



International Institute for Environment and Development

Trustees' report and accounts for the year ended
31 March 2018

Registered company number: 2188452

Registered charity number: 800066

Registered OSCR number: SC 039864

Trustees' report (continued)

Glossary

ASM	Artisanal and small-scale mining
BSM	Bid Support Manager
COP23	Conference of the Parties
DFID	Department for International Development (UK)
FFF	Forest and Farm Facility
FRS	Financial reporting standard
FY	Financial year
Hivos	Humanistisch Instituut voor Ontwikkelingssamenwerking (Humanist Institute for Cooperation)
GEC	Green Economy Coalition
GEEN	Gender Equality Champions Network
GWI	Global Water Initiative
HR	Human resources
IIED	International Institute for Environment and Development
IRF	Independent Research Forum
LDCs	Least Developed Countries
MEL	Monitoring, evaluation and learning
MGNREGS	Mahatma Gandhi National Rural Employment Scheme
NGO	Non-governmental organisation
SDGs	Sustainable Development Goals
SEI	Stockholm Environment Institute
Sida	Swedish International Development Cooperation Agency
TARSC	Training and Research Support Centre
UHRC	Urban Health Resource Centre
UNFCCC	United Nations Framework Convention on Climate Change
Urban ARK	Urban Africa: Risk and Knowledge
ZCIEA	Zimbabwe Chamber of the Informal Economy Associations
ZCTU	Zimbabwe Congress of Trade Unions

IIED groups:

CCG	Climate Change Group
HSG	Human Settlements Group
FARA	Finance, audit and risk assessment (sub-committee)
NRG	Natural Resources Group
SLG	Strategy and Learning Group
SSMG	Shaping Sustainable Markets Group

Trustees' report (continued)

Reference and administrative details of the charity, its trustees and advisers

Trustees

Rebeca Grynspan (chair)
 Lisa Beauvilain (retired 22 June 2017)
 Filippa Bergin (retired 20 June 2018)
 Somsook Boonyabancha (retired 20 June 2018)
 Les Campbell (appointed 23 November 2017)
 Fatima Denton
 David Elston (re-elected 20 June 2018)
 Ahmed Galal
 Michael Horgan
 Angela McNaught (treasurer) (re-elected 20 June 2018)
 Sue Parnell (appointed 24 November 2017)
 Sheela Patel (appointed 19 June 2018)
 Lorenzo Rosenzweig
 Tara Shine
 Elizabeth Stephen (vice chair from 24 November 2017)
 Ian Rushby (vice chair until retirement 24 November 2017)
 Min Tang (retired 22 June 2017)

The trustees are the directors of the company under the Companies Act 2006.

Director

Dr Andrew Norton

Registered office

80–86 Gray's Inn Road
 London, WC1X 8NH, United Kingdom

Registered company number: 2188452

Registered charity number: 800066

Registered OSCR number: SC 039864

Auditors

Crowe U.K. LLP
 St Bride's House
 10 Salisbury Square
 London
 EC4Y 8EH

Solicitors

Bates, Wells & Braithwaite LLP
 10 Queen Street Place
 London
 EC4R 1BE

Bankers

Barclays plc
 Level 27
 1 Churchill Place
 London
 E14 5HP

The trustees present their annual report, including the director's strategic report, with the audited accounts for the year ended 31 March 2018. This report and the accounts have been prepared in accordance with the Companies Act 2006, the company's articles of association and Charities SORP (FRS102) applicable to charities preparing accounts in accordance with FRS 102: the financial reporting standard applicable in the UK and Republic of Ireland.

Trustees' report (continued)

Structure, governance and management

The company is registered in England and Wales as a charity (registered charity no 800066) and in the US as a publicly supported organisation exempt from federal income tax. The company is registered in Scotland as a charity (OSCR registration number SC 039864).

The company is registered in the UK as a company limited by guarantee (registered no 2188452) and its activities are governed by the Memorandum and Articles of Association (dated 23 July 2008).

The Memorandum of Association restricts the company's activities to those that are exclusively both charitable and educational. In addition, the Memorandum of Association allows the company to invest funds not immediately required while complying with the laws and restrictions governing the investment powers of charities.

In the event of winding up the company, each member undertakes to make a contribution, up to a maximum of £1.

Trustee appointment

The names of the trustees are shown on the previous page. The Board consists of 12 trustees drawn from diverse geographical regions which correspond with the international focus of IIED's work. Trustees retire by rotation; six years' service (3+3) is the maximum, unless allowed exceptionally by the Board of Trustees. The board annually reviews the structure, size and composition (including the skills, knowledge and experience) of the board and ensures board composition reflects IIED'S mission with appropriate gender, cultural and geographic diversity. The nominations sub-committee ensures that candidates of the highest calibre, with appropriate and diverse mix of skills and experience, are put forward for selection by the Board of Trustees. Trustee vacancies are advertised on the IIED website, charity and trustee websites as appropriate and through IIED's networks.

Trustees attend an induction programme before appointment to familiarise themselves with the institute's operational activities and day-to-day management, as well as legal and regulatory requirements relevant to the trustees' roles and responsibilities.

Organisational structure

The Board of Trustees manages the business of the charity and exercises all the powers of the charity in accordance with the articles of association. The board seeks to ensure that all activities are within UK law and agreed charitable objects. The work of the board includes agreeing and overseeing IIED strategy and financial plans in line with its vision, mission and values. IIED's Board of Trustees meets in full twice a year.

Members of IIED's senior management team attend board meetings as well as meetings of board committee and sub-committees.

Executive Committee oversees company business between board meetings, including routine programme work and the review of management accounts and risk management reports from the finance, audit and risk assessment (FARA) sub-committee. Membership of the Executive Committee is drawn from the board and currently comprises six trustees and is quorate with three trustees, one of whom must be the chair, vice chair or treasurer. Executive Committee meets two to three times per year, and reports to the Board.

The FARA sub-committee oversees financial performance, assurance and risk management at IIED. Membership of FARA is drawn from the board and currently comprises six trustees and is quorate with three trustees, one of whom must be the chair, vice chair or treasurer. FARA meets three times a year and reports to the board.

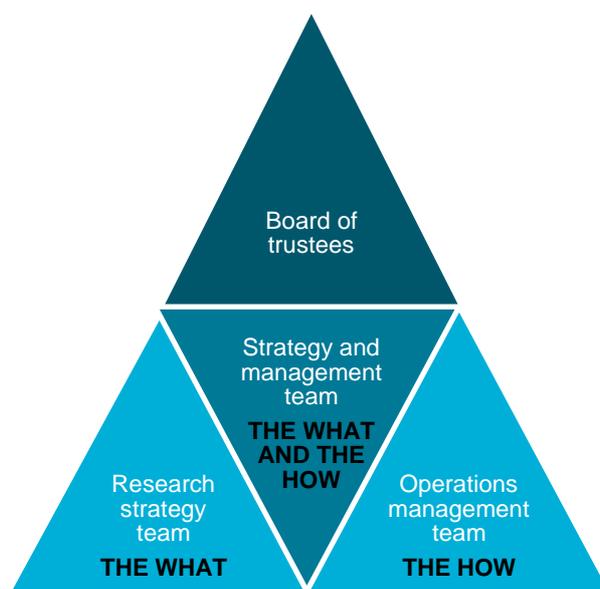
The Fundraising sub-committee reviews the progress of fundraising and business development work against the strategy and business plan. Membership is drawn from the Board and currently comprises three trustees. The Fundraising Committee meets at least twice a year and reports to the board.

Trustees' report (continued)

The Nominations sub-committee supports the board in the execution of its responsibility to establish a formal and transparent procedure for the appointment of new trustees and to review annually the composition of the board including skills, diversity and geographical focus. Membership is drawn from the board and currently comprises three trustees. The Nominations Committee meets at least twice a year and reports to the board.

During FY18, the board adopted the principles of the new UK Charity Governance Code and reviewed the recommended practice of the Code and how it applies to IIED. This was part of the board's annual self-assessment process and highlighted two priority areas for focus: increasing staff communications from Board and developing a more formal complaints process. Other areas for developing recommended practice have been identified and progress will be reviewed annually as part of the board's self-assessment process.

The board delegates the day-to-day running of the charity to the director, who is supported by three leadership teams: strategy and management, operations management and research strategy.



The institute's researchers work in four groups: Climate Change (CCG), Human Settlements (HSG), Natural Resources (NRG) and Shaping Sustainable Markets (SSM). The director, management and the research groups are supported by two other groups — Strategy and Learning (SLG) and Communications — in addition to operating functions reporting to the chief operating officer.

Trustees' report (continued)

About IIED

The charitable objects of IIED as set out in its Memorandum of Association are to advance the education of the public by all charitable means and to promote sustainable development for the benefit of the public through:

- The preservation, conservation and protection of the environment and the prudent use of natural resources
- The relief of poverty and the improvement of conditions of life in socially and economically disadvantaged communities, and
- The promotion of sustainable means for achieving economic growth and regeneration.

Progress of activities and achievements against IIED strategy can be found in the strategic report section of this report.

IIED is a policy and action research organisation. We promote sustainable development to improve livelihoods and protect the environments on which these livelihoods are built. We specialise in linking local priorities to global challenges. IIED is registered as an international organisation with the Organisation for Economic Cooperation and Development's Development Assistance Committee and roster consultative status with the UN Economic and Social Council. IIED is UK-based and works in Africa, Asia, Latin America, the Middle East and the Pacific with some of the world's most vulnerable people. We work with them to strengthen their voices in the decision-making arenas that affect them — from village councils to international conventions.

Established in 1973, IIED has made important contributions to many milestones of sustainable development for more than 40 years. These include the Brundtland Commission of 1987, the 2002 World Summit on Sustainable Development in Johannesburg, the annual meetings of the UN Framework Convention on Climate Change (UNFCCC), the Rio+20 summit in 2012, the Paris Agreement on Climate Change and the Sustainable Development Goals in 2015.

Our longstanding body of research and communications work has consolidated IIED's reputation at the cutting edge of environment and development and at the nexus where these agendas overlap. Together with our broad-based network of partners, we aim to shape a future where people and planet can thrive.

In setting our programme each year, we take account of the Charity Commission's general guidance on public benefit. Our trustees aim to ensure that the programmes we undertake are in line with our charitable objectives and aims, promoting sustainable and equitable development for the public benefit.

Delivering public benefit

Our work combines research, advice and advocacy. Like an academic institute, we often publish in peer-reviewed journals. We value our independence and our high standards of research. Almost all our reports are available free on [our website](#). Like a consultancy company, we often provide national governments and international development agencies with advice on specific projects, policies or issues. And like an advocacy organisation, we often focus on particular issues and promote them in the public policy arena. In all we do, we focus on equitable and enduring solutions, built in collaboration with partners at the grassroots. We aim to serve the public benefit in a number of ways — including working in partnership, researching and analysing evidence on which decisions for the public good can be taken, communicating what we do and the information we produce as widely as possible and building bridges between groups and organisations that might not otherwise come together.

Trustees' report (continued)

Investing in institutional performance

During FY18 IIED invested in the design, build and launch of an enterprise resource planning system, which integrates project and document management, finance, HR and contact management (partner and donor information). The system supports end-to-end project management, incorporating the proposal development process implemented in FY17, and enables effective, timely information sharing across the institute and with partners.

Staff summary

In 2016, IIED carried out a review of staff salaries against similar organisations in the sector, which identified that our salary structure and benefits package is broadly in line with the market. We also carried out a review of HR policies through a gender and equality lens, which led to improvements to family-related benefits.

IIED has an agreement with the trade union Unite.

IIED operates a broad-banded salary structure, with spinal points within the top and bottom of each band. A new employee's starting point on the scale is confirmed by HR, based on specific, objective criteria. All IIED's posts are paid within the salary scale other than two: the Director and the COO; and the salaries for these posts are agreed by the Board.

External review

The major external review of IIED's work, conducted at the mid-point of our five-year strategy in 2016, recognised our commitment to continuous improvement in our approach to learning and impact. It gave a strong endorsement to our approach and the impact we have, but also challenged us as an organisation to be more strategic in understanding how we contribute to broader change processes and to develop a more ambitious programme of work on monitoring, evaluation and learning. The [full review](#) and [IIED's management response](#) are on our website. We will develop more detailed plans to address the main recommendations and action points in the review over the coming year.

A focus on strategy, learning and impact

At IIED, we use a results framework to plan and report on our work. This is a live, five-year rolling document that guides planning and implementation across the institute. The results framework includes annual targets and learning questions for each goal and change initiative. These are designed to speak to our institutional theory of change, which identifies four key dimensions of change in the following:

- The body of evidence
- The capacity of governments and multilateral bodies to engage with the evidence generated
- The capacity of civil society organisations and the private sector to engage with the evidence generated, and
- The way people build partnerships and participate in local and international arenas.

This year we carried out a four-year assessment of our work since the beginning of the current strategy period. This was not required for our scheduled reporting to frame donors, but was produced to bring together impacts from our work over the past four years, as a summary of our activities which we should take into account in development of our next five-year strategy. It includes aggregated data from two stakeholder surveys which assess our work using eight metrics; also a rich set of qualitative feedback on our work. More detail on the findings is provided in the strategic report below.

Over the coming nine months we will assess the value of the reporting model used since 2014 and develop a framework which will work for the coming five years. The current approach is heavily skewed towards output-based targets and measures of achievement, which reflects the reporting requirements DFID put in place for our Accountable Grant (received from 2011 to 2016). We anticipate that the next

Trustees' report (continued)

iteration will focus more on capturing learning and strategic value while retaining the rigour and accountability needed by our frame funders.

To capture reflections and future priorities for inclusion in these documents, Strategy and Learning Group organised six workshops (one with each of the Research Groups plus Comms, followed by a synthesis event involving SMT and the Strategy Working Group). This has enabled us to clarify broad messages for the document set as well as broader implications for development of the next strategy.

We have submitted our results report for 2017/18 to our institutional funders — Irish Aid, the Swedish International Development Cooperation Agency (Sida), and the Danish International Development Agency (Danida)— as our formal report on our use of their funding.

Ensuring excellent communications

Our Communications Group works with colleagues across IIED to deliver efficient, collaborative and innovative research communications that have the best chance of achieving impact, in a way that represents value for money. Our communications strategy has the following three key objectives, designed to help us deliver on the strategy with impact and influence:

- Putting audiences first
- Creating content for impact
- Enabling best practice communications and marketing

Our day-to-day work supports two kinds of activities. The first are what we call standing capacity activities, which are designed to ensure that IIED has a strong platform from which to deliver all the necessary institutional communications, media work, ensures compliance and provide a good website and support to our online community through social media and other relevant communications activities. Our second type of activity is providing support to research groups on delivering specific projects.

The Communications Group supports IIED international events which have included our participation at the 23rd Conference of the Parties (COP23) of the UN Framework Convention on Climate Change and the IIED Development and Climate Days. Dr Gro Harlem Brundtland, former Prime Minister of Norway, was our Barbara Ward lecturer in 2018, reflecting on the world's progress on sustainable development in the thirty years since she led the landmark work of the UN World Commission on Environment and Development. We recently held our fifth Communications Learning Week working with our international partners to develop and improve our collective communications knowledge and skills set. IIED's online social media presence continues to grow and we have worked harder on our media strategy to ensure an increasing profile for IIED through the voice of the Executive Director, Andrew Norton.

During the rest of this year we will be looking at strengthening our understanding of where digital technologies can support our work and to contributing to the next IIED strategy by thinking through the priorities we will need to focus on in the Communications Group as we go forward.

Trustees' report (continued)

Strategic report

Our progress to date and looking ahead.

Our strategy

IIED's mission is to build a fairer, more sustainable world using evidence, action and influence in partnership with others.

The final year of our five-year strategic period presented the opportunity for an in-depth review of our performance since the strategy began in 2014. This four-year retrospective report evaluated IIED's progress under three broad ambitions for change, agreed at the strategy's halfway point. These ambitions were developed in response to a shifting global context and are compatible with IIED's strengths — partnership, local-to-global engagement and intellectual innovation:

- Making the Paris Agreement and the Sustainable Development Goals (SDGs) work
- Building resilient and thriving local communities through partnership
- Bringing local realities and innovation to national and global policy

As part of this retrospective we reviewed the performance of each IIED research group, providing us with a comprehensive picture of what we have achieved and what we still need to do. This timely report will be crucial for developing our next five-year strategy.

We remain committed to rigorous and inclusive research, evaluation and communication. And we will continue to build on our international reputation for this type of work in natural resources, human settlements, climate change and sustainable markets, by working towards our four research goals:

- Increased investment in locally controlled land and natural resource use
- Cities that work for people and planet
- Fair and equitable solutions to climate change
- Sustainable markets that work for the many, rather than the few

We continue to be guided by two interlinking instruments for measuring institutional progress and influence: our theory of change and our four impact pathways. Our theory of change is the framework we use to measure collective impact and has been in place since 2014; our four impact pathways show how our most common ways of working 'move' through our theory of change in practice. It is through these pathways —*multi-stakeholder dialogues*, *targeting policymakers*, *research to policy* and *empowering the marginalised*—that IIED delivers real change.

These pathways can also be used to test and sharpen aspects of our next five-year strategy as it takes shape. IIED's Strategy and Management team and the Strategy Working Group have been steering the institute through the process of framing and developing the new strategy. The focus will remain on driving change: pushing the boundaries of research; building partnerships to influence decisions in policy and practice; and ensuring the poor have a voice at every level.

Analysis and assessment

Stakeholder Survey: To understand what our partners think about our work, we have conducted an annual stakeholder survey since 2012. IIED's 2018 Stakeholder Survey conducted February–March 2018 had 321 responses. We used eight metrics to measure stakeholders' perceptions of the quality of IIED's work on a scale of 1 to 6: methodological rigour, gender equality, partner engagement, community engagement, research output, relevance, accessibility and timeliness.

Trustees' report (continued)

In summary, we found no major differences since the 2017 survey: the respondents of 2018 overwhelmingly viewed IIED positively across the metrics (a trend also reflected in the comments), with consistently strong performance against the six areas related to research quality. The two areas in which IIED scored less well were methodological rigour and gender. Our Research Strategy Team and the Senior Management Team are responding to this feedback with concrete actions. A peer review process has been established and officially launched to increase the robustness of our publications, while the Gender Equality Champions Network (GECN) is leading the institutionalisation of a gender research agenda across all research groups.

It was clear that respondents have a particularly high opinion of IIED's performance in capacity building, collaboration and practical relevance. Responses were based in part on specific experiences with projects or reports and interactions with IIED staff. High-profile collaborations also contributed to their perceptions.

It was demonstrated statistically that respondents who were more familiar with IIED perceived the research as being of a higher quality. In addition, the qualitative analysis demonstrated that IIED's collaborative workstyle played a key role in both impact and perception. The quality of IIED's work is broadly perceived as high but it is workshops and collaborative approaches in particular that maximise this perception. This suggests that online reports and publications remain effective at broadly increasing awareness of IIED's work but that face-to-face outreach efforts deliver the most positive perceptions of what we do. Some 40% of survey respondents said they did not access IIED resources regularly which has prompted discussion about the content and format of our publications and outreach strategies.

With regards to other areas for improvement, there were infrequent yet persistent references to a lack of consistency in IIED's work with reference to gender equality (as noted above) and other areas. It was also noted multiple times that translation of outputs to local languages could make a significant contribution to community perceptions and engagement.

Monitoring, evaluation and learning (MEL): We have invested significantly in IIED's tools and methods for MEL. This has included a programme of work to set out what constitutes appropriate 'evidence' in tracking sustainable development. We have updated IIED's website to explain our broader approaches to MEL and to showcase how these are used across our work.

Directorate and Strategy and Learning Group

Selected highlights

An issue paper by IIED director Andrew Norton marked an example of intellectual innovation from our central units. *Automation and inequality: the changing world of work in the global South* argued that growing inequality is not inevitable if developing countries can adapt their economies in time. The paper received high downloads and featured in 29 media outlets across Asia, Africa, the Middle East and the West including Reuters Africa, Mail Online, Huffington Post, Thomson Reuters Foundation, Devex and Engineering & Technology Magazine. The paper's publication was complemented by a number of speaking engagements including a keynote address at the German Development Institute.

SLG advanced cross-sectoral and cross institutional work on the Sustainable Development Goals/Agenda 2030. The Monitoring, Evaluation and Learning team (MEL) continued to work with partners on the briefing series (EVALSDGs-IIED) on effective evaluation for the SDGs. Recent briefings argued for a need to take stock of evaluation provisions in Voluntary National Reviews and to embed evaluation in national plans and policies. High-profile co-authors of recent briefings include Caroline Heider, Director General of the Independent Evaluation Group of the World Bank and Senior Vice-President of the World Bank and Indran Naidoo, Director of the Independent Evaluation Office of UNDP.

Over the last year, IIED has been invited to present findings of this work at major evaluation conferences notably those of the American Evaluation Association, the African Evaluation Association, the European Evaluation Society and the UNDP-hosted National Evaluation Capacities conference. Briefings in the series have been downloaded more than 20,000 times and – in response to interest and demand – translated into

Trustees' report (continued)

French, Spanish, Portuguese, Arabic, Nepalese, Russian, Dari and Pashto.

IIED and the Stockholm Environment Institute (SEI) continue to share leadership of the premier global think tank network on the SDGs – the Independent Research Forum (IRF). IRF and the Swedish government are supporting a series of regional retreats for senior officials to focus on SDGs implementation. SLG led a three-day retreat in Liberia, the country being one of nine that has committed to show leadership in using the SDGs in national policy and practice. The event was attended by government and civil society representatives from 11 African countries, and from regional bodies (ECOWAS, Pan-African Parliament, UNECA). IIED is helping to organise a further event in Germany; SEI are running events for Colombia and Timor-Leste.

Core research areas

Natural resource management

Our goal: increased investment in locally controlled land and natural resource use

The squeeze on natural resources, ecosystems and the livelihoods they support is tightening. This is partly because land and resource rights lie in the wrong hands and partly because many of the people who are close to realising sustainability lack power. That is why IIED focuses on improving investment in local control and the sustainable management of natural resources and other ecosystems. We work with networks and organisations in Africa, Asia and Latin America and aim to have a tangible impact in 15 countries. Together, we raise awareness of the roles that small-scale producers and local people play in maintaining their resources, and we help identify tools and tactics to strengthen their capacities. We also generate evidence and build the capabilities needed to improve the policies, laws and working practices of governments, companies and institutions.

Themes of work under this goal: legal tools; agroecology; forests; biodiversity; water infrastructure; China in development.

Progress

NRG has continued to work with partners to support and shape fairer, more sustainable governance of natural resources and achieve change in policy and practice. Our **legal tools** initiative – seeking to strengthen local rights and voices – has yielded strong results: in Tanzania, working with local authorities to implement gender-sensitive bylaws in 64 district villages; in Senegal, strengthening implementation of rules on land allocation and women's rights. In Cameroon, we convened a crucial dialogue on land law reforms with members of parliament. The resulting communique recommended recognition of customary land rights, reinforcing local conflict resolution mechanisms, and the need for greater voice for indigenous peoples.

We saw striking results following a 2018 review of the **Forest and Farm Facility (FFF)** – a project supporting livelihoods of local forest and farm producers. The review showed incomes of smallholder communities, indigenous peoples and women's organisations had increased substantially since 2012 (for example 46-65% in Kenya, 12-18% in Myanmar, 30-50% in Nicaragua, and 10-20% in Vietnam).

The **China-Africa** Forests Governance Project promotes sustainable practices along supply chains involved in moving timber from Africa to China. This year, the project brought verifiable improvements in large timber company practice in Cameroon and on the enabling framework for sustainable forest product processing parks in Mozambique. In DRC, IIED facilitated the emergence of associations of artisanal loggers, and helped support better terms of engagement in the supply chain to the Chinese markets while promoting more sustainable logging practices.

Trustees' report (continued)

Our **biodiversity conservation** work seeking to tackle international wildlife trade is influencing policy through its innovative theory of change which seeks to build community engagement. USAID has adopted the methodology and will draw on it to guide future interventions in their illegal wildlife programme in South Africa – thus ensuring communities are heard and pro-wildlife projects are sustainable.

Our work on **water infrastructure** also builds community engagement. The Government of Niger has adopted land tenure tools – including two new legal tools and a guide to securing land tenure in irrigation schemes developed by the Global Water Initiative (GWI). These tools preserve land rights for expropriated farmers and improve the governance of land allocation and removal in irrigation schemes. The tools will be rolled out across 75 sites in Niger – and donors have already agreed to finance the roll out in 37 of these sites where clear legal contracts will be signed with farmers for the first time.

Lessons learnt

We can go further on gender mainstreaming. For example, in our ongoing work in Senegal, Ghana and Tanzania we can do more to strengthen women's voices in land allocation and governance.

Reviews reap rewards. We create and take opportunities for both formal and informal learning from all our work and have found independent external reviews of major projects, such as GWI, provide rich sources of lessons.

We can use our reputation to open doors. External assessment suggests that NRG's added value derives from our reputation, which is tied to our track record of impact and relationships with government, civil society and small enterprise sectors. This provides valuable access to policy and practice and good visibility in key events.

Keeping communication strategic. Our communication efforts, while increasingly successful, could be more strategic as we identify the type of communication products that work best in different contexts.

Human settlements

Our goal: cities that work for people and planet

IIED has worked on urban environmental and poverty issues since the 1970s, aiming to support more equitable and sustainable development in urban centres in low- and middle-income countries. Our poverty focus is vital and informs everything we do because people on very low incomes, living in slums or squatter settlements, are the most vulnerable to environmental challenges. Our work has always been developed with partners, ensuring that it is rooted in the concerns of urban residents and practitioners, while remaining relevant to global research and policy debates.

Themes of work under this goal:

urbanisation and rural-urban links; water, sanitation and shelter; urban risk and urban crises responses; food and nutrition.

Progress

Working with humanitarian agencies and researchers, we fostered development of nine tools to be applied in the context of an urban humanitarian crisis, to ensure a more effective, inclusive and context-specific response. These tools are being used in cities to integrate humanitarian considerations into urban planning processes. We also supported the generation of over 35 research studies setting out lessons from past and present urban crisis responses to inform practice in the humanitarian sector through the multi-stakeholder Global Alliance for Urban Crises and city-level workshops. A special issue of *Environment & Urbanization* on urban humanitarian response is informing academic debate in this area.

Trustees' report (continued)

IIED facilitated discussion between Kenyan stakeholders that has underpinned an application to the C40 Cities Finance Facility by Nairobi County Council, which – if successful - would secure US\$1 million of project preparation support to leverage US\$20 million of investment. The proposed project focuses on supporting slum upgrading in Nairobi in ways that reduce climate vulnerability and avoid high-carbon forms of development. This created an opportunity for C40 to learn about community-led adaptation and for Slum/Shack Dwellers International to learn about designing and packaging climate-compatible slum upgrading projects.

Through our engagement in the Urban Africa: Risk and Knowledge (Urban ARK) programme, we facilitated new relationships between universities, non-government organisations, the private sector, and international agencies. In informal settlements in Nairobi, we enabled dialogues between community organisations and international partners to consider how upgrading of houses and basic infrastructure can be undertaken in a way that addresses current and future risks. In Ibadan, Nigeria, we supported the local university in designing new frameworks for interacting with and influencing state and national departments addressing disaster risk, to ensure that they manage urban issues – and particularly the challenges facing residents in informal settlements – more effectively.

Lessons learnt

Working with coalitions and alliances can extend our influence in new areas. Through membership of the Cities Alliance, we have a new set of entry points to help donors and governments set urban priorities. In particular, we are highlighting the value of diverse and robust data sources (including community data) to support decision-making. As a key member of the Coalition for Urban Transitions we can ensure that emerging conversations around the future of cities address poverty, exclusion and inequality.

In an age of new methods of media and communication there continues to be a **significant appetite for high quality original research** published in journals. This year, IIED's Environment and Urbanization journal had 334,566 full text downloads and its papers were referenced in media outlets including *The Guardian*, *CityLab* and *Travel + Leisure*.

We can build on our existing strengths and knowledge to create new links and partnerships. We received £1.5m from the NHS's National Institute for Health Research to analyse occupational health concerns, environmental hazards, and climate change risks facing informal workers and residents of informal settlements. In Indore (India), we will work closely with the Urban Health Resource Centre and grassroots organisations, while in Harare and Masvingo (Zimbabwe) we will partner with the Zimbabwe Congress of Trade Unions, Zimbabwe Chamber of the Informal Economy Associations, and the Training and Research Support Centre. We will work with partners to assess the overlapping risks facing informal workers and jointly develop inclusive ways of strengthening their livelihoods, health, and resilience.

Climate change

Our goal: fair and equitable solutions to climate change

CCG works with and for the poor to identify and shape policy, planning and finance mechanisms that can deliver the combined ambitions of the Paris Agreement and the SDGs. We have four strategies to help us achieve this. First, we support the Least Developed Countries Group in their climate diplomacy and domestic action. Second, we aim to improve the governance of resilience by identifying how to change investment and risk finance incentives and improving risk mechanisms that reach the poorest. Third, we work to ensure that climate finance reaches the local level and that local people have more influence over how that money is used. Fourth, we strengthen the capabilities of institutions, systems and human resources to build equitable and climate-smart societies.

Themes of work under this goal: global climate law, policy and governance; public policy responses for climate-resilient development; climate resilience, productivity and equity in the drylands; and strengthening local to global partnerships.

Trustees' report (continued)

Progress

This year as part of our efforts to support **public policy responses for climate resilient development**, we worked with the Indian government's Ministry of Rural Development to generate evidence on how the provision of social protection services through the world's largest development initiative, Mahatma Gandhi National Rural Employment Scheme (MGNREGS), contributes to climate resilience in the household and local economy. We identified interventions to integrate climate risk management into the scheme, by refocusing and layering other schemes so that it can offer climate-smart employment, resilient infrastructure and skills and stronger institutions for climate-smart decision making. We are now working with the government to identify the innovation in policy and finance for these shifts.

In Zanzibar, under our workstream focusing on **climate resilience**, we opened dialogue between cooperatives, government and banks to invest in climate-resilient cooperative enterprises. To take this work forward, we are working with five agricultural cooperatives to develop and scale up climate-resilient business models, and with the People's Bank of Zanzibar and government institutions to design financial products for investment in climate resilient businesses.

Our work on strengthening **global climate law, policy and governance** brought further success through continued support to the LDC Group in the UNFCCC process. At our capacity building workshops, over 100 delegates from more than 40 countries developed their skills in navigating the complex climate negotiation process and built their practical knowledge on how to implement the outcomes in their national climate action plans. We paid attention to improving the LDC delegations' gender balance, helping ensure women's perspectives are heard. Over 40% of workshop participants were women, including four who attended the negotiations through our direct support. We also held an inception meeting of the LDC Lawyers' Network to develop their capacity to support their countries and the LDC Group in the UNFCCC negotiations and integrate global decisions into national and sectoral legislation.

Through an alliance with government and NGOs working in Kenya, Tanzania, Mali and Senegal we continued to test and refine a devolved **climate finance** and planning mechanism. The focus is building capacity to directly access the Green Climate Fund and bringing funding down to the sub-national and local level to benefit local communities (listening to their priorities when budgeting) and training government staff and students in climate risk management in the drylands.

We **invested further in our Southern partners' climate change capabilities**, bringing together over 350 people at the COP23 Development and Climate Days in November. Key messages from the event came through in the Marrakech Partnership for Global Climate Action's finance and resilience high-level days held during the climate talks. In June 2017, over 270 delegates from around the world joined the 11th Community-Based Adaptation conference (CBA) in Kampala, Uganda. The event focused on empowering communities to use their own knowledge and decision-making processes to take action on climate change.

Lessons learnt

Genuinely working with partners takes time and commitment. Building partners' technical capabilities requires intensive interaction and support. And because we do most of our innovation with or in support of local partners, their constraints can sometimes create challenges in meeting deadlines within grants.

The long-term nature of our work means that funding gaps can disrupt important relationships. Because most of our work is part of a long-term investment in delivering transformative change, it can be negatively affected by funding gaps.

Reactive support vs. proactive engagement. Most of our teams are providing demand-driven support to governmental actors and local partners. This can overstretch us, as demand is high. Looking for ways to make space for more proactive and strategic engagement is something we are pursuing.

Trustees' report (continued)

We need to stay alert to national and local power dynamics to manage the impact of political and security risks on our work. Our work in many countries can be negatively impacted by political and security risks. While this is unavoidable, we recognise the need to frequently analyse, understand and respond to national and local power dynamics. There are also cases where one part of government is demonstrating climate leadership and requesting support, while another is involved in human rights abuses. Balancing the politics of how we respond in such cases is challenging, but IIED's new systems for considering these issues are supporting the group.

Shaping sustainable markets

Our goal: sustainable markets that work for the many, rather than the few

Our work under this goal aims to help make the markets of the future more inclusive, sustainable and prosperous — especially for the poor and marginalised. We do this by engaging with civil, private and public sectors in four areas. First, we work with informal markets and small enterprises to help them secure productive jobs and sustainable supply chains. Second, we use our work on the green economy, business transformation, productive uses of energy and fisheries to foster inclusive green prosperity. Third, we strengthen the practical contribution economics makes to sustainable development by making the case for natural capital investments. And fourth, we invest in new areas of work such as the blue economy (oceans and coastal sustainable development) that can help us deliver both high impact and thought leadership.

Themes of work under this goal: finance delivery and valuation, fisheries, artisanal and small-scale mining, informal food markets, energy.

Progress

In 2018, SSM continued its work in convening stakeholders nationally and internationally and building their capacity to propose solutions that bring about policy and practice change. This year saw the work programme on **artisanal and small-scale mining (ASM)** advance its successful multi-stakeholder action dialogue in Tanzania. The event built on experience from IIED's first ASM national dialogue that took place in Ghana in 2016 and shaped policy development. Our ASM work in Tanzania is well timed – coinciding with the government's drive to reform mining policy. Work has begun with influential bodies including the ministry of minerals, land and local government, the Tanzania Chamber of Minerals and Tanzania Women Miners Association to package up our co-created evidence from the dialogues to put to policy makers.

Our project on citizen-generated evidence on dietary diversity also worked with multiple stakeholders to bring a range of voices into policy discussions. The Sustainable Diets for All Programme, sitting under our work on **informal food markets**, recognises that when food policies are based on evidence and advocacy delivered by citizens, they are more likely to benefit those whose lives those policies affect most. In 2018, IIED, in partnership with Hivos, continued work with civil society organisations and low-income citizens to understand the food issues that matter to people in their own contexts and gather evidence that supports their own policy agenda.

We also partnered with Hivos in our work on **energy**. In 2018, the Energy Change Lab programme ran numerous multi-stakeholder workshops backed up with experimentation from the ground. The workshops explored a range of issues around inclusive energy access, for example how to work with mini-grid developers to speed up local business growth through 'productive uses' of electricity that can grow local economies while making energy services more financially viable.

As part of efforts under **finance delivery and valuation**, our work on payment for ecosystem services (PES) – incentives that are offered to farmers or landowners in exchange for the sustainable management of their land – led to the publication of a handbook on practitioners' guidance for upscaling PES and conditional transfer. This highly practical guide had strong uptake at various conferences and served as a basis for international exchanges involving stakeholders from Kenya, Mexico, Nicaragua and Uganda.

Trustees' report (continued)

This year, IIED secured £1.5m of funding from the Swedish government to support our work on marine and coastal ecosystems. The programme will be split between coastal **fisheries** and support to the Least Developed Countries to participate effectively in the process to develop a new treaty to preserve biodiversity in the high seas.

The Green Economy Coalition (GEC), an independent global network housed by IIED, has worked since 2009 to promote the message that economic development must be both green and fair. This year, the GEC launched a new website, providing an online home for the world's largest movement for green and fair economies. Other highlights throughout the year included issuing the Santa Cruz Declaration on the vital role of small and medium green enterprises; partnering with the World Forum on Natural Capital in Edinburgh; commissioning new research from Oxford University economists on the limits of traditional economic models in the face of global challenges; publishing a global stocktake of the world's transition to a green economy and launching in-country dialogues in four new countries (Mongolia, Senegal, Peru and Uganda). In addition, GEC was chosen by the Dutch government to lead a multinational government dialogue on natural capital, in partnership with the World Bank.

Lessons learnt

We will continue to pursue opportunities to replicate and scale up. Many initiatives we support appear to be replicable in other countries; the Energy and Food Change Labs in particular have seen a good level of success across varied contexts. We have also learnt the added value in the depth of engagement we have achieved in some countries, as illustrated in our ASM efforts in Tanzania and our fisheries management work in Bangladesh.

Time invested in scoping activities pays dividends. As part of the ASM dialogue process in Tanzania, government acknowledgment of the dialogue's potential and support in implementing the programme was crucial. Scoping key government agencies and communicating with them in the early stages ensured buy-in for the dialogue methodology.

Getting ambitious in-country projects off the ground requires a large effort. Partnerships often need investments of time and funds that take away from more substantial tasks and are not covered in approved budgets. We spend significant time on governance, coordination and communication with partners, which, coupled with research budgets that are often too small, can negatively affect the impact of its work. Our transaction costs — of managing and coordinating activities with external and generally local partners — are high. These costs are often caused by complicated governance structures and bureaucracy in countries where we operate.

Crosscutting themes

Over the past year IIED has pursued four crosscutting themes: prioritising **gender** issues both in how IIED operates and in the focus of our work; our commitment to continuous improvement in our approach to **learning** and how this delivers impact; exploring **synergies** and how collaboration across IIED's research groups can support innovation and effectiveness; identifying and strengthening opportunities for **added value**. This section presents highlights of our efforts.

2018 has seen a range of cross-institutional efforts to mainstream **gender** into our work. At least 35% of participants in SSM's ASM dialogues were women; and the roadmaps emerging from dialogues, supporting more inclusive and equitable practices in the mining sector, identify women as key agents of change. CCG pushed for greater gender balance in the UNFCCC process by increasing the number of women participating in the negotiations. NRG's ongoing work in Ghana, Senegal and Tanzania has strengthened women's voices in land allocation and governance. HSG's project with the Asian Coalition for Housing Rights, launched in early 2018, is exploring urban communities' own solutions to food insecurity. The first phase of the project asked women leaders of organised urban community groups to define their experiences of food insecurity.

Trustees' report (continued)

Throughout the year, IIED has invested in a range of formal and informal **learning** initiatives, helping us develop and sharpen our performance – from independent external reviews of major projects to multi-stakeholder learning platforms, post-event evaluations from training events to learning discussions. Reflecting routinely on our progress has helped us adapt and integrate best practices and improve our approaches in delivering future work.

2018 saw several examples of further collaborations across IIED's groups. **Synergies** included, HSG, NRG and CCG working together successfully to advise DFID central, regional and country offices on water, sanitation and hygiene and water resource management to focus on approaches relevant to growth investments. Project-specific examples of collaboration include CCG's 'money where it matters' work which drew IIED groups together on local finance and we have supported other groups' partners to understand the opportunities for climate finance, including from the Green Climate Fund. SSM and the Communications group worked together closely to highlight ASM outcomes achieved at national levels.

This year has once again shown that **added value** from IIED's engagement and distinctive operating model can take many forms. From NRG's perspective, added value often derives from IIED's strong track record for delivering impact, linked to establishing relationships with government, civil society and small enterprise sectors. HSG's close relationships with local civil society in a range of geographical settings allows the group to bring a much deeper level of expertise on urban poverty to international networks. HSG particularly emphasises co-producing knowledge with Southern partners, a distinct approach from many other research centres and think tanks. Added value for CCG comes through learning events such as CBA and D&C Days. The regularity of these annual events supports vibrant and growing communities of practice while each event's distinct approach enables different activities and discussions but that all work towards tackling the complex issues relating to climate change. SSM sees clear added value in prospects for scaling up and replicating the group's work, seen most obviously in its work on food and energy which have been successfully rolled out in other contexts.

Looking ahead

IIED continues to operate in an uncertain political and financial climate but we remain positive ahead of the new financial year. This year, the Business Development team has embedded key organisational processes to improve proposal development practices across the organisation, including risk management and quality assurance mechanisms. The function has received positive feedback from research and core groups on the level of service it is providing. We have recently appointed another Bid Support Manager (BSM) which will allow us to provide more tailored support to the research groups, with each BSM supporting two groups. This will allow the Head of Business Development to be more externally focussed, promoting our flagship initiatives and prioritising our engagement with new funders, primarily foundations – we have already been successful in setting up meetings with target funders. The function will also be prioritising the alignment of core business development processes to the new ERP system, CRM and other core organisational initiatives to allow seamless reporting and management of information.

The 2014-2018 retrospective report, produced in this final year of our strategy period, enabled IIED to assess its position in relation to key forthcoming global environment and development processes and consider how we can leverage our strengths to influence these processes.

The **2030 Agenda and Sustainable Development Goals (SDGs)** have shifted the global framing for international development cooperation in the direction of sustainable development. Looking to the future, IIED is well placed to contribute to growing calls for **localising the SDGs**, building on our work on local finance, urban communities, and participatory natural resource management while also confronting the politics of local to national government relations. Drawing on our expertise on the SDGs and our reputation for evidence-based policy, we have developed successful partnerships with international networks of evaluators to investigate how data and evidence can accelerate achievement of the seventeen goals and foster transformative development.

IIED has worked for more than 15 years to ensure the voices of those who contribute least to climate

Trustees' report (continued)

change – yet who suffer most – are heard in key forums. With support from IIED, the LDCs were instrumental in shaping the **Paris Agreement on climate change**. Now the focus is on implementation; the process is underway for nations to negotiate the 'rule set' that will govern the commitments and financial pledges made in Paris. Securing ambitious rules is a major focus for IIED ahead of the deadline at the end of 2018. From here, attention shifts to 2020 when countries' climate pledges kick in – IIED's next five-year strategy will reflect the crucial opportunity for ratcheting up ambition on climate action needed to keep the Paris Agreement on course.

Biodiversity loss has long been seen as a poor relation to climate change in terms of the priority afforded to global environmental challenges. However, awareness is slowly increasing that it is just as serious a risk to humanity. The recent Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) report highlighted how in almost every country, achieving the aims of the Paris Agreement and the SDGs is dependent on tackling biodiversity loss. IIED has a long history of working on different aspects of biodiversity – from wildlife management to agricultural biodiversity, ecosystem-based adaptation, natural capital and payments for ecosystem services. But we need a more coordinated approach if we are to step up to the challenges highlighted by IPBES. As we consider our next five-year strategy, we will build on the strong foundations that have been laid down in different parts of IIED to further develop biodiversity as a strong cross-cutting theme of our work. We see urgency and opportunity in developing a biodiversity strategy that will support IIED's ongoing efforts to influence the development of the **post-2020 global biodiversity framework**.

More than 50% of the earth's surface is not governed by any international treaty. The high seas are among the least protected areas on the planet. They include some of the most biologically important and fragile ecosystems in the world. The threats to these regions are being driven by technological advances such as deep-sea fishing, seabed mining and the exploitation of marine genetic resources by pharmaceutical companies. In 2018, the UN began discussing a treaty protecting high seas from pollution and human impacts. In 2020, these talks are expected to deliver a **treaty protecting the high seas**. Ahead of this 2020 deadline, IIED will be working with the Least Developed Countries to increase their engagement and effectiveness in relevant high-level talks. We will provide legal, technical and strategic advice to equip LDC negotiators with the information they need to take forward positions and support strong marine conservation measures.

Finance review

The statement of financial activities and balance sheet prepared by the trustees are set out on pages 25 to 39 and demonstrate a stable performance in a challenging funding environment.

- Income is consistent with that recorded last year, £20.7 million against £21 million recorded in 2016/17.
- The number of employees remains at 125.
- As the mix of our programmes changed, payments to collaborating entities reduced from £7.6 million in 2016/17 to £6.7 million in 2017/18.

Nevertheless, despite the tough operating environment IIED has improved its financial resilience through:

- Efficiencies in the core functions of Information Technology and Directorate, reducing central costs from £3.8 million in 2016/17 to £3.6 million in 2017/18.
- Free reserves increasing from £1.767 million to £2.030 million in the year as described further below.

IIED has no fundraising activity and is not a grant making organisation, instead it works in collaboration with its partners, resulting in no fundraising activity and grant making disclosures being given.

Trustees' report (continued)

Reserves policy

The reserves policy requires an annual review to reassess the risks and any changes in IIED's income, financial obligations and expenditure. We reviewed the policy during the year and our impact assessment of possible adverse financial events reaffirmed the agreed reserves policy established in 2012. This concluded that, to protect the organisation and its charitable programme against the risks of funding loss through income shortfalls and other unexpected financial losses, the appropriate target for free reserves should represent approximately four months of operating costs and staff salaries less liabilities from employee benefits (around £2.2 million). We have therefore set the target range of free reserves at between £1.9 million and £2.5 million.

As set out in Note 8 of the accounts, our unrestricted reserves closed the 2017/18 year at £2.474 million, an increase of £90,000 over last year (£2.384 million). This increase follows a £172,000 reduction in the Building and Capital Fund designated reserve, which tracks the value of leasehold improvements over the remaining lease period on the Gray's Inn Road site. The current free reserves have increased to £2.030 million and is now within the target range endorsed by the Board.

During the latter half of 2018/19, IIED will review its reserves policy to ensure it is aligned with the new five year strategy.

During 2017/18 IIED invested in a new integrated finance, project management and HR system, replacing older systems which no longer met the institute's needs. The investment cost of £253,000 (systems development and consultancy) has been capitalised this year.

Investment policy

We invested our cash in a combination of high-interest cash deposits and fixed-term treasury deposits during FY18. This policy produces an acceptable rate of return while giving us flexibility to access funds.

Related parties

Some IIED trustees are also trustees of other charities or directors or senior officers in other organisations IIED works with as a normal part of its research activities. Where such work involves payment, they enter into arm's length contracts and any payments related to these contracts are detailed in the notes to these accounts. The board operates a conflicts of interest policy.

Plans for future periods

During 2017/18, IIED started to engage with partners and staff to begin development of our next five year strategy, from 2019-2024. This incorporates learnings from the current (2014-19) mid-strategy review. The process to develop the next five year strategy was agreed by the Board, and it is anticipated that they will sign it off in January 2019.

Risk management

IIED's trustees are ultimately responsible for risk management and the effectiveness of our internal control systems. The board reviewed and approved IIED's overall risk management policy and approach in 2016. Our routine bi-annual reviews of project risk took place in 2017/18 including the inclusion of safeguarding and GDPR compliance in the project risk review process.

Regular review of the risk management process is delegated to FARA, which also oversees an assurance programme. An earlier review in the assurance programme of donor reporting had helped to inform some of the ERP design, to improve compliance and reporting.

During 2017/18, IIED reported one safeguarding incident to the Charity Commission and DfID.

Trustees' report (continued)

Key risks

Continued political change in 2017/18 kept the external environment at the forefront of strategic risks for IIED. The risks identified are that:

- An incremental shift in the centre of gravity of national politics in many developed and middle income countries towards populist nationalist narratives may undermine IIED's ability to promote its mission. Nationalism can weaken multilateral action necessary to address global environmental public goods and global solidarity with poor countries and people.
- Political change in public donor agencies (specifically erosion of support for sustainable development in national politics in a growing number of countries) might erode IIED's current financial support base.
- In the UK, Brexit might lead to diminished global influence, technical networks and finance from the EU.

IIED is expanding the range of countries with which it works and engaging actively with champions of sustainable development in the private sector and investment communities. We maintain close contact with existing funders, and continue to diversify our funding portfolio.

Following changes in the legislative and operating environment in 2017/18, IIED has added two new operational risks to its institutional risk register:

- Data Protection legislation contravened by breach, loss or misuse of personal data by IIED staff or contracted partners. IIED carried out a thorough review of its data collection and storage practices, has built data protection into its project risk assessments, and is delivering training for all staff on GDPR compliance and effective data management.
- The likelihood of a safeguarding incident increases due to (a) perceived broadening of the definition of safeguarding to include a broader range of stakeholders and behaviours and (b) IIED will be held responsible for partner incidents. IIED has made some initial internal changes to processes, considers safeguarding as a standard part of project risk assessments, and is following sectoral developments (including partner engagement and controls) to implement relevant changes.

Trustees' report (continued)

Statement of trustees' responsibilities

The trustees (who are also directors of IIED for purposes of company law) are responsible for preparing the Trustees' report, which includes the strategic report and the financial statements for the relevant year, in accordance with applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company, including its income and expenditure for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and apply them consistently
- Observe the methods and principles in the Charities' Statement of Recommended Practice
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

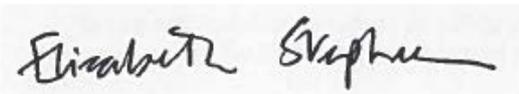
In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditors is unaware
- The trustees have all taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

On 25 June 2018, Crowe Clarke Whitehill LLP changed its name to Crowe U.K. LLP. Crowe U.K. LLP has indicated its willingness to continue in office and in accordance with the provisions of the Companies Act, we propose that they be re-appointed auditors for the ensuing year.

This annual report of the trustees, under the Charities Act 2001 and Companies Act 2006, was approved by the Board of Trustees on 27 September 2018, including approving in their capacity as company directors the strategic report contained therein, and is signed as authorised on its behalf by:



Elizabeth Stephen

Vice Chair

Date: 27 September 2018

Trustees' report (continued)

Independent Auditor's Report to the Members and Trustees of International Institute for Environment and Development

Opinion

We have audited the financial statements of International Institute for Environment and Development for the year ended 31 March 2018 which comprise the statement of financial activities, the balance sheet, the cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 - The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2018 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Trustees' report (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit:

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 21, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that

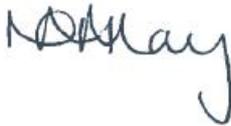
Trustees' report (continued)

includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Nicola May
Senior Statutory Auditor

For and on behalf of

Crowe U.K. LLP

Statutory Auditor

London

Date: 5 October 2018

Trustees' report (continued)

Statement of financial activities (incorporating an income and expenditure account) for the year ended 31 March 2018

	<i>Note</i>	<i>Unrestricted funds</i>	<i>Restricted funds</i>	<i>Total 2018</i>	<i>Unrestricted funds</i>	<i>Restricted funds</i>	<i>Total 2017</i>
		£	£	£	£	£	£
Income and expenditure							
Income from							
Bank Interest		7,055	2,577	9,632	10,106	7,570	17,676
<i>Charitable Activities</i>							
Commissioned studies and research income was received in the following areas of activity:							
Natural resources		185,444	6,595,626	6,781,070	213,752	6,546,865	6,760,617
Sustainable markets		84,481	3,423,621	3,508,102	339,573	2,320,043	2,659,616
Human settlements		361,237	1,429,234	1,790,471	211,811	1,904,784	2,116,595
Climate change		518,957	5,994,871	6,513,828	288,851	5,987,731	6,276,582
Partnerships and development		9,225	1,040,341	1,049,566	-	2,015,016	2,015,016
Communications and publications		45,031	992,724	1,037,755	192,759	865,260	1,058,019
Core development		-	40,701	40,701	-	125,743	125,743
Other					811	-	811
Total incoming resources	12	1,211,430	19,519,695	20,731,125	1,257,663	19,773,012	21,034,655
Expenditure on							
<i>Charitable activities</i>							
Commissioned studies and research	2	1,115,167	19,525,560	20,640,727	1,464,014	19,544,509	21,008,523
Total resources expended		1,115,167	19,525,560	20,640,727	1,464,014	19,544,509	21,008,523
Net income/ (expenditure)		96,263	(5,865)	90,398	(206,351)	228,503	22,152
Transfers between funds		(5,865)	5,865	-	228,503	(228,503)	-
Net movement in Funds		90,398	-	90,398	22,152	-	22,152
Funds brought forward at 1 April 2017		2,384,096	-	2,384,096	2,361,944	-	2,361,944
Funds carried forward at 31 March 2018	8	2,474,494	-	2,474,494	2,384,096	-	2,384,096

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

Trustees' report (continued)

Balance sheet as at 31 March 2018

	Note	IIED 2018 £	IIED 2017 £
Fixed assets			
Tangible fixed assets	4	774,057	705,770
Current assets			
Debtors	5	4,339,888	3,594,970
Cash at bank and in hand		3,477,404	3,787,766
		7,817,292	7,382,736
Liabilities			
Amounts falling due within one year	6	(1,460,871)	(2,064,632)
Deferred revenue		(4,655,984)	(3,639,778)
		(6,116,855)	(5,704,410)
Net current assets		1,700,437	1,678,326
Net assets	7	2,474,494	2,384,096
Reserves			
Free reserves		2,030,020	1,767,416
Designated reserves		444,474	616,680
Total unrestricted reserves	8	2,474,494	2,384,096

Approved by the Board of Trustees on 27 September 2018

and signed on its behalf by:

Elizabeth Stephen 

Angela McNaught 

Registered company number: 2188452

Trustees' report (continued)

Cash flow statement for the year ended 31 March 2018

	2018	2017
	£	£
Net incoming resources	90,398	22,152
Interest received	(9,632)	(17,676)
Foreign exchange	134,628	(493,136)
Depreciation	237,873	271,192
Disposals of tangible fixed assets	250	97,758
Increase / (decrease) in deferred revenue	1,016,206	(1,859,365)
(Increase) in debtors	(744,918)	(341,670)
Increase / (decrease) in creditors	(603,761)	201,313
Net cash used in operating activities	(121,044)	(2,119,432)
Cash flows from investing activities		
Purchase of tangible fixed assets	(306,410)	(65,954)
Interest received	9,632	17,676
Foreign exchange	(134,628)	493,136
Net cash used in investing activities	(431,406)	(444,858)
Decrease in cash during the year	(310,362)	(1,674,574)

Analysis of changes in cash during the year

	2017	Change in year	2018
	£	£	£
Cash at bank and in hand	2,957,714	(1,180,310)	1,777,404
Short term deposits	830,052	869,948	1,700,000
	3,787,766	(310,362)	3,477,404

Trustees' report (continued)

Notes to the Financial Statements for the year ended 31 March 2018

1. Accounting policies

Basis of preparation

The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with the Charities SORP (FRS102) applicable to charities preparing their accounts in accordance with FRS102 the Financial Reporting Standard applicable in the UK and Republic of Ireland and the Charities Act 2011 and [the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006] and UK Generally Accepted Practice as it applies from 1 January 2015. There are no material uncertainties which cast doubt on the entity's ability to continue as a going concern.

IIED meets the definition of a public benefit entity under FRS 102.

Income recognition

All incoming resources becoming available to the Institute are recognised in the Statement of Financial Activities on the basis of entitlement. In respect of unrestricted income and restricted income not tied to time-limited grants, income is recognised as soon as it is prudent and practicable to do so. In the case of performance related grant or long term contract income, income entitlement is considered to be conditional upon the delivery of a specified level of service, in accordance with FRS 102 and the Charities SORP. Income is therefore recognised to the extent the charity has delivered the service or activity. The time or expenditure incurred to date, as appropriate, is used as a reasonable estimate or approximation of the charity's performance and so income entitlement. Any such income not recognised in the year will be carried forward as deferred income and is included in liabilities in the balance sheet to reflect the matching of such income with future activities.

Incoming resources subject to restrictions

Grants and donations given for specific purposes are credited to a restricted fund, against which expenditure for that purpose is charged. Expenditure includes direct staff costs, other direct costs and, by agreement with the donors, an allowance for overheads calculated as a percentage of direct staff costs. The element of the overhead allowance that represents running costs which cannot be separately identified to a specific piece of work is credited to unrestricted funds in the Statement of Financial Activities (see note 8).

Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, Trustees are required to make judgements, estimates, assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects the current and future periods.

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

Trustees' report (continued)

Expenditure

All expenditure is accounted for on an accruals basis.

Resources expended on Charitable Activities comprises all expenditure directly relating to the objects of the Institute and includes the cost of supporting charitable activities and projects.

Governance costs include the costs of governance arrangements which relate to the general running of the charity as opposed to the direct management functions inherent in generating funds, service delivery and programme or project work. These activities provide the governance infrastructure which allows the charity to operate and to generate the information required for public accountability. They include the strategic planning processes that contribute to future development of the charity.

Support costs include the costs of the central office functions of finance, human resources, information technology and premises costs. The basis of the cost allocation of support has been explained in note 3 to the accounts.

Financial instruments

The Charity has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at the present value of future cash flows (amortised cost). Financial assets held at amortised cost comprise cash at bank and in hand, short term cash deposits and the group's debtors excluding prepayments. Financial liabilities held at amortised cost comprise the short- and long-term creditors excluding deferred income, social security and other taxes. No discounting has been applied to these financial instruments on the basis that the periods over which amounts will be settled are such that any discounting would be immaterial.

At the balance sheet date the charity held financial assets at amortised cost of £7,436,572 (2017: £7,184,286) and financial liabilities at amortised cost of £1,278,724 (2017: £1,902,062).

Fixed assets

Tangible assets are stated at cost less depreciation. Depreciation is provided using the straight line method over the following estimated useful lives:

Leasehold improvements: Remaining period of lease

Office furniture and equipment: 5 years

Computer hardware: 3 years

Computer software is treated as a tangible asset and depreciated over 5 years.

Additions below £500 are taken straight to the SOFA under support costs.

Cash and cash equivalents

Cash and cash equivalents include deposits repayable on demand without penalty. Fixed term cash deposits which do not meet this criterion are held under current assets as short term deposits.

Provisions

Provisions are recognised when the Company has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense.

Trustees' report (continued)

Exchange rates

Assets and liabilities are translated at the appropriate exchange rates ruling at the balance sheet date. Transactions denominated in foreign currencies are translated at the rates prevailing at the transaction date. Any exchange adjustments arising are dealt with in the appropriate fund.

Leases

Rental payments under operating leases are charged against income on a straight line basis over the period of the lease.

Unrestricted funds

Unrestricted funds are available to be spent on any purpose within the Institute's overall charitable objectives. Within unrestricted funds, designated funds are those set aside by the trustees to meet a specific need or fund particular activities.

2. Analysis of total resources expended

	Programme Costs	(Note 13) Payments to Collaborating Entities	(Note 3) Support Costs	2018 Total	2017 Total
	£	£	£	£	£
<i>Charitable activities</i>					
Commissioned studies and research					
Natural resources	2,848,098	2,957,221	1,000,945	6,806,264	6,725,199
Sustainable markets	1,728,534	810,990	749,496	3,289,020	2,627,357
Human Settlements	1,051,654	489,976	319,952	1,861,582	2,079,389
Climate change	3,134,607	2,446,114	862,244	6,442,965	6,266,205
Strategy and learning	685,705	-	307,723	993,428	1,974,502
Communications and publications	893,556	-	322,284	1,215,840	1,040,609
Core development	25,594	-	6,034	31,628	295,262
	10,367,748	6,704,301	3,568,678	20,640,727	21,008,523

Foreign exchange gains and losses recognised in the year amounted to a loss of £134,628 (2017: gain £493,196).

3. Support costs

	2018	2017
	£	£
Premises	1,069,458	1,031,868
Finance	725,675	652,950
Director's Office/ Trustees	349,148	461,424
IT Services	383,281	518,956
Human Resources	552,764	569,590
Systems Development	271,911	143,283
Management	216,441	437,953
Total	3,568,678	3,816,024

Support costs are allocated to activities as follows:

- Programme costs – on the basis of staff time spent on each activity
- Publications – on the basis of staff time spent on each activity

Trustees' report (continued)

- Payments to partners – a % based on the size of the payment
- Governance costs – on the basis of staff time
- Management costs – on the basis of staff time

Included in the above

	2018	2017
	£	£
Audit fees		
Statutory audit	27,650	26,500
Grant audit	29,350	21,700
Assurances services	-	3,800
Other non assurance services	704	330
Total	57,704	52,330

Governance costs amounted to £116,874 (2017: £107,084).

Resources expended include operating lease rentals of £424,277 (2017: £398,801).

4. Tangible fixed assets

	Improvements	Furniture and fixtures	Office and computer equipment	Computer software	Total
Cost	£	£	£	£	£
At 1 April 2017	1,588,688	174,456	435,138	-	2,198,282
Additions	-	1,149	52,049	253,212	306,410
Disposals	(15,231)	-	(214,602)	-	(229,833)
At 31 March 2018	1,573,457	175,605	272,585	253,212	2,274,859
Depreciation					
At 1 April 2017	971,100	155,990	365,422	-	1,492,512
Charge for year	172,207	4,818	48,187	12,661	237,873
Disposals	(15,231)	153	(214,505)	-	(229,583)
At 31 March 2018	1,128,076	160,961	199,104	12,661	1,500,802
Net Book Value					
At 31 March 2018	445,381	14,644	73,481	240,551	774,057
At 1 April 2017	617,588	18,466	69,716	-	705,770

5. Debtors

	2018	2017
	£	£
Less than one year:		
Restricted grants receivable	2,150,457	1,614,987
Accrued income	1,791,453	1,764,257
Other debtors	17,258	17,276
Prepayments	380,720	198,450
Total debtors	4,339,888	3,594,970

Trustees' report (continued)

6. Creditors: amounts falling due within one year

	2018	2017
	£	£
Trade creditors	736,391	896,356
Accruals	521,307	863,954
Other creditors	21,026	141,752
Social security and other taxes	182,147	162,570
	1,460,871	2,064,632

Deferred revenue	1 April 2017	Incoming resources	Resources expended	31 March 2018
	£	£		£
Deferred revenue	3,639,778	20,624,264	19,608,058	4,655,984

IIED receives multi-year grants paid in advance. Grant income recognised in the year equates to the expenditure reflecting progress on the project.

7. Analysis of net assets between funds

2018

	Unrestricted	Designated	Restricted	Total 2018
	£	£	£	£
Tangible fixed assets	329,583	444,474	-	774,057
Debtors	-	-	4,423,154	4,423,154
Cash	2,634,268	-	759,870	3,394,138
Creditors	(933,831)	-	(527,040)	(1,460,871)
Deferred income	-	-	(4,655,984)	(4,655,984)
Net assets	2,030,020	444,474	-	2,474,494

2017

	Unrestricted	Designated	Restricted	Total 2017
	£	£	£	£
Tangible fixed assets	89,090	616,680	-	705,770
Debtors	757	-	3,594,213	3,594,970
Cash	1,883,515	-	1,904,251	3,787,766
Creditors	(205,946)	-	(1,858,686)	(2,064,632)
Deferred income	-	-	(3,639,778)	(3,639,778)
Net assets	1,767,416	444,474	-	2,384,096

Trustees' report (continued)

8. Unrestricted reserves

2018

	1 April 2017	Income	Transfers	Resources expended	31 March 2018
	£	£	£	£	£
Free reserves	1,767,415	1,211,430	(5,865)	(942,960)	2,030,020
Designated reserves					
Building and capital reserves	616,681	-	-	(172,207)	444,474
Total unrestricted reserves	2,384,096	1,211,430	(5,865)	(1,115,167)	2,474,494

2017

	1 April 2016	Income	Transfers	Resources expended	31 March 2017
	£	£	£	£	£
Free reserves	1,573,309	1,257,663	228,503	(1,292,060)	1,767,415
Designated reserves					
Building and capital reserves	788,635	-	-	(171,954)	616,681
Total unrestricted reserves	2,361,944	1,257,663	228,503	(1,464,014)	2,384,096

Building and capital fund: In the year, the trustees have designated funds representing the net book value of the improvements made to the Gray's Inn Road leasehold.

9. Employees

	2018	2017
	No.	No.
Average number of employees during the year:	125	125
Number of part-time employees in above	35	34

Aggregate remuneration paid to employees	£	£
Wages and salaries	5,505,891	5,270,683
Social security costs	624,904	590,478
Other pension costs	413,349	388,854
	6,544,144	6,250,015

Number of staff whose remuneration fell within each of the following bands	2018	2017
£100,000 - £109,999	1	1
£80,000 - £89,999	1	1
£70,000 - £79,999	10	8
£60,000 - £69,999	8	11

In the year no staff were made redundant (FY17: £44,615).

Trustees' report (continued)

10. Trustees and directors

During the year no trustee received remuneration (2017: Nil). Trustees claimed the reimbursement of travel and subsistence incurred on the Institute's business. The total claimed during the year was £48,915 (2017: £42,329). The number of trustees claiming expenses was 14 (2017: 13).

Payments in respect of project work made to other charities and non profit making organisations, of which certain trustees were employees or trustees, were £44,520 (2017: Nil). The full amount relates to Somsook Boonyabancha who is both a Trustee of IIED and Asian Coalition for Housing Rights, a non-profit making organisation.

Payments were made in respect of Director's expenses incurred for the management of the charity of £10,433 during the year (2017: £19,453)

The key management personnel of the charity comprise the trustees, the Director, Chief Operating Officer, Director of Climate Change, Director of Communications, Director of Human Settlements, Director of Natural Resources, Director of Strategy and Learning and Director of Sustainable Markets. The total employee benefits of the key management personnel of the charity were £779,382 (2017: £690,041).

No company pension scheme existed at 31 March 2018. Contributions are paid on behalf of employees to independently administered money purchase plans. The cost to the charity during the year was £413,349 (2017: £388,854).

11. Commitments

At 31 March 2018 the company had annual commitments under non-cancellable operating leases as set out below:

	2018		2017	
	Land and buildings	Other	Land and buildings	Other
	£	£	£	£
Operating leases which expire in less than one year	449,583	16,360	407,917	16,360
Operating leases which expire within one to five years	791,667	36,810	1,233,333	53,170

IIED had commitments on contracts to partners of £6.3m at the year end (2017: £7.4m), £3.1m due in less than one year and £3.2m due within one to five years.

IIED holds a lease on a property in Gray's Inn Road, London WC1 with a term of 10 years terminating 31 October 2020 at an average annual rental of £420,000.

IIED rented Edinburgh office premises under a lease agreement with an annual rent of £19,000 which ended 28 August 2018. IIED currently rents a serviced office under a six-month lease commencing 13 August 2018 with a rent of £16,800 for the six month lease term; and plans to move into new offices under a lease agreement in 2019.

Trustees' report (continued)

12. Income

	2018	2017
	£	£
Donors		
Government and government agencies	15,221,209	14,199,157
International and multilateral agencies	2,186,609	1,556,544
Foundations and NGOs	4,213,253	3,601,121
Corporate	89,433	43,920
Donor income received	21,710,504	19,400,742
Other income		
Interest receivable	9,632	17,676
Sub-total	9,632	17,676
Total	21,720,136	19,418,418
Add: Income deferred from prior year	3,639,778	5,499,143
Less: Income due to prior year	(1,764,257)	(2,011,366)
Add: Income due from next year	1,791,453	1,764,257
Less: Income deferred to next year	(4,655,984)	(3,639,778)
Total incoming resources	20,731,126	21,030,674

		2018	2017
		£	£
Government and government agencies			
Austrian Development Agency	Austria	8,873	33,965
Royal Government of Bhutan	Bhutan	40,216	47,120
Royal Danish Ministry of Foreign Affairs	Denmark	585,425	558,522
Department for Environment, Food and Rural Affairs (Defra)	UK	309,054	271,824
Department for Environment, Food and Rural Affairs (Darwin)	UK	19,595	-
Department for International Development (DFID)	UK	5,479,495	5,393,817
Department for International Development (DFID) Accountable Grant	UK	-	3,304,171
DFID (via HTSPE LTD)	UK	9,200	4,590
DFID (via PwC)	UK	601,737	309,379
DFID (via KPMG)	UK	946,748	1,168,161
Finnish Ministry for Foreign Affairs	Finland	8,943	33,690
Agence Francaise de Developpement	France	70,366	-
Deutsche Gesellschaft fur International Zusammenarbeit (GIZ) GmbH	Germany	153,649	36,276
Federal Ministry for the Environment	Germany	860,120	499,967
Minister for Foreign Affairs and Trade of Ireland	Ireland	276,570	21,039
Irish Aid, Department of Foreign Affairs	Ireland	958,188	951,639
Korean International Cooperation Agency	Korea, People's Republic of	16,603	-
Norwegian Embassy Mozambique	Mozambique	-	72,483
Swedish International Development Cooperation Agency (SIDA)	Sweden	4,290,910	1,480,494
Embassy of Sweden, Kenya	Sweden	468,854	-
Ministry of Environment, Sweden	Sweden	91,316	-
SWISSAID	Switzerland	24,227	-
United States Department of Agriculture, Forest Service	USA	-	12,020
Amounts less than £10,000		1,120	-
Total government and government agencies		15,221,209	14,199,157

Trustees' report (continued)

		2018	2017
		£	£
International and multilateral agencies			
Asian Development Bank	Philippines	26,039	98,962
Commonwealth Scientific and Industrial Research Organisation (CSIRO)	Australia	-	14,000
European Commission	Belgium	1,018,656	593,063
International Fund for Agricultural Development (IFAD)	Italy	30,505	26,519
United Nations Development Fund (South Africa)	South Africa	208,266	135,048
United Nations Development Fund (Kyrgyzstan)	Kyrgyz Republic	60,279	21,228
United Nations Economic Commission for Africa	Ethiopia	10,126	66,335
United Nations Environment Programme (UNEP)	Thailand	126,287	255,431
United Nations Environment Programme (Kenya)	Kenya	23,238	-
United Nations Environment Programme (Bangladesh)	Bangladesh	14,397	-
UN Environment Programme WCMC	UK	154,069	-
United Nations Food and Agriculture Organisation (FAO)	Italy	236,474	107,830
United Nations Office for Project Services (UNOPS)	Denmark	108,763	18,584
World Bank	Malaysia	168,408	194,299
Amounts less than £10,000		1,102	25,245
Total international and multilateral agencies		2,186,609	1,556,544

		2018	2017
		£	£
Foundations and NGOs			
3IE International Initiative for Impact Evaluation	UK	-	18,060
Aecom	Ukraine	-	23,621
Acclimatise Group Ltd	UK	-	44,568
Ag Innovations Network (Sustainable Food Lab)	USA	-	40,557
Aidenvironment	Netherlands	-	4,276
American Jewish World Service	USA	250,303	290,143
Annenberg Foundation	USA	56,912	30,127
Arcus Foundation	USA	100,056	-
Binks Trust	UK	25,000	-
British Council	UK	-	38,059
Business for Social Responsibility	USA	15,000	-
ClimateWorks Foundation	USA	37,639	-
Conservation Through Public Health	Uganda	14,746	13,506
Ecosystems Service for Poverty Alleviation (ESPA)	UK	140,197	16,255
Economic and Social Research Council (ESRC)	UK	602,291	278,476
EvalPartners	UK	15,669	-
Eventbrite	UK	79,490	47,725
Ford Foundation	USA	170,661	-
Open Society Foundations	USA	23,340	74,176
Hivos	Netherlands	300,335	436,670
ICMM	UK	-	14,000
Institute for Essential Services Reform	Indonesia	20,017	-
IIED Afrique	Senegal	11,435	-
Institute of Development Studies (IDS)	UK	-	12,768
Institute of Geographical Sciences	China	21,863	-

Trustees' report (continued)

		2018	2017
		£	£
Foundations and NGOs			
International Development Research Centre (IDRC)	Canada	37,326	56,914
Int. Institute for Sustainable Development	Canada	63,202	-
International Livestock Research Institute	Kenya	28,222	11,594
International Union for Conservation of Nature	Switzerland	70,073	29,957
Kings College London	UK	73,690	60,994
Luc Hoffman Institute	Switzerland	90,800	-
Mava Foundation	Switzerland	432,790	528,986
The Mary Robinson Foundation	Ireland	-	10,000
Charles Stewart Mott Foundation	USA	106,491	-
Natural Environment Research Council	UK	21,620	-
Near East Foundation	USA	148,930	398,575
Netherlands Org for Scientific Research	Netherlands	10,000	-
New Venture Fund	USA	14,986	15,000
Overseas Development Institute	UK	47,001	119,093
Oxford Policy Management	UK	42,314	-
The David and Lucile Packard Foundations	USA	-	113,498
The Pew Charitable Trusts	UK	83,715	-
Red Cross Red Crescent Climate Centre	Netherlands	30,000	15,000
Rockefeller Foundation	USA	91,143	16,118
RSF Social Finance	USA	38,730	53,314
Said Business School	UK	-	37,500
The British Academy	UK	69,147	-
The Nature Conservancy	USA	49,388	-
The Tiffany and Co Foundation	USA	106,427	119,227
Tufts University	USA	26,615	-
University of Copenhagen	Denmark	-	25,166
University of Edinburgh	UK	26,139	59,786
University of York	UK	-	26,462
University of Liverpool	UK	22,249	-
University of Southampton	UK	20,000	12,918
University of Evora	Portugal	-	63,799
University of Oxford	UK	20,423	16,660
University of Sussex	UK	21,186	-
Wallace Global Fund	USA	26,576	-
Wellspring Philanthropic Fund	USA	76,061	-
World Conservation Monitoring Centre	UK	45,000	25
World Resources Institute (WRI)	USA	93,565	92,737
Worldwide Fund for Nature (WWF)	UK/Switzerland	-	70,183
WYG International Ltd	UK	138,355	180,487
Other amounts less than £10,000		156,136	93,891
Total foundations and NGOs		4,213,253	3,610,871

Trustees' report (continued)

		2018	2017
		£	£
Corporate			
Adam Smith International	UK	21,685	20,240
Landell Mills Ltd	UK	57,748	9,750
Palladium International Limited	UK	-	13,930
Sage Publications Ltd	UK	10,000	-
Total corporate		89,433	43,920

13. Payments to Collaborating Organisations

		2018
		£
Payments to Organisations		
Hakikazi Catalyst	Tanzania	1,325,833
Christian Aid	Kenya	323,199
Centre pour L'environnement	Cameroon	303,066
International Union for Conservation of Nature and Natural Resources (IUCN)	Switzerland	241,090
Forest Peoples Programme	UK	226,012
WWF - International	Switzerland	211,312
Fern	UK	208,077
International Rescue Committee	UK	195,569
Arid Lands Development Focus	Kenya	194,929
University of Southampton	UK	183,216
CIFOR	Indonesia	155,411
Reseau de Ressources Naturelle	Congo	111,315
Client Earth	UK	108,325
Rainforest Foundation (UK)	UK	108,205
Caribbean Natural Resources Institute	Trinidad And Tobago	97,398
Economic Policy and Competitiveness Research Centre	Mongolia	96,190
Development Alternatives	India	93,290
ACODE	Uganda	86,831
Tropenbos	Congo	86,212
African Centre for a Green Economy (Africege)	South Africa	86,194
Inades-Formation	Cameroon	85,614
IED Afrique	Senegal	84,414
IRDC - Institute for Development and Planning	Tanzania	79,184
RELUFA	Cameroon	77,598
Terra Firma	Mozambique	76,576
Tanzania Natural Resource Forum	Chile	75,000
ANDES	Peru	74,377
IRAM	France	70,311
ZACCA - Zanzibar Civil Society Alliance on Climate Change	Tanzania	70,000
Environment and Climate Research Center at the ETH	Ethiopia	69,406
Global Environmental Institute	China	69,172
Hunan Hui Yi International Travel Service Co Ltd	China	68,446
Copperbelt University	Zambia	66,065
University of Ghana	Ghana	64,201
Regional Universities Forum for Capacity Building	Uganda	56,063
Well Grounded	UK	53,735
Trade and Industry Policy Strategies (TIPS)	South Africa	52,631
Independent University Bangladesh	Bangladesh	51,276

Trustees' report (continued)

		2018
		£
Payments to Organisations		
International Center for Living Aquatic Resources Management	Malaysia	51,214
Foro Nacional Internacional (FNI)	Peru	48,239
Libelula Institute for Global Change	Peru	47,882
Asian Coalition for Housing	Thailand	44,520
The Chinese Academy of Forestry	China	44,187
Oxford Climate Policy	UK	34,900
Responsible Tourism Partnership	UK	32,960
HakiMadini	Kenya	30,900
TAWLA	Tanzania	30,793
Alejandro Argumedo	Peru	29,666
Resource Advocacy Program	Kenya	27,000
Oxfam Novib	Uganda	26,202
African Population and Health Research Center	Kenya	24,879
Coventry University	UK	24,546
WomanKind - Kenya	Kenya	24,226
Bwindi Mgahinga Conservation Trust (BMCT)	Uganda	23,120
Groupe Urgence Rehabilitation Developpement	France	21,076
Institute for Sustainable Futures	Australia	20,898
Lok Chetna Manch (LCM)	India	20,326
Cardiff University	UK	19,549
Netright	Ghana	19,246
O.P. Jindal Global University	India	18,527
Wildlife Conservation Society	USA	16,467
Ceres Centre, Pontificia Unive	Chile	15,000
Makarere University	Uganda	14,747
University of East Anglia	UK	14,585
Echnoserve Consulting PLC	Ethiopia	13,906
Earth Observatory of Singapore	Singapore	13,870
Practical Action Consulting West Africa	Senegal	13,357
Indaba Agricultural Policy Research Institute	Zambia	12,824
Land Empowerment Animals People	USA	12,529
Groundswell International Inc	USA	12,440
Center for Indigenous Knowledge and Organizational Development	Ghana	12,281
Terre Des Hommes	Switzerland	10,000
Village Enterprise Fund (aka Village Enterprise)	USA	10,000
Environmental Conservation Trust of Uganda (Ecotrust)	Uganda	15,000
Agricultural Economics, Policy Research and Information Centre	Zimbabwe	14,602
Catholic Relief Services	Senegal	13,889
TAWLA	Tanzania	12,745
Echnoserve Consulting PLC	Ethiopia	12,670
Groundswell International Inc	USA	12,286
Social Development Direct	UK	12,000
United Nations Human Settlements Programme (UNHabitat) Lebanon	Lebanon	12,000
Somos del Sur	Republic of Ecuador	11,444
ORAM	Mozambique	11,270
ICLEI South Asia	India	10,506
Shack Dwellers International	South Africa	10,000
United Kingdom Meteorological Office	UK	10,000
Payments less than £10,000		23,283
Total Payments		6,704,301