

# Symposium on Sustainable Resource Development

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May 18, 2006  
Institute of Directors, London

**SUSTAINABLE FOREST MANAGEMENT (SFM) AND BIO-DIVERSITY  
CONSERVATION: THE SABAH EXPERIENCE**

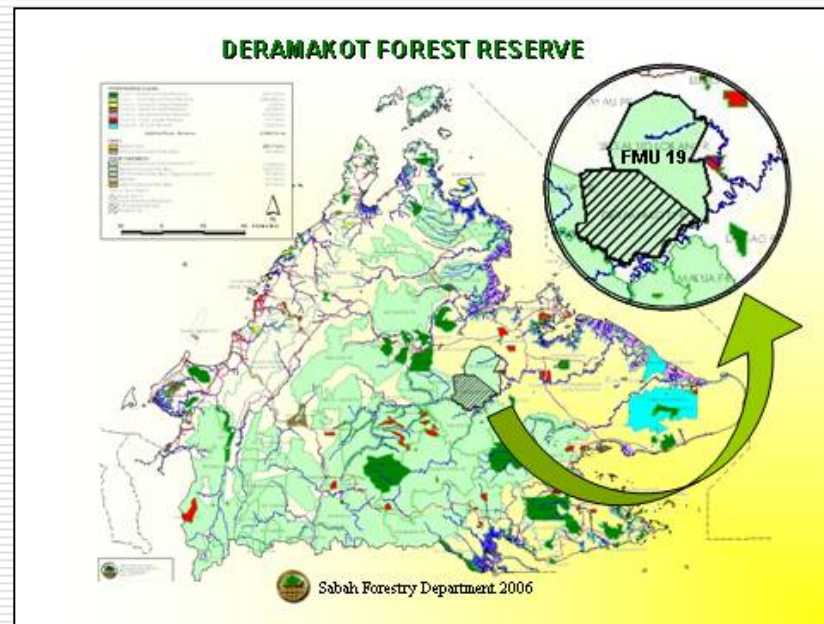


Malaysian Palm Oil Council

# Introduction

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- The State of Sabah still retains some 60% of her land surface under natural forest cover despite rapid land development since independence in 1963. This translates into some 3.9 million hectares of forest reserves, parks, wildlife sanctuaries and water catchments, devoted to forestry and conservation purposes.



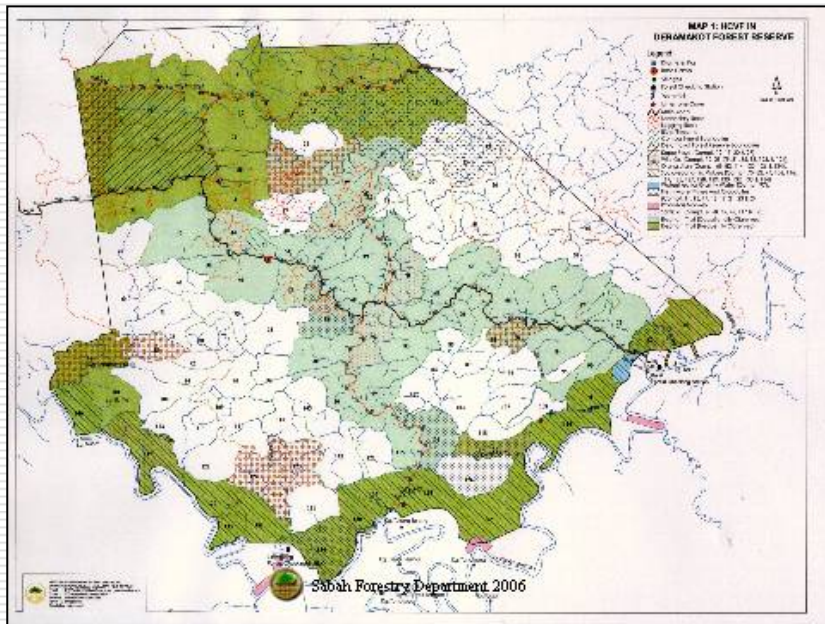
# The Deramakot Forest Reserve SFM Model

- ❑ This project started in 1989, in collaboration with the German Technical Agency (GTZ), until 2000. Since then, the reserve is totally managed by the Sabah Forestry Department.
- ❑ Amongst other things that have been achieved in this reserve are the following:
- ❑ certification under the Forest Stewardship Council (FSC) system as a “well-managed forest;”
- ❑ Demonstrating that SFM with timber harvesting as a component, is compatible with wildlife management;

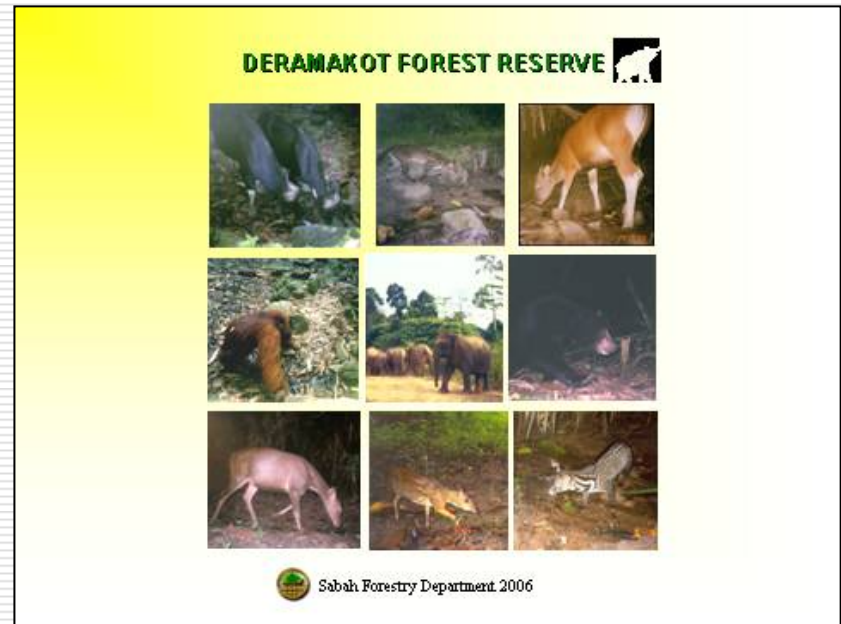


# The Deramakot Forest Reserve SFM Model

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(High Conservation Value Forest)



(Wildlife of Deramakot)

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# The Deramakot Forest Reserve SFM Model

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A forest logged under RIL (Reduced Impact Logging) does not need to be re-planted or rehabilitated because the residual stand is already intact. What is only needed is silviculture tending (or weeding);



# The Deramakot Forest Reserve SFM Model

- The cost of bad logging practices translates into high re-habilitation costs, some 6-7 times more than silviculture, with no guarantee that trees planted will necessarily survive and thrive; and
- Political support and political stability are essential ingredients before SFM can be practiced successfully as demonstrated in the Deramakot Model.

**DERAMAKOT FOREST RESERVE**

*"Pioneer tree species and woody climbers provide a major source of young leaves for Orang utans because of their high density in over exploited and regenerating forest."*  
(Dr. Marc Ancrenaz – Primatologist)

**WHAT THE ORANG UTANS FANCY**



Sugar flowers and fruit.

Fig type 2.

Fig type 1.

Fig tree feeding.

 Sabah Forestry Department 2006

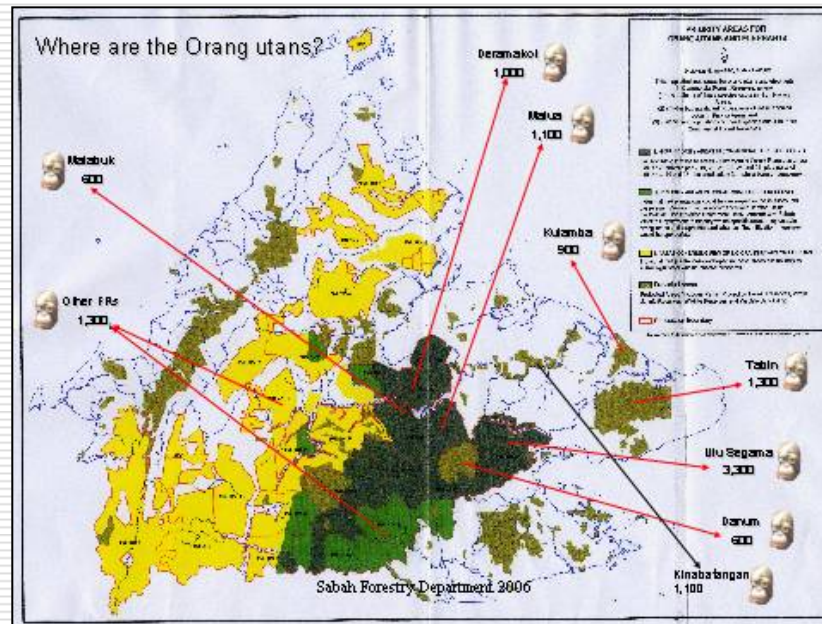
# Expansion of the Deramakot Model

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- The State Government implements this through (2) mechanisms:
    - issuance of long-term “SFM” licences for 100 years to the private sector. The licensee is obliged to follow the Deramakot principles and
    - expansion of forest reserve areas to be directly managed by the Forestry Department in accordance with the Deramakot Principles.
  
  - Since 1997, some 2 million hectares of Class II forest reserves have been licensed for long-term tenure following the principles of Deramakot. The success of this government-private sector collaboration is mixed, in that there are excellent examples but also some non-performers whose licences had to be terminated. It is too early to gauge whether the private sector in general, has the financial means, capacity and technical know-how, to satisfactorily adopt and implement the principles of Deramakot. This process of assessing performance is also carried out by third party auditors, appointed by the Government of Sabah.
  
  - Following on the success of Deramakot, the State Government has allocated more areas for the Forestry Department to manage directly such as: FMU 10 (75,000 hectares), FMU 17 (80,000 hectares), FMU 1 (11,000 hectares), FMU 22 (50,000 hectares) and FMU 20 (250,000 hectares).
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# The Ulu Segama-Malua SFM Project Area

- This area, covering about 250,000 hectares, arguably has the largest concentration of orang utans of the variety *Pongo pygmaeus morio* in the world. The latest estimate puts the numbers in the region of 6,000-7,000, or almost half of Sabah's orang utan population.



# The Ulu Segama-Malua SFM Project Area

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- Taking cognizance of this vitally important conservation area, the State Government declared this area for SFM management with effect from 15 March 2006. All logging activities shall be phased out by 31 December 2007.



*"...This is one of the most important actions ever taken to secure the future of Borneo's endangered wild mammals, said Carter Roberts, CEO and President of WWF-USA... We applaud the commitment by the Sabah State Cabinet and we look forward to working with the Malaysian government to make this commitment a reality..." (Associated Press - 7.4.2006)*

**Forestry concept equals**

**SABAH'S GIFT TO THE WORLD**

**Hold steady to save Borneo for the future**

**Protection for orang utan forests**

**Benefits of responsible tree felling**

**Deramakot SFM balances environment, economics**

**RM1b revenue forgone**  
Sabah orders ban on logging in strong Ulu Segama by 2008

 Sabah Forestry Department 2006

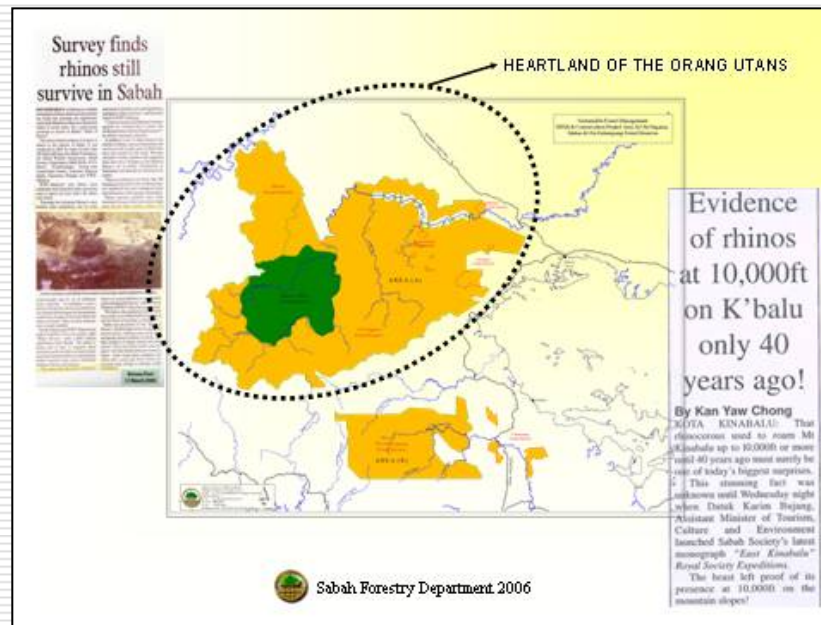
# The Ulu Segama-Malua SFM Project Area

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- A planning team, headed by the Forestry Department has been formed consisting of amongst others: Yayasan Sabah as the licensee, WWF, HUTAN (French NGO), community groups, and the Sabah Society amongst others.
  - The most important document the planning team has to produce, is the FMP (Forest Management Plan) which will list down the activities that need to be implemented on the ground.
  - Although the FMP preparation is still ongoing and expected to be completed by the end of 2007, various forestry activities have now started such as: boundary demarcation, aerial photography, wildlife surveys, inventory and the re-habilitation and silvicultural treatment of logged-over forests.
  - The management of these areas is envisaged to cost hundreds of millions of ringgit in the next (10) years, whereby, the funding will be sourced from: the State Government, Federal Government, private donors etc.
  - Ultimately, Ulu Segama-Malua will attain the level of forest management as Deramakot, whereby, its management will be institutionalized.
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# Forest Management and Orang Utan Conservation

- The Forestry Department, with assistance from WWF, Sabah Wildlife Department and "HUTAN," amongst others, has incorporated wildlife management as an integral part of forest management. This also conforms to the need to maintain "High Conservation Value Forests (HCVFs)," a principle under the FSC Certification Scheme.



# Forest Management and Orang Utan Conservation

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- ❑ On the conservation of orang utans, the flagship species of Sabah, it is now evident that:
  - ❑ NFM (Natural Forest Management) is vital for the survival of orang utans. They cannot survive under any other regime;
  - ❑ Timber harvesting with RIL as a component, following the Deramakot Model, is compatible with wildlife management;
  - ❑ It is vital to maintain “wildlife corridors” to allow the exchange of gene pools and access to protected areas;
  - ❑ Forest fragmentation needs to be overcome via various means (corridors, replanting with indigenous’ species, abandonment of lands to allow natural regeneration etc.) to alleviate the problems associated with trapped and isolated wildlife.
  - ❑ Landowners, principally those in the lower Kinabatangan, are being actively engaged by the Sabah Wildlife Department to repair and re-connect the riparian reserves, wildlife corridors and forest pockets, in the pursuance of eco-system “connectivity.” Such programs are beginning to bear positive results.
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