



**ENVIRONMENTAL FOUNDATION OF JAMAICA**

*Preserving the future...today!*



**2012-2013 ANNUAL REPORT**

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**2012-2013 ANNUAL REPORT**



**Mission Statement**

The mission of The Environmental Foundation of Jamaica (EFJ) is to serve the public good by promoting and implementing activities designed to conserve and manage the natural resources and environment of Jamaica in the interest of sustainable development and to improve child survival and child development.

**Vision**

The EFJ will be a national leader in the Child Development and Environment sectors by the year 2012, with effective partnerships to ensure sustainable development in the programmes, policies and practices of the public sector, private sector and civil society.

**Core Values**

- Good governance that dictates transparency of process and accountability.
- Supporting partnerships and development initiatives consistent with our mission.
- Respecting the value of initiatives coming from the public and private sectors and channeling this interest into partnerships with community groups and other organizations of civil society.
- Developing and maintaining relationships that are consistently ethical while being effective and efficient in doing the organization's business with members, clients and staff.
- Non-discrimination in relation to gender, race, creed and age.

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**BOARD MEMBERS**



**Prof. Dale Webber**  
Chairman  
NGO Representative



**Mr. Stephen Hodges**  
Vice Chairman/ Chair Grant  
Mgt. Committee  
NGO Representative



**Mr. Richard Troupe**  
Secretary/Chair Membership  
Committee  
NGO Representative



**Mr. Albert Walker**  
Treasurer/Chair Finance  
Committee  
NGO Representative



**Mr. Peter Knight**  
Government of Jamaica  
Representative



**Ms. Denise Herbol**  
Government of United States of  
America Representative



**Mrs. Suzanne Ffolkes Goldson**  
University of the West Indies  
Representative



**Mr. Ceibert Hines**  
Child Survival Director  
NGO Representative



**Dr. David Smith**  
NGO Representative

INCEPTION BOARD NOMINEES



**Ms. Marilyn Headley**  
Government of Jamaica  
Permanent Member



**Ms. Denise Herbol**  
Government of United States of America  
Permanent Member



**Ms. Donna Blake**  
The Nature Conservancy  
Permanent Member



**Dr. Alwin Hales**  
Government of Jamaica  
Institutional Representative



**Mrs. Eleanor Jones**  
Term Member



**Mr. Robert Stephens**  
Term Member



**Dr. Michael Witter**  
Term Member



**Prof. Dale Webber**  
Term Member



**Dr. David Smith**  
Term Member



**Mr. Ian Watson**  
Term Member

**To Be Named**  
Term (Child Representative) Member

**EFJ MEMBERS OF STAFF**



**Front Row L – R Paulette Westcarr, Marcia Dolphy, Karen McDonald Gayle, Audrey Kirkland,  
Back Row – L-R – Leonard Reid, David Beckford, Sydonnie Rothery Barrington Lewis, Charmaine Webber,**

**Executive Office**

Mrs. Karen McDonald Gayle	Chief Executive Officer
Ms. Sydonnie Rothery	Executive Secretary

**Finance Department**

Mr. Barrington Lewis	Finance & Administration Manager
Mrs. Marcia Dolphy	Coordinator, Accounting Services

**Human Resources and Administration**

Ms. Audrey Kirkland	Receptionist
Ms. Paulette Westcarr	Office Attendant
Mr. David Beckford	Messenger
Mr. Leonard Reid	Gardener

**Programme Department**

Mrs. Karen McDonald-Gayle	Chief Executive Officer / Programme Manager
Ms. Charmaine Webber	Coordinator, Child Sector Programme

<b>ORGANISATIONAL ARRANGEMENTS</b>
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**Attorneys**

Myers, Fletcher & Gordon  
Park Place  
21 East Street  
Kingston

**Auditors**

PricewaterhouseCoopers  
Scotia Bank Centre  
Corner of Duke & Port Royal Streets  
Kingston

**Commercial Bankers**

National Commercial Bank Jamaica Limited  
Private Banking Branch  
The Atrium  
32 Trafalgar Road  
Kingston 10

**Investment Managers**

BPM Financials Limited  
First Global Financial Services Limited  
National Commercial Bank Jamaica Limited  
Scotia Investments Jamaica Limited

**Endowment Fund Trustees**

Prof. Susan Walker- Chair  
Mrs. Jeanne Robinson, O.D.  
Mr. Earl Jarrett, C.D.  
Prof. Elsa Leo-Rhynie, C.D.  
Chairman, EFJ Board (Prof. Dale Webber)  
Secretary, EFJ Board (Mr. Richard Troupe)

## CHAIRMAN'S MESSAGE

The Environmental Foundation of Jamaica is one of the oldest Conservation Trust Funds in Jamaica, and also in the Caribbean. The 2012-2013 year has been another year of development and growth where we have learnt to appreciate that fact even more. The Foundation's Board, Inception Board and Staff continued the process and transition of consolidation with the Forest Conservation Fund (FCF), and while the timeline has been longer than we anticipated, it is but a fraction of the life of the EFJ and a critical moment to pause and reflect.

While the consolidation process continues toward signing, the Foundation team - which now very much includes our FCF colleagues - has begun to prepare for the new EFJ, which will be focussed on more targeted environmental management in Jamaica and fundraising for the endowment trust fund as well as other conservation and child development causes for our country.

In 2012-13, the EFJ continued to work on the sub-grants of the Inter American Foundation (IAF) and began their wind-up. These projects, which were joint EFJ/IAF funded efforts once again demonstrated the value of EFJ grants in making changes in Jamaican communities. Approximately 7000 persons in 9 communities have been impacted from the establishment of water harvesting systems. Some farmers have come to realize and feel the effects of climate change due to the irregular rain fall patterns and see the water harvesting ponds as a way to combat climate change. These projects have enhanced the lives of over 130,000 persons, males and females who depend on farming for their livelihoods. Some of the areas which are usually accustomed to regular rainfall during the year are now experiencing dry periods and long periods of drought. With the establishment of water harvesting systems the farmers are able to plan more precisely the crops that can be planted in the dry seasons which requires little irrigating. In addition, based on this and other work that has been led by the EFJ, the Government of Jamaica is now working on making rainwater harvesting systems mandatory throughout the most vulnerable areas in Jamaica.

During the review period we also began to spread our reach in terms of writing proposals and seeking funding and we were successful in 3 of 6 major proposals prepared, receiving funds from the Caribbean Ecosystem Partnership Fund (CEPF) and from the USAID Global Project, entitled "Analysis and Investment for Low-Emission Growth (AILEG) Project".

We are also proud to have continued many of our traditional roles in the Environment and Child sectors in Jamaica, including hosting our Annual Public Lecture in November 2012 which focused on raising a Child with Disabilities in Jamaica and hosting the Earth Day Expo in April 2013 at the Hope Zoo, with support from sponsors such as LIME and the Petroleum Corporation of Jamaica (PCJ), as well as support to the Jamaica Environment Trust's Jamaica Environmental Action Awards (JEAA) and the Council of Voluntary Social Services Sports Day.

I am please to have been allowed to be Chairman of the EFJ which is a team of persons that continue to ensure that that the organisation performs at its best, even when there is a need to consolidate and reflect. I want to recognise the 3 boards currently supporting the Foundation and the consolidation: (i) the EFJ Board that was elected by EFJ members in 2010,

(ii) the Inception Board members who represent the Parties to the new consolidated entity, and (iii) the EFJ Board of Trustees who for 2012-13 provided monetary support to the EFJ staff and operations. Finally, the biggest thanks must go to the team that lives the EFJ life daily with all its hills and valleys - the staff of the EFJ led by a formidable management team that anticipated the every move of the Boards and numerous directors that they served. You have all weathered a unique period in the Foundation's history and we are grateful for your loyalty and dedication to the organisation. Our success is due in no small way to your success and I laud your contributions.



**Prof. Dale Webber**  
CHAIRMAN

**SECRETARIAT REPORT**

During the 2012-13 period, the Environmental Foundation of Jamaica did not award any new grants and the Grant Management Committee did not meet. The EFJ Team continued to the management process if monitoring, evaluating and closing-out active EFJ grants.

Below are the highlights for the period which was presented to the US Congress in February 2014.

**MAJOR ACHIEVEMENTS**

**Thematic Area: Water Harvesting/Community Water Systems**

EFJ's focus on water harvesting and storage over the last financial year has resulted in improvements in small community water systems for both agricultural and domestic use.

In the community of Aboukir, St. Ann, the Aboukir Dynamic 4H Youth Club benefited from EFJ support for the establishment of a water harvesting system to support their greenhouse agriculture. They are presently working with the Rural Agricultural Development Association (RADA) for the marketing of the produce from the greenhouse. The Club has 30 participants actively involved in the project in addition to members of the Aboukir Primary School.



This project has been successfully completed with the construction of the pond, installation of the pond liner and fencing of the area. The pump house and store room is also in place.

**A total of 30 persons have been impacted directly (20 males and 10 females); while 169 children from the Aboukir Primary School and 1500 residents from the community have been indirectly impacted.**

The area

was identified by the Planning Institute of Jamaica as particularly vulnerable with higher than average poverty levels and until now had to purchase trucked water in their remote location.



**Photo 1:** Completed fenced water harvesting pond with pond liner. **Photo 2:** Students of the Aboukir Primary School who are also members of the School's Garden Club.



**Photo 3:** Members of the Aboukir Dynamic 4H Youth Club with representatives from the Environmental Foundation of Jamaica and Inter American Foundation at the Club's mesh house. **Photo 4:** Members of the Club in the Greenhouse.

The **Old England Jamaica Agricultural Society** is comprised of 700 farmers. The EFJ provided support to the group to establish rain water harvesting ponds to improve the reliability of their irrigation water supply. The ponds will ensure an all year supply of water for the farmers' crops. The project has **improved the yield and earnings of over 100 small farmers.**



**Photos: 1 & 2 - Completed fenced pond with liner at Old England.**



**Photo3:** A member of the Old England Jamaica Agricultural Society preparing tomatoes from the greenhouse for marketing. **Photo4:** Tomatoes in the Greenhouse.

**Thematic Area: Disaster Risk Reduction**

**Youth Opportunities Unlimited** under the project entitled **YOUth Taking Charge: Disaster Risk Reduction** has conducted 12 awareness sessions to 103 participants (45 males and 58 females) as well as training sessions in CPR and First Aid Training. Disaster Response Groups were formed and thirty (30) youths will be trained by the Jamaica Fire Brigade in disaster cluster rescue techniques. The groups has been engaged in tree planting activities in collaboration with the Forestry Department and will be collaborating with the University of the West Indies to undertake planting of 100 mangroves in coastal areas.

It is expected that over 250 seedlings and 100 mangroves will be planted. At the end of the project, in addition to improved hillside and seashore protection from the replanting, the participants will be better prepared for the next storm surge event, which is inevitable for the area.



*Photos 1 & 2: Tree planting activities with boys and girls participating in the project.  
Photos 3 & 4 – Youths preparing the ground for planting of trees at the project site in St. Andrew.*

### **Thematic Area: Collection Processing – Recycling**

The **Hear the Children’s Cry Committee (HTCC)** was established in November 2002 as an umbrella group of organizations providing services for children and young people. HTCC is one of Jamaica’s leading advocates for youth issues and in particular missing persons.

This project, under the HTCC’s National Youth Help Recycling Project (NYHRP) is centered on the collection of paper and paper related products, by acquiring critical pieces of equipment that will allow them to add more value into the recycling operation and thereby receive greater resources which will significantly increase the sustainability and expansion of the project. This will be achieved by the acquisition of a paper baler (compactor) and plastic skips. The NYHR would want to have a minimum of 66 tons (the equivalent of 3 – 40 containers) per month of paper to export.

To date, the NGO has been able to continue its work with Inner City Youth (up to 15 boys to date) who are employed to the project as collectors and Missing Children in Jamaica through successful investment and projects such as this. HTCC targeted 28 High schools with a total population of at least **36,400 students who have participated in the recycling project**. Each received a skip for paper collection and after the collapse of the plastic collection operator in the city, the NGO stepped in to also collect plastic bottles. In addition, **approximately 13,000 college-level students** at the University of Technology and the Shortwood Teachers College were given lessons in recycling as they also received skips.



***Photo 1:** EFJ representatives, Chief Executive Officer, Mrs. Karen McDonald Gayle show- casing the recycle bin at the launch of the National Youth Help Recycling project at the University of Technology, Jamaica. **Photo 2:** The truck affixed with EFJ’s logo being operated by Hear The Children’s Cry for collection of paper and plastic. **Photo 3:** Youths involved in the project doing the weekly collection of paper for recycling.*

### **Thematic Area: Public Education on Eco System Management**

The mandate of the **Portland Environment Protection Association** is to promote the sustainable use of natural resources and the strategy they have employed continuously with a great deal of success is to increase environmental awareness to promote action to protect the environment.

The Lionfish is not native to the Caribbean region and is believed to have been introduced to the Caribbean as a result of damage to an aquarium in Florida in the early 1990's after Hurricane Andrew. Since then the population has grown alarmingly since it has few natural predators in our local waters and venomous spines, making fishermen reluctant to catch the fish. PEPA is currently partnering with the Discovery Bay Marine Lab to control and manage the spread of the Lionfish. The project aimed at supporting work in mapping the island-wide distribution of the species; determining prey preference; developing a passive trapping mechanism; and public education and training. Portland is one of six pilot sites.

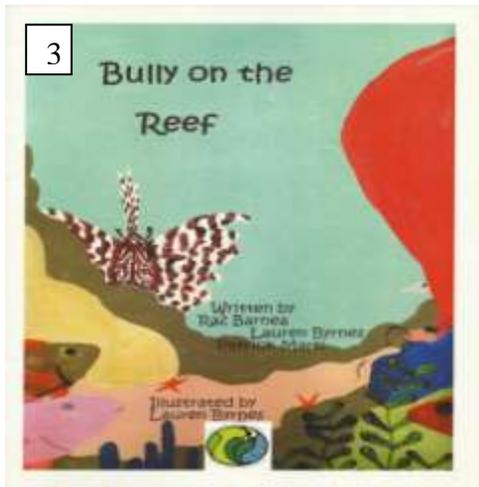
#### Project Achievements

- 8 LionFish workshops with 236 participants -143 males and 93 females - were held in fisher communities;
- 250 copies of the Lion Fish publication has been disseminated;
- A Lionfish derby to encourage Lionfish capture was held in July with 6 fishermen participating;
- A total of **7 lionfish survey dives were conducted and 49 lion fish were collected**. Gut samples of the fish were sent to the Discovery Bay Marine laboratory;
- An Essay competition was held with 27 students from 12 schools participating;
- A KAP survey report on the Lion fish Awareness and Promotion has been completed and will inform future community-based interventions on Lionfish.



**Photo 1:** The winner of the Lion fish derby showing off his catch of lion fish.

**Photo2:** The winner of the Lion fish derby being presented with his gift by a representative of the Portland Environment and Protection Association.



*Photo 3: The publication entitled “Bully on the Reef” which was funded by the EFJ and produced by the Portland Environment and Protection Association. Photo 4: The Chief Executive Officer of the Portland Environment and Protection Association, explaining the handling of the lion fish to a Government official.*

### **Clarendon Parish Development Committee: “Construction of Water Harvesting Infrastructure and Improving the Community's Adaptive Capacity to Natural Hazards”**

The farming community of Pleasant Valley and Mocho in Clarendon benefitted from the rehabilitation of the water catchment area and the installation of an earth pond for water harvesting. The project has directly impacted **15 persons** - 8 males and 7 females and has indirectly impacted the farming community of **1500 residents**. This project allowed for the irrigation of mined-out lands thereby enhancing the community’s capacity to cope with the Natural Hazard of Drought and adapt to climate change. The project has been successfully completed and was officially handed over to the residents on November 6, 2013, with the Minister of Water, Land, Environment and Climate Change being the Keynote Speaker.



*Photo1: Clarendon PDC Benevolent Society Committee members. Photo2: Pleasant Valley Solar Panels for Catchment area.*



**Photo 3:** Solar panels and earthen water harvesting pond at the Mocho Clarendon location. **Photo 4:** Minister of Water, Land, Environment and Climate Change Hon. Robert Pickersgill, at the handing over of the Project.

The **Security and Upliftment Association of Dawkins and surrounding Communities** embarked on a water harvesting pond for the irrigation of crops in the farming communities. The pond is completed with the installation of the pond liner. The pond has a capacity of 3.3 million gallons of water and will serve the 15 farmers (12 males and 3 females) in the area. It will also impact 2000 residents in the community of Dawkins in Mocho Clarendon. Through co-funding arrangement with UNDP/SGP the project will install solar panels and pumps to channel water to the farmers who were trying to rehabilitate bauxite-mined lands but were experiencing extreme drought conditions.



**Photo1 & 2:** Water harvesting pond at Dawkins community in Mocho, Clarendon.

Thanks to the EFJ, the **Sunbeam Children’s Home** now has a biodigester that provides an alternative source of fuel as well as eliminates the smell of the pig waste. The project has to date completed the installation of the gas pipe line from the biodigester which has been connected to a two-burner stove in the kitchen. Five pigs have been acquired so far, and that number is expected to grow. Three of the wards (boys) have been trained in daily care of the pigs and it is expected that more boys will be exposed to the training. The project will impact **at least 40 persons including wards and staff of the home.**

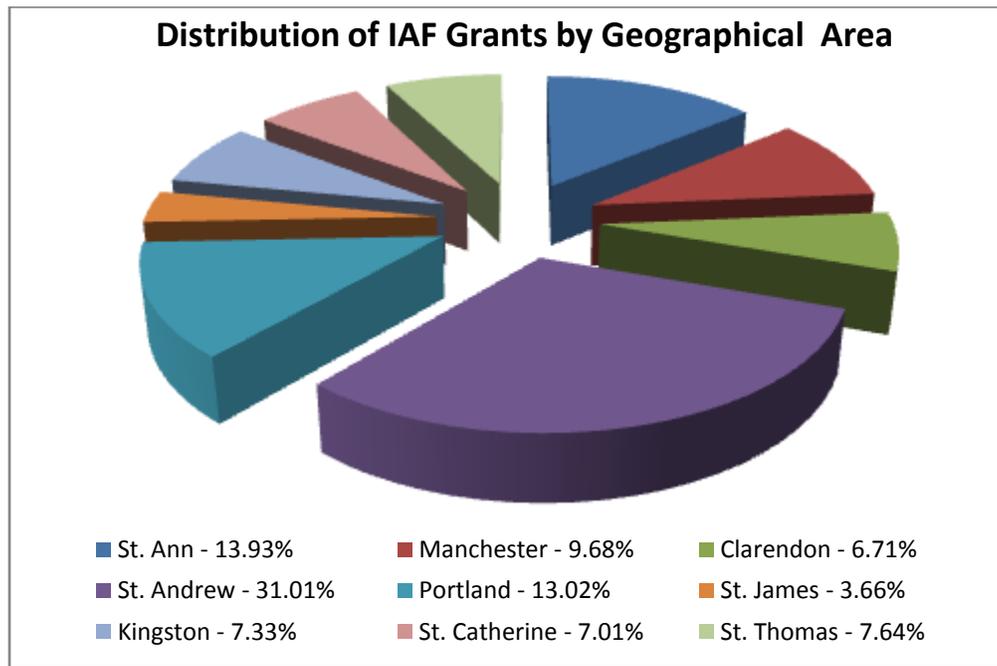


**Photo 1:** Biodigester chamber at the Sunbeam Children’s Home. **Photo 2:** Demonstration of biogas system. **Photo 3:** Biogas being used to generate bio fuel in the kitchen at the Children’s Home.

**PARTNERSHIPS AND LEVERAGED EAI RESOURCES**

**The Inter American Foundation (IAF)**

The EFJ and the IAF collaborated on co-funding grants under the " Leveraging Opportunities for Sustainable Livelihoods" project from 2012 to present. Over the period, 2 Calls for Proposals and 19 grants were awarded to groups in 9 of Jamaica's 14 parishes (see graph below).



**Impact:**

Up to October 2013, the **EFJ-IAF partnership had achieved some key results.** See table below:

<b>Indicator</b>	<b>Measurement</b>	<b>Result</b>
Persons who benefited <i>directly</i> from the project	people	4,244
Persons who benefited <i>indirectly</i> from the project	people	16,936
Persons trained	people	256 men 316 women
Applied knowledge from training	people	162 men 140 women
Public Events	number	14
Cash received from other funder	US\$	298,910*
Value of in-kind received for project (grantees or other)	US\$	38,770*

\*rounded to nearest \$10



*Photos 1 & 2: IAF Representative on Impact Verification visits with EFJ/IAF sub-grantees*



**EFJ SUMMARY DATA (US\$)<sup>1</sup>**

<b>Fund Data</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>Total</b>
				<b>1993-2013</b>
No. of proposals submitted	78	40	0	3,521
No. of proposals approved	24	15	0	1,253
Total approved funding for grants *	\$ 725,883.00	\$ 447,360.00	\$ 153,094.70	\$42,687,857.70
Total of counterpart match (grantee cost-share)	\$ 419,545.00	\$ 156,222.00	\$ -	\$38,953,505.00
Other leveraged matches(e.g. co-financing)	\$ 416,639.00	\$ 312,306.00	\$ -	n/a
Total matching funds as % of approved	115%	105%	0%	n/a
Amount spent on administrative costs	\$ 467,581.00	\$ 504,966.00	\$ 289,980.18	\$13,521,798.18
Interest and capital gained on investments	\$ 345,562.00	\$ 59,051.00	\$ 22,000.33	\$16,963,042.33
Fund balance at the end of the year	\$ 3,121,564.00	\$ 1,948,574.00	\$ 1,374,290.79	n/a

**Total Funding Amounts for the Environmental Foundation of Jamaica**  
*under the Enterprise for the Americas Initiative*  
**1993-2013**

<b>No. of proposals submitted</b>	3,521
<b>No. of proposals approved</b>	1,253
<b>Total approved funding for grants</b>	US \$42,687,857.70
<b>Total of counterpart match (grantee cost-share)</b>	US \$38,953,505.00
<b>Amount spent on administrative costs</b>	US \$13,521,798.18
<b>Interest and capital gained on investments</b>	US \$16,963,042.33

**HUMAN RESOURCES AND COMPLIANCE REPORT**

**Staff Changes**

The EFJ remained under the constraints of the transition process throughout the year in review. As a result, a 2nd staff rationalisation exercise to the one undertaken in July 2012 was conducted and one (1) additional EFJ staff member was made redundant in March 2013.

**Compliance Issues**

The EFJ continues to be in full compliance with established standards. For the fiscal year 2012-2013, all statutory payments were made in full and on time. Procurement procedures were also strictly adhered to.

<sup>1</sup> Average rates of exchange: J\$85.675 : US\$1.00 (2011) US\$1.00; J\$89.08 (2012) US\$1.00; J\$101.3621 (2013)

EFJ HIGHLIGHTS 2012-13: 8TH ANNUAL PUBLIC LECTURE

The 8th Annual Public Lecture hosted by the Environmental Foundation of Jamaica (EFJ) was held on November 1, 2012 at the Emancipation Park. In *recognition of Jamaica 50* and the start of Parent and Youth Month, the question to be answered at the lecture was “Raising a Jamaican Child With Disabilities: 50 Years of Progress?”.



*The event brought together* parents, advocates, and leaders in Jamaica’s disability sector to discuss, and educate the Public on their work and achievements. This was done in both the lecture and a mini expo that showcased 14 practitioners, who were all grant beneficiaries of the EFJ.

The day, which culminated with the Public Lecture, saw the Minister of Education, Hon. Ronald Thwaites in attendance. In delivering his greetings to the audience he not only revealed his empathy and connectivity to the sector, but also assured the audience of his commitment to ensure that the issue of identification, care and management of Jamaican children with Special Needs is addressed by his Ministry. The Minister also announced a collaborative effort between the Ministry of Education and the Jamaica Teacher’s Association to support a JTA pilot project to upgrade 50 existing teachers with Advanced Professional Certificates specifically in the areas of Assessment and Special Needs Education.



*Papers prepared for the* EFJ on the issue were *then presented*. *The first* paper was prepared by Dr. Marigold “Molly” *Thorburn* and presented by the EFJ’s *Chief Executive Officer*, Karen McDonald Gayle. It gave background on Dr. *Thorborn’s past research* on the perception and *treatment of children* with disabilities in Jamaica and the advantages of the Community Based Rehabilitation method that she helped to establish in Jamaica. Dr. Polly Bowes-Howell then presented on the current situation in the regular and special education institutions in Jamaica and highlighted the need for Jamaica to move, in her opinion, from a B- for our first 50 years, to an A+ in time for 2030 (Vision 2030 for Jamaica). The event ended with a public session which involved an expert panel that included Senator Floyd Morris (UWI Centre for Disabilities), Ms. *Joyce Brown* (Jamaica Early Stimulation Programme) and Ms. *Christine Hendricks* (Jamaica Council for Person *with Disabilities*) as well as Dr Bowes-Howell. The *group fielded questions* and concerns from some of the over 200 members of the public in attendance.

The event was broadcasted live on radio and further *broadcasts will be available on local and social media* to ensure that the Jamaican *Public can access the* information presented. *Highlights* of the papers are given below and the entire paper is available in hard copy from the offices of the Environmental Foundation of Jamaica, or online at [www.efj.org.jm](http://www.efj.org.jm).

**EFJ HIGHLIGHTS 2012-13: 4TH ANNUAL EFJ EARTH DAY EXPO**

The fourth staging of the Earth Day Expo was again held at the Hope Zoo and was a great success! The expo continues to grow annually, with a lot of effort particularly from our students, as they explore ideas relating to how they can help protect the Earth.

This year, there were in excess of 1600 students and their teachers in attendance along with a number of other members of the public. This represents an approximately 30% increase in participation over the previous year and 400% increase since the start of the expo. It is our view that the event will continue growing as the event attracts more interest from our schools and students. Sponsors included LIME, and the Petroleum Corporation of Jamaica.



**EFJ BOARD OF TRUSTEES FINANCIAL REPORT**

**Report for the period August 2012 to July 2013**

**Source of Funds:**

The EFJ Endowment Trust was seeded with an amount of J\$85,000,000.00 by way of transfers from the Environmental Foundation of Jamaica. The amounts were received as follows:

From PL480 funds	- \$62,875,301.81
From AID DEBT Funds	- \$22,124,698.19

Thus, 74% of the endowment is from PL480 funds and the remaining 26% from AID DEBT funds.

**Investments**

The Trust initially accepted the investment policy document in place at the EFJ (a 2001 policy document), but given the changes in the financial climate, especially as a result of the first Jamaica Debt Exchange (JDX) a review was done and a few policy changes were suggested. The second debt exchange (NDX) during this reporting period also resulted in a fall out for the Trust.

Investment income earned during the fiscal year totalled \$7.21 million, however, this was reduced by \$3.45 million after the NDX due to an unrealized loss provision on the GOJ bonds held. Net Investment income was therefore \$3.76 million.

At the close of the financial year the value of the investments held by the Endowment Trust was \$81,408,039.89 which comprised:

- GOJ Bonds (face value)	-	\$21,865,000.00 and
- Repurchase agreements (repos)	-	\$59,543,039.89

A long term note receivable of \$8.42 million was the other asset on record for the Trust.

**Long term note receivable to Environmental Foundation of Jamaica**

A decision was taken during the 2012/2013 financial year that the Trust would offer support to the EFJ's operations. The amount, based on the 2013 – 2015 EFJ's Strategic Action Plan, was agreed at \$20,531,650.00. This was to be treated as a long term note receivable. A total of \$8,423,963.00 has been paid over as at July 2013. The balance of \$12,107,687.00 will be paid over in the new financial year.

To comply with the arrangements for this budgetary support the EFJ's Board should submit a report to the Trust on the activities undertaken during each quarter.

<b>EFJ FINANCE REPORT</b>
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The Financial year 2012/2013 signalled a turning point in the existence of the 20 year old Environmental Foundation of Jamaica (EFJ). Significantly, it meant that it was the last period in which the Foundation would receive a scheduled payment under the Enterprise of the Americas Initiative Agreement and even more importantly major challenges would be faced in funding its administrative costs.

The latter was to be done contingent upon the new Strategic Action Plan (SAP) of the EFJ. This SAP was built on three (3) pillars; fundraising, strengthening the capacity of members and reorganizing of operations to facilitate the consolidation with the Forest Conservation Fund (FCF) and the efficient running of the Foundation. Buying into the plan by **all** stakeholders was key. The Inception Board (comprising selected members of the organisations involved in the consolidation) was critical, so too was the Board of Trustees of the EFJ Endowment Trust.

In April 2013, the EFJ Endowment Trust consented to give budgetary support to the EFJ by agreeing to lend the EFJ (through a long term note) approximately \$20.53M over the period April 2013 to March 2014. This budgetary support was contingent on the EFJ meeting targets set out in the SAP. Based on the time frame of the loan, a majority of the amount will flow over into the ensuing financial year 2013/2014.

#### **Investment Portfolio and Investment Income**

With the merger with JPAT/FCF not yet finalized and no other significant source of funding secured, the EFJ continued to draw down from its pool of investments. These facts also led to our Auditors in their “Independent Auditors’ Report”<sup>2</sup> including a paragraph on the “going concern” of the EFJ. The EFJ, however, is very hopeful that the merger will conclude in the 2013/2014 financial year as all the major points to be handled have been material settled in this current financial year.

Given the foregoing, the EFJ’s investment portfolio which was \$58.24 million at the start of the financial year was reduced to approximately \$27.66 million at the fiscal year end; a total reduction of \$30.58 million. Investment income was J\$2.23 million, lower than the prior year, directly as a result of the falling investments (\$5.26 was the prior year comparative). Outside of the investment income, inflows from the Government of Jamaica (under the terminated debt swap) were \$1.37 million in AID Debt fund payments. Gains on our foreign exchange accounts were \$0.30 million and gains on the disposal of “Available-for-sale” investments totaled \$0.65 million.

Total outflows from the America’s Fund were J\$43.82 million and comprised Grant disbursements of \$15.52 million, investment advisors fees of \$0.26 million and transfers to the administration account of \$27.81million.

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<sup>2</sup> previously circulated

### Allocation among approved Investment Firms

	<b>Balance 31 July 2013</b>	<b>%age of Total</b>	<b>Balance 31 July 2012</b>	<b>%age of Total</b>
Barita Portfolio Management Ltd.	27,049,000.00	97.78%	25,460,000.00	43.72%
Scotia Investments	19,000.00	0.00%	11,289,000.00	19.38%
National Commercial Bank	596,000.00	0.22%	14,535,000.00	24.96%
First Global Financial Services	0.00		6,953,000.00	11.94%
	27,664,000.00		58,237,000.00	

### Asset Allocation

	<b>Balance 31 July 2013</b>	<b>%age of Total</b>	<b>Balance 31 July 2012</b>	<b>%age of Total</b>
GOJ Secured Fixed Income	10,479,000.00	37.88%	44,249,000.00	75.98%
Quoted Equity *	15,447,000.00	55.84%	13,988,000.00	24.02%
Repurchase agreements	1,738,000.00	6.28%		
	27,664,000.00		58,237,000.00	

\* The Foundation has investments in Blue chip securities listed on the Jamaica Stock Exchange

### Grant Disbursements

Grant disbursements totaled \$15.52 million. Of the total disbursement \$15.90 million was for PL480 grants and \$0.38 million was returned (unspent) funds to the Foundation from prior AID Debt grants. PL480 grants awarded during the financial year were primarily the co-funded grants with the InterAmerican Foundation .

The EFJ Board took a decision to revert the principal of \$5.00 million that was held for the Northern Jamaica Conservation Authority (NJCA) to set up an endowment fund back to the general pool of PL480 funds. This will be used to award grants in the ensuing financial year. It is to be noted that the interest earned on this amount of \$5.00 million is still available for use by NJCA upon presentation of the appropriate expense reports.

All the funds held in the investment accounts of the EFJ are to be used for committed or continuing grants and will be disbursed in the next financial year.

### **Administrative Expenses**

Administrative expenses totalled J\$29.39M or 189% of grant disbursements. This compares with Administrative Expenses for the prior year of \$44.98M (which included costs of approximately \$5.63 million for redundancy as well as engaged the services of a Human Resources consultant as well as a fundraising specialist). Having reduced the staff complement at the end of the prior financial year the administrative expenses were kept at the absolute minimum required to carry on the activities of the Foundation.

### **Summary of Inflows under the Enterprise for the Americas Initiative Agreement (EAI)**

US\$15,243.00 was received in Aid Debt Inflows as the FINAL payment under the EAI on September 28, 2012. Therefore, the full amount of US\$9,197,708.00 (PL480 – total scheduled payments completed in Sept. 2001) and US\$12,292,036.00 (AID DEBT – total scheduled payments completed on September 28, 2012) has been received.

<b>EFJ MEMBERS</b>
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1. *3D Projects*
2. *Association of Community Based Organizations*
3. *Association of Development Agencies*
4. *BirdLife Jamaica*
5. *Buff Bay Local Forest Management Committee*
6. *Caribbean Coastal Area Management*
7. *The Council for Voluntary Social Services*
8. *Dolphin Head Local Forest Management Committee*
9. *Hope for Children Development Company*
10. *Jamaican Association for the Deaf*
11. *Jamaica Association on Intellectual Disability*
12. *Jamaica Baptist Women's Federation*
13. *Jamaica Cancer Society*
14. *Jamaica Conservation and Development Trust*
15. *Jamaica Environment Trust*
16. *Jamaica Family Planning Association*
17. *Jamaica Institute of Environmental Professionals*
18. *Jamaica Organic Agricultural Movement*
19. *Jamaica Save the Children*
20. *Jamaica Society for the Blind*
21. *Local Initiative Facility for the Environment*
22. *Northern Rio Minho Local Forest Management Committee*
23. *Portland Environmental Protection Association*
24. *Professional Development Institute (Girl's Town)*
25. *S-Corner Clinic*
26. *Women's Outreach Centre Limited*