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wilmar



SEKAR I MEJ CONSERVATION AREA (SICA) PROJECT NEWSLETTER



EDITOR'S NOTE

By Marcie Elene

Wishing you a Happy 2022 and Chinese New Year! I hope you had a safe but wonderful holiday and celebration. For us here, we are most grateful to see the situation surrounding Covid-19 improving compared to the dangers and risks we previously faced together.

Looking back, we first published our SICA newsletter in early 2021 to unveil the Sekar Imej Conservation Area (SICA) to the world. We have been and continue to gather inputs, share ideas and share the progress of our conservation initiatives in SICA, including the challenges we face and experiences gained in managing a significant conservation area within an oil palm plantation landscape. This marks our third edition of our bi-annual newsletter, and the first in 2022, where we reflect on our conservation milestones thus far as well as our plans moving forward for SICA.

We explore the ongoing global focus on 'sustainable business' and on communities in relation to commitments and expectations by companies to be more responsible and sustainable in their operations while also providing better livelihood opportunities and enhancing quality of life. These continued topics relate directly to our goals and efforts in SICA. Among the main objectives of SICA include empowering the local communities surrounding SICA while partnering them for our conservation efforts.

We also had the opportunity to speak with a long-serving employee of Wilmar who has been working closely with and supporting the SICA team to achieve our goals.

We hope you enjoy reading this edition of the SICA newsletter and stay tuned for more stories.

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SOWING THE SEEDS

M E S S A G E F R O M

WILMAR'S CONSERVATION LEAD

From an idea to its realisation, SICA is slowly but surely taking shape in 2021 despite the various challenges and restrictions faced due to the pandemic. It has certainly been a team effort that has enabled this, encompassing support and effort from the ground team all the way up to the Wilmar estate operations and senior management. We deeply appreciate the commitment and passion demonstrated by the SICA team towards the area, which further drives us to keep our momentum going.

SICA may not be as renowned or alluring as other conservation areas in Sabah. However, SICA, which plays an important part in history for the many communities surrounding it, has its own charm and appeal with the potential to gain further recognition and admiration.

The 2,469 hectares SICA is a remnant and forgotten forest patch in the Beluran district that provides essential ecosystem services to the surrounding communities, which includes being the main water catchment for the gravity-feed water supply. Apart from being rich in flora and fauna species, SICA also plays an important role in the cultural and social needs of the indigenous Orang Sungai, among others.

Given its unique location and circumstances, SICA has immense potential as a forest rehabilitation and restoration site, amongst our other objectives. It is however important that we continue engaging with local communities to protect the area. We aim to partner with these communities for the forest conservation efforts in SICA, which is Wilmar's largest conservation area for its operations in Malaysia. Simultaneously, we are identifying and developing alternative livelihood opportunities for the local communities surrounding SICA, which are limited due to their remote location.

We hope that SICA will be safeguarded by local communities in partnership with us and be a living example of pragmatic solutions to conservation in the plantation landscape.

We are very grateful that we ended 2021 with the good news that Wilmar Oleochemicals and Biofuels from the Europe office will support SICA, with some exciting activities to be launched in 2022! We hope that 2022 will be another milestone for SICA with many interesting stories to be unveiled.

Chin Sing Yun
SICA Team Leader/
Conservation Programme Leader,
Malaysia



The lowland mixed dipterocarp forest in SICA, which is progressively regenerating from a logged-over forest, has a good forest structure, dominated by dipterocarp species as well as climbers, shrubs, palms, epiphytes and vines. The average Diameter at Breast Height (DBH) in SICA, based on our observation, ranges between 5cm to 40cm. The area comprises of 3 types of forests classification, based on the desktop analysis of High Carbon Stock (HCS) approach; Scrubs, Young Generating Forest (YRF), and Low-Density Forest (LDF) – refer to the map below.



SCRUB

Scrub area, which only represents 0.13% of the total area in SICA, with pioneer tree species colonizing the area such as macaranga, ferns, climbers and grass.



YOUNG REGENERATING FOREST (YRF)

An area dominated by a mixture of pioneer species with residual of the secondary forest and young forest saplings, which sprout naturally from the forest seed bank with no human interference.



LOW-DENSITY FOREST (LDF)

The low-density mixed dipterocarp forest is residual of disturbed secondary forest, a mix of old regrowth and logged areas. It holds great potential in storing high carbon if given time and minimum disturbance from humans.

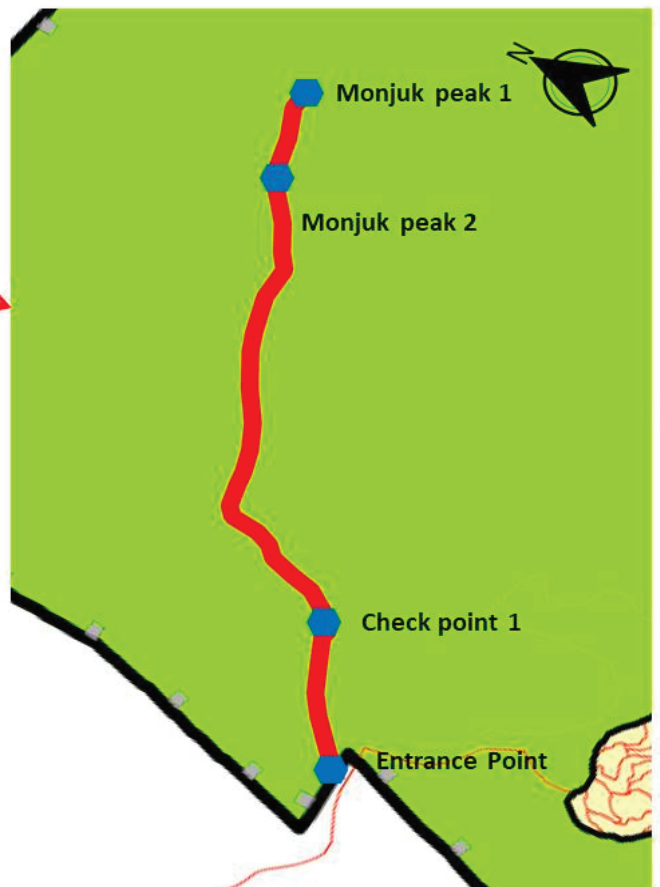
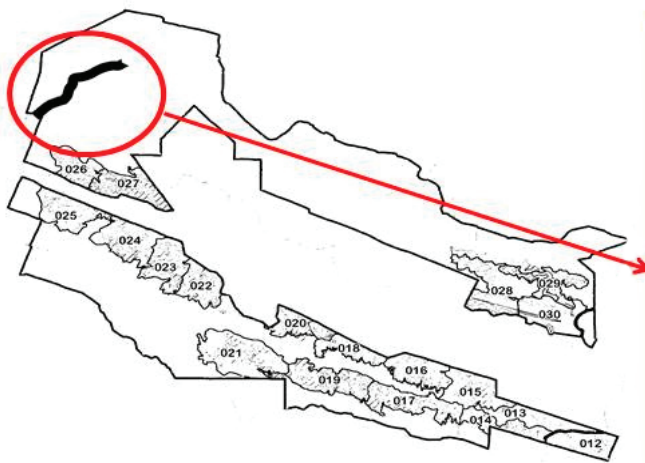
DISCOVERING TRAILS OF UNKNOWN FORESTS

THE MONJUK TRAIL

The Monjuk trail, which is a 3km hiking distance, is the longest in SICA. This moderately difficult trail includes two peaks, where the highest altitude is 104m above sea level, with a gradual steep slope leading up to the highest peak in the Sugut region.

Given that the area is still regenerating, the majority of the diameter of trees in the area range between 7.6cm to 25.4cm.

The vegetation along the Monjuk Trail is characterized by young regenerating dipterocarp species such as Seraya Merah (*Shorea curtisii*), Pulau (*Alstonia angustiloba*), Keruing (*Dipterocarpus rigidus*) and Engkabang (*Parashorea stellata*). Engkabang, which is also called Tengkawang by the locals, is known for its tree butter as its seeds produce a substance similar in texture to cocoa butter.



Other endemic forest timber species found along the trail include Durian Kura-kura (*Durio testudinarum*) and Jelutong (*Dyera costulata*). There is also the Palmyra palm (*Borassus flabellifer*) from the palm family (Aracaceae). The sap from the Palmyra palm, which is also known as the Toddy palm, is sweet and is used to produce sugar in India, Sri Lanka and Southeast Asia. The sap is also fermented to make toddy, an alcoholic beverage that originated in India.

Along the trail, traces of protected wildlife can be seen. It is typical to see wild boar footprints and tracks, at the mud pool, where they frequently wallow to regulate temperature or eliminate parasites from their bodies, at various points along the Monjuk trail.

THE COMMUNITY

Aside from its lush landscapes and centuries-old rainforests, Sabah is also renowned as the home for diverse indigenous communities that are rich in culture and heritage. The Orang Sungai (River People) are among these indigenous communities that live around the Beluran and Paitan districts in Sabah, where SICA is situated. Historically, Orang Sungai refers to communities living along the river and rely heavily on the river for food, transportation and accessibility. They comprise mostly of both Muslims and Christians, who depend on resources gathered from forests for their alternative livelihood.

There are 3 main villages surrounding SICA, which are Kampung Kaiboton, Kampung Mononood and Kampung Kinadaan (formerly known as Kampung Matanggal); all of which remain relatively unknown to outsiders due to their secluded location.

The villages now have better transportation accessibility due to logging roads and development around the area. There are schools in the neighbouring towns, which are still quite a

distance from the villages and lack accessibility and facilities, including computers and internet access. Rain and gravity water from the stream are the primary sources of water for the villagers surrounding SICA while electric generators or “gensets” to the locals are the main source of electricity.

Despite the migration to bigger towns or cities in pursuit of better opportunities, especially by the younger generation, there are still those that choose to remain with their communities living around SICA. Some of them work in adjacent oil palm plantations while others are oil palm or rubber smallholders, engage in swiftlet farming or sell cash crops like fruits and vegetables. Hunting used to be common in the areas surrounding SICA by the local population, with hunting trails, traps and snares still found in the forested areas occasionally.

The forest resources in SICA play a large role for the local communities to sustain their culture and for necessities like water and other daily needs. This makes it imperative for these communities to play an active role in preserving the ecological landscape in SICA, which also helps minimize threats such as encroachment, illegal logging and hunting in the conservation area. In parallel, it is important to create, offer or improve alternative and sustainable livelihood options for the communities.

CONSERVATION, COMMUNITY AND SUSTAINABILITY

“

There is no power for change greater than a community discovering what it cares about

- Margaret J Wheatley

”

Community-based conservation has been identified as a viable and effective approach to conserving natural resources in rural areas. Hence, raising awareness and strengthening local communities surrounding SICA is critical. The SICA team strive to ensure that there is a two-way communication process when collaborating with communities in a collective effort to manage SICA and produce a win-win situation.

CAPACITY BUILDING



The SICA Team underwent several capacity-building activities, including classroom training and hands-on practice in the field, to further enhance their knowledge, skills and capabilities to better prepare them for their actual tasks while also increasing their productivity.

A total of 150 Wilmar personnel and plantation workers in Sekar Imej also attended training to raise environmental awareness while discouraging illicit

hunting within conservation areas. The training, which was part of Wilmar's Wildlife Awareness Outreach Programme (WAOP), helped create a better understanding of endangered wildlife species, particularly those identified as protected species under the Sabah Wildlife Conservation Enactment 1997, IUCN, and CITES.

MONITORING

The SICA Rangers and the Wilmar Honorary Wildlife Rangers relentlessly safeguard SICA from risks related to encroachment, poaching and hunting in an effort to ensure that the wildlife is protected and the forest is not disturbed by human activities, which will allow it to regenerate back to its original state.



RAPID WILDLIFE SURVEY

BY HUTAN

We engaged HUTAN, a wildlife conservation organization based in Sabah known for their expertise in wildlife surveys, since there was a lack of biodiversity baseline data for SICA.

In November 2021, the HUTAN Team conducted a recce of SICA while offering basic guidance and skills training to the SICA Team. During the 3-day survey, we identified and recorded 48 species of birds, 10 species of mammals and a frog species.

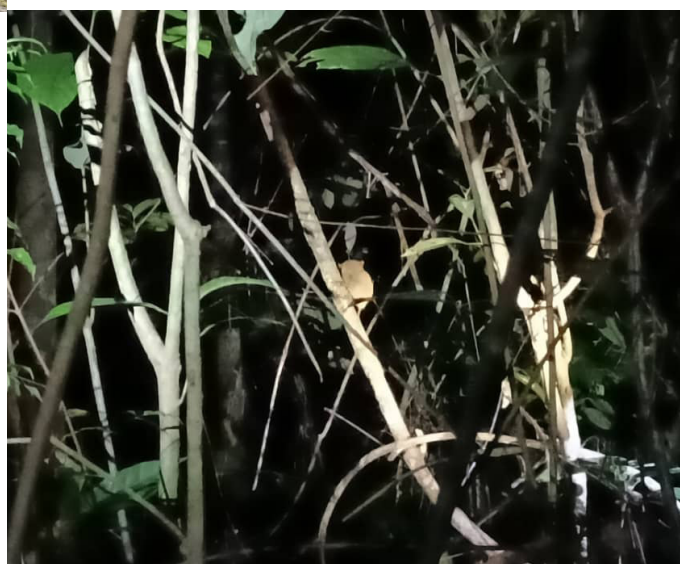


Based on the observation, the forest conditions were impacted by logging activities in the past and the edge effect is taking over but the vegetation at the core areas are still in good condition.



Along with the SICA team, HUTAN Team conducted bird monitoring, drone surveys around the area, trail hiking and night walks to survey the wildlife at night.

The wildlife sighted during the recce included the Great Argus (*Argusianus argus*), Rhinoceros hornbill (*Buceros rhinoceros*), White-Fronted Falconet (*Microhierax latifrons*), Western Tarsier (*Celphalopachus bancanus*), Malayan Badger (*Mydaus javanensis*) and Leopard Cat (*Prionailurus bengalensis*) which are all listed under the protected species under the WCE 1997.



HIKING TO THE SINALAAN TRAIL

Amongst the final activities in 2021 was hiking to Sinalaan trails to learn some trail establishment skills.



SICA rangers, comprised mainly of local villagers who have developed the interest and cultivated the skills needed in biodiversity conservation since the start of the project.

During the trip, a few species of plants such as dipterocarps species and some undergrowth plants were identified along the trails. Apart from that, the visit is also part of the team bonding activity to establish a strong team.



EDRIN AK MOSS

Group Manager Upstream Sustainable Certification

2021 was a year riddled with challenges. Despite the difficulty resulting from restricted movement due to Covid-19, the oil palm plantations operation continued to operate in full capacity but with strict adherence to the SOPs. In an economic sense, the industry has contributed and supported not only the national economic resilience but the wellbeing of many in its supply chain including the workers and community.

I graduated from Institut Teknologi Mara (ITM) with Diploma in Planting Industry Management (DPIM) in 1996. I started working in the plantation sector in 1998 when PPB Oil Palms Berhad (PPBOP) offered me 12 months of intensive executive training at Sapi Plantation IPAS Training School. Upon graduating from IPAS, I was then absorbed as Assistant Manager for Terusan 2 Estate, managing a day-to-day estate operation. In the year 2001, I was transferred to Eco-Management Unit (EMU) as an agronomist and estate and mill quality control officer. In the year 2006, apart from my daily work in EMU, I was given the opportunity to implement the first-ever environmental certification (ISO14001) which is the first certification that has become a stepping stone for the other estate and mill operation to be able to certify for sustainability certification.

I am very fortunate that the company entrusted me with implementing the sustainability standard throughout its estate and mill operation. The experience gained from my years of work (including my experience in plantation operation, agronomist, research, estate, and mill quality control) has opened the opportunity for me to work in some of the countries where Wilmar operates such as Myanmar, Ghana, Indonesia, and Sri Lanka.

The conservation area in Sekar Imej is not new. I was involved actively in conducting the first-ever High Conservation Value (HCV) assessment for Sekar Imej in the year 2008. That was then I learnt about conservation, HCV assessment, laying out monitoring transects, and learning basic forest and



animal inventory. At that time and to this day, a large area of Sekar Imej logged over forest was left undeveloped due to the company's commitment not to develop steep slopes more than 25 degrees.

That was also the year that Wilmar imposed a self-moratorium where the company stopped developing undeveloped land banks or concessions without the HCV assessment. The self-moratorium is part of Wilmar's strong commitment to complying with RSPO and ISCC certification. For me, the conservation area in Sekar Imej is not only about forest conservation or saving wildlife habitat or fauna, but also the vital role it plays in conserving the ecosystem. I remember working with the community of Kampung Kaiboton in 2014 and 2015, where we built the gravity water supply system, supplying clean water to the village. The project was possible because of the availability of clean water sources from the Sekar Imej conservation area.

Despite the challenges in maintaining the conservation areas in Sekar Imej and no direct economic income from palm oil operation, I am glad that the company yet again renewed its commitment via the SICA project. I believe that this project not only solidify Wilmar's commitment but also benefits the surrounding community and others.

I hope that 2022 will be a successful year for you and your organization. Thank you for taking the time to read this informative SICA Newsletter. I wish you a happy and healthy 2022!

We feature a member of the SICA Team in every newsletter to share their experiences and what makes them special to the team. In this issue, we feature:



ALUDDIN DULLAH



Aluddin Dullah is the manager for Wilmar's Sekar Imej plantation with direct oversight on SICA. Born and raised in Kampung Tampak Sugut, he is also a true resident of the Sugut region.

Aluddin started his career in the oil palm industry in 1996 when he first joined PPBOP as a cadet planter at the IPAS training centre. He later gained extensive experience as a planter by working in multiple Wilmar estates, including Sri Kamusan, Sapi 2, Ribubonus, Hibumas 1 before arriving at Sekar Imej.

He was seen and experienced how the palm oil industry has contributed towards rural development and benefitted the local communities in Sugut. The industry developed or improved infrastructure, including providing road access to the communities who were once dependent solely on travelling by boat on the river to reach the nearest

town. The communities now also have better access to educational and medical facilities with the establishment of primary and secondary schools as well as a government clinic.

The palm industry has also provided various

employment opportunities for the local communities, while indirectly empowering the local economy in the region. These days, it is common for locals to own their own cars and motorcycles.

From a conservation perspective, Aluddin agreed that the forest area in Sugut is potentially under threat, especially considering that the neighbouring Paitan and Bonggaya Forest Reserves

have drastically reduced in size. Hence, it is important for SICA to be protected and for that, the SICA team along with him have been working closely with the Sabah Wildlife Department to enforce the law on conservation.



DEVELOPING OUR BEST MANAGEMENT PRACTICES GUIDELINES FOR CONSERVATION

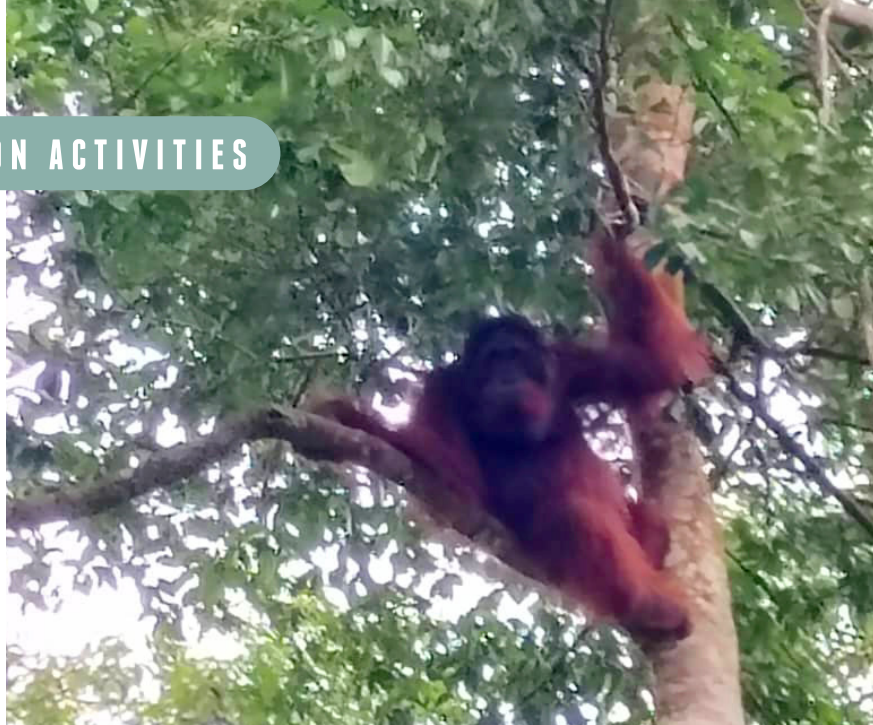
Wilmar developed a series of guidelines to showcase best practices on conservation, the first-of-its-kind for the industry. The guidelines were intentionally drafted to be very practical and easily understood as we recognised that estate management teams may not have conservation experts on the ground.

Our 'Best Management Practices Manual for Growers on Forest Conservation and Community Collaboration', which focuses on Indonesia and Malaysia was developed in collaboration with Proforest. The manual encompasses topics ranging across wildlife and forest management, monitoring, management and restoration of riparian areas, balancing community needs and forest protection as well as management of peatlands and fires.

We also developed the 'Practical Guidance on Conservation Areas Monitoring', which complements the manual, to provide details on practical steps from Wilmar's experiential learning on monitoring in conservation areas for practitioners and estates' operation teams.

The manual and practical guidance were introduced during our 'Supplier Workshop on Implementing Wilmar's NDPE Policy' which were held in Indonesia and Malaysia respectively on 3rd November 2021 and 9th December 2021.

Both the manual and practical guidance are publicly available hopes that it would be an integral practical tool for the wider agriculture sector.



RETURNING WILDLIFE

We are excited to share that we have been observing a few individuals of Orangutan (*Pongo pygmaeus*) around Wilmar's plantations in Sabah.

In relation to this, we have installed additional Rare, Threatened and Endangered (RTE) signboards, together with wildlife awareness talks, to further raise awareness on the protection of RTE species among our plantation workers.

ESTABLISHING TREE NURSERIES FOR RESTORATION PROJECTS

Our plantations and mills were advised to establish their own tree nurseries, with basic nursery management skills training provided to our nursery workers and conservation team.

In Sarawak, our Sustainability and Conservation Team has been actively establishing and expanding existing tree nurseries to cater for the upcoming restoration projects along Sungai Sawai and Sungai Sebilak, among others. The tree nursery caters to about 10,000 seedlings at one time – from basic germination seedbeds and plots until providing mature and healthy seedlings for the planting process.

THE 'HEART OF BORNEO' CONFERENCE

Wilmar was invited to showcase our efforts and initiatives related to biodiversity conservation in the plantation landscape at the Heart of Borneo (HOB) Conference 2021. We highlighted the case studies from Bukit Durang and SICA, while also demonstrating our commitment towards forest and wildlife protection and conservation.

HOB 2021, with the theme of 'HOB Initiative – Moving Forward in the New Norm', saw 24 working papers presented during the conference, which focused on 4 key topics – protect the area and sustainable natural resources management; sustainable land use development and management; forest beyond timber; and capacity building.



Virtual International Conference on
Heart of Borneo
HOB Initiative - Moving Forward in the New Norm

9 NOV 2021 1500–1700 HRS
10 NOV 2021 0900–1000 HRS
UTC+8 MALAYSIA TIME

SPEAKERS OF SESSION 2

DAY 1 Theme: Sustainable Land Use Development & Management

PAPER 6:
MS GAN PEK CHUAN
UNEP
Integrated Landscape Management in the Heart of Borneo Landscape in Sabah

PAPER 7:
MS CYNTHIA ONG, DR CASEY NG & DR NICOLA ABRAM
FOREVER SABAH
Humans Habitats Highways: Finding Ways Forward Together

PAPER 8:
DR CHERYL CHEAH & MS SHARON KOH
WWF-MALAYSIA
Heart of Borneo Transboundary Collaboration Synergies: Past, Present and Future

DAY 2

PAPER 9:
DR ACHIER CHUNG (BEEF GUARDIAN), MS YEO BEE HONG (EXPANSE CONSULTING), MR ADY ERMANTY (PERHILITAN) MALAYSIAN EXPERT ASSESSMENT GROUP
Green List in Malaysia: Outreach and Lessons Learnt

PAPER 10:
MS MARCIE MARCUS JOPONY
WILMAR INTERNATIONAL LTD
Biodiversity Conservation in Plantation Landscape - Bukit Durang and Sekar Inej Conservation Area

SESSION CHAIR:
MR. MUSA SALLEH
SABAH FORESTRY DEPARTMENT

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WEBINAR LIVE
SABAH FORESTRY DEPARTMENT
Department
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CONSERVATION AWARENESS TALKS FOR STAKEHOLDERS

Wilmar organized talks on conservation and wildlife awareness for both our internal and external stakeholders, which included Wilmar employees, fresh fruit bunch suppliers, contractors, surrounding local communities and schools. We also took the opportunity to share with our stakeholders Wilmar's conservation management plans, initiatives and practices within our plantations.



13 | OTHER WILMAR CONSERVATION ACTIVITIES

RESTORATION INITIATIVES WITH SK SUAI AND THE FOREST DEPARTMENT OF SARAWAK

Wilmar's operations in Sarawak embarked on a long-term collaboration with the Forest Department of Sarawak (FDS) and the local primary school, Sekolah Kebangsaan Suai 1 (SK Suai 1), to restore an 18km riparian area stretching along Sungai Sawai in Niah, Sarawak. This project, which is a smart partnership with our key stakeholders in the area, supports both the effort by the Malaysian federal government to plant 100 million trees, as well as the 'Greening Sarawak Program', which is an initiative by the state of Sarawak headed by FDS.

A total of 75 participants, comprising of local community leaders from neighbouring longhouses together with representatives from FDS, SK Suai 1 and Wilmar attended the launch of the program on 15 December 2021. The event was officiated by the local Sarawak state assemblyman for Samalaju, Yang Berhormat Dato' Majang Anak Renggie who was accompanied by Mr Gurcharan Singh, Wilmar's Plantation Head for East Malaysia.

3,000 saplings of native and protected species, which were contributed by FDS, are being planted over a duration of 6 months in the first phase of planting. These trees are GPS tagged and will be submitted to FDS for monitoring purposes. Engkabang, which is the selected species, was identified as it adds value to the riparian area as its fruits are a food source for the fishes in Sungai Sawai.



REMEDIATION AND COMPENSATION PROJECT

Several of Wilmar's plantations embarked on the 'Remediation and Compensation Project' to comply with the Remediation and Compensation Plan (RACP) requirement by RSPO.

The project focuses on restoring identified areas, including riparian zones, steep as well as degraded areas by rehabilitating the site and planting native tree species in stages.

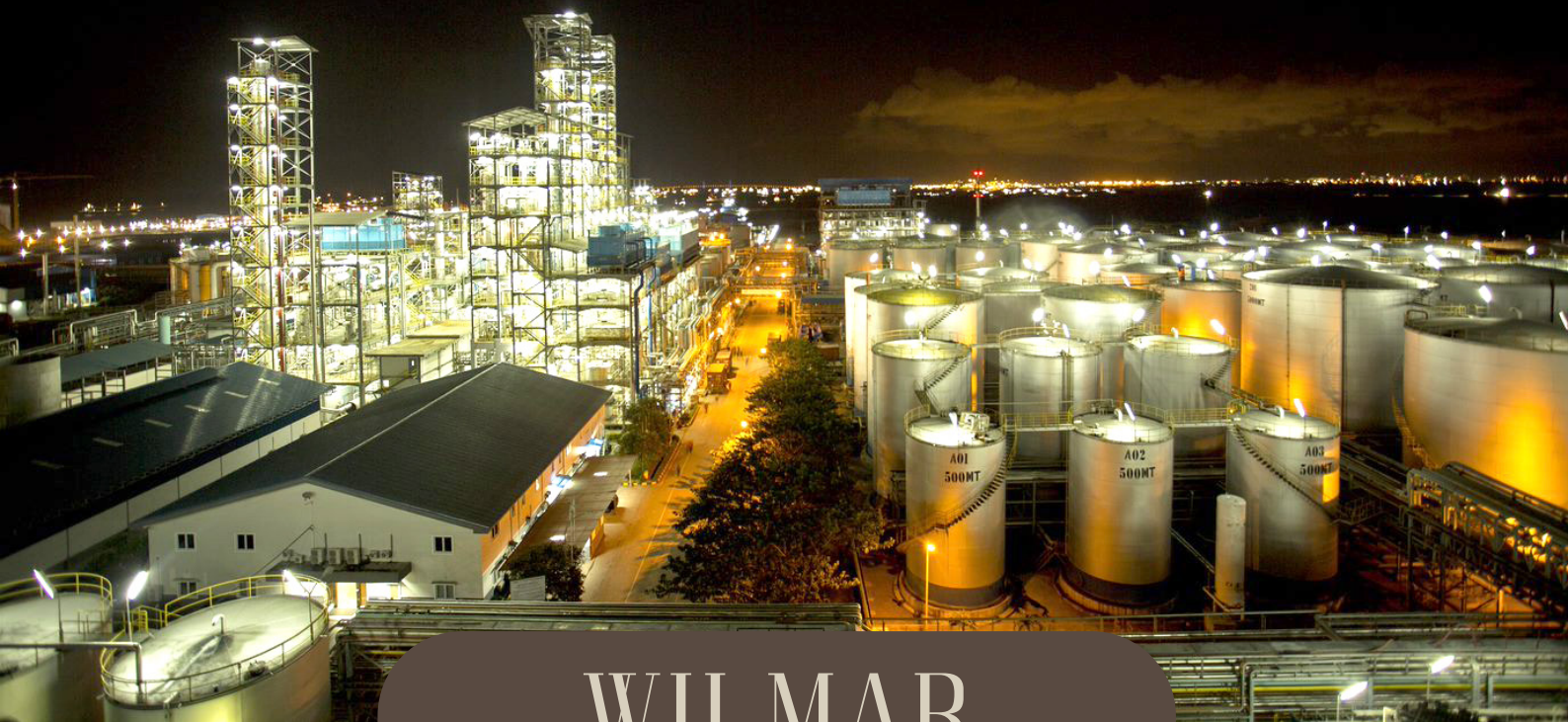


SPOT CHECKS

We regularly conduct spot-checks to ensure that no people within Wilmar's plantations possess RTE species without the proper permits and documentation from the relevant authorities. Our personnel that are appointed as Honorary Wildlife Wardens will either confiscate, release to the wild or handover to the Sabah Wildlife Department (SWD) or Sarawak Forestry Corporation (SFC) any RTE species found without supporting permits or licenses.

During our spot-check in our Sabah operations, we successfully rescued birds that are listed as protected species, including Javan Myna (*Acridotheres javanicus*), Grey Myna (*Acridotheres grandis*) and White-Crowned Shama (*Copsychus stricklandii*).





WILMAR OLEOCHEMICAL AND BIOFUELS

SICA has received support from Wilmar Oleochemicals and Biofuels which goes towards the protection of SICA as part of our sustainability commitment. We are thrilled as activities in SICA will now be funded further by our supporter from Europe!

Wilmar Oleochemicals and Biofuels is a division of Wilmar International Limited, Asia's leading agribusiness group headquartered in Singapore, focusing on offering bio-based solutions to a broad range of applications.

This division is the largest basic oleochemicals producer globally, accounting for about one-fifth of global fatty acid production, and similarly high shares in other basic oleochemicals such as Fatty Alcohols, Glycerin, and Methyl Esters. It is also the world's largest producer of palm biodiesel. Our credo "Serving Your Needs, Responsibly" defines our commitment to creating sustainable solutions for our customers using our natural and green products. We offer a comprehensive range of products from basic oleochemicals, performance derivatives, and speciality chemicals to biofuels. Key market segments we serve include Home Care, Personal Care, Animal Nutrition, Lubricants, Food and Biofuels.

With more than 20 state-of-the-art production facilities in strategic locations and over 30 distribution locations globally, we constantly seek to optimise our products and the entire supply chain to create value for our customers.