

**MINUTES OF MEETINGS
BETWEEN
JAPAN INTERNATIONAL COOPERATION AGENCY
AND
AUTHORITIES CONCERNED OF THE GOVERNMENT OF MALAYSIA
ON
THE JAPANESE TECHNICAL COOPERATION PROGRAMME FOR
BORNEAN BIODIVERSITY AND ECOSYSTEMS CONSERVATION II
IN THE STATE OF SABAH, MALAYSIA**

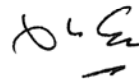
The Japanese Preparatory Study Team (hereinafter referred to as “the Team”) organised by Japan International Cooperation Agency (hereinafter referred to as “JICA”) and headed by Mr. Yukihide Katsuta, visited Malaysia from 25 February to 7 March 2007, for the purpose of conducting a preparatory study on the Technical Cooperation Programme for Bornean Biodiversity and Ecosystems Conservation II in the state of Sabah (hereinafter referred to as “the Programme”).

During its stay, both the Team and authorities concerned of the Government of Malaysia had a series of discussions and exchanged views on the Programme to prepare the drafts of the Record of Discussions (R/D), the Programme Design Matrix (PgDM) and the Plan of Operation (PO) of the Programme.

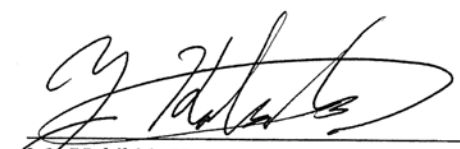
As a result of the discussions, both sides agreed to the matters referred to in the documents attached hereto (hereinafter referred to as “the Attached Document”).

Kota Kinabalu, 6 March 2007

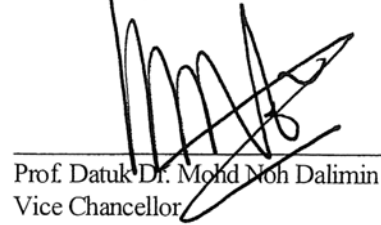
For authorities concerned of the Government
of Malaysia



Tuan Haji Nordin Siman
Secretary
Natural Resources Office
Chief Minister’s Department
The State Government of Sabah



Mr. Yukihide Katsuta
Leader
Preparatory Study Team
Japan International Cooperation Agency



Prof. Datuk Dr. Mohd Noh Dalimin
Vice Chancellor
Universiti Malaysia Sabah

5. Programme Office

The main office of the Programme will be set up at Natural Resources Office, Chief Minister's Department, since it takes leading role of the secretariat. Japanese Chief Advisor and the Programme Coordinator will be posted there, and JICA experts will be placed to relevant organization(s) of each field.

6. Dispatch of Volunteers

Japanese volunteers (Japan Overseas Cooperation Volunteers and Senior Volunteers), will be considered to be dispatched to the Programme. However, the arrangement of these volunteers will be planned separately from the framework of the Programme described in the R/D.

7. Provisional Schedule before Programme Commencement

- (1) Internal procedure for the approvals by both the authorities concerned of the Government of Malaysia and JICA (Up to April, 2007)
- (2) Signing of the R/D (May, 2007)
- (3) Commencement of the Programme (July, 2007)

List of Appendices:

- Appendix 1: Draft Programme Design Matrix (PgDM)
- Appendix 2: Draft Plan of Operation (PO)
- Appendix 3: Draft Record of Discussions (R/D)
- Appendix 4: Programme Operation and Management Structure

5. Programme Office

The main office of the Programme will be set up at Natural Resources Office, Chief Minister's Department, since it takes leading role of the secretariat. Japanese Chief Advisor and the Programme Coordinator will be posted there, and JICA experts will be placed to relevant organization(s) of each field.

6. Dispatch of Volunteers

Japanese volunteers (Japan Overseas Cooperation Volunteers and Senior Volunteers), will be considered to be dispatched to the Programme. However, the arrangement of these volunteers will be planned separately from the framework of the Programme described in the R/D.

7. Provisional Schedule before Programme Commencement

- (1) Internal procedure for the approvals by both the authorities concerned of the Government of Malaysia and JICA (Up to April, 2007)
- (2) Signing of the R/D (May, 2007)
- (3) Commencement of the Programme (July, 2007)

List of Appendices:

- Appendix 1: Draft Programme Design Matrix (PgDM)
- Appendix 2: Draft Plan of Operation (PO)
- Appendix 3: Draft Record of Discussions (R/D)
- Appendix 4: Programme Operation and Management Structure

Appendix 1

Draft Programme Design Matrix (PgDM)

Programme Title: Programme for Bornean Biodiversity and Ecosystems Conservation II

Programme Duration: xxx 2007 to xxx 2012 (five years)

Target Area: Whole Sabah state with emphasis on Crocker Range Park, river basin of Kinabatangan and Segama rivers

Version Number: Version 0 (draft)

Date: 06 March 2007

| Narrative Summary | Objectively Verifiable Indicators | Means of Verification | Important Assumptions |
|---|--|--|---|
| <p>Overall Goal: Biodiversity and ecosystems conservation in Sabah is strengthened and internationally recognised as a conservation model.</p> <p>Programme Purpose: A system for biodiversity and ecosystems conservation in Sabah is strengthened and Sabah state becomes a centre for extension of knowledge and information to other areas of Malaysia and foreign countries.</p> <p>Outputs: Output 1: Functions and implementation capacity of Sabah Biodiversity Council/Centre are enhanced. 1-1 Sabah Biodiversity Council (the Council) is activated. 1-2 Sabah Biodiversity Centre (the Centre) is established and activated. 1-3 Basic activities for biodiversity and ecosystems conservation in Sabah state are coordinated, promoted and implemented by the Centre.</p> | <p>The Sabah conservation model developed through BBEC is introduced to other states of Malaysia and/or other countries.</p> <p>1 Biodiversity conservation strategy in Sabah is approved by the Council. 2 xx number(s) of activities are implemented according to the strategy. 3 Programme related personnel are invited as trainers by other states in Malaysia/other countries.</p> <p>1-1 Council meeting is held as scheduled (three times per year). 1-2(1) Office of the Centre is established, and adequate number of staff with clear duties is allocated. 1-2(2) A strategic plan of the Centre is drawn out. 1-3 Selected activities are implemented/organised by the Centre.</p> | <ul style="list-style-type: none"> • Report of the Centre • Minutes of meetings of the Council • Report of the Centre • Invitation letters for trainers • Minutes of meetings of the Council • Report of the Centre including the organizational chart • Strategic plan of the Centre • Report of the Centre | <p>Malaysian and Sabah state policy on biodiversity and ecosystems conservation does not change significantly.</p> <p>There is no major change in institutional structure of the C/P organizations.</p> |
| <p>Output 2: Biodiversity and ecosystems conservation activities are implemented.</p> <p>2-1 Protected areas such as state parks, wildlife reserves, and forest reserves are managed under relevant policies of Sabah.</p> <p>2-2 Research and education activities for protected area management are strengthened.</p> <p>2-3 Sabah environmental education policy (EE policy), which was formulated under BBEC Phase I, is implemented and monitored.</p> | <p>2-1(1) Additional xx CUZ sites become functional. 2-1(2) The whole or selected areas in the river basin of Kinabatangan and Segama rivers is proposed officially as Ramsar site(s). 2-2(1) Additional xx research reports/articles are published. 2-2(2) Seminars and workshop are held xx times. 2-3(1) EE policy is endorsed by the Council. 2-3(2) Additional xx environmental education materials are developed. 2-3(3) The target groups of environmental education implement xx activities.</p> | <ul style="list-style-type: none"> • Programme report • Proposed document for Ramsar registration • List of publications • Programme report • Programme report • List of environmental education materials • Evaluation and monitoring report | |
| <p>Output 3: Extension services and training capability related to the biodiversity and ecosystems conservation are enhanced.</p> <p>3-1 Sabah state agencies, UMS and related organizations are able to conduct trainings on biodiversity and ecosystems conservation to both foreign and local trainees, based on the experience of BBEC.</p> <p>3-2 Knowledge and information concerning biodiversity and ecosystems conservation activities are made available in Malaysia and foreign countries.</p> | <p>3-1 Sabah state agencies, UMS and other related agencies conduct xx training activities. 3-2 Various mass media report xx news related to Sabah biodiversity and ecosystems conservation.</p> | <ul style="list-style-type: none"> • Programme report • Programme report | |

| | | | |
|---|--|--|--|
| <p>Activities: Activities corresponding to Output 1. (Output 1-1 Sabah Biodiversity Council (the Council) is activated.) 1-1-1 Deliberate and endorse resolutions of BBEC Phase I. 1-1-2 Conduct capacity building activities for the Council members. 1-1-3 Improve operation of the Council. (Output 1-2 Sabah Biodiversity Centre (the Centre) is established and activated.) 1-2-1 Propose structural position of the Centre in Sabah state government including staff allocation, location, financial allocation etc. 1-2-2 Complete institutional set-up of the Centre including internal rules and regulations. 1-2-3 Prepare a strategic plan for activities of the Centre. 1-2-4 Conduct capacity building activities for the Centre members. (Output 1-3 Basic activities for biodiversity and ecosystems conservation in Sabah state are coordinated, promoted and implemented by the Centre.) 1-3-1 Prioritize the functions of the Centre as per section 9 of the Sabah Biodiversity Enactment 2000. 1-3-2 Prepare an action plan(s) for the Centre based on the priority purposes chosen in the above. 1-3-3 Implement the action plan(s). 1-3-4 Prepare biodiversity conservation strategy in Sabah.</p> | <p>Input (Malaysian side):</p> <p>Personnel -Programme director -Vice programme director -Programme manager -Counterpart personnel for Japanese experts -Administrative personnel -Supporting staff</p> <p>Land, Building and Facilities -Necessary facilities for the Programme (building, room, equipment, telephone line etc.)</p> <p>Operation costs -Cost for the Programme activities -Cost of maintenance of equipment -Partial cost for conducting training in Sabah, etc.</p> | <p>Input (Japanese Side):</p> <p>Personnel <Long-term experts> -Chief advisor (five years) -Programme coordinator (five years) -Integrated protected area management (two to three years) -Institutional capacity building (two to three years)</p> <p><Short-term experts> -Experts in specific fields upon mutual agreement</p> <p>Machinery and Equipment -Equipment necessary upon mutual agreement</p> <p>Training -Two to four personnel per year in specific fields in Japan and/or third countries -Partial cost for conducting training in Sabah</p> | <p>Budget allocation to the C/P organizations does not decrease largely.</p> <p>Transfer of core staff of C/P organization is kept at a minimum.</p> <p>The government of Sabah state approves the organizational set-up of the Council/Centre officially.</p> |
| <p>Activities corresponding to Output 2. (Output 2-1 Protected areas such as state parks, wildlife reserves, and forest reserves are managed under relevant policies of Sabah.) 2-1-1 Manage the Crocker Range Park (CRP) focusing on Community Use Zone (CUZ) and introduce the concept of CUZ to other protected areas. 2-1-2 Implement Lower Segama management plan with focus on participatory conservation activities and community-based ecotourism. 2-1-3 Prepare management strategy to conserve the river basin of Kinabatangan and Segama rivers, and propose the whole or selected areas within the river basin as Ramsar site(s). (Output 2-2 Research and education activities for protected area management are strengthened.) 2-2-1 Conduct research directly applicable to biodiversity and ecosystems conservation and use the result in education. 2-2-2 Expand the collaboration with other research institutes including foreign research institutes and universities. (Output 2-3 Sabah environmental education policy (EE policy), which was formulated under BBEC Phase I, is implemented and monitored.) 2-3-1 Prepare an implementation plan for the EE policy. 2-3-2 Implement environmental education activities based on the plan. 2-3-3 Monitor and evaluate the environmental education activities.</p> | | | |

| | |
|---|--|
| <p>Activities corresponding to Output 3 (Output 3-1 Sabah state agencies, UMS and related organizations are able to conduct trainings on biodiversity and ecosystems conservation to both foreign and local trainees, based on the experience of BBEC.)</p> <ul style="list-style-type: none"> 3-1-1 Collect information on local training needs, formulate training programmes and conduct trainings to related-parties of Sabah. 3-1-2 Collect information of training needs in neighbouring areas/countries. 3-1-3 Review knowledge and experience of Sabah, which is applicable for neighbouring areas/countries. 3-1-4 Formulate training programmes and conduct trainings to personnel and institutions in neighbouring areas/countries. 3-1-5 Evaluate the trainings and feedback the result to the training programmes. <p>(Output 3-2 Knowledge and information concerning biodiversity and ecosystems conservation activities of Sabah are made available in other areas of Malaysia and foreign countries.)</p> <ul style="list-style-type: none"> 3-2-1 Review biodiversity and ecosystems conservation activities conducted by private sectors, NGOs in Malaysia. 3-2-2 Prepare a strategy for dissemination of information. 3-2-3 Publish and release information on biodiversity and ecosystems conservation in Sabah as well as BBEC activities through various media such as newspapers, TV, radio and web-site. | <p>Preconditions:</p> <p>The government of Sabah state prepares the legal and institutional basis for the commencement of the operation of the Sabah Biodiversity Council/Centre.</p> |
|---|--|

| | Responsible Organizations | 2007 | | | | | | | | | | | | 2008 | | | | | | | | | | | | 2009 | | | | | | | | | | | | 2010 | | | | | | | | | | | | 2011 | | | | | | | | | | | | 2012 | | | | | | | | | | | |
|-------|--|---------------|---|---|---|---|---|---|---|---|----|----|----|------|---|---|---|----|---|---|---|----|----|----|----|------|---|---|---|---|---|---|---|---|----|----|----|------|---|---|---|---|---|---|---|---|----|----|----|------|---|---|---|---|---|---|---|---|----|----|----|------|---|---|---|----|---|---|---|----|----|----|----|
| | | 7 | | | | 8 | | | | 9 | | | | 10 | | | | 11 | | | | 12 | | | | 1 | | | | 2 | | | | 3 | | | | 4 | | | | 5 | | | | 6 | | | | 7 | | | | 8 | | | | 9 | | | | 10 | | | | 11 | | | | 12 | | | |
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| 2-1-3 | Prepare management strategy to conserve the river basin of Kinabatangan and Segama rivers, and propose the whole or selected areas within the river basin as Ramsar site(s). | SFD, SWD, WIR | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2-2 | Research and education activities for protected area management are strengthened. | - | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2-2-1 | Conduct research directly applicable to conservation and use the result in education. | UMS | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2-2-2 | Expand the collaboration with other research institutes including foreign research institutes and universities. | UMS | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2-3 | Sabah environmental education policy (EE policy), which was formulated under BBEC Phase I, is implemented and monitored. | - | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2-3-1 | Prepare an implementation plan for the EE policy. | UST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2-3-2 | Implement environmental education activities based on the plan. | UST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2-3-3 | Monitor and evaluate the environmental education activities. | UST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Output 3: Extension services and training capability related to the biodiversity and ecosystems conservation are enhanced. | - | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3-1 | Sabah state agencies, UMS and related organizations are able to conduct trainings on biodiversity and ecosystems conservation to both foreign and local trainees, based on the experience of BBEC. | - | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3-1-1 | Collect information on local training needs, formulate training programmes and conduct trainings to related-parties of Sabah. | UMS, UST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3-1-2 | Collect information of training needs in neighbouring areas/countries. | UMS, UST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3-1-3 | Review knowledge and experience of Sabah, which is applicable for neighbouring areas/countries. | UMS, UST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3-1-4 | Formulate training programmes and conduct trainings to personnel and institutions in neighbouring areas/countries. | UMS, UST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3-1-5 | Evaluate the trainings and feedback the result to the training programmes. | UMS, UST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3-2 | Knowledge and information concerning biodiversity and ecosystems conservation activities are made available in Malaysia and foreign countries. | - | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3-2-1 | Review biodiversity and ecosystems conservation activities conducted by private sectors, NGOs in Malaysia. | UMS, UST, NRO | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3-2-2 | Review biodiversity and ecosystems conservation activities conducted by private sectors, NGOs in Malaysia. | UMS, UST, NRO | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3-2-3 | Publish and release information on biodiversity and ecosystems conservation in Sabah as well as BBEC activities through various media such as newspapers, TV, radio and web-site. | UMS, UST, NRO | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

<Draft>

Appendix 3

**RECORD OF DISCUSSIONS
BETWEEN
JAPAN INTERNATIONAL COOPERATION AGENCY
AND
AUTHORITIES CONCERNED OF THE GOVERNMENT OF MALAYSIA
ON
THE JAPANESE TECHNICAL COOPERATION PROGRAMME FOR
BORNEAN BIODIVERSITY AND ECOSYSTEMS CONSERVATION II
IN THE STATE OF SABAH, MALAYSIA**

With regard to the Minutes of Meetings between the Preparatory Study Team (hereinafter referred to as “the Team”) and the authorities concerned of the Government of Malaysia dated on 6 March 2007, Japan International Cooperation Agency (hereinafter referred to as “JICA”) had series of discussions through the Resident Representative of JICA Malaysia Office, with Malaysian authorities concerned with respect to desirable measures to be taken by JICA and the Government of Malaysia for the successful implementation of the technical cooperation programme for Bornean Biodiversity and Ecosystems Conservation II in the state of Sabah.

As a result of the discussions, JICA and the Malaysian authorities concerned agreed on the matters referred to in the document attached hereto.

Kota Kinabalu, xxx xxx 2007

Mr. Hiroshi Umezaki
Resident Representative
Japan International Cooperation Agency
Malaysia Office

Datuk K. Y. Mustafa
State Secretary
The State Government of Sabah

Tuan Haji Nordin Siman
Secretary
Natural Resources Office
Chief Minister’s Department
The State Government of Sabah

Prof. Datuk Dr. Mohd Noh Dalimin
Vice Chancellor
Universiti Malaysia Sabah

Witnessed by

Economic Planning Unit
Prime Minister’s Department

State Economic Planning Unit
Chief Minister’s Department, Sabah

THE ATTACHED DOCUMENT

I. COOPERATION BETWEEN JICA AND THE GOVERNMENT OF MALAYSIA

1. The Government of Malaysia will implement the Programme for Bornean Biodiversity and Ecosystems Conservation II (hereinafter referred to as “the Programme”) in cooperation with JICA.
2. The Programme will be implemented in accordance with the Master Plan which is given in Annex I.

II. MEASURES TO BE TAKEN BY JICA

In accordance with the laws and regulations in force in Japan, JICA will take, at its own expense, the following measures according to the normal procedures under the Colombo Plan Technical Cooperation Scheme.

1. DISPATCH OF JAPANESE EXPERTS

JICA will provide the services of the Japanese experts as listed in Annex II.

2. PROVISION OF MACHINERY AND EQUIPMENT

JICA will provide such machinery, equipment and other materials (hereinafter referred to as “the Equipment”) necessary for the implementation of the Programme as listed in Annex III. The Equipment will become the property of the Government of Malaysia upon being delivered C.I.F. (cost, insurance and freight) to the Malaysian authorities concerned at the ports and/or airports of disembarkation.

3. TRAINING OF MALAYSIAN PERSONNEL IN JAPAN AND/OR THIRD COUNTRIES

JICA will receive the Malaysian personnel connected with the Programme for technical training in Japan and/or third countries.

III. MEASURES TO BE TAKEN BY THE GOVERNMENT OF MALAYSIA

1. The Government of Malaysia will take necessary measures to ensure that the self-reliant operation of the Programme will be sustained during and after the period of Japanese technical cooperation, through full and active involvement in the Programme by all related authorities, beneficiary groups and institutions.
2. The Government of Malaysia will ensure that the technologies and knowledge acquired by the Malaysian nationals as a result of Japanese technical cooperation will contribute to the economic and social development of Malaysia.
3. The Government of Malaysia will grant in Malaysian privileges, exemptions and benefits to the Japanese experts referred to in II-1 above and their families, which are no less favourable than those accorded to experts of third countries working in Malaysia under the Colombo Plan Technical Cooperation Scheme.
4. The Government of Malaysia will ensure that the Equipment referred to in II-2 above will be utilized effectively for the implementation of the Programme in consultation with the Japanese experts referred to in Annex II.
5. The Government of Malaysia will take necessary measures to ensure that the knowledge and experience acquired by the Malaysian personnel from technical training in Japan and/or third countries will be utilized effectively in the implementation of the Programme.
6. In accordance with the laws and regulations in force in Malaysia, the Government of Malaysia will take necessary measures to provide at its own expense:
 - (1) Services of the Malaysian counterpart personnel and administrative personnel as listed in Annex IV;
 - (2) Land, buildings and facilities as listed in Annex V;

- (3) Supply or replacement of machinery, equipment, instruments, vehicles, tools, spare parts and any other materials necessary for the implementation of the Programme other than the Equipment provided by JICA under II-2 above;
 - (4) Means of transport and travel allowances for the Japanese experts for official travel within Malaysia; and
 - (5) Suitably furnished accommodation for the Japanese experts and their families.
7. In accordance with the laws and regulations in force in Malaysia, the Government of Malaysia will take necessary measures to meet:
- (1) Expenses necessary for transportation within Malaysia of the Equipment referred to in II-2 above as well as for the installation, operation and maintenance thereof;
 - (2) Customs duties, internal taxes and any other charges, imposed in Malaysia on the Equipment referred to in II-2 above; and
 - (3) Running expenses necessary for the implementation of the Programme.

IV. ADMINISTRATION OF THE PROGRAMME

1. The State Secretary of Sabah, as the Programme Director and Chairperson of the Programme Steering Committee (hereinafter referred to as "PgSC"), will bear overall responsibility for the administration and implementation of the Programme.
2. The Vice Chancellor of Universiti Malaysia Sabah (hereinafter referred to as "UMS"), as the Deputy Programme Director and Deputy Chairperson of the PgSC, will support the Programme Director and bear responsibility for the administration and implementation of the Programme.

3. Secretary, the Natural Resources Office (hereinafter referred to as "NRO"), Chief Minister's Department, as the Programme Manager, will be responsible for overall coordination of the Programme.
4. Directors of Sabah Parks (hereinafter referred to as "SP") and Sabah Wildlife Department (hereinafter referred to as "SWD"), as the Heads of Integrated Protected Area Management Component (hereinafter referred to as "IPAMC") will be responsible for the managerial and technical matters of the Component.
5. Director of Institute for Tropical Biology and Conservation (hereinafter referred to as "ITBC"), UMS, as the Head of Research and Education Component (hereinafter referred to as "REC") will be responsible for the managerial and technical matters of the Component.
6. Director of Science and Technology Unit (hereinafter referred to as "UST"), Chief Minister's Department, as the Head of Public Awareness Component (hereinafter referred to as "PAC") will be responsible for the managerial and technical matters of the Component.
7. The Japanese Chief Advisor will provide necessary recommendations and advice to the Programme Director, the Deputy Programme Director and the Programme Manager on any matters pertaining to the implementation of the Programme.
8. The Japanese experts will give necessary technical guidance and advice to the Malaysian counterpart personnel on technical matters pertaining to the implementation of the Programme.
9. For the achievement of the Output 2 described in Annex I, leading and implementing organizations listed in Annex VI will be responsible for implementation of the activities of each component.
10. NRO, ITBC and UST will act as the Secretariat, which is led by NRO, for the Programme. The Secretariat will coordinate matters pertaining to the Programme administration and logistics.

11. For the effective and successful implementation of technical cooperation for the Programme, a Programme Steering Committee will be established whose functions and composition are described in Annex VII.

V. JOINT EVALUATION

Evaluation of the Programme will be conducted jointly by JICA and the Malaysian authorities concerned, at the middle and during the last six months of the cooperation term in order to examine the level of achievement.

VI. CLAIMS AGAINST JAPANESE EXPERTS

The Government of Malaysia undertakes to bear claims, if any arises, against the Japanese experts engaged in technical cooperation for the Programme resulting from, occurring in the course of, or otherwise connected with the discharge of their official functions in Malaysia except for those arising from the willful misconduct or gross negligence of the Japanese experts.

VII. MUTUAL CONSULTATION

There will be mutual consultation between JICA and the Government of Malaysia on any major issues arising from, or in connection with this Attached Document.

VIII. MEASURES TO PROMOTE UNDERSTANDING OF AND SUPPORT FOR THE PROGRAMME

For the purpose of promoting support for the Programme among the people of Malaysia, the Government of Malaysia will take appropriate measures to make the Programme widely known to the people of Malaysia.

IX TERM OF COOPERATION

The duration of the technical cooperation for the Programme under this attached document will be five (5) years from xxx 2007.

| | |
|-----------|---|
| ANNEX I | MASTER PLAN |
| ANNEX II | LIST OF JAPANESE EXPERTS |
| ANNEX III | LIST OF MACHINERY AND EQUIPMENT |
| ANNEX IV | LIST OF MALAYSIAN COUNTERPART AND ADMINISTRATIVE PERSONNEL |
| ANNEX V | LIST OF LAND, BUILDINGS AND FACILITIES |
| ANNEX VI | COMPOSITION AND FUNCTION OF COMPONENTS |
| ANNEX VII | PROGRAMME STEERING COMMITTEE |

ANNEX I MASTER PLAN

1. Programme Title

Programme for Bornean Biodiversity and Ecosystems Conservation (BBEC) II

2. Overall Goal

Biodiversity and ecosystem conservation in Sabah is strengthened and internationally recognised as a conservation model.

3. Programme Purpose

A system for biodiversity and ecosystems conservation in Sabah is strengthened and Sabah state becomes a centre for extension of knowledge and information to other areas of Malaysia and foreign countries.

4. Output of the Programme

Output 1:

Functions and implementation capacity of Sabah Biodiversity Council/Centre are enhanced.

1-1 Sabah Biodiversity Council (the Council) is activated.

1-2 Sabah Biodiversity Centre (the Centre) is established and activated.

1-3 Basic activities for biodiversity and ecosystems conservation in Sabah state are coordinated, promoted and implemented by the Centre.

Output 2: Biodiversity and ecosystems conservation activities are implemented.

2-1 Protected areas such as state parks, wildlife reserves, and forest reserves are managed under relevant policies of Sabah.

2-2 Research and education activities for protected area management are strengthened.

2-3 Sabah environmental education policy (EE policy), which was formulated under BBEC Phase I, is implemented and monitored.

Output 3: Extension services and training capability related to the biodiversity and ecosystems conservation are enhanced.

3-1 Sabah state agencies, UMS and related organizations are able to conduct trainings on biodiversity and ecosystems conservation to both foreign and local trainees, based on the experience of BBEC.

3-2 Knowledge and information concerning biodiversity and ecosystems conservation activities are made available in Malaysia and foreign countries.

ANNEX II LIST OF JAPANESE EXPERTS

Experts for the Programme will be dispatched as follows:

1. Long-term experts

- (1) Chief Advisor
- (2) Programme Coordinator
- (3) Integrated Protected Area Management
- (4) Institutional Capacity Building

2. Short-term experts

Experts in specific fields will be dispatched upon mutual agreement.

ANNEX III LIST OF MACHINERY AND EQUIPMENT

Equipment necessary for the effective implementation of the Programme will be provided upon mutual agreement.

ANNEX IV LIST OF MALAYSIAN COUNTERPART AND ADMINISTRATIVE PERSONNEL

1. Programme Director and Chairperson of the Programme Steering Committee:
State Secretary of Sabah

2. Deputy Programme Director and Deputy Chairperson of the Programme Steering Committee:
Vice Chancellor of UMS

3. Programme Manager:
Secretary, NRO

4. Counterparts for Japanese experts

5. Administrative personnel and supporting staff:
Administrative and clerical staff, drivers and others to support the Programme activities

ANNEX V LIST OF LAND, BUILDINGS AND FACILITIES

Necessary facilities for the Programme (building, room, equipment, telephone line etc.)

ANNEX VI COMPOSITION AND FUNCTION OF COMPONENTS

1. The leading and implementing organizations of the components listed under each component below will jointly implement the activities to pursue the purpose and objectives of respective components.

(1) Integrated Protected Area Management Component (IPAMC)

- Sabah Parks (leading organization)
- Sabah Wildlife Department (leading organization)
- Sabah Forestry Department
- Sabah Environmental Protection Department
- Sabah Fishery Department
- Sabah Agricultural Department
- Lands and Surveys Department, Sabah
- Department of Irrigation and Drainage, Sabah
- Sabah Foundation
- Universiti Malaysia Sabah (UMS)
- District Offices

(2) Research and Education Component (REC)

- ITBC, UMS (leading organization)
- Science and Technology Unit (UST)
- Sabah Parks
- Sabah Wildlife Department
- Sabah Forestry Department
- Department of Irrigation and Drainage, Sabah
- Sabah Foundation

(3) Public Awareness Component (PAC)

- Science and Technology Unit (UST) (leading organization)
- Universiti Malaysia Sabah (UMS)
- Sabah Education Department
- Sabah Parks
- Sabah Wildlife Department
- Sabah Forestry Department
- Sabah Environmental Protection Department
- Sabah State IT Advancement Unit
- Sabah Foundation
- District Offices

2. The Secretary of NRO, the Japanese Chief Advisor and the Programme Coordinator will be the members of all components.

3. NGOs and other organizations may be invited to join upon the recommendation of the components and approval of the PgSC.

4. Each component will implement the activities to achieve the Output 2 in Annex I as follows:

-IPAMC: Output 2-1

-REC: Output 2-2

-PAC: Output 2-3

5. Both the leading and implementing organizations will allocate and assign sufficient number of qualified staff, administrative personnel, budget and facilities necessary.

6. Working groups will be formed according to needs of components. The functions of the working groups are to coordinate planning, implementation, monitoring and other necessary matters to bring the best result of each component with maximum effectiveness and efficiency. The working groups will meet at least once in every six (6) months.

ANNEX VII PROGRAMME STEERING COMMITTEE

1. Function

The Programme Steering Committee (PgSC) will meet at least once in every six (6) months or whenever necessity arises. The main functions of PgSC are:

- (1) To approve the annual Plan of Operation formulated by the Programme in accordance with the Record of Discussions;
- (2) To review the overall progress of the Programme and activities carried out under the above mentioned annual Plan of Operation in particular; and
- (3) To review and exchange views on major issues arising from/or concerning the Programme.

2. Composition

- (1) Chairperson: State Secretary of Sabah
- (2) Deputy Chairperson: Vice Chancellor of UMS

(3) Malaysian side:

a) Members

- Director, Environment and Natural Resources Section, Economic Planning Unit, Prime Minister's Department
- Representative, Ministry of Natural Resources and Environment
- Permanent Secretary, Ministry of Tourism, Culture and Environment
- Director, State Economic Planning Unit
- Director, Lands and Surveys Department, Sabah
- Director, Sabah Forestry Department
- Heads of the Components
- Director of Water Resources, Sabah

b) Secretary:

- Secretary, Natural Resources Offices
- Director, ITBC, UMS
- Director, UST

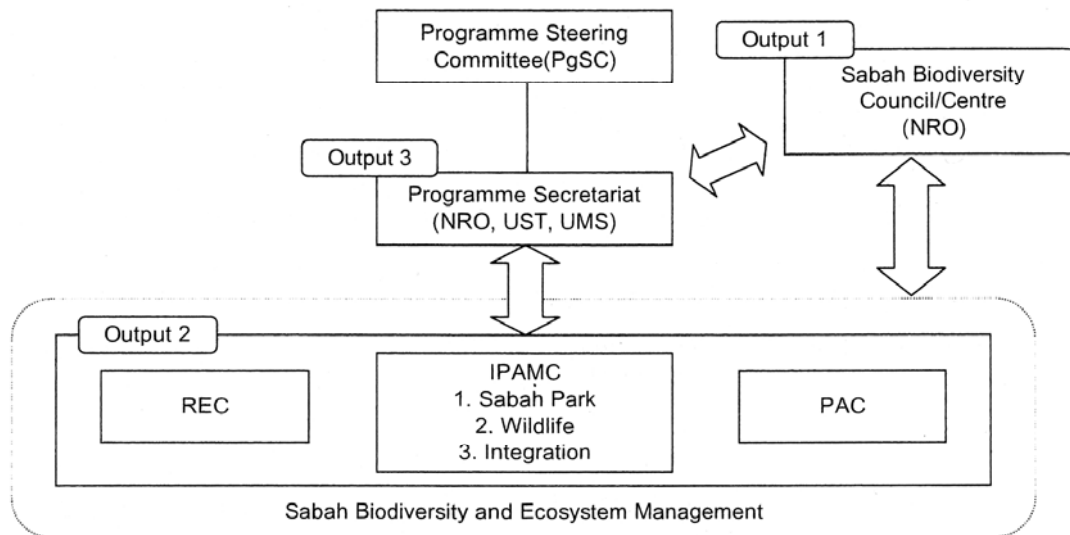
(4) Japanese side:

- Chief Advisor
- Programme Coordinator
- Experts in specific fields
- Representative, JICA Malaysia Office
- Personnel dispatched by JICA, if necessary

Note:

Official(s) of the Embassy of Japan may attend the PgSC Meeting as observer(s). The Chairperson can request and admit attendance of other relevant personnel.

Programme Operation and Management Structure of BBEC II



Output 1:
Functions and implementation capacity of Sabah Biodiversity Council/Centre are enhanced.

Output 2:
Biodiversity and ecosystems conservation activities are implemented.

Output 3:
Extension services and training capacity related to the biodiversity and ecosystems conservation are enhanced.