Extension of Partnership between Prosper Capital Holdings Sdn Bhd (formerly known as Prosper Palm Oil Mill Sdn Bhd) and Global Environment Centre for Phase 2 Recovery Project in Selangor, Malaysia
(December 2023)

Prosper Capital Holdings Sdn Bhd (Prosper) is a medium-sized Malaysian-owned player in the oil palmsector with a total of 10 palm oil mills and 20,000 ha of oil palm plantations in Malaysia. In Aug 2019, Prosper adopted a NDPE Sustainable Palm Oil Policy, modified related internal procedures and developed a recovery project to make a positive contribution to forest conservation.

In March 2020, Prosper established a partnership with the Global Environment Centre (GEC) (www.gec.org.my), a Malaysian Non-profit organisation with 25 years' experience in peatland and forest conservation and restoration throughout Southeast Asia. Through this partnership, Prosper is financing a Recovery Project in the form of a long-term conservation initiative, to be undertaken by GEC in a portion of the North Selangor Peat Swamp Forest (NSPSF) in Selangor State, Malaysia. NSPSF is one of the largest contiguous peat swamp forests remaining in Malaysia, covering 81,000ha (larger than Singapore). This area is of global significance for biodiversity conservation and very important for carbon storage and water resource management.

The first phase (2020-2023) of the project focused on the protection and rehabilitation of the Bukit Belata (Extension) Forest Reserve (BBEFR) which covers an area of 3,140ha of lowland dipterocarp and peat swampforest, in the SE portion of the NSPSF. This forest reserve faced increasing challenges from drainage, fire and degradation linked to development of small-scale plantations and agriculture along its boundary as well as encroachment and drainage within the reserve. Major achievements of Phase 1 included:

a) Completion of a rehabilitation strategy for degraded forest and peatland in the BBEFR
b) Prevention of fires and degradation throughout 3,140ha forest area, in partnership with local communities and stakeholders
c) Rewetting and supporting recovery of more than 200 ha of degraded peatland and forest;
d) Establishing a community-based organization to help conserve the area and prevent fires and initiate small scale livelihood programmes

Following an independent review and a stakeholder visit to Phase 1 Project Site in June 2023, It was agreed to expand and extend the recovery project. The goal of Phase 2 of the project (October 2023- December 2026) is to maintain and enhance the achievements of the first phase and expand the recovery project to include 4,000ha of the adjacent Raja Musa Forest Reserve to cover a total area of 7,140ha. It has three objectives:

1: To maintain and expand conservation measures for peat swamp and lowland forest at Bukit Belata (Extension) Forest Reserve (BBEFR) and Raja Musa Forest Reserve
2: To enhance engagement of smallholders and adjacent landowners to help them improve their productivity and protect the Recovery Project site
3: To enhance stakeholder engagement and integration of the Recovery Project with the broader landscape including North Selangor Peat Swamp Forest

Prosper is committed to work with GEC and other stakeholders to support the recovery project to 2026 and beyond to meet its agreed forest conservation liability.

Regular updates on progress will be provided to stakeholders.