

# **A SOCIOECONOMIC EVALUATION OF THE PERMANENT FOREST ESTATE (PFE) IN SABAH**

**Elne Betrece Johnlee<sup>1</sup>, Robert Ong<sup>1</sup>, Jaffirin Lapongan<sup>1</sup>, Jarry K. Lajanga<sup>1</sup>**

*<sup>1</sup>Forest Research Centre, Sabah Forestry Department, Sabah (MALAYSIA)*

*E-mails: ElneBetrece.Johnlee@sabah.gov.my, Robert.Ong@sabah.gov.my,  
Jaffirin.Lapongan@sabah.gov.my, Jarry.Lajanga@sabah.gov.my*

## **Abstract**

Sabah area contains an area of 3.8 million hectares legally designated for forest use namely for forest reserves, state parks, and wildlife sanctuaries, referred to as the Permanent Forest Estate (PFE). The PFE is managed by three government agencies, namely the Forestry Department, the Sabah Parks, and the Wildlife Department. It is crucially important for biodiversity conservation, environmental protection and also an important socio-economic resource for Sabah. External funding is also extracted for projects, forest restoration and research activities, thus creating employment opportunities and livelihoods associated with broad array of skills. However, there are obvious shortcomings and knowledge gaps in the evaluation of the forestry sector's contribution to Sabah's Gross Domestic Product (GDP), let alone the contribution of the PFE per se. This highly aggregated data does not provide a clear picture on the role and importance of the forestry sector and grossly undervalued the economic contribution of the forestry sector. There is a need to quantify the value of the PFE that more accurately reflects its socioeconomic value. This study aims to evaluate the socioeconomic contribution of Sabah's PFE, to provide recommendations for improving the existing data collection and compilation approach and methodology for the forestry sector in Sabah.

**Keywords:** Permanent Forest Estate (PFE), socioeconomic evaluation, Gross Domestic Product, tourism, economy, forestry