



COMPLETION REPORT

**Capacity Building of Forestry
Department Peninsular Malaysia's Staff
in Identifying Aquilaria to
Species Level and in the Grading of Agarwood**

MALAYSIA'S WORK PROGRAM FOR 2014/2015

This work was made possible by a grant from ITTO under the collaborative program with CITES "Support to ITTO: CITES Implementation for Tree Species and Trade/Market Transparency (TMT)". Donors to this collaborative program include the EU (primary donor), the USA, Germany, the Netherlands, Norway and China".

**Implementing Agency :
Forestry Department Peninsular Malaysia (FDPM)
Jalan Sultan Salahuddin
50660 Kuala Lumpur**

COMPLETION REPORT

Title	Capacity Building of Forestry Department Peninsular Malaysia's Staff in Identifying Aquilaria to Species Level and in the Grading of Agarwood
Executing Agency	Ministry of Natural Resources and Environment Malaysia (MNRE)
Implementing Agency	Forestry Department Peninsular Malaysia (FDPM)
Collaborating Agency	State Forestry Departments (SFDs)
Actual Duration	12 months (extended to 16 month)
Project Cost	- ITTO-CITES US\$ 39,840.00 - GoM (in-kind) US\$ 29,984.00 TOTAL US\$ 64,824.00
Project Coordinator	Encik Mohd Nasir bin Abu Hassan
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EXECUTIVE SUMMARY

Activity Context, Origin and Main Problem To Be Addressed

Aquilaria trees produce Agarwood, a resinous heartwood that is valued in many cultures for its unique aroma and is used widely in rituals as well as perfumeries. The quality of Agarwood formed varies and graded by various grading systems that differ according to the products in trade and the country where trade is taking place. In Malaysia, there are a total of 15 species of *Aquilaria* species where five species are native to Peninsular Malaysia, namely, *A. hirta*, *A. beccariana*, *A. rostrata*, *A. malaccensis* and *A. microcarpa*. The Forestry Department Peninsular Malaysia (FDPM) currently lacks capability and capacity in the identification of *Aquilaria* to species level especially during forest inventory and has limited FDPM knowledge of the actual number of the species in the natural forests. While, the current practice in grading Agarwood based on individual interpretation may contribute to loss of potential revenue as there is no standardization or reference in grading.

Activity Objectives

Overall Objective

The primary objective of the Activity is to enhance the competency of FDPM staff in the identification of *Aquilaria* to species level and the grading of Agarwood.

Specific Objectives

The specific objectives of the Activity are as follows:

- i. to develop training materials, including practical field manual to enable staff of FDPM to undertake identification of *Aquilaria* to species level;
- ii. to develop a manual for the grading of Agarwood to be used by the staff of FDPM; and
- iii. to provide training to a core team of trainers in order to provide continuous training to all the other staff of FDPM when required.

Most Critical Difference Between Planned Strategy and Implementation Strategy

Implementation Plan Strategy

There are two (2) components which are critical to the success of the Activity as below:

- i. appointment of two (2) National Experts to assist the implementation of the Activity; and
- ii. formation of a Technical Working Group that ensure the activities implementation were in line with the Activity's objective.

Time Schedule

The Activity was approved to be implemented in 12 months starting from September 2014 until August 2015. However, a six (6) months no-cost extension was granted by ITTO from September 2015 to February 2016. This was to enable the completion of *Aquilaria* specimen collection in the wild as well as data from the Agarwood entrepreneurs.

Budget Amendment

No budget amendment for this Activity.

Activity Performance, Achievements and Outcome

Activity Performance, Achievements

All Activities was successfully implemented with full of participants and indirect achieved output as below:

- i. A "Manual Pengecaman Spesies *Aquilaria* di Semenanjung Malaysia" and "Panduan Kerja Luar Pengecaman Spesies *Aquilaria* di Semenanjung Malaysia" (Manual to the Identification of *Aquilaria* Species in Peninsular Malaysia and A Field Guide to the Identification of *Aquilaria* Species in Peninsular Malaysia);

- ii. A “Manual Penggredan Gaharu Jabatan Perhutanan Semenanjung Malaysia” (Forestry Department Peninsular Malaysia’s Manual in Grading of Agarwood);
- iii. A syllabus on the identification of *Aquilaria* to species level and in the grading of Agarwood; and
- iv. 35 personnel of FDPM staff have qualified as proficient trainers in identification of *Aquilaria* species and in the grading of Agarwood.

Outcome

The competence in identification of *Aquilaria* species will provide FDPM with reliable data on the numbers of *Aquilaria* stems in the wild. The standardization of Agarwood grading will contributed to better valuation of the forest produce and may contribute to increase in revenue collection. These will eventually lead to better management of the species in a more sustainable way.

Lesson Learnt

The monitoring by the executing agency and the coordination by Activity Coordinator was important to ensure Activity objectives were achieves smoothly and accordingly to the work plan. The appointment of two (2) National Expert had contributed technical aspects in achieving the specific objectives of the Activity. As for the train the trainer programme, candidates should be selected for their capability and capacity to ensure better outcome. The fund was adequate and has been wisely spent as schedule.

Recommendations

It is recommended that the manuals and field guides for identification of *Aquilaria* and grading of Agarwood be reviewed and updated periodically. As for the trainers, continuous refresher programme is recommended to ensure their competency level is enhanced.

1.0 ACTIVITY IDENTIFICATION

1.1 Context

Aquilaria is regarded as the most precious tree in the world. It is valued in many cultures for its unique aroma and is used widely in rituals as well as perfumeries. Agarwood is the resinous heartwood from *Aquilaria* trees produced in response to infection by a parasitic fungus. The quality of Agarwood formed varies and graded by various grading systems that differ according to the products in trade and the country where trade is taking place. Nevertheless, as a general rule the Agarwood is graded based by a complex set of factors including country of origin, fragrance strength and longevity, wood density, product purity, resin content, colour and size of the form traded.

In Malaysia, there are a total of 15 species of *Aquilaria* species where five species are native to Peninsular Malaysia, namely, *A. hirta*, *A. beccariana*, *A. rostrata*, *A. malaccensis* and *A. microcarpa*. These species can be found scattered in lowland forests and up to hill forests except for *A. rostrata* which is endemic and only occurs above 700 meters above sea level. The Fifth National Forest Inventory (2010-2013) carried out by the Forestry Department Peninsular Malaysia (FDPM) estimated that there are 1.10 million stems of *Aquilaria* that can be found in the Permanent Reserved Forests (PRFs) in Peninsular Malaysia. Through sustainable forest management, these abundant natural resources will contribute to the development and well-being of the country.

The accuracy in determining the grade of Agarwood is important to ensure that the revenue collected corresponds to grade and value of the forest product. Currently, there is no standard value for the various grades of Agarwood traded locally.

1.2 Activity Location

The Activity was carried out in seven (7) states namely; Johor, Kedah, Melaka, Pahang, Pulau Pinang, Selangor and Terengganu. The detailed information of the activities are as below:

- i. engagement with Agarwood entrepreneurs - Melaka, Pulau Pinang, Kedah, Selangor and Pahang;
- ii. specimen collection for *Aquilaria* spp. - Pahang, Terengganu and Johor;
- iii. training of trainers - Merchang Forest Reserve and Kampung Tok Fakir, Terengganu;
- iv. stakeholder consultation - Kuala Lipis, Pahang; and
- v. field testing - Kepong, Selangor.

1.3 Problem to be Addressed

The problems of capability and capacity of FDPM's staff in the identification of *Aquilaria* to species level contributed to disputed numbers of the species in natural forests. The distribution of this species is crucially important especially when determining the export quota for the species. While, it is obviously a challenge to grade the Agarwood accordingly based on the current practice.

Hence, this Activity aims to bridge the gap by strengthening the capability and capacity of its personnel through enhancing their skill and expertise in identifying *Aquilaria* to species level and in the grading of Agarwood. In this regard, through capacity building it will ensure the attainment of sustainable management and conservation of *Aquilaria* species in Peninsular Malaysia.

2.0 ACTIVITY OBJECTIVES AND IMPLEMENTATION STRATEGY

2.1 Objectives

The objectives of the Activity are (i) to develop training materials, including practical field manual to enable staff of FDPM to undertake identification of *Aquilaria* to species level; (ii) to develop a manual for the grading of Agarwood to be used by the staff of FDPM; and (iii) to provide training to a core team of trainers in order to provide continuous training to all the other staff of FDPM when required.

2.2 Implementation Plan Strategy

There are two (2) components which are critical to the successful implementation of the Activity as below:

- i. appointment of two (2) National Experts to assist the implementation of the Activity; and
- ii. formation of a Technical Working Group that ensures the activities implementation were in line with the Activity's objective.

3.0 ASSUMPTIONS AND RISK

During the Activity implementation, risks that encountered were mainly on data collection. The collection of *Aquilaria* specimen in the wild was difficult as information on the species natural distribution was limited. Besides that, most of the Agarwood entrepreneurs were reluctant to share their information due to business competitiveness. However, the risks were minimised with research and cross reference among relevant agencies as well as continuous meetings and discussions with the Agarwood entrepreneurs.

4.0 ACTIVITY PERFORMANCE AND ACHIEVEMENTS

4.1 Performance of each activities

Operational Activity	Percentage Executed	Planned Completion Date	Completion Date
Activity 1.1. Design and prepare field manual on the identification of <i>Aquilaria</i> to species level			
Output 1: To produce 200 copies of field-tested manual for the identification of <i>Aquilaria</i> to species level in Peninsular Malaysia			
Sub activity 1.1.1 Collecting and determination sample material	100%	May 2015	July 2015
Sub activity 1.1.2 Table the propose field manual of <i>Aquilaria</i> Spp. identification to committee	100%	May 2015	July 2015
Activity 1.2. Test the manual in the field with selected FDPM staff			
Sub activity 1.2.1 To conduct testing of manual.	100%	March 2015	September 2015
Sub activity 1.2.2 Collate input from trainers	100%	March 2015	September 2015
Sub activity 1.2.3 Refinement of field manual	100%	March 2015	September 2015
Activity 1.3. Update and publish the field manual			
Activity 1.3. Update and publish the field manual	100%	June 2015	February 2016
Activity 2.1. Prepare and conduct a workshop on the grading of Agarwood with stakeholders			
Output 2: To produce 200 copies of field-tested manual for the grading of Agarwood to be used by the staff of FDPM			
Sub activity 2.1.1 Literature review	100%	December 2014	January 2015

Operational Activity	Percentage Executed	Planned Completion Date	Completion Date
Sub activity 2.1.2 Identification of stakeholders	100%	December 2014	January 2015
Sub activity 2.1.3 Design questionnaire	100%		
Sub activity 2.1.4 Market survey	100%	January 2015	April 2015
Sub activity 2.1.5 Industry survey	100%		
Sub activity 2.1.6 Data Analysis	100%		
Sub activity 2.1.7 Report writing	100%		
Sub activity 2.1.8 Conduct workshop	100%	January 2015	May 2015
Activity 2.2. Design and prepare field manual for the grading of Agarwood			
Sub activity 2.2.1 Collecting and determination of sample material	100%	May 2015	July 2015
Sub activity 2.2.2 Preparation of criteria of Agarwood grading	100%	May 2015	July 2015
Sub activity 2.2.3 Table the propose field manual of Agarwood grading to committee	100%	May 2015	July 2015
Activity 2.3. Test the manual in the field with selected FDPM staff			
Sub activity 2.3.1 Conduct testing of criteria	100%	March 2015	September 2015
Sub activity 2.3.2 Refinement of criteria	100%	March 2015	September 2015

Operational Activity	Percentage Executed	Planned Completion Date	Completion Date
Activity 2.4. Update and publish the field manual			
Activity 2.4. Update and publish the field manual.	100%	June 2015	February 2016
Output 3: To produce 30 persons from FDPDM trained as trainers and who are proficient in the identification of <i>Aquilaria</i> to species level and in the grading of Agarwood			
Activity 3.1. Formulate a syllabus on the identification of <i>Aquilaria</i> to species level and in the grading of Agarwood			
Sub activity 3.1.1 Prepare a syllabus and table to committee	100%	June 2015	July 2015
Sub activity 3.1.2 Refinement and finalization of syllabus	100%	June 2015	July 2015
Activity 3.2. Conduct a training workshop on the identification of <i>Aquilaria</i> to species level and in the grading of Agarwood			
Sub activity 3.2.1 Training on identification	100%	September 2015	October 2015
Sub activity 3.2.2 Training on grading	100%	September 2015	October 2015

4.2 Outputs Achievement

Output 1: To produce 200 copies of field-tested manual for the identification of *Aquilaria* to species level in Peninsular Malaysia.

Specimen collection of *Aquilaria* spp. in the states of Pahang, Terengganu and Johor.

A total of 22 participants from selected FDPM staff tested the manual in the field at Kepong, Selangor.

200 copies of field-tested manual for the identification of *Aquilaria* to species level in Peninsular Malaysia were produced. The purpose of manual is to be used by FDPM's staff in identifying *Aquilaria* to species level. The manual documented five (5) species of *Aquilaria* that can be found locally and three (3) introduced species to Peninsular Malaysia. As there was remaining fund available, ITTO-CITES has approved the publications of additional 200 copies of this manual.

Output 2: To produce 200 copies of field-tested manual for the grading of Agarwood to be used by the staff of FDPM.

A total of 37 participants from the State Forestry Departments (SFDs), Forest Research Institute Malaysia (FRIM), Malaysian Timber Industry Board (MTIB), Nuclear Agency Malaysia and Agarwood entrepreneurs attended the workshop on Agarwood grading.

Data collected from engagement with Agarwood entrepreneurs in the states of Melaka, Pulau Pinang, Kedah, Selangor and Pahang.

A total of 22 participants from selected FDPM staff tested the manual in the field at Kepong, Selangor.

200 copies of field-tested manual for the grading of Agarwood to be used by the staff of FDPM were produced. The purpose of manual is to be used by FDPM's staff in grading of Agarwood. The manual documented four (4) grade of Agarwood based on the characteristic such as colour, uses, size, density and odour. An Agarwood grading scale and grading chart was also produced. As there was remaining fund available, ITTO-CITES has approved the publications of additional 200 copies of this manual.

Output 3: To produce 30 persons from FDPM trained as trainers and who are proficient in the identification of *Aquilaria* to species level and in the grading of Agarwood.

A syllabus on identification of *Aquilaria* species and the grading of Agarwood was completed.

A total of 36 persons from the FDPM Headquarters and the State Forestry Departments staff were trained as trainers in the identification of *Aquilaria* to species level and in the grading of Agarwood. These trainers will provide continuous training by using the developed manuals for the identification of *Aquilaria* to species level and in the grading of Agarwood to the others staff of FDPM.

4.3 Total Amount of Expenditures and Analysis

The detail of budget amount spent from the ITTO and GoM in-kind budgets are reflected in (i) **Annex 1(a)** and **Annex 1(b)**; and (ii) **Annex 2(a)** and **Annex 2(b)** respectively. From the ITTO contribution of US\$38,933.25, a total of US\$37,245.17 was spent with balance of US\$1,688.09 as reflected in the Activity Financial Statement – ITTO Contribution and the Activity Cash Flow Statement – ITTO Contribution, as in Annex 1(a) and Annex 1(b) respectively. The contribution from the Government of Malaysia (GoM) was US\$24,984.00, of which a total of US\$24,984.00 was spent as shown in the Activity Financial Statement – Government of Malaysia Contribution and the Activity Cash Flow Statement – Government of Malaysia Contribution; in Annex 2(a) and Annex 2(b) respectively.

5.0 ACTIVITY OUTCOME, TARGET BENEFICIARIES INVOLVEMENT

5.1 Achievement of Specific Objectives

The Activity has contributed to the betterment in training materials, such as, practical field manual in identification of *Aquilaria* species and grading manual for Agarwood. A group of core team of trainers was also formed in order to provide continuous training to the others when required.

5.2 Participation of Targeted Beneficiaries

The Forestry Department Peninsular Malaysia as the implementing agency in Malaysia is directly involved in forest conservation and management. Thus, the capability and capacity of FDPM's staff in identifying *Aquilaria* to species level and in the grading of Agarwood are fundamental. The manuals will be used as a reference handbook in the identification of *Aquilaria* species and in the grading of Agarwood. Indirectly, it will also benefit the stakeholders which include state government, research institutions and academicians as well as the industry.

5.3 List of Publications

- (i) Manual Pengesanan Spesies *Aquilaria* di Semenanjung Malaysia (*Manual to the Identification of Aquilaria Species in Peninsular Malaysia*) – Bahasa Malaysia;
- (ii) Panduan Kerja Luar Pengesanan Spesies *Aquilaria* di Semenanjung Malaysia (*A Field Guide to the Identification of Aquilaria Species in Peninsular Malaysia*) – Bahasa Malaysia ;

- (iii) Manual Penggredan Gaharu Jabatan Perhutanan Semenanjung Malaysia (*Forestry Department Peninsular Malaysia's Manual in Grading of Agarwood*) – Bahasa Malaysia;
- (iv) Panduan Kerja Luar Penggredan Gaharu Jabatan Perhutanan Semenanjung Malaysia (*A Field Guide to the Forestry Department Peninsular Malaysia's in Grading of Agarwood*) – Bahasa Malaysia;
- (v) Report of the Workshop on Capacity Building of Forestry Department Peninsular Malaysia's Staff in Identification of *Aquilaria* to Species Level and in the Grading of Agarwood – English;
- (vi) Report of the Training of Trainers (TOT) in Identification of *Aquilaria* Species and in the Grading of Agarwood Workshop – English; and
- (vii) Completion Report.

6.0 ASSESSMENT AND ANALYSIS

All three (3) objectives were achieved during the Activity period. The execution of the planned activities and sub-activities were in accordance with the milestone and expectation outlined during the preparation of the proposal. However a six month no-cost extension was requested due to the difficulty in data collection for *Aquilaria* and Agarwood. The collection of *Aquilaria* sample in the wild was a challenged due to limited information on the species natural distribution while most of the Agarwood entrepreneurs were reluctant to share their information due to business competitiveness.

The active, encouraging participation and support was given by targeted stakeholders. It was reflected during stakeholder consultations and training of trainers workshops that were organized successfully and were able to gather valuable information in the identification *Aquilaria* species and grading of Agarwood.

7.0 LESSONS LEARNT

Role and Responsibilities

The Activity was monitored efficiently by the Ministry of Natural Resources and Environment (NRE) as the executing agency to ensure all planned activities were implemented. Coordination roles played by the Activity Coordinator was equally important to ensure activities were implemented smoothly according to the work plan. In addition, cooperation and participation from relevant stakeholder consultations benefited the Activity tremendously.

Implementation Strategy

The appointment of two (2) National Experts had contributed to the technical aspect of the Activity. The National Experts were able to carry out their responsibility independently and achieve the specific objectives which were identified in the approved Activity Document.

Training of Trainers

The selection of candidates for the training of trainers programme need to be improved. It is suggested that the participants be selected based on their capability and capacity.

Funds

The funds received were adequate to execute all planned activities in achieving the Activity objectives and outputs

Monitoring and evaluation

During the Activity implementation, there were two (2) monitoring and evaluation meetings of Activity by NRE as executing agency; two (2) Activity progress meetings by FDPM as implementing agency; and four (4) internal monitoring and evaluation meetings by the Activity team.

8.0 CONCLUSION AND RECOMMENDATIONS

Based on the Activities undertaken, it could be concluded that the “Capacity Building of Forestry Department Peninsular Malaysia’s Staff in Identifying *Aquilaria* to Species Level and in the Grading of Agarwood” Activity was successfully implemented. Monthly progress report, two (2) Bi-Annual Activity Progress Reports and a Activity Completion Report were submitted to NRE. It is recommended that the manuals and field guides for identification of *Aquilaria* and grading of Agarwood be reviewed and updated periodically. As for the trainers, continuous refresher programme is recommended to ensure their competency level is further enhanced.

ANNEX

Annex 1(a) : Activity Financial Statement

ACTIVITY FINANCIAL STATEMENT (in US Dollar)
(ITTO-CITES funding)

	Component	Original Amount (A)	Expenditures To-date			Available Funds (E) { A - D }
			Accrued (B) b/	Expended (C)	Total (D) { B + C }	
10	Activity Personnel					
	11. National Experts**	4,840.00	-	5,247.37	5,247.37	(407.37)
	12. National Consultants	-	-	-	-	-
	13. Activity Coordinator	-	-	-	-	-
	14. Assistance Project Coordinator	-	-	-	-	-
	19. Component Total	\$4,840.00	\$0.00	\$5,247.37	\$5,247.37	(\$407.37)
20	Sub-contracts					
	21. Sub-contract	-	-	-	-	-
	29. Component Total	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Component	Original Amount (A)	Expenditures To-date			Available Funds (E) { A - D }
		Accrued (B) b/	Expended (C)	Total (D) { B + C }	
30					
Duty Travel					
31. Daily Subsistence Allowance	40.00	-	40.00	-	\$0.00
32. International Travel	-	-	-	-	-
33. Transport Costs	-	-	-	-	-
39. Component Total	\$40.00	\$0.00	\$40.00	\$0.00	\$0.00
40					
Capital Items					
41. Premises	-	-	-	-	-
42. Vehicles	-	-	-	-	-
43. Capital Equipment	-	-	-	-	-
49. Component Total	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
50					
Consumable Items					
51. Materials/ Manuals+	20,000.00	-	21,479.44	21,479.44	(1,479.44)
52. Fuel and Utilities	-	-	-	-	-
53. Office Supplies	-	-	-	-	-
59. Component Total	\$20,000.00	\$0.00	\$21,479.44	\$21,479.44	(\$1,479.44)

Component	Original Amount (A)	Expenditures To-date			Available Funds (E) { A - D }
		Accrued (B) b/	Expended (C)	Total (D) { B + C }	
60					
Miscellaneous					
61. Sundry	-	-	-	-	-
62. Printing and editing reports	3,093.25	-	1,212.55	1,212.55	1,880.70
63. Workshop Packages++	11,000.00	-	9,305.81	9,305.81	1,694.19
69. Component Total	\$14,093.25	\$0.00	\$10,518.36	\$10,518.36	\$3,574.89
70	Executing Agency Management Costs (10% of Total of Overall Activity Budget by Activity)	-	-	-	-
79. Component Total	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
100 GRAND TOTAL	\$38,933.25	\$0.00	\$37,245.17	\$37,245.17	\$1,688.09

Note: Budget Components are those detailed in the Activity Document

- a/ Weighted average exchange rate USD to MYR – RM3.89675
- b/ The Cash Flow Statement must be completed first, before the other inputs into this Financial Statement;
- c/ Accrued expenditure: expenditures incurred during the reporting period, but not yet settled; Amounts under the "Expended" column will be transferred automatically from the Cash Flow Statement (with direct link); and
- d/ Refer to the notes in the Cash Flow Statement for the supporting information and documents that are to be submitted to the ITTO Secretariat.

Annex 1(b) : Activity Cash Flow Statement

ACTIVITY CASH FLOW STATEMENT (in US Dollar)
(ITTO-CITES funding)

Component	Reference	Date	Amount	
			in US\$	Local Currency (RM)
A. Funds received from ITTO:				
1. First instalment		15/1/2015	22,804.25	88,862.50
2. Second Instalment		31/12/2015	16,143.39	62,906.76
3. Third instalment			-	-
4. Fourth instalment			-	-
5. Interest on bank deposits			14.39	56.07
Total Funds Received:			\$38,933.25	RM151,713.19
B. Funds managed by Executing Agency				
10 Activity Personnel				
11. National Experts**			5,247.37	20,447.68
12. National Consultants			-	-

	Component	Reference	Date	Amount	
				in US\$	Local Currency (RM)
	13. Activity Coordinator			-	-
	14. Assistance Project Coordinator			-	-
	19. Component Total			\$5,247.37	RM20,447.68
20	Sub-contracts				
	21. Sub-contract			-	-
	29. Component Total			\$0.00	RM0.00
30	Duty Travel				
	31. Daily Subsistence Allowance			-	-
	32. International Travel			-	-
	33. Transport Costs			-	-
	39. Component Total			\$0.00	RM0.00
40	Capital Items				
	41. Premises			-	-
	42. Vehicles			-	-
	43. Capital Equipment			-	-
	49. Component Total			\$0.00	RM0.00
50	Consumable Items				
	51. Materials/ Manuals+			21,479.44	83,700.00
	52. Fuel and Utilities			-	-
	53. Office Supplies			-	-
	59. Component Total			21,479.44	83,700.00

Component	Reference	Date	Amount	
			in US\$	Local Currency (RM)
60	Miscellaneous			
	61. Sundry		-	-
	62. Printing and editing reports		1,212.55	4,725.00
	63. Workshop Packages++		9,305.81	36,262.42
	69. Component Total		\$10,518.36	RM40,987.42
70	Executing Agency Management Costs (10% of Total of Overall Activity Budget by Activity)		-	-
	79. Component Total		\$0.00	RM0.00
	Total Expenditures To-date:		\$37,245.17	RM145,135.10
	Remaining Balance of Funds (A-B):		\$1,688.09	RM6,578.09

Notes:

- 1 Weighted average exchange rate USD to MYR ~ RM3.89675
- 2 Amounts in U.S. dollars are converted using the average rate of exchange when funds were received by the Executing Agency;
- 3 Amount of expenditures in US dollar should be the same as amount shown in column (c) of the Financial Statement (with direct link from the Cash Flow Statement);
- 4 Provide a list of all expenditure components (listing the expenditures on excel format, showing date, payee, category/components of expenditures and the amount, both in local currency and in US dollar);
- 5 Submit all actual supporting payment documents/evidences (filed in the same sequence as the entries in the list of expenditures in (3) above); and
- 6 Submit bank reconciliation statements along with the bank statement to support the remaining balances/funds in the Cash Flow Statement.

Annex 2(a) : Activity Financial Statement

ACTIVITY FINANCIAL STATEMENT (in US Dollar)
(GoM allocation)

Component	Original Amount (A)	Expenditures To-date			Available Funds (E) { A - D }
		Accrued (B) b/	Expended (C)	Total (D) { B + C }	
I. Funds managed by Executing Agency					
10					
Activity Personnel					
11. National Experts**					
i. Ms. Tuan Marina binti Tuan Ibrahim	-	-	-	-	-
ii. Mr. Mohd Nasir bin Mohamad	-	-	-	-	-
12. National Consultants					
13. Activity Coordinator	6,000.00	-	6,000.00	6,000.00	-
14. Assistance Project Coordinator	3,000.00	-	3,000.00	3,000.00	-
19. Component Total	\$9,000.00	\$0.00	\$9,000.00	\$9,000.00	\$0.00
20					
Sub-contracts					
21. Sub-contract	-	-	-	-	-
29. Component Total	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Component	Original Amount (A)	Expenditures To-date			Available Funds (E) { A - D }
		Accrued (B) b/	Expended (C)	Total (D) { B + C }	
30					
Duty Travel					
31. Daily Subsistence Allowance	-	-	-	-	-
32. International Travel	-	-	-	-	-
33. Transport Costs	-	-	-	-	-
39. Component Total	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
40					
Capital Items					
41. Premises	3,600.00	-	3,600.00	3,600.00	-
42. Vehicles	3,600.00	-	3,600.00	3,600.00	-
43. Capital Equipment	-	-	-	-	-
49. Component Total	\$7,200.00	\$0.00	\$7,200.00	\$7,200.00	\$0.00
50					
Consumable Items					
51. Materials/ Manuals+	-	-	-	-	-
52. Fuel and Utilities	3,600.00	-	3,600.00	3,600.00	-
53. Office Supplies	1,200.00	-	1,200.00	1,200.00	-
59. Component Total	\$4,800.00	\$0.00	\$4,800.00	\$4,800.00	\$0.00

Component	Original Amount (A)	Expenditures To-date			Available Funds (E) { A - D }
		Accrued (B) b/	Expended (C)	Total (D) { B + C }	
60	Miscellaneous				
	61. Sundry	-	-	-	-
	62. Printing and editing reports	-	-	-	-
	63. Workshop Packages++	-	-	-	-
	69. Component Total	\$0.00	\$0.00	\$0.00	\$0.00
70	Executing Agency Management Costs (10% of Total of Overall Activity Budget by Activity)	3,984.00	3,984.00	3,984.00	-
	79. Component Total	\$3,984.00	\$3,984.00	\$3,984.00	\$0.00
100	GRAND TOTAL	\$24,984.00	\$24,984.00	\$0.00	\$0.00

Note: Budget Components are those detailed in the Activity Document

- a/ The Cash Flow Statement must be completed first, before the other inputs into this Financial Statement;
- b/ Accrued expenditure: expenditures incurred during the reporting period, but not yet settled;
- c/ Amounts under the "Expended" column will be transferred automatically from the Cash Flow Statement (with direct link); and
- d/ Refer to the notes in the Cash Flow Statement for the supporting information and documents that are to be submitted to the ITTO Secretariat.

Annex 2 (b) : Activity Cash Flow Statement

ACTIVITY CASH FLOW STATEMENT (in US Dollar) (GoM allocation)

Component	Reference	Date	Amount	
			in US\$	Local Currency (RM)
A. Funds received from ITTO:				
1. First instalment			24,984.00	88,805.63
2. Second Instalment				
3. Third instalment				
4. Fourth instalment				
5. Interest on bank deposits				
Total Funds Received:			24,984.00	88,805.63
B. Funds managed by Executing Agency				
10 Activity Personnel				
11. National Experts**				
i. Ms. Tuan Marina binti Tuan Ibrahim			-	-
ii. Mr. Mohd Nasir bin Mohamad			-	-
12. National Consultants			-	-

Component	Reference	Date	Amount	
			in US\$	Local Currency (RM)
13. Activity Coordinator			6,000.00	-
14. Assistance Project Coordinator			3,000.00	-
19. Component Total			\$9,000.00	RM31,990.50
20 Sub-contracts				
21. Sub-contract			-	-
29. Component Total			\$0.00	RM0.00
30 Duty Travel				
31. Daily Subsistence Allowance			-	-
32. International Travel			-	-
33. Transport Costs			-	-
39. Component Total			\$0.00	RM0.00
40 Capital Items				
41. Premises			3,600.00	-
42. Vehicles			3,600.00	-
43. Capital Equipment				
49. Component Total			\$7,200.00	RM25,592.40
50 Consumable Items				
51. Materials/ Manuals+			3,600.00	-
52. Fuel and Utilities			1,200.00	-
53. Office Supplies			-	-
59. Component Total			\$4,800.00	RM17,061.60

	Component	Reference	Date	Amount	
				in US\$	Local Currency (RM)
60	Miscellaneous				
	61. Sundry			-	-
	62. Printing and editing reports			-	-
	63. Workshop Packages++			-	-
	69. Component Total			\$0.00	RM0.00
70	Executing Agency Management Costs (10% of Total of Overall Activity Budget by Activity)			3,984.00	-
	79. Component Total			\$3,984.00	RM14,161.13
	Total Expenditures To-date:			\$24,984.00	RM88,805.63
	Remaining Balance of Funds (A-B):			\$0.00	RM0.00

Notes:

- 1 Weighted average exchange rate USD to MYR ~ RM3.5545
- 2 Amounts in U.S. dollars are converted using the average rate of exchange when funds were received by the Executing Agency;
- 3 Amount of expenditures in US dollar should be the same as amount shown in column (c) of the Financial Statement (with direct link from the Cash Flow Statement);
- 4 Provide a list of all expenditure components (listing the expenditures on excel format, showing date, payee, category/components of expenditures and the amount, both in local currency and in US dollar);
- 5 Submit all actual supporting payment documents/evidences (filed in the same sequence as the entries in the list of expenditures in (3) above); and
- 6 Submit bank reconciliation statements along with the bank statement to support the remaining balances/funds in the Cash Flow Statement.



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