



TH PLANTATIONS BERHAD (12696-M)



Global Environment  
Centre

BUILDING PARTNERSHIPS FOR THE ENVIRONMENT

**Establishment of Recovery Project in Johor  
by TH Plantations Berhad (THP) and Global Environment Centre  
Update, November 2022**

TH Plantations Berhad (THP), is a Malaysian-owned company active in the palm oil sector with 38 plantations and 6 mills in the Terengganu, Pahang, Johor, Negeri Sembilan, Sabah and Sarawak in Malaysia and in Indonesia. THP currently manages more than 98,000 hectares of land bank. In 2020, THP and selected supply-chain partners recognized the need to address concerns on forest clearance by THP in Malaysia and Indonesia. THP adopted a revised sustainability policy incorporating requirements to stop further deforestation and peatland development as well as committed to develop a recovery project to offset earlier impacts.

In July 2021, THP established a partnership to develop the recovery project with Global Environment Centre (GEC) ([www.gec.org.my](http://www.gec.org.my)), a Malaysian non-profit organization (NGO) with more than 20 years of experience in peatland and forest conservation and restoration throughout Southeast Asia.

Following an assessment of various locations and discussions with related stakeholders, it was decided, in July 2022, to establish the project in and around Gunung Arong Forest Reserve (GAFR) in Mersing District in NE Johor State. GEC had been working previously at this site with the Johor Forest Department and it has been identified as a highly suitable area for a recovery project. This area is near to the THP oil palm plantations and mill in Kluang District and comprises both peat swamp forest and lowland forest.

The project will focus on the long-term protection and rehabilitation of 4,300 ha in the northeast portion of the GAFR (to the east of the road between Mersing and Endau that runs through the forest). It mainly consists of lowland forest with approximately 1,500 ha of peat swamp forest/peatland. The site has been degraded in the past due to the drainage and fire associated with earlier log extraction and road construction as well as plantation development in adjacent land. More than 1000ha of peatland and lowland forest have been degraded in recent years.

The goal of this project is to protect and rehabilitate forests and peatlands in the north-eastern portion of Gunung Arong Forest Reserve. The main objectives include:

- I. To develop a management strategy for the site using a landscape management approach and participation of relevant stakeholders and enhance the protection of the area;
- II. Rehabilitation of degraded areas through re-wetting, assisted natural regeneration and selected tree planting in the site; and
- III. Support engagement of local communities and other stakeholders in fire prevention, forest rehabilitation, education and public awareness and sustainable livelihoods.

The project will work directly with the targeted local communities at the selected site to establish mechanisms and incentives for their involvement in the conservation and sustainable use of the area. The project will support implementation of the Johor State Peat Swamp Forest Management Plan 2023-2032. Permission has been granted by the Johor State Forestry Department for GEC in partnership with THP to undertake the recovery project initially for the period 2022-2029.

Regular updates on progress will be provided to the stakeholders.