



BORNEO ECOTOURISM SOLUTIONS  
&  
TECHNOLOGIES SOCIETY



# ANNUAL REPORT

# 2016

# VISION

**To improve human life**

## OBJECTIVES

### BASIC NEEDS

To interrupt poverty and dependency by raising funds to implement projects to improve health and hygiene in rural communities, and provide for basic needs such as water tanks and equipment to increase agriculture productivity

### CAPACITY BUILDING

To alleviate poverty by building capacity to promote and develop alternative employment and generate income in addition to traditional farming, fishing, hunting to promote sustainable use of natural resources and food production in Sabah

### EQUALITY

To promote gender equality by providing job and training opportunities to empower women and girls

### MODERN TECHNOLOGY

To test and apply modern technologies and environmental management practices in a local setting and to provide an economic model for sustainable development principles

### SOCIAL ENTREPRENEURSHIP

To develop business, human and knowledge capital in rural communities through capacity building, skill training, technical assistance and leadership development programs of the local communities and to develop small enterprises through social entrepreneurship

### PARTNERSHIP

To collaborate with other academic institutions, government agencies, NGOs and private sector organizations and leverage on their resources for mutual benefits to achieve its objectives

### ENVIRONMENT

To rehabilitate, improve the degraded landscape and promote the conservation of the natural environment



*Dear Stakeholders,*

Our annual report formally recognizes the stakeholders at BEST Society and is an initiative to put the necessary steps in place to measure, disclose and be accountable to stakeholders for the economic and environmental impact of the organization's activities.

For the year 2016, BEST Society works to empower communities' ability to conserve the natural resources they depend upon. We invest in capacity building and skills enhancement to strengthen their role as stewards of the environment, and improve their livelihoods. When we support people in our communities, we are helping to build sustainable, resilient communities. Among the many highlights, BEST Society with funding received from SHELL and ConocoPhillips Asia Pacific Sdn. Bhd. has completed Organic Farming (Phase 2) and Bengkoka Living Water (Phase 5 & 6) projects respectively. The Organic Farming project which took place at Kg. Rampai Besar, Sikuati has created awareness among farmers about the benefits of organic farming and the importance of safeguarding their land from chemical substances. In addition, the concept of organic farming has exerted a subtle influence on their mind and they have a generally positive perception towards organic farming as there are demands for organic produce. On the other hand, 25 households in Kg. Nibang, Pitas received water tanks marking the last phase after having gone through five phases of water tanks delivery and construction of gravity-fed water system over the period of 4 years. Additionally, BEST Society in collaboration with Borneo Eco Tours Sdn. Bhd. and GOMPITO took the lead for Kiau 5-Year Recovery project, funded by CIMB Foundation which focused on building the capacity of local communities to promote English language and Computer learning as well as to develop viable community-based ecotourism projects in Kiau which includes homestays and improving facilities for the jungle camps. Community-based ecotourism is another area of interest of which we have recently embarked on. Kiulu Farmstay has reached its one year milestone in August 2016 and is a form of responsible tourism in which it minimizes negative environmental impacts as well as provides experiences for visitors to travel to natural areas through more meaningful engagement with local people, and a greater understanding of their culture. Notably, such initiative provides more sustainable form of livelihood for the locals. Other ongoing projects are Kinabatangan Bee Farming, Pitas Ginger Cultivation and Promoting the System of Rice Intensification in Kiulu.

It has definitely been a year full of growth, challenges, opportunities and achievements! BEST Society would like to extend our sincere gratitude and appreciation to our sponsors and partners for the continuous support. This year being the International Year of Sustainable Tourism for Development, BEST Society hopes to promote tourism's roles in sustainable economic growth, employment opportunities, environmental preservation and cultural diversity.



# **2016 PROJECTS & HAPPENINGS**

**Kiau 5-Year Recovery**

**Organic Farming (Phase 2), Kg. Rampai Besar**

**Bengkoka Living Water (Phase 5), Kg. Tutuwon**

**Bengkoka Living Water (Phase 6), Kg. Porupok Nibang**

**Promoting the System of Rice Intensification (SRI) in Kiulu**

**Kinabatangan Bee Farming**

**Virgin Coconut Oil, Kg. Lugu**

**Pitas Ginger Cultivation, Kg. Lugu**

**Sustainability Day, Kiulu Farmstay**

**Skills Enhancement Workshop, Kiulu Farmstay**

**Launching of MUKEST**



## KIAU 5-YEAR RECOVERY

After having gone through GOMPITO's office refurbishment in 2015, a portion of CIMB Foundation fund goes towards promoting the use and learning of English Language and Basic Computer Knowledge. English is the international common tongue and as Kiau is frequently visited by foreign and local tourists for jungle expeditions and their homestay programs, it is essential to improve proficiency in English as one can learn to communicate more effectively and clearly. English lessons were taught by seven Borneo Eco Tours volunteers for a total of four Saturdays in a period of two months, October and November. Three modules were prepared by Max Lionel Teo, a final year student of University of Science Malaysia in his personal capacity; English for Beginners, English for Intermediate and English for Tourism. He majors in English for Professionals and has successfully completed his internship with BEST Society in 2016. However, the modules were simplified to accommodate the group of different aged students ranging from 5-13 years old. All four sessions had a combined total of 46 children participating of which majority came from Kg. Kiau Nuluh and several others from Kg. Kiau Bersatu. English is taught to the younger group as many of them like their parents will follow in footsteps becoming mountain guides and those learning English as an additional language has the added advantage to earn more.



Additionally, GOMPITO office was provided with 6 units of laptops (ASUS A555LJ), 6 units of Logitech M165 Wireless Mouse, 1 unit of OPTOMA X316 Projector, 1 unit of Logitech 400R Wireless Presenter, 6 units of Microsoft Office 2013 Home and Student package, 6 units of banquet table and 16 units of plastic chair. Ira Mirdya who hails from Kg. Kiau Nuluh was paid an allowance of RM 800 for three months (September to November 2016) to teach the fundamentals of computer to children and adults of Kg. Kiau. She graduated from



University Tunku Abdul Razak with Diploma in Early Childhood Education. The classes were held on weekdays and divided into two sessions. It is crucial to learn the basics of computer skills such as how to turn on a laptop, how to use the mouse, how to open programs and how to read and use documents and spreadsheets such as MS Word, MS Excel, MS PowerPoint and PDF. The classes had an average of 14 pax per session and those who have attended classes regularly were given the opportunity to present with PowerPoint and apply what they have learned in the classroom. In the modern days, major industries and smaller businesses alike are relying more and more heavily on information technology. Marketing in the 21st century is now done through Facebook, Instagram, Twitter and other social media platform. Ultimately, these basic requirements of computer literacy can be used to promote tourism as part of local economic development.





Apart from that, BEST Society through CIMB Foundation funding assisted with trail enhancement works and building of two new huts at Hutan Simpan Komuniti Kiau. The new huts are known as Pondok Rikos and Pondok Tahubang. With the works done, it is hoped that the area can be developed into a community-based ecotourism destination which allows for local residents to have substantial control over, and involvement in its development and management, and a major proportion of the benefits remain within the community. Toilet facilities along the trail were also upgraded to improve hygiene and sanitary conditions.





## ORGANIC FARMING (PHASE 2) - KG. RAMPAI BESAR, SIKUATI

Following the completion of Phase 1 with a total grant of RM 30,000 received in 2013, Phase 2 commenced upon receiving SHELL Malaysia- Sustainable Development Grants 2015 Award for the second time amounting up to RM 40,000. The project focused on the empowerment of local Rungus communities living in the rural area to have alternative source of income through organic farming. It is crucial for us to be able to engage with the communities involved on a long term basis to ensure the success and sustainability of this project. The second phase that took place at Kg. Rampai Besar, Sikuati initially set off with ten families and was left with eight towards the end of the project.

Jerri Mulihin the appointed liaison officer was paid monthly allowance during the project period and committed to providing BEST Society with regular updates from the field which include challenges faced by farmers, overcoming problems, ways to improve current farming practices and monthly average income. The grant has been utilized to purchase one unit of mini tiller *Okazawa KH-580/2W* that will help farmers be more efficient to remove weeds and improve soil aeration among others. They were also provided with seven units of water pumps, irrigation poly pipes, as well as hardware and building materials for the construction of water pump station and resting hut, grass cutter, wheelbarrow, polybags and organic fertilizers.



Additionally, some important groundwork took place such as the installation of plastic sheds as it was also equally important to take into account the impact of potential climate change. For vegetable production, the major impact with regards to changes in climate variability can lead to increased risk affecting the growing



conditions and crop quality. Leaf wetness increases the likelihood of some fungal diseases and this is not only due to irrigation and rain but also humidity and dew. Other conditions which can influence pest and disease incidence include temperature and wind. It is worth noting that prolonged rainfall in the last few months in 2016 have caused water level to rise resulting flooding on crops reducing subsequent yields.



Other works involved improvement of an existing irrigation system and the expansion of farming areas for another 2 acres to plant with ginger and *sayur cekur manis*. Over the period, the challenges facing participants are inconsistent quality and availability, market price, managing pests and consumer attitude and behavior towards organic vegetables. Transitions in agriculture are often perceived as requiring sudden shifts in both practices and attitudes, but not all farmers are able or willing to take such a leap. However, all can take small steps, and small steps added together can bring about big transformations. It is essential to focus on enhancing farmers' knowledge and skills through continuous learning programmes on improvement of agricultural methods and productivity, financial literacy and climate change issues among the few to mention.

Jerri shared with us the income earned by some families have increased by an average of 30% to 40% reaching up to RM2,000 - RM3,400 per month, if the weather permits. In December 2016, the participants secured themselves a spot within the compound of Kudat Hospital approved by the Director to promote and sell their organic produce from the month of January to April 2017. It is a good start to promote the health benefits of organically grown vegetables and a motivation to the farmers to continue growing organic crops!



## **BENGGOKA LIVING WATER (PHASE 5), KG. TUTUWON**

The fifth phase of Bengkoka Living Water took a turn for the better by implementing gravity-fed water systems upon consulting and discussing with members of the community. Gravity system involves pipe water without pumping or requiring costly energy. Typical gravity-fed system designs include a dam or spring catchment to collect the water and the water is piped via gravity through a number of treatment processes such as sedimentation and filtration.

Following the identification of stream as advised by Pastor Francis, the subsequent information was collected to determine the relevance of the construction and the feasibility of it. Topographic data was obtained to establish the hydraulic diagram of the water supply system so as to plan out the location of all elements needed to be put in place such as air valves, water tanks and tap stands among others. When all these data are gathered and have gotten the approval from all, building materials were purchased and transported to Pitas. Thereafter, installation works commenced with the involvement of local community members.

Upon completion of the project which has taken two months, the inauguration ceremony was held at Kg. Tutuwon and those present were Mr. Bubudan O.T Majalu (District Officer of Pitas), Mr. Justin Ng (Skycommunity), and representatives from BEST Society and Borneo Eco Tours. Also present were, Benjamin Musiang (Pengerusi Jawatankuasa Kemajuan dan Keselamatan Kampung (JKKK), Kg. Tutuwon), Mejol Sukuan (Kg. Lugu), Joseph Murundok (Kg.Kobon) and several other villagers. In addition to the ceremony, a contract agreement for a duration of 2 years - *1st January 2016- 31st December 2017*, was established between Pendeta Jonius (Ketua Kampung, Kg. Tutuwon) and Pastor Francis (Land-owner) witnessed by District Officer of Pitas as well as representatives from both BEST Society and Paroki Dandun. The contract specifies the beneficiaries of the project are those who have made payment of RM85.00 and they are not allowed to connect pipes to their individual property. Villagers that would like to make use of the facility will have to make payment of RM85.00 to Ketua Kampung, Kg. Tutuwon as project's maintenance fee. It also states that Pastor Francis will provide them access to the water tanks to get water supplies.







## **BENGKOKA LIVING WATER (PHASE 6) - KG. PORUPOK NIBANG**

Just before the Christmas celebration, 25 water tanks were delivered all the way from Kota Kinabalu to Pitas on 20<sup>th</sup> December 2016, which took approximately 4 hours of travelling patches of gravel road. Representatives from BEST Society were greeted by Pengerusi Jawatankuasa Kemajuan dan Keselamatan Kampung (JKKK), Munin B. Jun and a few other members of the community. That being said, Bengkoka Living Water Project has completed its final phase (Phase 6) with Kg. Porupok Nibang being the last recipient after distributing 100 water tanks in the past 4 years to five other villages: Kg. Lugu, Kg. Pandan, Kg. Mandamai, Kg. Kobon and Kg. Tutuwon. The 5th phase had a difference to it whereby it focused on gravity water system.





***To put it in a nutshell,***

ConocoPhillips in collaboration with BEST Society, Borneo Eco Tours and Skycommunity had committed to the six phases of Bengkoka Living Water project in the form of monetary and in-kind contributions. Water tanks were made available to committed households to help ease the burden of household's water demands as they are often experiencing drought and depended largely on a nearby river, Sungai Bengkoka, which is contaminated with chemicals that may have run off from oil palm plantations not too far away.

The rainwater harvesting system was introduced to the local communities whereby rainwater can be used for potable purposes such as drinking and cooking. Additionally, stored rainwater is a good standby in times of emergencies such as during periods of extreme drought or in some areas where water supplies may not be available or dependable, collected rainwater is the least expensive option. On the other hand, the decision to implement gravity water system at Kg. Tutuwon using existing water tanks was to provide alternative source of water through gravity-fed. The supply comes from a stream impounded within a protected catchment with an additional benefit that is using the force of gravity. Water can be transported by pipework to tap stands placed near to homes, reducing the work involved in carrying water. The table below shows the number of households impacted throughout the implementation of the project.



Phase	Location	Delivery	No. of households	No. of water tanks	Amount spent
1	Kg. Lugu	8 September 2012	14	16	RM 11,272.80
2	Kg. Pandan	15 December 2012	17	18	RM 10,377.20
3	Kg. Mandamai	13 December 2013	30	32	RM 21,980.75
4	Kg. Kobon	9 July 2014	28	30	RM 20,379.50
5	Kg. Tutuwon	5 March 2016	13	4	RM 21,593.03
6	Kg. Nibang	20 December 2016	25	25	RM 8258.72
<b>TOTAL</b>			<b>127</b>	<b>125</b>	<b>RM 93,862.00</b>

It is important to note that ConocoPhillips have also contributed to the renovation works at Asrama Bantaran Joy Centre (ABJC), Kudat which involved kitchen and dormitory refurbishment as well as toilet facilities upgrade. All in all, the fund received was a total of RM17,100 for the reconstructions works that took place in 2015.





## PROMOTING THE SYSTEM OF RICE INTENSIFICATION (SRI) IN KIULU

For short-term crops, the people of Ulu Kiulu plant paddy for their household consumption. Due to shortage of labour and equipment, the rice farmers practice single cropping and start planting during the wet season with a long maturation period of more than 150 days. In terms of income level, it ranges from RM 200 to RM 500 per month and varies depending on cropping seasons. The basics of traditional rice production which have developed over time are inefficient resulting in low productivity and high costs in terms of materials and labour.

The System of Rice Intensification (SRI) was introduced to the folks over a year ago and they are beginning to get a glimpse of the productivity potential of this agro-ecological methodology. Sikong Morigo, a local resident of Kiulu has given up an acre of his land to be used as a pilot site for SRI. He, like many others was rather skeptical and did not quite know what to expect of this methodology. Consultation was done with Allan Zinkler from Australia who has been experimenting and practicing this methodology for more than 10 years. With his scientific and farming background, he has been able to develop a unique and tailored approach to SRI that is fully adaptable to many different scenarios. He is able to draw on many different SRI practices in several Asian countries in his years of being involved in SRI organic farming.

SRI practice can reduce water requirements and promote less reliance on chemical fertilizers and pesticides. In Kiulu, the marking of paddy field and planting took place in August with the help of local women. Sikong planted his field with *padi Sarawak* and *padi Sibor* whereby work involved transplanting young, single seedlings, spacing them widely in a grid pattern. *Eupatorium odoratum* (or locally known as Rumput Malaysia/ lahunai/ Rumput Kapal terbang) and Lantana leaves are used as organic insecticides against *kutu beruang*. Over the period, Sikong under the guidance of Allan had applied SOS Organic Fertilizer and other sources of organic nutrients. His routine also includes doing regular weeding that aerates the soil. Subsequently, rice paddy was seen to be growing well with 15 to 30 tillers per plant. The plants were observed to be growing in a fan formation to maximize exposure to sunlight, which is not normally possible with traditional planting of putting a bunch of seeds together. Additionally, the rice paddy looked very resistant to pest attack. Although the SRI method has not yet been fully adopted due to lack of familiarity and experience, the rice paddy has displayed strong stems supporting panicle. As the months go by, December marked the beginning of the harvest season.







The results from observation have shown the increase in rice yields and quality as reported by Allan. However, it is important to note that the result is inconclusive as the results obtained are only using approximately 60% standard of SRI methods. The yield from the first harvest amounted up to 337 kg estimated to be 20% more than the usual harvest. The basic yield from conventional rice practices range from 1 ton per acre (t/acre), such as in Kiulu, to 4 t/acre in prime rice producing areas. The projected yield of SRI has been recorded in many countries since 2000 of achieving 5-6 t/acre.

The success stories of many farmers abroad using SRI methods are producing surpluses beyond household needs. While most are selling the rice on their own without additional premiums into local markets, a growing number of NGOs, farmer cooperatives, and private companies are working with SRI producers to achieve a higher price, taking advantage of increasing consumer demand for food grown without chemicals. We sure hope by introducing this innovative method, similar effort can be replicated in other communities.

Ultimately, from the surplus of SRI Rice production, BEST Society will then be able to assist with branding, packaging of SRI Rice for market distribution to fetch higher selling price for the farmers through MUKEST as it has done for BONCO Virgin Coconut Oil in Kimihang.





## PEER LEARNING – MUKEST members paid a visit to Tambatuon, Kota Belud

A group of 13 participants from Borneo Eco Tours, BEST Society and Kiulu representatives who are also members of MUKEST were exposed to the SRI method which was introduced to the rice farming community in Tambatuon, Kota Belud by PACOS back in 2014. The trip led by Anjelen from PACOS Trust shared her experiences with us on the challenges faced when she first introduced the concept to the community there. Quite a handful was not receptive to learning and had reservations about the methods. Until today, some of the farmers are still hesitant to practice SRI because it entails a tedious and laborious process and may result to low production of agricultural products. However, for those who were willing to give it a try, they are beginning to see results in terms of yield and quality of rice.

In Tambatuon, the farmers plant their fields with *padi merah*, *padi hitam* and *padi putih*. The trip definitely contributed to a better understanding of seed selection and preparation, the making of organic fertilizer, land preparation and weed control. We hope that the Kiulu folks are convinced more to adopt the SRI technique for its bio-physical and socio-economic benefits.





## KINABATANGAN BEE FARMING

BEST Society embarked on this bee farming project as an approach to reduce damage from crop-raiding elephants using their instinctive avoidance of honey bees. Additionally, beekeeping has contributed to rural development through the centuries in other regions by agricultural production of honey, wax, and other products for home use and sale. We are positive that similar effort can be replicated here in Sukau to generate supplementary income for the locals. This project is participated by 12 committed local residents of Kinabatangan and it is also a newly introduced approach to deter elephants from raiding crops and people's properties. Chili fences used since August 2014 to keep elephants at bay does not seem to work any longer. Collaborations have been made with agencies such as Korporasi Pembangunan Desa Kudat and research officers of Jabatan Pertanian Tenom, Universiti Malaysia Sabah, veterinaries and NGOs to conduct research to see if beehive fence could work to reduce human elephant conflict and promote practical and inexpensive ways to help people protect themselves and their crops.

Beekeeping works are done with honey bees called Lebah Neron or scientifically known as *Apis cerana*. Beehives were translocated from Bukit Garam, Kudat and Tenom to Sukau. Suhailie, our in-house naturalist observed during his weekly inspection that bees originating from Bukit Garam are more adaptive to new surroundings. Participants have planted their area with fruit-bearing trees such as kelapa pandan and cempedak to attract bees for nectar collection. One of the common problems faced is the destructive insect pest called wax moth that occupy and damage honey bee colonies. Additionally, challenges faced are the lack of expertise in basic beekeeping operations whereby we are losing bees which could probably be due to nutritional stress and inadequate habitat.

Currently, they are seven surviving hive boxes set up at different locations. Effort will be put into increasing the number of hives to build a protective beehive fence.



In the first half of 2016, a group which comprised of academicians from UMS, research officers from Jabatan Pertanian Tenom, elephant expert from Danau Girang and veterinarian from the Sabah Wildlife Department spent three days at Lok Kawi Wildlife Park experimenting the behavior of the elephants towards honeybees (using speakers to display bee's sounds and also real honeybees). On top of that, participants from Sukau and Bukit Garam also visited Jabatan Pertanian Tenom in April 2016 for the first time. They were given an introduction to bees in Sabah and taught on how to transfer wild bees hive to a top bar beehive. Both Herbert



and Atanasius from Jabatan Pertanian Tenom have been of great help during the start up of the project and will continue to be the source of learning platform for the participants.

It is essential to note that the participation of women in beekeeping is still low or non-existent. Women and women's groups can be in good positions to handle honey bee products. Their workload at home and childcare commitments require women to remain close to home and to integrate livelihood activities with these commitments. Support to enable women to learn to process raw bee products into good quality secondary products that can be made in village settings, may be an ideal opportunity for income generation.





## **VIRGIN COCONUT OIL (VCO)- THREE-DAY SESSION WITH THE MAN BEHIND BONCO**

One of the major agriculture crops for Pitas is coconut other than corn, groundnuts and chili among others. The very first meeting that was held in June 2016 was to discuss the possibilities of a potential partnership between Ronnie Onginjan- the man behind BONCO Virgin Coconut Oil and the communities from several villages in Pitas to maximize the total productivity and economic benefits of the coconut farm. Due to poor road conditions, the villagers in Pitas have limited access to markets. They harvest coconuts for sale at a price (RM0.40) that is lower than the market price to outsiders that come to collect them.

Ronnie Onginjan mentioned one of the many challenges he encounters is the low supply of coconut. We often hear people say 'You've got to pick the low hanging fruit' and Ronnie did not need to look far as both Kg. Lugu and Kg. Kobon have abundant supply of coconuts! Together with several of the villagers from both Kampung, we worked on possible mechanism to ensure a steady supply of dried grated or dehusked coconuts to Kimihang. They are a few steps to be put in place before the real implementation and we sure hope to be able to witness fruitful results.

BEST Society being the intermediary moderated the meeting to come up with a win-win negotiation for both Ronnie and the communities in Pitas. Come November 2016, appointed liaison officers Mejol Sukuan and Joseph Murondok both representing Kg. Lugu and Kg. Kobon respectively took the time off their daily routine and organized a trip partially sponsored by BEST Society to Pusat Memproses Kelapa Dara Kimihang, Kudat. Ronnie have arranged for intensive sessions for the both of them to learn VCO processing methods. They had the opportunity to gain valuable hands-on experience from coconut deshelling, grating, drying, oil extraction up to packaging and storage of finished products.





## PITAS GINGER CULTIVATION

A side-by-side project to VCO is the pilot project of ginger cultivation in Pitas. Initially, the project started with seven villages and currently left with two (Kg. Lugu and Kg. Kobon) have started planting ginger since June 2016 using seed money provided by BEST Society.

Apart from the monthly meet-up, Mejol and Joseph communicated via WhatsApp to provide us with weekly updates. This can be a challenge at most times as there is intermittent phone connection in Pitas and the follow-up can be time consuming. As reported, the villagers are faced with the effects of extreme weather; floods and prolonged drought. BEST Society provided financial aid to buy 900 litre water tank and poly pipes to connect to their main source of water for irrigation which is Sg. Bengkoka that is 600 to 700 meters away from the pilot site. Prior to this, villagers had to walk the distance to fetch water for their crops. On the other hand, when they are hit with continuous rainfall, this causes soft rot of ginger. This is more prevalent in rhizomes that have formed deep in the ground. As we move along, it is more than just doing the works on the ground as they are a few upcoming programs lined up for the villagers to build on existing technical skills through capacity development activities.

It is also important to note that the poor coordination among villagers, the lack of self discipline and being too dependent on charity are hurdles hampering the progress of the work.





## SUSTAINABILITY DAY

What is your definition of Sustainability?

The United Nations 70th General Assembly has designated **2017 as the International Year of Sustainable Tourism for Development**.

This is a unique opportunity to raise awareness on the contribution of sustainable tourism to development among public and private sector decision-makers and the public, while mobilizing all stakeholders to work together in making tourism a catalyst for positive change. In the context of the universal 2030 Agenda for Sustainable Development and the Sustainable Development Goals (SDGs), the International Year aims to support a change in policies, business practices and consumer behavior towards a more sustainable tourism sector than can contribute to the SDGs.

The #IY2017 will promote tourism's role in the following five key areas:

- (1) Inclusive and sustainable economic growth
- (2) Social inclusiveness, employment and poverty reduction
- (3) Resource efficiency, environmental protection and climate change
- (4) Cultural values, diversity and heritage
- (5) Mutual understanding, peace and security.

In support of #IY2017, Borneo Eco Tours, BEST Society, INTI College Sabah and MUKEST kick-started by organizing Sustainability Day at Kiulu Farmstay on the 13th of November 2016. The half-day event engaged over 50 people in learning about environmental protection and climate change, cultural values, employment and poverty reduction amongst others.



The event continued to showcase action through DIY demos using recyclables; the making of easy and inexpensive natural cleaning products; handicraft demonstration using *Dalai* seeds and *buah kayu*; 'tamu' concept of selling local produce such as *pinongian*- (preserved fish, preservative used is the flesh of the seeds from the tree *Pangium edule* or known locally as *Pangi/ kepayang*), *bosou*, *lada giling*, *punti* (banana in local language) and pineapples; kids' corner; cooking competition; gotong-royong; compost-making and sustainability explained through documentaries.

Kiulu Farmstay is a community-based ecotourism and such event is a special opportunity to raise awareness on the contribution of sustainable tourism to development among local communities, private sectors, decision-makers, academia, while encouraging stakeholders to work together in making tourism a catalyst for positive change.





On another note, Borneo Eco Tours has signed up as a 'Friend' of the International Year and we believe that our contribution will help to promote and enhance sustainable tourism as a tool for development.

### **SKILLS ENHANCEMENT WORKSHOP**

A group of over 30 participants which comprised of communities from different localities in the vicinity of Kiulu Farmstay and Homestay took part in the workshops organized by Degree Event students of INTI College (Sabah) on the 15<sup>th</sup> September 2016. This was supported by Borneo Eco Tours (BET), BEST Society and MUKEST. The team led by Career Service Officer and Subject Lecturer, Jaccie Koh exposed participants to western culinary skills and food hygiene practices. Additionally, the villagers were taught the usage of English for hospitality and principles of quality customer service.

It is hoped that the villagers benefited from the sessions held as this would help them manage their homestay and farmstay operations more effectively because they are expected to have more visitors in the future. It was definitely a learning experience for both staff and students of INTI College as well. The locals themselves recognized the increasing potential for tourism in Kiulu and such community capacity building initiative is essential to support in the development and management of responsible and good quality tourism products. Also present was Director of Administration and Acting Registrar, INTI College (Sabah) – Mr. Michael Chin to give away certificates of participation.

BET being a learning organization feels the need to impart knowledge sharing culture to others. Getting a higher learning institute such as INTI to conduct skills enhancement workshop for the Kiulu community is an achievement for them and at the same time inspires the younger generation of students to be more appreciative of the environment and experience genuine local hospitality.





## INTI COLLEGE – Capstone Project

Two different groups of students from INTI pursuing their Diploma in Business Management conducted a small survey in Kiulu and Sikuati, Kudat on the 12<sup>th</sup> and 19<sup>th</sup> of October 2016 respectively. This was carried out as part of the Capstone Project whereby the module provides students with exposure to real life business situations that stimulate critical thinking. The surveys were intended to get the general picture of the current situation in both places, problems faced by farmers, selling of rice and organic vegetables as well as challenges or advantages in adopting agro-ecological methodology which is fairly new to the community of farmers. The students were able to draw on what they have learnt and develop critical thinking skills as they formulate business solutions for the farmers.



## LAUNCHING OF MUKEST

Mukim Ulu Kiulu Ecotourism Solutions and Technologies (MUKEST) Society was registered under the Registry of Societies in May 2016 which serves as a platform to boost economic growth and improve the livelihoods of local people. Initially started with three villages: Kg. Mantob, Kg. Dumpiring and Kg. Pinagon Baru have now been extended to 10 other villages. Community participation is crucial to ensure they have an equitable sharing of benefits within and across communities.





# FINANCIAL REPORT 2016

	QUARTER				2016 YEAR TO DATE  RM
	1ST JAN'16- MAR'16 RM	2ND APR'16- JUN'16 RM	3RD JUL'16- SEP'16 RM	4TH OCT'16- DEC'16 RM	
<b>INCOME</b>					
BET CONSERVATION CONTRIBUTION	10,290.00	11,370.00	23,000.00	17,740.00	62,400.00
BET CARBON FOOTPRINT CONTRIBUTION	8,232.00	9,096.00	10,936.00	7,000.00	35,264.00
SRL CARBON FOOTPRINT CONTRIBUTION	4,116.00	4,548.00	5,468.00	3,500.00	17,632.00
INTEREST INCOME	891.21	828.85	1,748.75	1,260.97	4,729.78
GIFT	47.80	-	0.10	-	47.90
OTHER DONATION	51,105.00	700.00	21,709.30	2,125.00	75,639.30
COCOPOT	-	-	-	-	-
	74,682.01	26,542.85	62,862.15	31,625.97	195,712.98
	100%	100%	100%	100%	100%
<b>EXPENSES</b>					
COCOPOT	-	-	-	-	-
ADMINISTRATION EXPENSES	12,742.40	17,758.58	16,532.83	25,702.14	72,735.95
DONATION	-	-	-	-	-
SHELL ORGANIC FARMING PROJECT	-	-	-	-	-
CAMP LEMAING PROJECT	-	-	-	-	-
BENGKOKA LIVING WATER PROJECT - PHASE 4	-	-	-	-	-
KIULU VALLEY PROJECT	-	-	-	-	-
KIAU MEDICAL CAMP	-	-	-	-	-
ASRAMA BANTARAN JOY CENTRE PROJECT	-	-	-	-	-
BEE FARMING PROJECT	1,140.17	2,916.99	174.96	318.00	4,550.12
KIAU RECOVERY PLAN (BEST) PROJECT	523.00	(7,629.50)	52.00	-	(7,054.50)
LIVING WATER PROJECT - PHASE 5	2,992.30	-	-	2,300.00	5,292.30
ORGANIC FARMING PROJECT - PHASE 2	12,974.38	6,351.20	3,824.50	6,520.25	29,670.33
KIAU 5 YEAR RECOVERY (CIMB) PROJECT	17,575.90	7,809.50	1,204.00	16,642.72	43,232.12
KIULU SRI DRY PADDY FARMING PROJECT	400.00	2,444.85	1,299.90	1,166.60	5,311.35
ORGANIC GINGER & VCO PROJECT	280.00	220.20	(250.10)	1,327.50	1,577.60
VIRGIN COCONUT OIL (VCO) PROJECT	-	-	3,022.10	327.50	3,349.60
LIVING WATER PROJECT - PHASE 6	-	-	-	17,013.00	17,013.00
	48,628.15	29,871.82	25,860.19	71,317.71	175,677.87
<b>NET SURPLUS/(DEFICIT)</b>	26,053.86	(3,328.97)	37,001.96	(39,691.74)	20,035.11
	35%	-13%	59%	-126%	10%
<b>RETAINED SURPLUS/(DEFICIT) B/F</b>	212,732.90	238,786.76	235,457.79	272,459.75	212,732.90
<b>RETAINED SURPLUS/(DEFICIT) C/F</b>	238,786.76	235,457.79	272,459.75	232,768.01	232,768.01



**As of December 2016, both Borneo Eco Tours Sdn. Bhd. and Sukau Rainforest Lodge have contributed RM 640,061.00 (30%) and RM 388,107.08 (18%) respectively out of a total RM 2,105,720.49 to BEST Society supporting community development initiatives to create opportunities and build the capacity of communities to equip them with necessary resources to enhance their quality of life and promote sustainable development.**

