on development enhanced			Mostly achieved
Activity 2.1	Alternative livelihood activities	The selected households get benefit from the livelihood demonstration activities	1. Activity plans 2. Completion reports 3. Income increase of the selected households	Completed
Activity 2.2	Infrastructure projects contributing to SFM			Completed
Activity 2.2.1	Gravelling 7 km of Road from Penan to Long Napir	Transportation condition between the two communities improved	1. Photographs of the completed road 2. Regulations for maintaining	Completed. The FDS added its fund to extend the road construction.

Activity 2.2.2	Build the multi-functional meeting room for the community	Venues provided for the village meetings, training courses and other gathering	<ol style="list-style-type: none"> 1. Photographs of the completed meeting room 2. Regulations for operating and maintaining 3. Records of uses 4. Materials and equipment purchased 	Cancelled due to disagreement among community on the location of the building.
Activity 2.2.3	Build the guesthouse for community school	Accommodation provided for the parents of the pupils	<ol style="list-style-type: none"> 1. Photographs of the completed guesthouse 2. Regulations for operating and maintaining 3. Records of accommodation 4. Materials purchased 	Completed
Activity 2.2.4	Alternative Energy Facilities Demonstration	Solar energy facilities demonstrated	<ol style="list-style-type: none"> 1. Photographs of the completed solar energy facilities 2. Energy consumption reports 3. Daily expense decrease of the selected households 	Completed The Government took over the project's initial energy infrastructure by increasing the solar energy capacity.

