

# Kuamut Rainforest Conservation Project

## PROJECT DESIGN DOCUMENT EXECUTIVE SUMMARY



### Project Overview

Project Title: Kuamut Rainforest Conservation Project

Version: 3.3

Date of Issue: 07 March 2023

Location: Malaysia, Sabah

Project Proponent: Permian Malaysia Sdn. Bhd.

Prepared By: Permian Global

Validation Body: Earthood Services Pvt. Ltd.

Project Lifetime: 11 December 2015 – 1 December 2045

GHG Accounting Period: 11-12-2015 – 1-12-2045

### Project Goals and Objectives

The Kuamut Rainforest Conservation Project aims to protect and restore 83,381 hectares of tropical forest in Sabah, Malaysia. The project's primary objectives are:

#### Climate Objectives:

- Deliver credible GHG emission reductions through avoided deforestation and forest degradation.
- Enhance ecological values at the landscape scale.
- Conduct research and development to implement the latest science, research, and management practices.

#### Community Objectives:

- Enhance the quality of life and reduce poverty for project-zone communities by creating sustainable livelihood options and economic opportunities.
- Maintain and enhance ecosystem services for community well-being through ecosystem restoration.
- Improve health services and education for community members.

#### Biodiversity Objectives:

- Eliminate drivers of deforestation and forest degradation.
- Stabilize and maintain healthy populations of faunal and floral species in the project zone.
- Conduct research and development to implement the latest science, research, and management practices.

### Project Benefits

#### Climate Benefits

- The project aims to generate 16,291,488.57 tCO<sub>2</sub>e of emission reductions over the project period by preventing further commercial logging and managing the area for protection.

#### Community Benefits

##### Job Creation:

- Create sustainable job opportunities for local community groups.
- Employ at least 40 people from nearby communities, aiming for 50% women.

##### Health and Education:

- Improve health services and access to education.
- Implement a competitive scholarship program and assist in developing facilities at local schools.

##### Livelihood Improvement:

- Support sustainable palm oil cultivation practices.
- Promote smart agriculture techniques and provide microfinance programs to assist local development.

#### Biodiversity Benefits

##### Habitat Protection:

- Protect critical biodiversity corridors between protected areas.
- Maintain and enhance habitats for threatened species such as elephants, banteng, and orangutans.

##### Biodiversity Monitoring:

- Conduct ongoing biodiversity surveys and monitoring.
- Collaborate with local academic institutions and research centers for enhanced biodiversity conservation.

## Community Engagement and Participatory Approaches

The project has conducted extensive community engagement activities, including workshops, household surveys, and participatory mapping exercises. These activities ensure that the project is designed and implemented in a manner that respects and incorporates the views and needs of local communities.

Free, Prior, and Informed Consent (FPIC):

Engage with communities in an open and transparent manner, ensuring informed consent for all activities.

Continuous dialogue with communities to update needs and benefits through participatory processes.

Community Development Activities:

Focus on tourism, handicrafts, and agriculture as primary activities for livelihood improvement.

Provide training and capacity building in areas such as eco-tourism, handicraft production, and sustainable agricultural practices.

## Financial Sustainability and Risk Management

Financial Projections:

- The project is financed through secure investment financing and revenue from the sale of verified carbon units (VCUs).
- Regular financial performance analysis ensures spending levels are maintained in line with projections.

Risk Management:

- Address natural risks such as fires, pests, and extreme weather through robust monitoring and early detection systems.
- Mitigate human-induced risks by engaging communities in project activities and providing sustainable livelihood options.
- Secure political and financial stability through agreements with the Sabah State Government and continuous investment in local communities.

## Project Implementation and Governance

Governance Structure:

- Managed by Permian Malaysia Sdn. Bhd. with technical support from Permian Global and local partners such as the Sabah Forestry Department and SEARRP.
- Employs a highly qualified and experienced team with expertise in forest management, conservation biology, community development, and financial management.

Collaborations:

- Collaborate with institutions like Yayasan Sabah, Rakyat Berjaya Sdn. Bhd., SEARRP, and PACOS Trust to enhance project benefits and ensure successful implementation.

## Legal and Property Rights

Property Rights:

- The project area is legally owned by the Sabah State Government and managed through agreements with Permian Malaysia Sdn. Bhd.
- Respect customary rights of local communities and facilitate agreements for sustainable resource use.

Compliance with Laws:

- Fully compliant with state, national, and international laws and regulations related to land use, forestry, REDD+, and climate change.



## Community Benefits and Metrics

### Summary of Project Benefits

The overall goal of the project is to develop and implement a sustainable land-use model through forest conservation, promoting natural regeneration, and enabling better livelihood opportunities for local communities surrounding the project. Specific benefits by the end of the project lifetime include:

- Protection and conservation of 83,381 hectares of forest area.
- Conservation of critical biodiversity corridors between protected areas.
- Increased sustainable job opportunities for local community groups.
- Habitat protection for three species of fauna that are significantly threatened.
- Improved conditions for communities through enhanced health services, education, job creation, and entrepreneurship opportunities.

### Standardized Benefit Metrics

#### GHG Emission Reductions:

- Net estimated emission removals in the project area, measured against the without-project scenario: 16,291,488.57 tCO<sub>2</sub>e in the period 2016-2045.

#### Forest Cover:

- Improved land management practices are expected to occur on 83,381 hectares of existing production forest land as a result of project activities.

#### Training:

- Total number of community members expected to have improved skills and knowledge: 500 (5-year estimate).
- Number of female community members expected to have improved skills and knowledge: 300 (5-year estimate).

#### Employment:

- Total number of people expected to be employed in project activities: At least 40 people.
- Number of women expected to be employed as a result of project activities: At least 20 women.

#### Livelihoods:

- Total number of people expected to have improved livelihoods or income: 900 people from the communities on the Kuamut river.
- Number of women expected to have improved livelihoods or income: 450.

#### Health:

- Total number of people for whom health services are expected to improve: 900 people from the communities on the Kuamut river.
- Number of women for whom health services are expected to improve: 457.

#### Education:

- Total number of people for whom access to, or quality of, education is expected to improve: At least 100.
- Number of women and girls for whom access to, or quality of, education is expected to improve: At least 50 women.

#### Water:

- Total number of people who are expected to experience increased water quality and/or improved access to drinking water: 900 people from the communities on the Kuamut river.
- Number of women who are expected to experience increased water quality and/or improved access to drinking water: 457.

#### Well-being:

- Total number of community members whose well-being is expected to improve: 1500.
- Number of women whose well-being is expected to improve: 800.

#### Biodiversity Conservation:

- Expected change in the number of hectares managed significantly better for biodiversity conservation: 83,381 hectares.
- Expected number of globally Critically Endangered or Endangered species benefiting from reduced threats: 29 mammal and 12 bird species.

## Detailed Project Activities

### Forest Protection

#### Guard Posts:

Establish guard posts at major access points to the project area.

Manned by 2-4 staff working on rotation, equipped with necessary facilities and communication tools

#### Patrolling and Monitoring:

Conduct routine monitoring along major road and river access routes.

Employ 20 to 30 staff for patrolling activities, equipped with GPS, cameras, and communication tools.

#### Remote Surveillance:

Utilize high-resolution satellite imagery for real-time monitoring of disturbances.

Implement remote camera trap technology to monitor access points.

### Natural Forest Regeneration

#### Natural Regrowth Monitoring:

Monitor natural regeneration using forest plots and high-resolution remote sensing data.

Evaluate the benefits of supplementing natural regrowth with active restoration measures.

#### Enrichment Planting:

Implement climber cutting and targeted enrichment planting in highly degraded sites to support natural regeneration.

## Biodiversity Conservation and Monitoring

### Protection of Threatened Species:

- Focus on protecting significant populations of threatened species such as orangutan, banteng, elephant, clouded leopard, and various bird species.

### Collaborative Research:

- Collaborate with local academic institutions and research centers for enhanced biodiversity conservation.

## Community Livelihood Improvement

### Tourism Development:

- Support river-based tourism activities focusing on biocultural significance.
- Provide training and capacity building for developing eco-tourism.

### Handicrafts Production:

- Promote commercial production of traditional handicrafts made from non-timber forest products.
- Facilitate market access and product development training.

### Sustainable Agriculture:

- Support the development of organic, high-value crops for sale in urban markets.
- Provide training on pest management and conservation agriculture to improve yields and profits.

### Microfinance Programs:

- Develop microfinance programs to provide credit for community members.

## Contact

### Edward Rumsey

Managing Partner, Permian Global

*Edward.rumsey@permianglobal.com*

### Ivy Wong Abdullah

CEO, Permian Malaysia

*Ivy.wong@permianglobal.com*

