



ANNUAL REPORT 2013

CONSERVATION STRATEGY FUND

Smarter development

2013 marked CSF's 15th year of sustaining natural ecosystems and human communities through strategies powered by conservation economics. We've chosen a selection of highlights here and invite you to visit us at conservation-strategy.org for the full story.

Over the last 6 years, Conservation Strategy Fund has been supporting outstanding emerging researchers in the tropical Andes. In partnership with USAID's Initiative for Conservation of the Andean Amazon (ICAA), CSF helped 5 of these Research Fellows complete their applied economics projects this year and launched the next round with 8 new researchers. Fellow Paula Zuluaga's game theory fieldwork, mentored by CSF's Senior Consulting Economist Rocío Moreno, helped six indigenous communities in the Inírida region of Colombia establish agreements to sustainably manage the vivid aquarium fish they capture in an ecologically rich network of lakes, which was declared a world-class wetland under the Ramsar Convention in January 2014. Fellow Viviana Zamora designed one of Colombia's three early-implementation forest carbon projects with CSF-ICAA technical assistance. She is now

helping a colleague replicate the methods in one of the other two pilot projects, this one in the Ariair-Guejar-Cafre sector of the Department of Meta.

CSF and Ecuador's Socio-Bosque program formally agreed to analyze the expansion of the groundbreaking conservation incentives program into the Amazon Basin. This step follows CSF's 2013 research with Socio-Bosque in Ecuador's western Esmeraldas province, where the incentives have been in place for years. CSF's Andean researchers have begun to study the local Amazonian costs of conservation as well as landowners' preferences, all to help Socio-Bosque find regions where success is likely and to structure contracts appropriately.

In 2013, CSF finished a portfolio of business plans with traditional communities in Brazil to support low-

impact economies in the Amazon region. The guidance CSF has given communities for products such as brazil nuts, açai, timber and fish, has helped them to deliver ecosystem-based income to local people, a crucial element to decreasing deforestation. The Paumari Indians, for example, profited from their catch of canoe-sized pirarucu fish, with guidance from CSF and the Brazilian group OPAN on the most lucrative markets to pursue.

CSF delivered a six-month in-house training with Peru's Ministry of Environment (MINAM), which will help officials use economics to "internalize" the environmental costs of development and protect ecosystems. In April 2013, work by MINAM, CSF and Peruvian NGOs resulted in a draft of ministerial resolution to require ecological compensation for impacts of development projects. Approval of a final policy is expected in 2014.

In 2013, CSF trained over 300 professionals from 35 countries and 141 different organizations. Trainings included a few firsts: CSF-Brazil trained 30 journalists - representing outlets ranging from an Amazon TV station to the newspaper of the Brazilian Senate to the Wall Street Journal - to report more effectively on infrastructure and biodiversity issues.

CSF's marine team delivered a scenario-building workshop on the tropical island of Yap. The workshop enabled locals to constructively debate the risks and benefits of new resorts on the Micronesian island, which is noted both for its beauty and intact culture.

2013 also saw CSF's first course in the Democratic Republic of Congo as well as 3 infrastructure-based courses and 2 water-focused trainings. In addition, the year included a brand-new training partnership with the Biodiversity and Ecosystem Services program of the Inter-American Development Bank. CSF experts, government staff and specialists with the Wildlife Conservation Society and the International Gorilla Conservation Program began work on analyses of oil pipelines and a proposed road through Ugandan parks,

under the USAID-sponsored Biodiversity Understanding in Infrastructure and Landscape Development (BUILD) program. We also teamed up with The Nature Conservancy and the Peruvian group GRADE to compare the financial and environmental costs of road versus railroad to connect the Amazon city of Pucallpa to Brazil.

And finally, 2013 brought talented new members to our team. We welcomed São Paulo native Susan Seehusen as our new Brazilian Director and Aaron Bruner as our DC-based Senior Economist. As 2014 starts, we welcome José Carlos Rubio and Luis Hashimura, economic analysts in our Lima and Rio de Janeiro offices, respectively, as well as Arcata, California-based Nicole Gribi, a new associate on our training team.

Global Impact





In 15 years, training has reached **2000+** people & **90** countries

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The Numbers | 2013



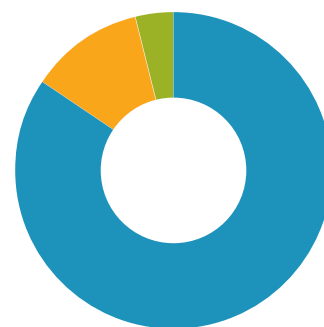
Statement of Activities

REVENUE AND SUPPORT	UNRESTRICTED	TEMPORARILY RESTRICTED	TOTAL
donations	78,609		78,609
grants and awards	56,438	936,000	992,438
training fees	109,000		109,000
contract income	659,310		659,310
other income	4,341		4,341
net assets released from restrictions	1,219,605	-1,219,605	0
Total Revenue and Support	\$2,127,303	\$-283,605	\$1,843,698
program services	1,712,705		1,712,705
management & general	238,342		238,342
fundraising	75,670		75,670
Total Functional Expenses	\$2,026,717	\$0	\$2,026,717
Change in Net Assets	\$100,586	\$-283,605	\$-183,019
net assets at beginning of year	1,139,159	1,894,895	3,034,054
Net Assets at End of Year	\$1,239,745	\$1,611,290	\$2,851,035

Statement of Financial Position

ASSETS	
cash & cash equivalents	1,832,457
grants receivable	819,429
contracts receivable	1,626,694
prepaid expenses	115,835
deposits	5,850
TOTAL ASSETS	\$4,400,265
LIABILITIES	
accrued expenses	47,295
payables	58,420
deferred revenue	1,429,240
long term liabilities	14,275
Total Liabilities	\$1,549,230
NET ASSETS	
unrestricted	1,239,745
temporarily restricted	1,611,290
Total Net Assets	\$2,851,035
TOTAL LIABILITIES & NET ASSETS	\$4,400,265

EXPENDITURES | 2013



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Management & General
Fundraising

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www.conservation-strategy.org