

Challenging ideas
RAISING AWARENESS
Lobbying governments
Working together
Changing opinions
Finding solutions

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"The village where I lived in Mali is a microcosm of the new global realities. IIED's longstanding presence in a number of countries gives us the experience and insight to monitor the changes."

From our director



Camilla Toulmin

When I was in Mali last year, I went back to the village where I had lived 25 years ago. A lot happens over a quarter of a century, even in what seems like an isolated village in the bush.

Land has become scarcer and more valuable, with more and more people arriving to farm the sandy soils. Two decades ago, farmers relied on animal dung to keep their fields nourished. Now many are turning to chemical fertiliser.

Consumer culture has reached the village. Seven shops have been set up, retailing everything from shoe polish, plastic buckets and zips to tea bags, photo albums and little pink dresses. Mobile phones have arrived, and two families have invested in solar panels, so that they can charge up their motorcycles and watch the latest DVDs.

Many observers of the West African Sahel describe a process of spiralling poverty and environmental degradation. Yet this village shows that the direction of change is not so clear. Most people seem much better off in terms of having a decent water supply, a variety of foods, access to

schooling, smarter clothes and contact with the wider world. The setting up of elected local government eight years ago is raising the villagers' expectations of getting something back for the taxes they have paid.

But there are storm clouds on the horizon. How will this and other villages cope with further droughts and growing land scarcity? Can the village council retain control over the woodlands and grazing around the settlement? And will village cohesion break down as some families reap the benefits from the spread of a money economy, while others find their backs to the wall?

The village where I lived in Mali is a microcosm of the new global realities. People's lives are changing rapidly, but IIED's longstanding presence in a number of African, Asian and Latin American countries gives us the grassroots experience and the broader insight to monitor those changes and act effectively where needed. From local communities to international conferences, it is an approach as relevant as ever.

From our chair



Mary Robinson

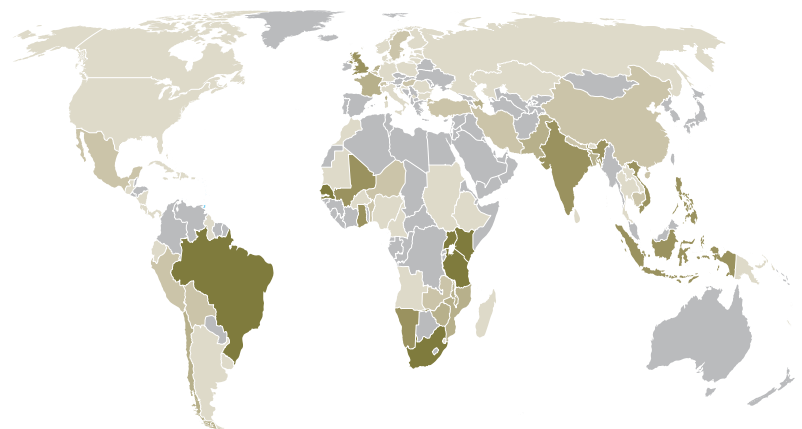
The report in your hands shows the breadth and depth of IIED's engagement with today's big issues. The institute achieved much over the 12 months to March 2007, which positions us well to take on the challenges and dilemmas ahead.

On the global agenda, we have just a couple of years to agree how we will take the measures needed to tackle climate change, building upon the Kyoto Protocol. We need to get countries agreeing to dramatic new commitments at the UN climate change meeting, planned for late 2009 in Copenhagen. IIED wants this agreement to set out ambitious, robust and fair targets for 2012 and beyond. Ambitious because we face catastrophic impacts from climate change if we fail to act speedily; robust to make sure the targets will be achieved and monitored against slippage; and fair because climate change affects rich and poor very differently.

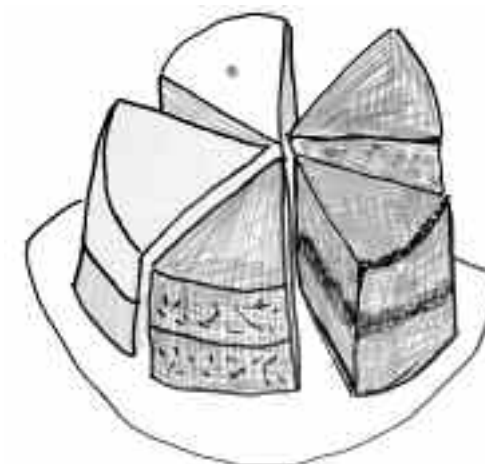
If we fail to tackle climate change, all our other concerns will be swept into insignificance.

Fairness and equity have fallen victim to globalisation. While many economies have been booming, the returns from growth have been spread very unequally. Such inequality has a corrosive effect on solidarity and dashes all hope for a more sustainable planet. As the words of our founder Barbara Ward remind us, we have only one Earth. We must find a fairer way to share its wealth.

Number of IIED research groups active in this country



Asked to describe IIED,
some of its own staff
and board members see
a cake of different slices;
others, a dazzle of fireworks
(opposite, below)



IIED at a glance

Why we're here, what we do

IIED is an international policy research organisation established in 1971. As a major contributor to the 1987 Brundtland Commission – which produced the groundbreaking report *Our common future* – as well as the 1992 Earth Summit and the 2002 World Summit on Sustainable Development, IIED has long been at the cutting edge of environment and development. Its wide range of lasting partnerships means IIED is able to engage with rural smallholders and urban slum-dwellers as well as national governments and global institutions. With this broad-based network, IIED is shaping a future where people and planet can both thrive.

Highlights of 2006/7

Climate change

Showcasing grassroots adaptation in Bangladesh page 36

How are poor people round the world adapting to climate change? In February 2007 IIED and partners brought together over 120 people from government, NGOs, academia and the media to see for themselves, at the second international workshop on community-based adaptation in Dhaka.

Turning the climate lens on Latin America page 32

With over 20 fellow environment and development NGOs in the Up in Smoke coalition, IIED launched a climate change report on Latin America and the Caribbean in August 2006.

Revealing how some days make a difference at the convention page 39

Over 400 people swapped international news and views at IIED's jointly run and highly successful Development and Adaptation Days during the UN climate change conference in Nairobi, Kenya, in November 2006.

Human settlements

Harnessing a rising tide of concern over coastal cities page 58

The first detailed global analysis of how climate change threatens people living within low coastal zones, 'The rising tide' – published in IIED journal *Environment and Urbanization* – was reported on by over 175 independent news media outlets in March 2007.

Pooling data on global sanitation successes page 36

IIED is documenting effective water and sanitation projects in poor urban communities round the world – data that teams from Angola, Argentina, Ghana, India and Pakistan are using to influence international agencies to improve these services in deprived communities.

Discovering fruitful farm-to-city links in Vietnam page 40

An IIED study counters the idea that cities always grow in ways that leave rural areas losing out. In Vietnam's Mekong Delta, it seems cities and farms forge mutually beneficial relationships that substantially boost rural development.

Sustainable markets

Boosting awareness of Africa's greener bean page 40

Is air-freighted produce from Africa really unsustainable? IIED's concept of 'fair miles' shows that knee-jerk reactions to nominal savings in carbon could prompt a slide back into poverty for over a million African farmers.

Putting hope in Azerbaijan's pipeline page 60

IIED's partnership with BP Azerbaijan is revealing how business, government and civil society can pool their expertise and use oil revenues wisely for sustainable development.

Going wild to aid Cambodian conservation page 38

Snapshots of iconic wildlife in a Cambodian forest are giving fresh impetus to ecotourism plans that will benefit local people and conservation alike – a project in which IIED is a key partner.

Natural resources

Hailing a new force as IED Afrique comes of age page 54

IIED Sahel became Innovations Environnement Développement Afrique in Senegal – an independent NGO dedicated to finding new ways of making development fairer and more sustainable.

Firming up Africa's stake in natural resources page 19

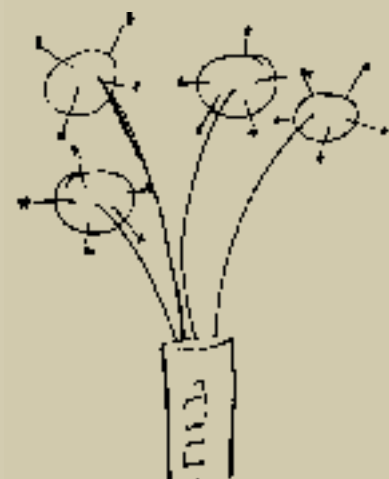
IIED's 'Legal Tools' initiative is helping communities in four African countries realise their stake in natural resources through advocacy and better access to information on their rights.

Demonstrating how timber can go the fair-trade route page 45

As experience with coffee, bananas and chocolate shows, fair trade marketing can be an excellent option for small businesses. IIED is showing how tropical timber can travel the same route.

Twinning poverty and conservation for a global forum page 33

In September 2006 IIED's Poverty and Conservation Learning Group was launched to become a major platform for 70 conservation organisations focusing on poverty reduction and economic development.





IIED delves deeply –
its five groups each
working a mine of
information

**Bringing bioculture alive in Peru
and beyond** *page 38*

In China, India, Kenya, Panama and Peru, IIED is helping communities protect their natural and cultural heritage from biopiracy and local extinctions.

**Pinpointing how pastoralism
helps economies** *page 44*

IIED is chronicling how pastoralists contribute directly to economies and play vital roles in tourism, sustainable land use and conservation of biodiversity – particularly in the face of climate change.

Governance

**Going Dutch with strategies for
sustainable development** *page 44*

With help from a cost-effective, simple and replicable peer review system pioneered by IIED, the Netherlands launched a National Strategy for Sustainable Development in 2006.

**Helping forge the global links in
emissions trading** *page 56*

IIED's legal associate FIELD is researching how to link the EU emissions allowance trading scheme to schemes in other countries – an effort that helps lay the groundwork for a global system.

**Hosting legal eagles from
round the world** *page 46*

FIELD's annual intern programme drew 70 applicants for nine posts this year to research biodiversity and marine resources, climate change and energy, or trade, investment and sustainable development legal issues.

Communications

**Proving our worth in
communicating research** *page 28*

IIED's communications team co-hosted a two-day workshop in September 2006 on monitoring and evaluating research communications. The report, *Proving our worth*, is available from IIED.

**Spreading the word on
urban realities** *page 28*

With the human settlements group, the communications team produced a bulletin for the World Urban Forum, the UN-HABITAT meeting in Vancouver, Canada, in June 2006. The number of visitors to the IIED website rose from 9000 to 21,000 for weeks afterwards.

**Raising the profile of sustainable
development in the media** *page 28*

In 2006, communications demonstrated its commitment to using the media as a key influencing tool. After hiring a senior press officer, our research has been covered in depth by international, print, online and broadcast media.





“Our planet looks serene from space, but the earthbound reality reveals a very different world: the cracks are showing”

Portrait of the planet 2006/7

It is a snapshot like no other, and a key moment in human consciousness. *EarthRise* – the portrait of our planet snapped by the Apollo 8 crew in 1968 – was our first real glimpse of home, a blue-green jewel emerging from beyond the moon. It was a moving sight: so much so that two years later, US policymakers were hammering out some of the key environmental legislation of the 20th century. Seeing Earth whole had suddenly driven home the awareness that this is all we have, and that there are limits to what we can do with it.

Our planet looks just as serene in recent ‘portraits’ shot from space. But satellite images of the surface and the earthbound reality reveal a very different world. The cracks are showing. Rapid and accelerating changes in the environment and in human systems are happening round the world.

Shifting fortunes

As climate change begins to grip, ice shelves are thinning in the Antarctic and Greenland, and water stress – already an issue in over 40 countries – looms large in parts of Africa and the Middle East. Species are disappearing at unprecedented rates in many countries. Energy demands are rising in regions electricity-free a generation ago. Trade tilts increasingly towards globalisation, while cities continue to swell – particularly in the developing world, where newly urbanised ways of life jostle with the old. Billions meanwhile are still living in poverty.

The magnitude of these trends is staggering. Complex, often deeply entrenched, they are above all unsustainable. As the new economics foundation reminds us, if all of us consumed at the rate of the average European, we would need an extra Earth to feed everyone. If we followed the US model, we would need a total of five.¹

Meanwhile, governments have amassed a huge array of toolkits, initiatives and processes in their drive to make development sustainable. The global commitment to meet the Millennium Development Goals stands firm. Yet progress is hamstrung by an overall system that remains the same – perpetuating inequalities within and between countries. The huge economic growth and rise of new technology over the last 20 years have made scant difference to half the world.

“There are no quick fixes. The complexities demand approaches that are flexible and informed across the range of issues – a way of working that comes naturally to IIED.”

Cutting through the complexity

To act effectively, we need to understand what we are up against. This can be a complex business: several intertwined processes will be at work at any one time in any setting. For instance, climate change affects biodiversity and access to water. These in turn trigger crop or livestock losses that push the rural poor over the brink. The trends themselves can surprise us – they may unfold in unexpected ways. Or new research may change our understanding of them.

There are no quick fixes. The complexities demand approaches that are flexible and informed across the range of issues – a way of working that comes naturally to IIED.

From its genesis in those hopeful *EarthRise* years, IIED has evolved into a dynamic network reaching from remote villages in the South to the world of global policymaking. The depth and breadth of that reach mean IIED works comfortably with grassroots and civil society organisations in the developing world; with governments and aid agencies, advising on strategy, policy and implementation; and with businesses that share its values. IIED’s wide-ranging expertise provides insight fed by many streams of knowledge – a vital tool in tackling the multiple challenges we, as a global population, must address.

"For the poor, clean water is usually a pipe dream. Over a billion people have just 5 litres of often polluted water a day, while the European daily average is 200."

Environmental trends



Snapshots from the edge: world trends

Over the year, the pace of change in many environmental and human systems accelerated. Here we look at the issues and the specific challenges that frame the arena in which IIED works.

Climate change: heat and dust

Climate change is very much with us, as the Intergovernmental Panel on Climate Change makes clear in its latest assessment. Beyond curbing emissions, helping countries in the South adapt is an urgent task: many are poorly prepared for shifts that will hit their regions hardest, such as severe floods and drought. Managing Earth's climate system is complicated by the North's responsibilities stemming from early industrialisation, by US indications of its willingness to join negotiations for a post-Kyoto agreement, and by China's emergence as the world's top emitter of greenhouse gases. Nor are the economics simple: a big rise in the price of carbon emissions could radically transform the pattern of trade, transport and industry. Meanwhile, biofuel production – thought by many to be a prime part of the solution to global warming – is now seen to be both socially and environmentally damaging in many places.

Biodiversity: life at a loss

As the Millennium Ecosystem Assessment shows, the threats to biodiversity are everywhere – in oceans, forests, depleted soils and modern agricultural systems – while mangroves, coral reefs and grasslands have also suffered badly. The projected impacts of climate change will harm biodiversity further and limit species' ability to migrate. Ecosystem 'services' such as crop pollination will dwindle along with biodiversity. Aspects of human life such as livelihoods and health are and will be affected – yet globally, there has been little progress on getting to grips with the economics of biodiversity loss.



Road to ruin

Land and forests: feeling the squeeze

Rising demand for commodities, population growth, the spread of markets, and rampant roadbuilding are putting intense pressure on land, forests and other key resources. Local land rights on urban fringes are becoming a flashpoint as smallholders are forced off to make way for housing or industry. Driven by Northern demand, biofuel production is displacing smallholders in favour of plantations, and a huge demand for timber is triggering widespread deforestation in countries such as Mozambique. Meanwhile, a number of South American countries, including Brazil and Argentina, are clearing forests and savannahs to make way for export crops such as soya, needed to fuel our appetite for meat.

Water: a dry forecast

Are we facing a future of water wars? The UN has estimated that by 2025, some two-thirds of us will live in water-stressed regions. The problem lies in unequal distribution: arid and semi-arid regions receive just 2 per cent of the world's runoff, yet cover 40 per cent of the land. For the poor, clean water is usually a pipe dream. Over a billion people have just 5 litres of often polluted water a day, compared to the European daily average of 200.² Water supply in parts of Africa will be hit hardest by hotter conditions and other climatic shifts. Meanwhile, glacial melt will alter flows in major rivers of the South, paving the way for conflict where the water is shared between countries.



Long walk to water

Energy: power for the people

Curbs on fossil fuel use remain vital, but renewables are also a prime concern if oil reserves are to maintain value and if coal reserves in some countries are to be used sustainably. In sub-Saharan Africa, microenergy projects for villages could be an important development for livelihoods and economic growth. Globally, further research into the pressing problems of biofuel production and forest management is key.

Social and economic trends

"Migration is on the increase, particularly within countries, but little attention is paid to social justice: migrant labour is treated as just one more disposable commodity."

Demographics: population patterns

The developing world is now overwhelmingly young: some 1.3 billion of the world's 1.5 billion 12 to 24-year-olds live in poor countries.³ Meanwhile the skewed sex ratio in China and India – where there is a shortage of 100 million women – could have explosive social consequences. The HIV/AIDS epidemic in Africa is decimating villages, worsening poverty and leaving survivors highly vulnerable to other shocks. Migration and mobility are both on the increase, particularly within countries, but little attention is being paid to issues like social justice for displaced and migrant populations: migrant labour is treated as just one more disposable commodity.



A young world

Globalisation: market forces

Globalisation has boosted economic opportunities and transformed market structures, yet also exacerbated inequality within and between countries and caused unemployment. The proportion of GDP going on wages has fallen over the past two decades, with those owning capital reaping high returns. Market-based solutions are applied to almost any issue yet, in the absence of crucial structures such as guarantees of property rights and enforcement of contracts, they can produce damaging results, particularly for the powerless.

Urbanisation: following the crowds

In 2008, the world's population will become more urban than rural. Some 95 per cent of population growth over the next 20 years will take place in towns and cities of the developing world. It's a challenging shift for a number of reasons: conurbations emit high levels of greenhouse gases, often concentrate poverty, and can be hostile environments for the young. With many of the world's biggest cities sited on the coasts of developing countries, this puts hundreds of millions of poor people at high risk from sea level rise.



Concentrated life

Geopolitics: a world remapped

The old patterns of rich and poor are breaking up. While the power base of Europe and the US is diminishing, the BRICS countries (Brazil, Russia, India, China and South Africa) are on the up. The North faces strong competition in its own markets as well as in Latin America and Africa. Sub-Saharan Africa has benefited from the recent boom in global commodity markets, but continues to suffer from poor governance that fails to meet the needs of deprived people – a situation not eased by major new inflows of Chinese investment.

Technology: bridging the gaps

Bridging the digital divide remains a key issue in poorer countries because it offers access to information, new arenas for learning and communicating, and networking opportunities. In some African countries, many people rely on mobile phones rather than computers for internet access. Electronic mapping techniques are also making it easier to monitor use of land and resources, so a check can be kept on what is happening to the world's tropical forest frontier.



Capturing change

Security: seeking a balance

Ongoing concerns about terrorist attacks have led many governments to focus on security hardware rather than construct a more resilient software which can deliver social, environmental and economic benefits and reduce the risks of breakdown. Civil liberties in many regions are being curtailed under the guise of the war on terror, while what people really want is greater equity and fairness.

1 institute 5 key areas of research

IIED focuses on:

Climate change — adaptation and vulnerability

Governance — law, planning and global governance

Human settlements — urban poverty, urban environment and rural-urban links

Natural resources — agriculture, biodiversity, drylands and forestry

Sustainable markets — environmental economics, trade and investment, regoverning markets, and business and sustainable development



IIED's work has been covered extensively by the print, online and broadcast media

A year in the life: the overview

Our mission

To change the world in partnership with others, and make sustainable development a reality, particularly for the world's poor.

Our aims

IIED's central aims tie in with its five key areas of research. We:

- **Work towards a robust, ambitious and fair climate agreement for the post-2012 period.** With our partners, we engage in international discussions, help developing countries build their negotiating skills, and raise awareness of the need for adaptation to climatic shifts, particularly for vulnerable people in poor countries.
- **Ensure that managing the environment is centre stage in policy, practice, aid delivery and achieving the Millennium Development Goals.** We analyse the target-setting process for the MDGs, focusing on issues such as reducing poverty, strengthening governance processes and scrutinising how aid is delivered.
- **Strengthen local rights to land and natural resources, and improve local governance to protect vulnerable groups from dispossession.** We show how a better understanding of power relations at local and national levels – and their impacts on property rights – is essential to securing rights for local groups.

- **Improve water and sanitation and strengthen secure tenure for the urban poor, building on their own priorities.** We identify and support the strategies, organisations and institutions that deliver these services and provide more security for the urban poor.
- **Redesign markets so that reducing poverty, protecting the environment and promoting sustainable livelihoods are integral to the way they operate.** We ensure that corporations aim to benefit people and businesses in poor countries by developing ideas on best practice for business and on public policy innovation for governments round the world.

“Because international policy debates undervalue local knowledge and initiatives, IIED works with local people in poor countries to ensure their voices are heard.”

How we work

IIED can be seen as a three-in-one policy research organisation.

- Like an **academic institute**, it publishes in journals, values its independence and maintains high research standards
- Like a **consultancy company**, it advises governments, business and international development agencies
- Like an **advocacy organisation**, it argues for change in the public policy arena.

But the institute arranges its governance to avoid any conflicts of interest inherent in such roles.

Because international policy debates systematically undervalue local knowledge and initiatives, IIED works with local people and organisations in poor countries to make sure they are heard.

There are several core principles that underlie the way we work:

Active networking

A wide range of partners around the world – from individuals to organisations – ensures that our work is focused and effective.

Independent thinking

Impartial analysis, rethinking of conventional wisdom and fostering dialogue between diverse groups mean we keep our thinking autonomous.

Action as well as analysis

Pragmatism and problem-solving mean IIED can think on its feet.

A focus on a voice for the poor

IIED concentrates on building people's capacity to defend their own interests.

Flexibility across the board

Complex problems with a global scope demand timely responses informed by a range of disciplines.

We explore aspects of these in Section 2, 'Making the connections' (page 30).





Demonstrating success

In 2007, as climate change rose to the top of every agenda, IIED played a major role in shaping the global debate. IIED has consistently argued that adaptation to climate change is hugely urgent. With the way paved by the *Stern Review* on the costs of the shifts ahead and the Intergovernmental Panel on Climate Change's fourth assessment, the institute drove the message home – notably in Africa, at the 2006 climate change convention in Nairobi, Kenya.

Climate change is not only the biggest issue of our times; it is also redefining many of the other challenges we face, and now drives policy in many areas. IIED seeks a balanced agenda, taking on board concerns that are sometimes pushed aside elsewhere. We see curbing the rapid erosion of biodiversity as crucial, along with strengthening local rights and livelihoods at risk from the process of globalisation. As ever, an organisation attuned to the interconnections between the big issues will take the long view.

In this and all its work – in governance, human settlements, natural resources and sustainable markets – IIED and its partners have made major progress across a portfolio of activities. Here we look at the range of our achievements in influencing policy, encouraging innovation, creating knowledge, strengthening capacity, building organisational effectiveness, developing strategic allegiances and working with donors.

“
IIED seeks a balanced agenda on climate change, taking on board concerns pushed aside elsewhere.
”

Coming into force: influencing policy

With most people now recognising the need to cut greenhouse gas emissions, IIED stands out as one of the few organisations focused on adaptation to climate change and, specifically, on how the world's poor will cope, here and now. This is a justice and equity issue: many of these vulnerable communities lie in regions that will be hardest hit by fiercer storms and other predicted shifts in weather patterns, despite having contributed little to the problem itself.

In March 2007 more than 175 independent news media outlets picked up IIED's study, 'The rising tide'. The first detailed global analysis of how climate change could affect people living within low coastal zones, the article in IIED journal *Environment and Urbanization* was reported on in five languages, including Vietnamese, Chinese and Indonesian (page 58). Another key event was the institute's workshop on community-based adaptation to climate change, held in Bangladesh in February 2007 (page 36).

IIED's research on cutting carbon emissions shows that mitigation, too, has a human face. In October 2006 the institute called for a radical move away from 'food miles' to a new concept: 'fair miles'. In the frenzy to cut emissions, many people label air-freighted fruit and vegetables from Africa as unsustainable, and will only consume local produce. But IIED's researchers have compellingly shown that nominal savings in carbon can mean a slide back into poverty for the million-plus farmers in Africa who have built up this trade (page 40).

Current research on mitigation shows that stopping tropical deforestation can be the most cost-effective form of cutting emissions globally. IIED pulled together the evidence on land use in a number of regions for the *Stern Review*, and calculated the costs of compensating people for avoiding deforestation.

Meanwhile, IIED's work examining payments for watershed services revealed that ecosystem markets should not be viewed with naïve optimism. The research – gathered from three continents – showed that soil, water and vegetation in different watersheds interact in a complex manner: afforestation with plantations, for instance, can lead to soil erosion and altered water flows in rivers.



IIED's 'Legal Tools' initiative

In the area of securing land and forests for local people, the Forest Governance Learning Group continues to influence policy in 10 countries (page 50). But it is often a rocky road getting changes in policy effectively enacted into law, then applied impartially and comprehensively. IIED's 'Legal Tools' initiative, now being piloted in four African countries, is helping communities realise their stake in natural resources through advocacy and improved access to information about citizens' rights.

Shake it up: encouraging innovation

At times, the process of solving long-term challenges stalls, and a shake-up is needed. Innovation can transform the way we think and work, opening up new avenues for exploration. Along with the new economics foundation, IIED is setting up a novel approach to carbon offsetting, in which compensation for damage from emissions is used to support vulnerable communities in adapting to climate change.

Transferring tried and tested methods from one sector to another can be an effective twist on innovation. IIED's forestry programme is looking at 'fair trade' marketing for tropical timber – a better option for small and medium-sized businesses – building on experience with coffee, bananas and chocolate (page 45).





“Rising sea level is a looming threat to many of the world’s cities, and IIED has made clear the growing risks for some of Asia’s urban giants.”

A partnership with BP Azerbaijan is helping IIED plan for sustainable development in a country facing widespread upheaval



Sharing the riches: creating knowledge

In a time of risk and rapid change, coolheaded analysis is key. IIED’s research in areas such as urban vulnerability, biofuels and migration is helping shape the body of knowledge in many of today’s crucial environment and development debates.

Rising sea level is a looming threat to many of the world’s megacities, and with the journal *Environment and Urbanization*, IIED’s human settlements group has made clear the growing risk from flooding and loss of land, shelter and infrastructure in some of Asia’s urban giants, such as Mumbai, Dhaka and Shanghai. Together, the cities studied house nearly 77 million people and are burdened with subsidence, poor drainage and other problems that make them increasingly vulnerable to any rise in sea level.

IIED often uncovers hidden angles to issues presented by the media as ‘done and dusted’. The sustainable markets group has shown emphatically that the production of biofuel crops can carry a high environmental and social cost by encouraging deforestation and other problems. Also revealing is the institute’s work on migration: while most international discussion spotlights movement between countries and continents, we show that far more people actually move within countries.

IIED is using a growing range of media to reach new audiences, helping to boost the institute’s profile significantly. *A Citizens’ Jury on GMOs and the future of farming in Mali*, a DVD produced following work by IIED’s sustainable agriculture, biodiversity and livelihoods team, is now available in Bambara, French and English. IIED’s website hosts over a dozen other sites, while its flagship publications go from strength to strength and remain a key resource, particularly for people living in countries with patchy internet access. The Dryland Issue Papers, *Haramata* (now redesigned to mark its 50th issue) and *Environment and Urbanization* remain valued conduits for new thinking, with *Haramata* retaining an estimated readership of 20,000 and *Environment and Urbanization* reaching well over 100,000 via print and electronic versions.

Acts of empowerment: strengthening capacity

Ensuring policies and decision-making processes reflect environmental concerns can be tough. Through a Tanzanian learning group of people in government, academia and NGOs, IIED has been working to understand the difficulties, and test out ways of making these processes more effective (page 32).

Meanwhile, IIED’s partnership with BP Azerbaijan is helping us learn from all sides how business, government and civil society can pool expertise on using oil revenues wisely, and plan for sustainable development in a country facing economic and social upheaval (page 60).

Some of the world’s poorest countries lie in the Sahel, on the Sahara’s southern rim. IIED’s drylands programme has focused for many years on local rights to land and natural resources in the region. Making Decentralisation Work, a long-term project promoting sustainable development in the Sahel, has a successful track record in building alliances and sharing information among a range of local and national research organisations, NGOs and governments (page 43). Now in its second phase, the project is addressing social inclusion, the management of conflict over resources, and harnessing the potential of natural resources to fund local development.

Among the Sahel’s most vulnerable people are pastoralists. Viewed by many governments in Africa as an obstacle to national progress, they need informed, effective representation. A 10-year IIED project in East and West Africa is doing just that, by helping them build their skills and advocacy (page 44).

As concerned with the corridors of power as with the savannahs of Africa, IIED is also helping developing countries make their way through international environmental negotiations. IIED and its associate FIELD run regional training sessions with climate change negotiators, and provide help for representatives of the Least Developed Countries (LDCs) to improve their negotiating skills before each year’s Conference of Parties to the UN climate change convention.

IIED also backs a dozen or more colleagues from LDCs to attend the conference every year, while FIELD gives legal support to the Alliance of Small Island States (AOSIS), a group of small island states and coastal nations at risk from sea level rise and severe weather events such as hurricanes.

From the inside out: organisational effectiveness

December 2006 saw the transformation of IIED Sahel into Innovations Environnement Développement Afrique in Senegal. Now established as an independent NGO, IED Afrique’s remit is finding innovative ways of making development fairer and more sustainable. The organisation will maintain strategic links with IIED over the years ahead (page 54).

IIED’s four-yearly external review of performance and systems was positive and also urged us to do even better. Six internal working groups are now proposing action on organisational learning, greater diversity in the workplace and in programmes, examining the multiple meanings of ‘partnership’, building more systematic monitoring and evaluation, strengthening communications, and defining the institute’s own global niche. These will feed into development of a new five-year strategy during 2008.

Gaining external advice has also proved fruitful for IIED’s group strategies. The natural resources group convened a meeting in Ghana, for instance, where participants encouraged them to focus on securing rights from long-term sustainable management of natural resources.

Throughout the year IIED sought to expand, strengthen and adapt in a number of ways:

- Bringing together the diverse range of institute-wide activities and identifying how best to frame IIED’s work through its partnerships unit
- Supporting work that cuts across IIED’s groups
- Setting up a range of new international fellowships and hosting five visiting fellows and 18 interns
- Strengthening links with other NGOs to establish the GreenHouse, a sustainable eco-office in central London. Due to open in 2011, this zero-carbon building – whose patrons are former US vice-president Al Gore and former Irish president Mary Robinson – will offer tenants and the public the chance to share ideas on environmental issues.

“IIED has brought innovative thinking to the table on how best to integrate environmental issues into aid processes such as direct budget support.”

Together we're better: forging strategic alliances

Comparing experience, sharing ideas and challenging assumptions within and across countries, regions and continents are key to international effectiveness. Within the UK, the Up in Smoke coalition – bringing IIED together with over 20 fellow environment and development NGOs – launched a report on the effects of climate change in Latin America and the Caribbean in August 2006, on the first anniversary of the Hurricane Katrina disaster. Up in Smoke is bringing green issues into development agendas while ensuring that environmental organisations understand why the two goals need to be pursued together (page 32).

The Poverty and Conservation Learning Group, launched in September 2006, is a highly valued platform allowing major conservation organisations to focus on poverty reduction and economic development. Through its website (www.povertyandconservation.info), workshops, newsletter, databases, tools and methodologies, a forum and briefings, the PCLG bridges what seems to be a growing divide between biodiversity conservation and poverty reduction (page 33).



Smoke signals

Further afield, the Ring – a network of 13 established policy research organisations spanning five continents – continues its work in three major areas: the future of sustainable development, trade within the context of sustainable development, and climate change. IIED continues to collaborate with sister organisations the Stockholm Environment Institute and the International Institute for Sustainable Development. IIED was also closely involved in the success of Shack/Slum Dwellers International by promoting the kind of funding, ideas and approaches they make real, and helping to create the space within which they can excel.

Finding the synergy: working with donors

From work with the urban poor to global water supply, IIED has helped design a range of new initiatives over the past year, including research on freshwater ecosystem services and poverty reduction under climate change for the UK Department for International Development (DFID) and the Natural Environment Research Council. We have also helped several US foundations map out options for support to water supply, urban development and climate change.

IIED's work with its principal donors – which include seven of the main European development agencies from the UK, Sweden, Denmark, the Netherlands, Norway, Ireland and Switzerland – is a vital part of its portfolio. In February 2007, their annual meeting offered a chance to map out what has been achieved in the two decades since the Brundtland Report. IIED's opinion paper, 'A new era in sustainable development', struck a chord with many.

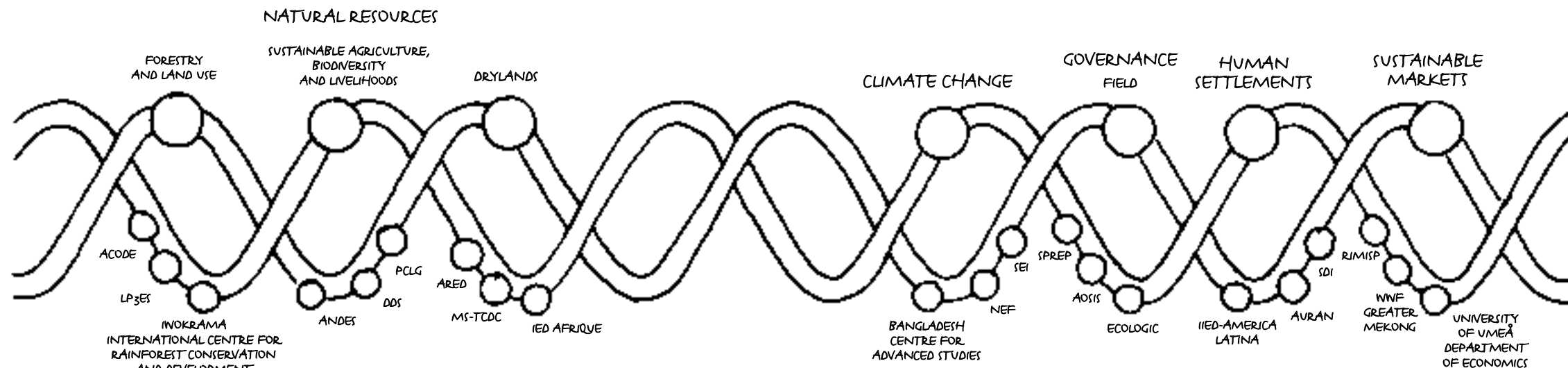
The Poverty-Environment Partnership (PEP) – a network of development agencies focusing on the nexus between environment and poverty – brings IIED together with many of our donors. Working with the World Conservation Union (IUCN) and the World Resources Institute, we have brought innovative thinking to the table on how best to integrate environmental issues into aid processes such as direct budget support – aid that is channelled directly into government budgets.

IIED also shared its insights with the PEP on the essential role played by local organisations in driving sustainable development. The creativity of many local organisations and associations in solving the problems they face can offer donors an alternative route to securing the MDGs. Donors in turn can help those same local groups become more effective.

Our longstanding relations with European donor agencies have proved fertile ground for sharing ideas and results. We have developed work on environmental governance with the Norwegian Agency for Development Cooperation (Norad). IIED's series of factsheets on aspects of sustainable development for the Irish government's overseas development agency, Irish Aid, are important tools facilitating the rollout and implementation of Ireland's environment and development policy.

IIED

PARTNERS



Partnerships: a part of IIED's DNA

For IIED, delivering results is a team effort involving partner organisations and individuals in over 70 countries. Because each of the institute's groups works with a range of valued individuals and institutions, partnerships have become essential to IIED's way of working – even to its identity, as the 'double helix' above, complete with groups and a sample of partners, shows. Brief descriptions of those partners follow.

Natural resources

Forestry and land use

ACODE (the Advocates' Coalition for Development and Environment) coordinates IIED's Forest Governance Learning Group project in Uganda and also works with FIELD on environmental justice issues.

The Iwokrama International Centre for Rainforest Conservation and Development works with IIED to sustainably manage nearly a million acres of forest in central Guyana in collaboration with Amerindian groups.

The Indonesia-based LP3ES (Institute for Social and Economic Research, Education and Information) works with IIED on developing markets for watershed services.

Sustainable agriculture, biodiversity and livelihoods

ANDES (the Association for Nature and Sustainable Development), a partner for some years, is a nonprofit Peruvian indigenous

organisation working with IIED to improve quality of life for Andean indigenous communities through conservation and sustainable use of their biocultural heritage.

DDS (the Deccan Development Society) is a grassroots organisation involving 5000 women, most among the poorest of the poor, in the Medak district of Andhra Pradesh, India. DDS works with us on local food systems and agricultural biodiversity.

The Poverty and Conservation Learning Group (PCLG) is a point of collaboration for IIED and a number of other grassroots-to-global organisations working at the nexus of poverty reduction and biodiversity conservation.

Drylands

ARED (Associates in Research and Education for Development) is a Senegal-based partner specialising in adult education in local languages, working with IIED to train communities in conflict resolution and other key skills.

IED Afrique works with IIED to design and test tools bridging the policy/practice gap in a number of African countries.

MS/Training Centre for Development Cooperation (MS-TCDC), part of the NGO Danish Association for International Cooperation, works with IIED to support pastoralism in East Africa.

Climate change

The Bangladesh Centre for Advanced Studies – an independent NGO working on policy, implementation and research in sustainable development – works closely with IIED to help the world's poorest countries build capacity in adapting to climate change.

The new economics foundation (nef) is an independent 'think and do' tank that inspires and demonstrates real economic wellbeing. IIED established the Up in Smoke group with nef, a major force in disseminating information on climate change adaptation.

The Stockholm Environment Institute (SEI) is an independent international research institute specialising in sustainable development and environmental issues, and working with IIED on bulletins, conferences and more.

Governance

FIELD

AOSIS (the Alliance of Small Island States), a coalition of vulnerable small island countries and coastal nations, is supported in various legal capacities by FIELD in international climate change negotiations.

The Secretariat of the Pacific Regional Environment Programme (SPREP), a regional organisation established by governments and

administrations of the Pacific to look after its environment, works with FIELD to develop a joint programme to strengthen capacity for implementing and negotiating international agreements on biodiversity and climate change.

Ecologic, a private nonprofit think tank for applied environmental research, policy analysis and consultancy, works with FIELD on capacity building on climate change action beyond Kyoto for the EU's new member states.

Human settlements

AURAN (the African Urban Risk Analysis Network) comprises six African institutions working with IIED on the disaster risks that threaten millions in urban Africa. The current focus is Accra, Algiers, Cape Town, Dar es Salaam, Nairobi and St Louis (Senegal).

IIED-América Latina, an independent nonprofit institute based in Argentina and founded by Jorge Hardoy – first director of IIED's human settlements group – focuses on urban governance, local development and institutional capacity building and is working with IIED on a programme in Moreno, one of the poorest areas in Buenos Aires.

Shack/Slum Dwellers International (SDI) is a network of urban poor federations and NGOs from Africa, Asia and Latin America working for people living in shacks, slums and squatter settlements to ensure they

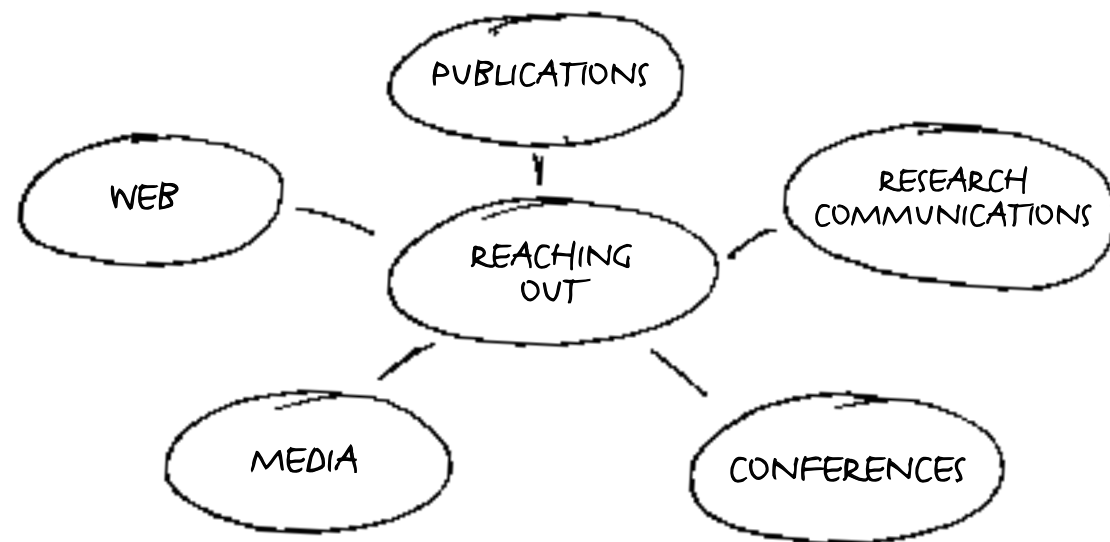
have a voice, choice, the rights and the capacity to design and manage their own urban development solutions in partnership with local government. SDI has collaborated with IIED since 1996.

Sustainable markets

RIMISP (Latin American Centre for Rural Development) is a Chile-based nonprofit organisation promoting organisational learning and innovation in policy and programmes for inclusion, equity, wellbeing and democratic development in rural Latin America. With IIED it works on regenerating markets, designed to include small-scale producers in dynamic local and regional agrifood markets.

WWF Greater Mekong coordinates WWF projects in Cambodia, Lao PDR, Thailand and Vietnam. IIED is working with the Cambodia and Vietnam offices on biodiversity conservation and ecotourism.

The Sweden-based University of Umeå economics department collaborates with IIED's environmental economics programme on a range of projects.



Communications: getting the message out

Whether making information on IIED more accessible, influencing opinion on IIED's behalf, or building a community of research communicators, the communications team got the message out through a range of media.

Publications

The monthly email *New Publications*, which alerts readers to IIED's new titles, now reaches 8000 recipients. Whether print or web based, the institute's publications have a broad and varied readership. Over 3000 IIED documents are now available in PDF format to download from our online database.

Conferences

Working closely with several IIED groups, the team targeted communications for the Conference of the Parties to the UN biodiversity convention in Curitiba, Brazil, in March 2006 and UN-HABITAT, the UN's human settlements programme, in June 2006.

Web

The IIED website had 184,522 visits from 212 countries last year. Video and audio are now a part of the website, and developments behind the scenes mean new portals are on the horizon for people with differing data needs. With the climate change group we trained negotiators from Least Developed Countries (LDCs) in the use of participatory videos to record examples of adaptation in their own nations.

Media

The arrival of a senior press officer in November 2006 has led to a sharp increase in media coverage, boosting the influence of IIED and its partners among both public and policymakers. The institute is becoming a key source of credible information on environment and development for media around the world, and supports the work of journalists in developing nations by providing them with regular briefings and access to our researchers. The *IIED Times* will be an annual publication highlighting top stories and what the institute is doing to support the media – which we view as a key partner in development.

Research communications

IIED is an active member of the UK-based Research Communications Monitoring and Evaluation Group. In September 2006, the group held a two-day workshop, culminating in the publication *Proving our worth*, available from IIED.

You can subscribe to IIED's bi-monthly e-bulletin and *New Publications* at www.iied.org/pubs/newsletters.html



“No problem is insoluble in the creation of a balanced and conserving planet save humanity itself. Can it reach in time the vision of joint survival? Can its inescapable interdependence induce that vision? We do not know. We have the duty to hope.” **Barbara Ward**

Making the connections

The words are as fresh today as when Barbara Ward, IIED's founder, wrote them 35 years ago. Ward believed that tackling economic development is impossible without equal concern for the environment and the needs of the poor. Her view stands in stark contrast to the popular notion that economic growth is limitless and technology a universal quick fix. We are now seeing dramatic evidence that this one-dimensional approach is eating away at our natural resources, while tipping the planetary climate system fatally off balance.

Ward's philosophy underpins IIED's key principles – the insights, tactics, actions and attitudes we use to achieve progress. IIED puts these into practice within a working strategy that links knowledge, actors and spaces. As a research institute, we base our analysis on grounded evidence from particular regions. We conduct most of our research with partners in a given country – which ensures an effective, enjoyable learning experience that also builds capacity on both sides.

But knowledge by itself is not enough to achieve the changes in policy and practice essential for making progress towards greater sustainability. So as part of the research and our work with policymakers, we draw a range of actors – people from business, local and national government, farmers' associations, research organisations and the media – into dialogues about findings and the implications for rethinking policies and practice. IIED can provide a platform for these groups to reflect on what the research has generated, and identify options for making the changes needed to build on these findings.

“Ward's philosophy underpins IIED's key principles – the insights, tactics, actions and attitudes we use to achieve progress.”



Barbara Ward
1914 – 1981

Linking environment and development

The knowledge that environment and development are intimately linked has helped us mainstream environmental issues into a range of development arenas. A focus on poverty reduction by itself will not bring a sustained increase in well-being. Local ecosystems need to be protected and resilient, along with the global environment that ultimately sustains us all.

How to move forward? Poverty reduction strategies, for one, need to include an environmental dimension, while climate change issues must be incorporated into avenues such as city planning and transport design.

Burning issue: Up in Smoke

Climate change is usually touted as an environmental issue; more rarely, as a development one. For four years now, the Up in Smoke coalition – otherwise known as the Working Group on Climate Change and Development – has ensured it is seen as both.

Within this framework, the coalition focuses on the top-line issues as they emerge. An alliance of leading agencies in both fields, the Working Group is the brainchild of IIED and the new economics foundation (nef). In August 2006 it published a broadly disseminated report on Latin America and the Caribbean to join its Africa study. *Up in Smoke: Asia and the Pacific* will come out in November 2007 – in time for the 13th Conference of the Parties to the UN climate change convention in Bali, Indonesia.

Up in Smoke continues to keep its central message fresh and relevant through report launches and political events in the UK.

The Working Group's members comprise ActionAid International, BirdLife International, CAFOD, Christian Aid, Columban Faith and Justice, Friends of the Earth, Greenpeace, the Institute of Development Studies, Medact, Operation Noah, Oxfam, Panos, People & Planet, Practical Action, Progressio, the RSPB, Tearfund, TERI Europe, WaterAid, World Vision and WWF as well as IIED and nef.

For more, see: www.upinsmokecoalition.org

“ IIED's Tanzanian learning group on environment and development was a meeting of minds that generated exciting revelations. ”

Environment and poverty in Tanzania

Living close to the land carries a dual vulnerability. Because poor people lack access to so much else, they depend heavily on water, soils, wild plants and other natural resources. So any disruption, such as pollution, floods or droughts, can spell disaster. Although few programmes to reduce poverty include these key environmental concerns, IIED is helping Tanzania mainstream them into development plans. IIED has convened a learning group – a moveable think tank composed of colleagues in government, academia, community groups and NGOs – to map the many ways in which environment and development are coming together in the country.

This was a meeting of minds that generated exciting revelations. Since 2005, Tanzania has boosted its environment budget fivefold, as its finance minister was able to gather enough information to effectively review public spending on the environment. The government also shifted its thinking on environmental resources, seeing them as vital to poverty reduction rather than a brake on development.



Tanzanian riches

Challenges remain, but the learning group approach is seen as a key way of reaching the heart of government: in 2007, IIED was asked to extend the approach to a multi-country UN-wide programme on poverty and environment.

Only connect: where poverty and conservation meet

Seventy organisations, one aim: IIED's Poverty and Conservation Learning Group focuses on the points where biodiversity and development meet. With organisations as varied as the UN Development Programme and the World Alliance of Mobile Indigenous People involved, this forum is a powerhouse of ideas, knowledge sharing and debate.

The PCLG grew from the awareness, in 2005, that conservation policy processes such as the Convention on Biological Diversity carry a wide range of social implications. The impact of conservation on communities and the status of biodiversity on the international development agenda were also emerging into the public eye.

A year and a half on, the PCLG goes from strength to strength. Its 'one-stop shop' – the trilingual website www.povertyandconservation.info – spotlights developments in these two intertwined fields. It supports activities and events that help to shape international conservation policy, such as a Taskforce on Protected Areas, Equity and Livelihoods within the World Commission on Protected Areas.

And it disseminates new findings, policy developments and initiatives through its *BioSoc* e-bulletin and *PCLG News*.

Throughout, the PCLG remains aware of the need to adjust its thinking to a shifting policy context, and has now incorporated climate change into the year's agenda.

You can access *BioSoc* and *PCLG News* and more at www.povertyandconservation.info

“ With organisations as varied as the UN Development Programme and the World Alliance of Mobile Indigenous People involved, this forum is a powerhouse of ideas, knowledge sharing and debate. ”



Using
joined-up
thinking

One of the stark realities of the 21st century is our unavoidable global interconnectedness, and our work highlights the need to understand those myriad connections. Systems of food, clothing and energy supply criss-cross our planet. So as with climate change, decisions we make as consumers have effects that ripple outwards to distant places, and create a backwash that can hit producers we know little or nothing about.

The massive changes now taking place in our economic and ecological systems have far-reaching consequences for sustainability, globally and locally. Whenever adverse changes take place, it is usually the poor who suffer first. The urban poor are generally worst hit by environmental hazards, pushing them further to the margins, while smallholder farmers are losing their land as competition increases for this ever scarcer resource. What role can an organisation like IIED play in shifting the balance of decision-making towards more equitable and sustainable outcomes? The answer is in generating and communicating ideas that can shift thinking and practice.

Village voice: community-based adaptation

Straddling the Tropic of Cancer, Bangladesh is a country of fierce monsoons, searing heat, droughts and floods. Add to that the fact that most of it is a low-lying delta regularly hit by cyclones, tornadoes and tidal surges, and it is not surprising that Bangladeshis face 'calamity' with pragmatism. They have, after all, seen some of the most extreme weather events on Earth.

The prospect of climate change amplifying these disasters has spurred villages in Bangladesh to look to ways of adapting that integrate local knowledge and experience. CBA, or community-based adaptation, works on the premise that mapping vulnerability to climate change according to where most impacts will fall is only half the story. The other half is a community's adaptive capacity – in essence, its ability to adjust to change. And in CBA, this is driven by the community itself, not imposed from outside.

Factoring the priorities and solutions of such communities into national and international development programmes was the aim of the second international CBA workshop, held in Dhaka in February 2007. Jointly organised by IIED with the Bangladesh Centre for Advanced

Studies and the Ring Alliance, the workshop drew more than 120 policymakers and members of NGOs, research institutes and the media.

Site visits to four rural Bangladeshi communities gave them the chance to see initiatives in action, while allowing the communities to share their knowledge.

Munshigonj on the southwest coast is a case in point. Not far from the mangroves of the Sundarbans, the area is prey to increased salinity and cyclones. The influx of salt water has affected soils, agriculture, drinking water, fisheries and livelihoods, while storm damage has further disrupted lives already made vulnerable by poverty and risk-prone livelihoods such as fishing. Yet with projects such as mangrove plantations to protect riverbanks, rainwater harvesting and environmental education in schools, the communities are fighting back and building more resilient ways of life.

You can access the new Community Based Adaptation Exchange website, produced in collaboration with IIED, at www.cba-exchange.org. The DVD *Climate vs communities: a race to change* is available from IIED.

Conduits for change: how to succeed at sanitation

In Karachi – Pakistan's vibrant commercial hub and biggest city – 40 per cent of the 11 million-strong population live in shantytowns known as *katchi abadis*. The lanes in some of them run with sewage. But not Orangi. Although it is Karachi's largest *katchi abadi*, its streets are clean and its drains and piping efficient. Thanks to the Orangi Pilot Project, local people pay for and build their own sewage systems.

Since its start in 1980, the OPP has become a resounding regional success and an international inspiration. The government of Pakistan is adapting it in other cities, while people from Nepal, Cambodia, Vietnam, South Africa, Sri Lanka and some Central Asian countries have benefited from OPP training.

The OPP is just one of the effective water and sanitation projects in poor urban communities that IIED is documenting in a new initiative. Its human settlements group is creating a platform where teams from Angola, Argentina, Ghana, India and Pakistan can learn directly from each other, and influence the efforts of governments to improve water and sanitation in deprived communities.



Generating workable ideas

IIED is in part a think tank, but we believe ideas must grow from our collaboration with partners. The process of enquiry, collecting evidence, and bringing together different actors to discuss the meaning and implications of information are all critical components in building a constituency for achieving change.

This process can help us understand why certain obvious and sensible changes are not happening. For example, some oil and gas companies have lobbied very hard to make sure governments will not sign up to cuts in greenhouse gas emissions. Their hefty financial weight can hold governments hostage to ensuring their short-term corporate interests are met, while large groups of people with little financial clout remain relatively unheard.

IIED's work helps analyse such obstacles to progress in different areas, and throws light on the disparity in power, interests and policy choices being made. Our work on forest governance, for instance, brings together a range of stakeholders to explore ways of addressing complex processes around land use, rights and markets and to learn from effective practice.

Snap happy: a vision of successful ecotourism

Deep in one of Cambodia's dry forests, a local conservation success is literally coming to light. 'Self-portraits' of big cats and a wild elephant with its young, taken when the animals activated a camera, are giving fresh hope to conservationists and people living near the Srepok Wilderness Area. Their presence brings plans to open the SWA up to ecotourism a big step closer to fulfilment.

Decades of war and civil strife have taken their toll on the area and had a mixed impact on its biodiversity. While the SWA's forests have remained isolated and relatively untouched, larger species such as leopard, tiger and gaur were driven away by the conflict. But the candid snapshots – the work of the SWA's community game rangers – hint that populations of these animals could be rising after years of decline. The challenges now are unsustainable hunting and illegal logging.

Sustainable tourism could prove a major economic plus for the area. Properly planned and managed to ensure the long-term viability of the forest's iconic animals, it would allow people living at its edge to benefit from their presence.

To test the feasibility of such a scheme for the SWA, IIED's environmental economics programme teamed up with WWF Cambodia and advisors such as the SWA's indigenous Pnong communities and Cambodian government ministers. Funding from a Darwin Initiative grant has allowed the partnership to draw on global experience from community-based natural resource management, notably from southern Africa.

By focusing on elements such as community development, interaction and partnership, and a mosaic of tourist enterprises in the SWA, IIED and its partners are promoting an approach to conservation that holds benefits sharing with local people at its core.

Keeping biocultural legacies safe

It may take centuries for a community to build up a system of traditional medicine or a range of seed varieties. But without safeguards, these rich biocultural legacies can be lost in a moment. In China, India, Kenya, Panama and Peru, IIED is using an approach that embraces the complexities of local knowledge to build capacity in communities, so they can protect their biological and cultural heritage from biopiracy and loss.

The threat to such indigenous riches is very real. Patents filed on knowledge, resources or products derived from them are proliferating under World Trade Organization and bilateral trade agreements – making for an uneasy fit with the UN Convention on Biological Diversity, which views fair and equitable sharing of the benefits from the use of biocultural wealth as a central concern.

IIED's hands-on, alternative solution is to work alongside local researchers, indigenous organisations and community groups as well as with national NGOs and governments. Under the holistic concept of 'collective biocultural heritage', IIED is focusing on protecting rights not just to knowledge but to the web of elements that sustain it, including genetic resources, landscapes, cultural values and customary laws.

Establishing 'soft' intellectual property rights is just one way villages can safeguard their biocultural heritage. Several communities of Quechua farmers in Peru's Andean Potato Park – the remote mountainous region where the plant evolved – have done just that, establishing a collective trademark for products such as organic potatoes. But this is only the start.

With support from the NGO Asociación Andes, they have set the park up as an indigenous biocultural heritage area, enabled access to potato varieties in Lima's International Potato Center, and developed a web-based biocultural register that strengthens local knowledge for livelihoods while protecting it from biopiracy. Throughout, these activities seek to maintain and strengthen the interwoven threads of biodiversity and culture as the basis for resilient agricultural systems and local economies.



Andean heritage

The difference a day makes: IIED at COP

Sharing information is the crux of any conference, among observers as well as participants. At each year's UN climate change convention COPs (Conferences of the Parties), there is a serious urgency to this kind of networking – the result of the fast-changing, far-reaching nature of the climate change phenomenon itself.

One of the most valued opportunities at COPs for swapping news and views from round the world are IIED's Development and Adaptation Days. For many, these packed events have become the main reason for visiting. Just as importantly, they have raised the profile of adaptation – ways of coping with climate change – since their start in 2002.

Over 400 people attended the fifth set of Days at COP12 in November 2006, run by IIED, the International Institute for Sustainable Development, the Stockholm Environment Institute and the African Centre for Technology Studies in Nairobi, Kenya. IISD's reporting services have provided on-the-spot coverage since 2004, and a bulletin devoted to the Days, CDs of presentations, dedicated web pages and articles are also produced during the COPs.

Challenging conventional wisdom

IIED aims always to uncover how things actually work, instead of accepting conventional wisdom. For example, the very poor are often defined as living on less than US\$1 a day. Yet this kind of categorisation can hide as much as it illuminates. As a yardstick, \$1 a day makes little sense when comparing very different livelihood systems and patterns of spending. IIED's human settlements group has shown that the urban poor need perhaps \$3-5 a day for the same basic needs – shelter, water, fuel, transport – as their rural counterparts. These findings demonstrate that many of the poorest people live in cities in what is an increasingly urbanised world, and shake up ways in which poverty is defined and aid allocated to the poor.

There tends to be inertia within bureaucracies to this kind of change. But IIED does not mind generating 'inconvenient' ideas. We believe it is our task to highlight the often yawning gaps between what is said and what is actually done. We know from experience with partners that there are big limits to what governments can achieve. Most development is the work of ordinary people as they go about the day-to-day business of trying to improve their lives. 'Development' can mean people in a poor urban neighbourhood – overlooked or ignored by municipal sanitation services – deciding to pay for and build their own piped system.

Bearing fruit: how urban riches help rural Vietnam

Do cities always grow in ways that leave rural areas losing out? In Vietnam's Mekong Delta, IIED – working with the Hanoi-based research organisation Ageless – has found that cities and farms can in fact forge mutually beneficial relationships that substantially boost rural development.

The key element is fruit. Rapid growth in urban incomes and living standards increase town-dwellers' demand for high-value produce. Farmers then grow these crops, which are made ready for sale by traders in rural centres linked to urban markets. So as long as they are well connected to the cities, small towns can offer non-farm work opportunities for local people.

As demand grows for higher-quality produce in swelling cities, farmers' incomes rise further. Migrants from rural areas can take advantage of factory and other jobs and send the money home – a 'virtuous' circle that benefits all. Over the past decade domestic urban markets have also been much more stable than export markets, which have shown huge fluctuations in demand and prices.

Small town mobility: governance, development, migration

In examining the ebb and flow of people between urban and rural centres, the importance of towns remains little studied. This is surprising: settlements of fewer than a million people house more than half the urban population of Africa, Asia and Latin America.

In an ongoing project with partners from China, India, Mexico, Pakistan, the Philippines and Senegal, IIED is exploring how social and economic change is affecting mobility and local development in small urban centres, with a focus on transformations in livelihoods, the dynamics of poverty, relations between and within households, and access to natural resources and other assets.

The team will identify how increased mobility affects local governance systems, documenting innovative initiatives, and analysing the wider implications for policies promoting sustainable development. The project runs till 2009.

Fair miles: greener beans from Africa

With climate change now accepted as a global reality, many in the North are looking to 'greener' lifestyles as a way of curbing greenhouse gas emissions. Choosing local fruit and vegetables over air-freighted food from Africa is seen as a way of shrinking carbon footprints. But are 'food miles' the most accurate gauge of a product's sustainable development credentials?

IIED has focused on the bigger picture, weighing up environmental costs with developmental gains. The sustainable markets group's concept of 'fair miles' takes in both sides of the equation. On the one hand, fresh air-freighted produce from sub-Saharan Africa accounts for less than 0.1 per cent of UK carbon emissions, and Africa is responsible for less than 5 per cent of global emissions. On the other, £200 million a year is injected into Africa's rural economies through this trade with the UK alone, which also supports over a million livelihoods on the continent.

IIED will continue working to ensure that tokenistic policy and consumer responses to concerns about food miles do not undermine the social and economic development of African countries.

For a broad overview of this issue, see www.agrifoodstandards.net.



Ensuring a voice for the poor

Poorer, more vulnerable groups are often excluded from decision-making. IIED works with organisations that represent the poor and can articulate their priorities. Our networks help people in these groups – such as pastoralists in the Sahel – benefit from access to new thinking and experience from elsewhere, which give them a better chance of leveraging change. At the same time building links between local organisations provides them with valuable guidance, and generates confidence from their being called on to help out with problems faced by similar groups elsewhere.

Gaining ground: women and land in West Africa

In Niger, one of the world's poorest countries, agriculture is more and more a male monopoly. Whenever pressures on cropland are high, women find themselves barred from working the land. Unable to grow food for sale or subsistence, they lose their livelihoods and descend into greater dependence and poverty.

One way women can get better access to land and other natural resources is through gaining more of a voice in the community. So the second phase of IIED's Making Decentralisation Work programme – running since 2000 – is helping build the capacity of women in Mali, Burkina Faso, Senegal and Niger in decision-making at the local level.

Landless women, hopeless women?, the study in Niger, examined seven sites in depth, in areas ranging from densely populated regions with higher rainfall and intensive cropping to emptier, drier regions dominated by herding groups. Patterns of women's access to land in the areas were studied, and the results shared with the women and communities involved.



Back to the land

Simple booklets on the issue of improving women's access to land were also developed. Distributed through local government, these were designed to raise awareness of the importance of securing land access, along with ways to achieve this. Similar studies are being carried out in Mali over the course of 2007.

Mapping for change: participatory learning and action

It reaches a readership of 20,000 spanning 121 countries, and is viewed as a genuine 'voice from the field'. Now IIED's journal *Participatory Learning and Action* has gone truly global.

Mapping for change: practice, technologies and communication is a special issue of *PLA* now available as a multimedia CD ROM, translated into 11 languages – Arabic, Bangla, Chinese, French, English, Hindi, Dari-Persian, Portuguese, Spanish, Swahili and Tamil – and produced collaboratively by IIED's sustainable agriculture, biodiversity and livelihoods programme (SABL) and the Dutch Technical Centre for Agricultural and Rural Cooperation (CTA). The UNESCO Universal Declaration on Cultural Diversity and related UNESCO conventions, as well as key literature on cultural mapping, have been added in.

Combining action with analysis

We believe in testing out our concepts and approaches. It's a process that can teach us much – how implementation in practice can slow down and distort what might seem like a straightforward policy measure, for instance.

Both thinking and doing provide a better means of understanding the role of institutions and how they structure options for effective delivery of policy. We have found that institutional design is enormously important in making secure land rights a reality for poor groups. Take the management of land transactions in Ghana and Tigray, Ethiopia. In Ghana, the centralised government bureaucracy, which is made up of several competing structures, generates a long, costly process to confirm the transfer of land rights. For most people there, registering land is unthinkable. In Tigray, by contrast, land rights certification is carried out at village level and actually works for the majority. Well-run, accountable local institutions have great potential for delivering services to poor people – so institutional design really does matter.

Pastoralism: countering the myths

Throwbacks, deadweights, obstacles to progress: pastoralists are seen by many African governments as irrelevant to the 21st century. Although hardly evidence-based, this notion drives policies that put the livelihoods of these people at risk.

IIED is countering these myths by showing that pastoralists contribute directly to economies by producing manure, milk, meat and hides, and play vital roles in tourism, sustainable land use and conservation of biodiversity. Their ways of life prevail where others fail: nomadism is ideally suited to the more extreme shifts in availability of water and pasture that are predicted under climate change.



Key negotiator

Total Economic Value, the new conceptual framework worked out by the drylands and environmental economics programmes, assesses the full value of pastoralism. For instance, pastoralists are continually negotiating for the use of land and scarce resources with other dryland groups – a process that keeps that use sustainable. IIED helps pastoral organisations use arguments and evidence themselves to show how their patterns of life and resource use contribute to national economies.

Sustainable strategies: peer-reviewed progress

National Strategies for Sustainable Development (NSSDs) are an important legacy of Agenda 21 and the 1992 Earth Summit. Now the Netherlands – with help from a peer review system pioneered by IIED – has become the latest country to launch such a strategy.

IIED has been helping facilitate NSSD programmes in many rich and poor countries since 1998. In 2005 it initiated its peer review system for monitoring strategies that is cost-effective, simple, replicable and fast, and emphasises sharing of experience between nations. Successfully adopted by the French government that year, the system has now been taken up by the European Commission for the NSSDs of other EU countries.

Along with reports, workshops and conferences, the Netherlands review involved activities such as sessions on rural areas, agriculture, water and energy, run with participation from youth delegations.

The peer review, which concluded when the new government was in its first 100 days of office, has had a significant impact. The coalition government had already made sustainable development a cornerstone of its aims. The government has now asked its planning bureaux to report on progress in sustainable development in 2008, while the environment minister has commissioned a study to determine whether and how sustainable development might drive research and education – a project intended to spark interest in the issue among universities, schools and businesses.

Out of the woods: fair trade timber

In the developing world, forests are home to a shifting kaleidoscope of indigenous forest dwellers, agricultural migrants and in some places, even refugees. Many are poor in monetary terms. Yet riches surround them. Timber is not only a renewable resource, but also a commodity with significant value.

Timber enterprises are an important source of income and employment in many poor economies, and many of these are moving rapidly towards a position that will allow them to trade internationally. But the more responsible small enterprises often struggle to cover their costs.

IIED sees fair trade labelling for forest products, already a success with coffee, bananas and other products, as a viable way forward. If sustainably produced, fair trade timber could boost local wealth, forest ownership and access, work opportunities, bargaining power and local accountability.



Logging on

With funding from the Interchurch Organisation for Development Cooperation (ICCO) and WWF, IIED is beginning to hammer out a system with the Fair Trade Labelling Organization (FLO), the Forest Stewardship Council (FSC) and a wide range of state, private sector and civil society interest groups. The process is already pushing social issues up the agenda of many forest industries.

Fostering flexibility

The many strands of our work mean that our contacts and networks are highly diverse, ranging from smallholder farmers and herders to UN officials, from aid agency staff to slum-dwellers, from government ministers to citizen action groups, from corporate executives to university professors. Multiple perspectives are valuable because they help us understand more clearly the interests of different groups, where the conflicts lie, and how we can overcome the obstacles.

We recognise, too, that the organisations, companies and government agencies and departments we encounter in the course of our work are made up of a diverse range of individuals. Enormously committed people can be found in all organisations, but decision-makers are often cut off from the perspectives of poor people and their organisations in the field. With our partners, we can help bridge the gap between people in key positions and those at the grassroots.

IIED is also flexible, being ready to work with business as long as our thinking and action remain independent. Our work with some of the UK's biggest supermarket chains might offend the sensibilities of some NGOs, but we feel it is important to get private sector actors around the table so they begin to understand the huge potential impacts on the environment and local incomes, for good or for bad, associated with their procurement policies.

FIELD (the Foundation for International Environmental Law and Development) was founded in London in 1989 by a small group of international lawyers. The result is a vibrant and thriving organisation whose advice and assistance are sought by governments, inter-governmental organisations and NGOs world-wide.

From 2005, FIELD became a subsidiary of IIED. While continuing to operate as FIELD, the organisation has built close links with a range of research activities at IIED, including climate change, trade and investment, and biodiversity. The partnership will promote further cross-fertilisation of work, and strengthen the existing portfolios of each organisation.

FIELD's legal eagles

Often, the people most vulnerable to the impacts of environmental degradation are the least equipped to shape the necessary solutions. FIELD helps redress the balance by sharing ways to use law to protect the environment with people and communities in developing countries.

Three times a year, FIELD hosts law students and graduates from around the world. Working side by side with FIELD lawyers at the cutting edge of research, interns learn about the relevance of international law to environmental challenges at home, and confront issues on the negotiating agenda of international law and policy processes. FIELD interns don't just learn; they also contribute new perspectives that help FIELD itself develop new approaches.

FIELD interns help with legal research in FIELD's three programme areas: biodiversity and marine resources; climate change and energy; and trade, investment and sustainable development. The programme is popular and competitive: in 2006 it attracted some 70 applicants from across the globe for the nine openings.



Once they return home, interns use the knowledge they have gained to benefit their countries and, as part of a growing band of international environmental lawyers, work to tackle the wider eco-challenges we all face.



A Knowledge Network On Sustainable Local Food Systems, Agricultural Biodiversity And Livelihoods *Natural Resources*

Adaptation of Pastoralism and Policy Options Training Course: Module 1 for Ethiopia *Natural Resources*

Advisory and Professional Development Inputs to DFID *Natural Resources*

African Research Consortium on Development and Climate Change *Climate Change*

Analysing the Legal and Organisational Issues Arising from Linking the EU Emissions Trading Scheme to Other Trading Schemes *Governance/FIELD*

Assessing Community Based Natural Resource Management (CBNRM) vis-à-vis the MDGs and MEAs *Natural Resources*

Assistance to UNEP's Scientific and Technical Advisory Panel (STAP) *Sustainable Markets*

Avoided Deforestation (support to the Stern Review) *Sustainable Markets*

Better Access to Water in Informal Urban Settlements through Support to Water Providing Enterprises *Human Settlements*

Biodiversity and Livelihood Security *Natural Resources*

Biodiversity in the Deep and High Seas of the Pacific Region *Governance/FIELD*

Biodiversity, Livelihoods and Civil Society *Natural Resources*

Biofuels *Natural Resources*

Biofuels, A New Factor in Commodity Driven Development *Sustainable Markets*

Biofuels, Agriculture and Poverty Reduction *Sustainable Markets*

BP Azerbaijan *Sustainable Markets*

Bridging the Gap between National Development Policies and Dealing with Climate Change (Phase 2) *Climate Change*

Building for Climate Change Resilience *Human Settlements*

Capacity Building for EU Member States on Post-2012 issues *Governance/FIELD*

Capacity Building for Small Island Developing States and LDCs to Participate in Negotiations on Post-2012 Climate Regime *Governance/FIELD*

Capacity Strengthening in the Least Developed Countries for Adaptation to Climate Change (CLACC) *Climate Change*

CLACC: Engaging Health Sector in Developing Countries via Research on Impacts of Climate Change on Human Health *Climate Change*

Cardamom Mountains Wildlife Sanctuaries Project: Protected Areas Sustainable Financing *Sustainable Markets*

Central America Launch *Natural Resources*

Climate Adaptation Workshops with International Fellows *Governance*

Climate Change and Cities *Human Settlements*

Climate Change and Food Production: Home Grown *Sustainable Markets*

Co-management of Wildlife, Biodiversity and Livelihoods in Vietnam *Sustainable Markets*

Commodity Driven Development *Sustainable Markets*

Common Strategy on Biosafety and Trade *Governance/FIELD*

Community-based Adaptation Workshop *Climate Change*

Community-based Systems of Adaptation to Climate Change *Climate Change*

Customary Tenure in Africa *Natural Resources*

Determining Natural Resource Impacts of African Horticultural Experts *Sustainable Markets*

Developing Markets for Watershed Protection Services and Improved Livelihoods: Implementation Phase *Natural Resources*

Development and Adaptation Days at COP12 *Climate Change*

Development of a Toolkit for Hydrological Services of Watersheds *Sustainable Markets*

Development of Protocols and Tools for the Valuation of Pollination Services *Sustainable Markets*

Development of Training Course on Payments for environmental services *Sustainable Markets*

Disaster Risk Reduction in Africa *Human Settlements*

Distinguishing Community Forest Products In The Market *Natural Resources*

Drylands and Climate Change *Natural Resources*

Drylands, Women in Uganda and Post-2012 *Climate Change*

Dutch Contribution To Deforestation *Sustainable Markets*

Environment and Urbanization *Human Settlements*

Ecosystem Resilience and Climate Change *Natural Resources*

Enabling A Positive Relationship Between WTO Rules And Multilateral Environmental Agreements: Moving Beyond the Doha Development Agenda *Governance/FIELD*

Enabling Private Investment in Sustainable Forest Use *Natural Resources*

Environmental Management Issues in the Amazon: Lessons Learned from the Past *Natural Resources*

Environmental Standards on Biofuels *Sustainable Markets*

Equitable Payments For Watershed Services: Programme *Natural Resources*

Estimating the Economic Cost of Climate Change in Developing Countries *Sustainable Markets, Climate Change*

European Capacity Building Initiative (ECBI) Regional Workshops to Build Capacity of LDC Government negotiators at UNFCCC *Climate Change*

Expanding the Market for Development *Sustainable Markets*

Facilitating Ecosystem Services *Natural Resources*

Forest Products in the Market: Phase 2 *Natural Resources*

Forests' Resilience to Climate Change *Natural Resources*

Forests-Poverty Toolkit *Natural Resources*

Gatekeepers Series *Natural Resources*

Gender and Climate Change Governance *Field*

Global Investment, Finance and Human Rights *Sustainable Markets*

Global Understanding Of Collective Bio-Cultural Heritage *Natural Resources*

Global Water Initiative: Scoping Phase *Natural Resources*

Green / Brown Agendas *Human Settlements*

Green Water Credits *Sustainable Markets*

Guest Editing of the ETRN News on Forests and the MDGs *Sustainable Markets*

Guest Editor, id21 insights #6. Cities, Climate Change and Development *Human Settlements*

Haramata *Natural Resources*

Human Development Report: Background Paper On International and National Mechanisms and Politics of Adaptation: An Agenda for Reform *Climate Change*

Human Development Report 2006: Water For Human Development *Human Settlements*

Identifying Challenges and Opportunities for China Through a Global Commodity Chain Sustainability Analysis *Natural Resources*

In-Country Environmental Planning *Natural Resources*

India Cashew Project Phase 2 *Natural Resources*

Indigenous Values and Forest Sovereignty *Natural Resources*

Innovations on Financing Housing, Water and Sanitation *Human Settlements*

Input to the Climate Change Training Module for the Foreign and Commonwealth Office (FCO) *Governance/FIELD*

Input to the IPCC Fourth Assessment Report as Lead Author in Working Group II (Climate Change Impacts, Adaptation and Vulnerability) *Climate Change*

International Poverty and Conservation Learning Group *Natural Resources*

International Trade In Biofuels *Sustainable Markets*

International Urban Poor Fund *Human Settlements*

Kenya Partnerships *Natural Resources*

Knowledge Network on Urban Settings (KNUS) Support Finalisation *Human Settlements*

Labour, SMEs and Governance *Natural Resources*

Leading the Adaptation Team of South-South- North Developing A Methodology For Community Based Adaptation Through Pilot Projects in Six Countries *Climate Change*

Learning From Effective Local Organisations on Poverty Reduction and Environmental Management *Natural Resources*

Legal Tools for Citizen Empowerment *Natural Resources*

Linkages between Biofuels Production, Trade and Sustainable Development: Phase 2 *Sustainable Markets*

Local Innovation in Securing Land Tenure Workshop *Natural Resources*

Low Income Urban Dwellers *Human Settlements*

Making Decentralisation Work: Phase 2 *Natural Resources*

Marine Biodiversity (GUIDE) *Governance/FIELD*

Marketing Sustainable Agriculture (Sus-Chain) *Sustainable Markets*

Markets for Environmental Services *Sustainable Markets*

Markets for Watershed Services *Sustainable Markets*

Microfinance By Communities: An Opportunity for Poverty Reduction *Human Settlements*

Migration, Remittances and Poverty Reduction *Human Settlements*

Mining Sector Community Participation and Development Plan: Kosova *Sustainable Markets*

Namibia Accountable Officer Role *Natural Resources*

Netherlands Development Organisation: Mali, Assistance with Strategy *Natural Resources*

Oil Contracts and Sustainable Development in Kazakhstan *Sustainable Markets*

Pacific Climate/Biodiversity *Governance/FIELD*

PLA Notes *Natural Resources*

Policies That Work for Biodiversity and Poverty Reduction: Additional Funds: Phase 1 *Natural Resources*

Post-2012 Climate Change *Governance/FIELD*

Poverty and Conservation Learning Group *Natural Resources*

Poverty Indicators *Human Settlements*

Poverty Reduction and Environment Improvement *Human Settlements*

IIED in depth

ECBI Pre-COP LDC training workshop for junior negotiators *Climate Change*

Pro-Poor Business *Sustainable Markets*

Pro-Poor Carbon Offsets *Climate Change*

Pro-Poor Linkages Between Tourism and Industry and Local People in the Caribbean *Natural Resources*

Protected Areas Sustainable Financing *Sustainable Markets*

Protecting Community Rights over Traditional Knowledge *Sustainable Markets*

RCPLA network *Sustainable Markets*

Reducing Vulnerability of the Poor to Impacts of Climate Change (expert advice to DFID Bangladesh) *Climate Change*

Regional CBNRM Capacity Building and Training Project *Natural Resources*

Regoverning Markets Policy Mapping *Sustainable Markets*

Regoverning Markets: The Keys to Inclusion of Small Scale Producers in Dynamic Markets *Sustainable Markets*

Reinforcement of Pastoral Civil Society in East Africa *Natural Resources*

Research on Funding Adaptation *Climate Change*

Responsible Enterprise, Foreign Direct Investment and Investment Promotion *Sustainable Markets*

Role of NGOs in Pro-Poor Markets *Sustainable Markets*

Round Table on Oil and Gas Contracts for Sustainable Development in Kazakhstan *Sustainable Markets*

Rural-Urban Dynamics in a Globalizing World: Changing Livelihoods and Settlements Patterns in Frontier Regions of Africa and Asia *Human Settlements*

Rural-Urban Dynamics in a Globalizing World: Changing Livelihoods and Settlement Patterns – Africa and Asia *Human Settlements*

Sahel Water Governance Learning Group *Natural Resources*

Scoping Study For Potential Investment Strategy To Promote Sustainable Development In East Africa *Natural Resources*

SD Impacts of Trade Liberalisation *Sustainable Markets*

Secure Land Tenure *Human Settlements*

Seeking More Accurate and Inclusive Measures of Urban Poverty *Human Settlements*

Shack Slum Dwellers *Human Settlements*

Whether in a lush Ugandan forest reserve, an oil company office in Azerbaijan or a Brussels boardroom, IIED pursues its policy research agenda with a fresh eye to the possibilities inherent in each challenge. From its London base it works globally with partners and others spanning five continents.

Some of these partnerships are new. Others have been forged over the past 35 years, when IIED first emerged onto the scene. Wherever based, our partners and the way we work with them are what make us fundamentally different from others in the field.

Sida Urban: Urban Poverty *Human Settlements*

Small and Medium Enterprises *Natural Resources*

Small Forestry Enterprise Associations for Poverty Reductions *Natural Resources*

Small Forestry Enterprise for Local Development *Natural Resources*

Small Scale Private Sector *Sustainable Markets*

Smallholder Palm Oil Production *Natural Resources*

Small-Scale Producers and Standards in Agrifood Supply Chains: Phase 2 *Sustainable Markets*

Socio-Economic Aspects of Biodiversity Offset Design *Sustainable Markets*

South Africa Study Tour *Natural Resources*

South Africa Water and Forestry Support Programme: The 'One Year On' Follow Up Workshop, Forestry Component *Natural Resources*

Southern Input to WTO and Conventions *Governance/FIELD*

Strategic Impact Inquiry *Natural Resources*

Strengthening Citizen Participation in Urban Governance *Human Settlements*

Strengthening Pastoral Civil Society in West Africa *Natural Resources*

Strengthening the Delivery of MDG7 *Natural Resources*

Strong Associations: Small Forestry Enterprise Associations for Poverty Reduction *Natural Resources*

Supporting Pastoral Civil Society of East Africa *Natural Resources*

Sustainability Appraisal Source Book: Phase 1 *Governance*

Sustainable Development Cooperation, Azerbaijan *Sustainable Markets*

Sustainable Tourism Supporting Species Conservation (STSSC), Srepok Wilderness Area in Cambodia *Sustainable Markets*

Sustaining Local Food Systems and Agricultural Biodiversity *Natural Resources*

Teaching at University College London *Governance/FIELD*

Technical Background and Analysis of Options in Preparation for UNFCCC Workshop on the Adaptation Fund *Climate Change*

Technical Secretariat to the OECD DAC Task Team on Strategic Environmental Assessment *Governance*

The Forest Dialogue *Natural Resources*

The Impact of Climate Change on Namibia's National Income Growth *Sustainable Markets*

Throughout, we help people at the margins voice their concerns centre stage. And we work towards environmental sustainability, but never in isolation: people's livelihoods and lives are key to our vision and our ways of making that real. The list of the year's projects here gives an idea of the reach and depth of our work – qualities the six case studies on the pages that follow amply demonstrate.

The Strategy Connection: Strategic Planning and Assessment *Governance*

Tiempo II: Issue 52-64 *Climate Change*

Tourism *Natural Resources*

Towards Food Sovereignty: The Role of Local Organisations in Reclaiming Autonomous Food Systems *Natural Resources*

Trade in Environmental Goods and Services *Sustainable Markets*

Traditional Knowledge, Biodiversity, Trade, Patents and International Property Rights *Natural Resources*

Travel, Tourism and Climate *Natural Resources*

Understanding Local Dynamics and Differentiation *Natural Resources*

A Guide for Negotiators of Multilateral Environmental Agreements *Governance/FIELD*

Urban Environment and Rural Urban Linkages *Human Settlements*

Urban Group *Human Settlements*

Urban Poor *Human Settlements*

Urban Poor Fund *Human Settlements*

Urban Population Health *Human Settlements*

Urban Poverty and Environment in Moreno, Argentina *Human Settlements*

Urbanisation Advice *Human Settlements*

User Guide to Effective Tools and Methods for Integrating Environment and Development *Natural Resources*

Value Chains and Trade *Sustainable Markets*

Voluntary Agreement on Recycling *Sustainable Markets*

Water and Sanitation *Human Settlements*

Water Ecosystems Services and Poverty Reduction Under Climate Change *Natural Resources*

Water *Human Settlements*

Watersheds *Natural Resources*

Wildlife for Wealth *Natural Resources*

Wind Energy and Biodiversity-related Conventions (RIEL project) *Governance/FIELD*

Working Group for Climate Change and Development (preparing Latin America and the Caribbean issue of Up in Smoke) *Climate Change*

World Urban Forum attendance *Human Settlements*

World Urban Forum Climate Change Event *Climate Change*

Subject

Planting good forest governance in Uganda

Region

East Africa

Date

2006/7

Groups

*Governance
Natural Resources*

Mabira Forest in southern Uganda is 30,000 hectares of tangled, teeming paradise. Alive with hundreds of rare butterfly and bird species, this moist tropical forest is also a vital catchment area for Lake Victoria and an important tourist reserve. Both colonial and national governments have granted special protection to Mabira.

So when in late 2006 President Yoweri Museveni approved plans by the Sugar Corporation of Uganda to axe a third of Mabira and replant the land with sugarcane, the protests began. The decision could even be seen as timely, as it coincided with a meeting of the Forest Governance Learning Group (FGLG) in Uganda.

The FGLG is an informal alliance of national teams and international partners, steered by IIED and active in seven African and three Asian countries. Forest governance in Africa and Asia is often linked to political problems – illegal and corrupt practices that can put livelihoods at risk and weaken access rights for local people.

The FGLG aims to connect people marginalised by the processes of forest governance to those who control it. To redress the balance, it carries out focused studies, develops tactics and tools, holds learning events and works to improve policies in practice.

“The ‘Save Mabira’ campaign is unprecedented in Uganda’s history of environmental activism. IIED helped crystallise the national advocacy campaign while increasing international pressure at crucial points.

Godber Tumushabe,
Executive Director, ACODE

”

Catalysts for change

For Uganda’s FGLG, the situation at Mabira was untenable. As Museveni’s decision triggered a wave of resignations in Uganda’s National Forestry Authority, Ugandan FGLG members, hosted by the Advocates’ Coalition for Development and Environment (ACODE), were spurred into action.

ACODE’s carefully targeted strategies included policy work and advocacy in a number of areas: gauging awareness and opinion in local communities, preparing policy briefs, catalysing discussion by the inter-departmental Environment and Natural Resources Sector Working Group and petitioning the Ugandan parliament. By providing intellectual, strategic and tactical guidance, ACODE was able to mobilise a wide range of actors to rally in support of what has been dubbed the ‘Save Mabira’ campaign.

Their combined efforts began to pay off in 2007. Parliament called a halt to the proposed degazettement and demanded full briefing from the government. The cases filed, and the policy inconsistencies exposed by ACODE, and the public demonstrations all had their effect, and the government began to withdraw its threat.



Uganda’s FGLG in action

In addition to briefing the European Union, the German and Norwegian embassies, and USAID, members of FGLG Uganda have had pieces published in the media and held press briefings. Many articles in the Ugandan and East African press and IslamOnLine, as well as radio and online interviews for the BBC and Voice of America, have involved FGLG and IIED participants.

A new political dynamic

As the Ugandan government has also targeted 4000 hectares of forest reserve on Bugala Island in Lake Victoria for palm oil production, some observers are noting the effect the surging interest in biofuels is having. International palm oil and sugar prices are rising as demand for the fuels made from these commodities kicks in. This is likely to be influencing Museveni’s decisions at Mabira and Bugala, and what is happening in Uganda seems to be the shape of things to come elsewhere.

Yet there are many signs of hope in the Ugandan situation. Partly because of ACODE’s action, people all over Uganda have shown they care about their forests. Thousands have let members of parliament know their views. Both the Mabira and Bugala plans are now officially on hold. Observers talk of the emergence of a green consciousness, a social-environmental movement, a new political dynamic. These developments show that if put to the test, people will readily integrate environmental, social, economic and governance issues into their thinking and desire for action.

Subject

Nature by numbers:
gauging climate
change in Namibia

Region

Southern Africa

Date

2006/7

Groups

Climate Change
Natural Resources
Sustainable Markets

Low average incomes, patchy infrastructure and struggling health services are indicators of poverty. But a pristine environment and abundant natural resources make for a different kind of wealth. Many developing countries in the South juggle this kind of dual inheritance.

What is hardest to balance, however, are their national books. Not only is it difficult to quantify how the environment contributes to national wealth; climate change is now throwing a giant spanner in the works. The environment is 'climate-sensitive' and, in the hemisphere at greater risk from its effects, this leaves the natural bank balance of many poor Southern countries at serious risk of damage. For them, climate-proofed policies and planning, which take into account the likely impact of climate change on economic development, are a key objective.



Wild wealth

Namibia – a country of austere deserts, abundant wildlife and a dramatic coastline – is a case in point. Up to 30 per cent of its gross domestic product is dependent on the environment. Its vulnerability to climate change is clear, so IIED – in partnership with researchers from Umeå University in Sweden – is working with the Namibian government and other stakeholders to quantify how the coming shifts will affect its environmental coffers.

Banking on nature

IIED is using Natural Resource Accounting (NRA) for the task – a system pioneered in the region by Namibia. With NRA, economically valuable natural resources, such as forests, are measured in physical units such as tonnes or cubic metres. These data are recorded in 'satellite' accounts established for natural resources, including fish, forests, wildlife, water and minerals.

The NRA data are then brought into line with the country's traditional economic accounts. First the measured stocks are treated as capital assets, then their annual financial contribution to national income is quantified in terms of direct use. Changes in the stock of natural assets from year to year are then reflected in the national income.

Capturing the impacts of climate change on the environment, land use and economic growth is the next step. For this, IIED has been using a social accounting matrix (SAM) – a database that provides information on activity in different economic sectors and helps identify the poverty status of different groups. Combining this with NRA results and estimates of how Namibia's natural resources will be affected by climate change has helped create an environment-economy model that will show direct and indirect effects of climate change on key economic indicators.

This model, along with some of the best social, economic and ecological mapping data in the world and a recent population census, are helping build up a picture of the country's resilience in the face of onslaughts from climate change.

Charting the changes

After synthesising background material, IIED called a meeting in February 2007 at Windhoek. IIED researchers liaised with Namibian specialists in agriculture, wildlife management, fisheries, energy and forests. Scenarios were developed for likely environmental impacts arising from climate change over the next two decades. These scenarios were then modelled and fed into the SAM.

The findings are that over those 20 years, annual losses to the Namibian economy could be between 1 and 6 per cent of GDP. Worryingly, the impact of climate change will fall hardest on the poor, with employment opportunities being constrained and a substantial decline in wages, especially for unskilled labour.

The connections made through the many strands of this project will give Namibia's policymakers a grip on the environmental costs, cuts in national wealth and social impacts of climate change.



Subject

IED Afrique:
coming into
its own

Region

West Africa

Date

2006/7

Groups

Natural
Resources

On the surface, Coumba Ibra Dieng's life is like most women's in Waalaldé, a village in northern Senegal. Married at 15, she is one of four wives and has attended only primary school. But Coumba is a person of high standing in Waalaldé. She is the first woman to head the local land commission, and has persuaded the council to allocate productive land to the local women's group. Both men and women consult her on a variety of matters.

For Coumba, the key to success was early support, which allowed her latent leadership skills to flourish. Now captured on video, her inspirational story is encouraging village women, policymakers and learning groups in Senegal, Mali, Burkina Faso and beyond to look at the ways women can contribute to local decision-making. It is just one of the tools IED Afrique – the former IIED Sahel – is using to promote decentralisation, a prime focus of its work.

Out of the drylands

Innovations Environnement Développement Afrique – IED Afrique – came of age in late 2005. But its roots go back to 1993, when IIED set up its Sahel programme in Dakar, Senegal, led by Bara Guèye.

IIED Sahel's work spanned Burkina Faso, Mali, Niger and Senegal, where it built a set of networks around participatory analysis and planning (known in French as MARP) that had started up in the early 1990s. Gradually expanding and refining its methods, IIED Sahel became a key player in work on decentralisation and local planning, especially as part of the Making Decentralisation Work project, launched in 2000 by IIED's drylands programme.

Three years later, discussions began on how IIED Sahel could become a separate, autonomous organisation, using its well-established approaches to learning and participation. Based in Senegal, the newly fledged IED Afrique could also benefit from the decentralisation of donor funding to the region.

IED Afrique's goal is to play an active role as the regional point of reference on participatory approaches and methods for promoting decentralisation, natural resource management and local governance.

Communications will be at the heart of its work, providing a major presence in debates on sustainable development, and seeking to influence policy through timely, well-grounded information. IED Afrique focuses on four areas: decentralisation, environmental governance, natural resource management, and cross-border concerns such as migration and grazing management.

“ Since we became independent, IED Afrique finds IIED's continued support, and engagement on our side, have been crucial to the smooth transition. Our partners in the region praise the relationship: it is empowering.

Bara Guèye, Director, IED Afrique

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New beginnings

In its work on decentralisation, IED Afrique concentrates on building inclusive processes and structures, both local and national, which can help to deliver development activities tailored to local needs. Through participatory budgeting and training of local organisations, it has been able to help women, pastoralists, and others at the margins of society to get their voices heard.

As Coumba's story shows, it uses the day-to-day experience of prominent local women to build capacity and help local government officials understand the importance of women's participation in making decisions. And in partnership with the UN Development Fund for Women (UNIFEM), IED Afrique has produced a new video showcasing three women elected to positions in local government. This highlights the difficulties women face in occupying strategic positions, and how these three individuals have overcome them.

In its work on environmental governance and natural resource management, IED Afrique strengthens local agreements for managing woodlands and grazing. Further afield, it is forging firmer links between local practice, national policy and major international environmental conventions, such as those on climate change, desertification and biodiversity.

IED Afrique also pursues work on cross-border concerns. In West Africa, there is a dense web of networks crossing national borders, linking people, natural resources and trade, all vital for maintaining livelihoods, economic health and good relations between neighbouring communities who find themselves on opposite sides of national borders. Using learning groups, the organisation seeks to build a better understanding of how cross-border flows can strengthen local strategies for economic development and diversification.

For more, see www.iedafrique.org



Subject

Towards global emissions trading: FIELD at work

Region

Europe

Date

2007

Groups

Governance

As countries race to address climate change, emissions trading is emerging as a cost-effective instrument for reducing levels of greenhouse gases. But if individual emissions trading schemes could be linked, combined emissions targets could be achieved at lower cost.

Ultimately, the hope is that a global trading system for emissions can be developed – a prospect that will depend on a range of legal, technical, institutional and political factors. FIELD is currently collaborating with other institutes on a study that will help pave the way for such a worldwide system.

“

Linking the EU emissions trading scheme to other emerging trading systems raises challenging design compatibility and legal complexities. In leading the FIELD/IEEP/WRI team, FIELD brings both authority and enthusiasm.

Jason Anderson, Head of Climate Change Programme, IEEP

”

How emissions trading works

How does emissions trading work? ‘Cap and trade’ schemes aim to bring down the cost of meeting emission reduction targets by setting an overall ‘cap’ on emissions, then allowing countries or companies that can achieve reductions more cheaply to sell their excess reductions to others that are finding the task more costly.

By tightening the overall cap on an emissions trading scheme over time, governments can reduce aggregate emissions. At the same time, companies have the flexibility to determine how and where their emissions reductions will be achieved – either through investment in cleaner technologies, or through buying allowances in the marketplace.

Emissions trading schemes are in operation or under development in a number of countries and regions, including Norway, Switzerland, the US, Canada, Australia, Japan and the European Union. The EU’s scheme, known as EU-ETS, was launched in 2005 and is the largest of its kind in the world – multi-country, multi-sector, and covering some 45 per cent of the EU’s carbon dioxide emissions.

Reconciling differences

In January 2007 FIELD, along with the Institute for European Environmental Policy (IEEP) and the World Resources Institute, began a study for the European Commission (EC) on the legal and technical aspects of linking the EU’s emission allowance trading scheme to schemes in other countries. The study aims to lay the groundwork for a legislative proposal for the EC that will enable the EU-ETS to link with schemes elsewhere, by assessing the compatibility of different schemes and looking at ways of reconciling difference in design. The long-term goal is a global emissions trading system.



Driving climate change

This is only one aspect of FIELD’s work to slow the huge climatic shifts now in motion.

Lawyers from FIELD’s climate change and energy programme have followed the evolution of the international climate change regime since the very beginning.

At the international level over the years, FIELD lawyers have been active in inputting into the design of the Kyoto Protocol’s flexible mechanisms and compliance system. In 2000, FIELD conducted a study on design options for an EU emissions trading regime, which provided the basis for the EC’s Green Paper on emissions trading within the EU. Through subsequent EC projects, FIELD lawyers have also been instrumental in the drafting of the EU *Emissions trading directive*, the *Linking directive* (which links the EU-ETS to the Kyoto project-based flexible mechanisms), and the EU’s *Greenhouse gas monitoring and reporting guidelines*.

And now, through this project on linking emissions trading schemes, FIELD and partners will be once again helping carve out a future for a fully connected worldwide trading system.



Subject

Cities and climate
change: urban
adaptation

Region

Global

Date

2007

Groups

Human
Settlements
Climate Change

At some point in 2008, humanity will cross a momentous divide. The global scales will tip towards urbanisation, and half the world's population will be living in urban centres.

The world is likely to continue urbanising and over the next few decades, most population growth will be in urban centres. Many if not most of these burgeoning urban populations live in low- and middle-income countries, often right where the impact of climate change will hit hardest. As the predicted impacts stack up – from more frequent or intense storms, flooding and landslides to heatwaves and drought – many cities in Africa, Asia and Latin America will bear the brunt (see box, opposite).

Through contributions to the work of the Intergovernmental Panel on Climate Change, support for urban grassroots initiatives, and work with partners in the South to build awareness of adaptation through research, publications and seminars, IIED is flagging up the importance of preparing cities for climate change.

Reducing the risks

IIED's human settlements group recognises that climate change is not just another challenge for poor people living in cities. It will also intensify others, such as water and sanitation provision. Hundreds of millions of city dwellers in Africa, Asia, Latin America and the Caribbean are now at risk from this global shift, although most of them have contributed little to the greenhouse gas emissions driving it. So adaptation – learning to anticipate and guard against the risks from climate change – is a key need.

Adaptation to climate change has thus become a part of IIED's urban agenda. Joint work by the human settlements group and Columbia University's Center for International Earth Science Information Network bore fruit in 2007, when an article in the IIED journal *Environment and Urbanization* sparked coverage by more than 175 independent media agencies round the world and was reported in Vietnamese, Chinese, Indonesian and Portuguese. This article, 'The rising tide', is the first detailed global analysis of the number of cities and urban dwellers in low-elevation coastal zones around the world.

Adaptation is intensely local. It demands the right kind of infrastructure and other measures that suit local needs and local ecological systems, as well as adequate political preparation for a crisis, when it occurs. Yet up to half of poor people in poor cities lack roads, drains and piped water systems. And in most urban centres, local governments are not committed to working with slum-dwellers and other informal groups – some, to the point where they try to bulldoze their homes.

Most of the risks from climate change in urban centres over the next few decades are heightened risks for hazards that are already present. At the core of adaptation are better quality homes and infrastructure. Support for initiatives by members of the Shack/Slum Dwellers International and others to improve their homes or acquire safe sites will also reduce risks from climate change. Their negotiations with local governments, along with locally driven innovations in water, sanitation and drainage, are vital, too, in showing how adaptation can be effective and affordable.

Extreme weather – the human cost

Sonia Cadornigara has a good idea of the devastation extreme weather can wreak on communities. A member of the Homeless People's Federation of the Philippines – which works with the IIED partner Shack/Slum Dwellers International – she has seen it at first hand.

In the winter of 2006, part of the municipality of St Bernard in Southern Leyte, the Philippines, was completely buried by mudslides after a prolonged battering by heavy rain.

'The rock and mud covered all the houses in less than a minute,' said Cadornigara. 'Imagine 450 hectares of land covered by mud that is impossible to dig up.'

'In some places, people said the mudslides were 60 metres high. Thousands lost everything: their houses, their land, their livelihoods, their families' Up to 200 people died and over 1000 are still missing, but HPFP were able to ease the survivors' plight by providing over 100 temporary housing units.

This disaster was triggered by abnormally high rainfall, possibly related to the La Niña phenomenon, where surface waters in the equatorial Pacific become unusually cold. While it cannot be attributed to climate change, the mudslide at St Bernard shows how vulnerable settlements can be to the kinds of storms the Intergovernmental Panel on Climate Change predicts will become more frequent or severe.



Subject

With BP in Azerbaijan: fuelling a future

Region

Caucasus

Date

2006/7

Groups

sustainable markets

Take a smouldering conflict between neighbouring countries, huge oil revenues, an authoritarian government, internal migration, corruption and hugely diverse natural habitats, and you have the first glimmerings of the sustainable development challenges facing Azerbaijan and its people.

Energy – its production, supply and distribution – are key factors in the new global landscape. And oil-rich Azerbaijan is caught up in the geopolitical thick of it. In some areas, rapid globalisation, strategic security considerations and political change are hacking out new countries and pushing forward new regions onto the world stage. For this former Soviet state in the Caucasus, as for other countries in the Middle East and Central Asia, a far more visible role beckons.

But nations from the old Soviet stable are not just caught up in a regional maelstrom of change. They are also coping with internal cultural and economic shifts, armed conflict, social displacement, influxes of refugees and secessionist movements. So there is wealth, but it is accumulating in a highly unstable context.

Meanwhile, IIED's own capacity to deal with energy issues is developing rapidly. And the institute looks more and more to developing new partnerships and projects in once unfamiliar regions. Azerbaijan, with its social, political and economic challenges, beckoned.

“Working with IIED is the best thing that has happened to me since I began my career at BP. Learning new ideas, meeting new people, understanding key insights – it was transformational seeing the challenges through a different lens.

Tural Veliyev, BP Azerbaijan Community Development Officer

”

New arenas

The British petroleum giant BP has been a presence in Azerbaijan for some years. Over 2006/7, IIED has worked under an innovative sustainable development cooperation agreement with the communications and external affairs team at BP Azerbaijan. The initiative is an experiment to see whether bringing IIED's skills and insights into this kind of team will be mutually beneficial. That is, whether it will help the company contribute to sustainable development, and give IIED the chance to work towards that goal in new ways, and in a new arena.

BP staff have found the experience worthwhile, and for IIED, the partnership has been both constructive and positive. The institute's prime goal was to use the engagement as an opportunity to foster the development of local agendas on business and sustainable development, informed by the wider debate on the role of business in society.

IIED valued working with a major foreign investor that wanted to maximise its contribution to sustainable development, in a tough environment. The IIED team also relished the opportunity to work 'bottom up' with a major multinational.

Anatomy of a partnership

The activities have been wide-ranging and eye-opening. In May 2006, seven BP Azerbaijan staff members visited IIED for a workshop to explore a range of key issues in sustainable development. IIED staff then visited Azerbaijan to get a sense of the rural development challenges there, and meet communities directly affected by the Baku-Tbilisi-Ceyhan pipeline, which transports oil from the Caspian Sea to the Mediterranean.

IIED also facilitated two regional meetings on sustainable development run by BP which brought together staff from Turkey and Georgia as well as Azerbaijan; ran workshops and discussion groups; and led a successful study tour to South Africa for five BP Azerbaijan staff, and a knowledge exchange visit to London for the BP staff member responsible for putting together the company's sustainability report.

The cooperative agreement has allowed IIED to maintain its independence and capacity to question, constructively challenge, and develop innovative approaches to the issues in sustainable development raised by BP's investment in Azerbaijan. BP Azerbaijan meanwhile has begun to absorb the relevance of IIED's work in a number of ways.

What of the future? The team at IIED look to build on the flexibility of the relationship, which has successfully created space for innovation. They are also actively developing relations with Azerbaijani NGOs and seeking to develop wider projects and partnerships in the country.

IIED staff members at a retreat in Hertfordshire, UK, 2007



Some of our board members, international fellows and staff in London, 2007

Staff list and international fellows

Camilla Toulmin, Director

Climate change

Saleemul Huq, Group Head
Beth Henriette
Hannah Reid

Governance

Tom Bigg, Group Head
Barry Dalal-Clayton, Senior Fellow

Foundation for International Environmental Law and Development (FIELD)

MJ Mace, Acting Director
Ilona Millar
Catherine Pettengell
Christoph Schwarte
Karen Sherman
Linda Siegele

Human settlements

Gordon McGranahan, Group Head
David Satterthwaite, Senior Fellow
Diana Mitlin
Martin Mulenga
Steph Ray
Cecilia Tacoli

Natural resources

James Mayers, Group Head
Steve Bass, Senior Fellow
Nicole Armitage
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Ivan Bond
Lorenzo Cotula
Ced Hesse
Marie Jaecky
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Maryanne Grieg-Gran
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Emma Wilson

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Liz Aspden, Executive Assistant
Ruth Mayo
Steph Bramwell
Leda Hodgson

GreenHouse Project

Ashley Parasram

Partnerships

Tom Bigg, Head
Lucie Fry
Sarah Henson

International fellows

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Kojo Amanor (Ghana)
Hernán Blanco (Chile)
Celine D'Cruz (India)
Jiri Dusík (Czech Republic)
Taghi Farvar (Iran)
Marie Monimart (France)
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Diego Muñoz Elsner (Bolivia)
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IIED is grateful to the
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Royal Danish Ministry of
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UK Department for Environment,
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Agricultural Cooperation

The Christensen Fund

Travel Foundation

University of Copenhagen

University of Essex

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World Conservation Union

Worldwide Fund for Nature

Corporate

BP Azerbaijan

Financial summary

Auditors' statement

The Statement of Financial Activities is not the full statutory accounts but is a summary of the information which appears in the full accounts. The full accounts have been audited and given an unqualified opinion. The full accounts were approved by the Trustees on 18 September 2007 and a copy has been submitted to the Charity Commission and Registrar of Companies. These summarised accounts may not contain sufficient information to allow for a full understanding of the financial affairs of the Company. For further information the full annual accounts, including the auditor's report, should be consulted. These can be obtained from the Company's offices.

Independent Auditors' statement to the Trustees of IIED

We have examined the summarised consolidated financial statements of the International Institute for Environment and Development.

Respective responsibilities of Trustees and Auditors

The Trustees are responsible for preparing the summarised financial statements in accordance with the recommendations of the charities' SORP. Our responsibility is to report to you our opinion on the consistency of the summarised financial statements and Trustees' Report.

We also read the other information contained in the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the summarised financial statements.

Basis of opinion

We conducted our work in accordance with Bulletin 1999/6 'The auditors' statement on the summary financial statements' issued by the Auditing Practices Board for use in the United Kingdom.

Opinion

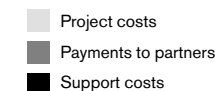
In our opinion the summarised financial statements are consistent with the full financial statements and the Trustees' Annual Report of the International Institute for Environment and Development.

Kingston Smith LLP
Chartered Accountants
and Registered Auditors
Devonshire House
60 Goswell Road
London EC1M 7AD

Income by donor type 2006-7 (Total £9.1m)



Expenditure 2006-7 (Total £7.8m)



Consolidated Income and expenditure for the year ended 31 March 2007

Income and expenditure

Incoming resources

Incoming resources from generated funds

	Unrestricted funds (general) £	Unrestricted funds (designated) £	Restricted funds £	Group total 2006/7 £	Group total 2005/6 £
Voluntary income	3,901			3,901	5,384
Investment income	77,520			77,520	61,223
Total	81,421			81,421	66,607

Incoming resources from charitable activities

	Unrestricted funds (general) £	Unrestricted funds (designated) £	Restricted funds £	Group total 2006/7 £	Group total 2005/6 £
Commissioned studies and research	440,924	4,000	8,516,147	8,961,071	7,408,968
Publications	81,451			81,451	64,211
Total	522,375	4,000	8,516,147	9,042,522	7,473,179

Other incoming resources

	Unrestricted funds (general) £	Unrestricted funds (designated) £	Restricted funds £	Group total 2006/7 £	Group total 2005/6 £
	15,482			15,482	45,628

Total incoming resources

Resources expended

Charitable activities

	Unrestricted funds (general) £	Unrestricted funds (designated) £	Restricted funds £	Group total 2006/7 £	Group total 2005/6 £
Commissioned studies and research	4,086	129,083	7,304,382	7,437,551	6,954,846
Publications			347,033	347,033	300,385

Governance costs

	Unrestricted funds (general) £	Unrestricted funds (designated) £	Restricted funds £	Group total 2006/7 £	Group total 2005/6 £
			57,395	57,395	50,578

Total resources expended

Net income/(expenditure) for the year before transfers

	Unrestricted funds (general) £	Unrestricted funds (designated) £	Restricted funds £	Group total 2006/7 £	Group total 2005/6 £
Transfers between funds	(526,168)	526,168			

Net movement in funds

	Unrestricted funds (general) £	Unrestricted funds (designated) £	Restricted funds £	Group total 2006/7 £	Group total 2005/6 £
Funds brought forward at 1 April 2006	1,548,952	719,132	814,177	3,082,261	2,802,656
Funds carried forward at 31 March 2007	1,637,976	1,120,217	1,621,514	4,379,707	3,082,261

All amounts relate to continuing operations. There are no recognised gains and losses other than those shown above.

How to contact us

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