



*Environmental Foundation
of Jamaica*

Preserving the Future... Today!

ANNUAL REPORT

20 20





*Environmental Foundation
of Jamaica*

Preserving the Future... Today!

Mission Statement

The mission of the Environmental Foundation of Jamaica (EFJ) is to be a major funder of environmental protection and child survival initiatives in the interest of sustainable development.

Vision

To be the regional leader in funding and influencing policy for environmental management & conservation, as well as child survival and development.

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 channelling 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.



TABLE OF CONTENTS

Page 4
Organisational Arrangements

Page 5
Standing Committees

Page 6
EFJ Board Members

Page 7
EFJ Members of Staff

Page 8-9
Chairmans Message

Page 10
Secretariat Report

Page 10 – 20
Grant Management Committee

Page 20 - 23
*Funding Source: Special
Climate Change FUnd*

Page 24 - 35
*FUNDING SOURCE: Special
Climate Change Adaptation F
und (SCCAF)*

Page 36 - 45
*FUNDING SOURCE: European
Union/ Forestry Department*

Page 46-47
Human Resources and Compliance
Committee Report

Page 47 - 50
EFJ's Endowment Trust

Page 51 - 52
EFJ Finance Report

Page 53 - 96
Audit

ORGANISATIONAL ARRANGEMENTS

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
124 – 126 Constant Spring Road
Kingston 10

Investment Managers

BPM Financials Limited
1 A Holborn Road
Kingston 10.

NCB Capital Markets Limited
The Atrium
32 Trafalgar Road Kingston 10.

Endowment Fund Trustees

New Trustees to be appointed



STANDING COMMITTEES

Executive Committee

Prof. Dale Webber
Mrs. Eleanor Jones
Mr. Ian Watson
Mrs. Jennifer Scott
Mr. Barrington Lewis
Ms. Allison Rangolan

Finance and General Purposes Committee

Mr. Ian Watson
Prof Dale Webber
Mrs. Donna Blake
Mrs. Winsome Wilkins
Mr. Robert Stephens
Mr. Barrington Lewis
Mr. Leighton Cornwall

Grant Management Committee

Mrs. Eleanor Jones
Dr. Michael Witter
Dr. David Smith
Ms. Loy Malcolm
Mr. Norman Harris
Mr. Damian Lyn
Mr. Barrington Lewis
Ms. Allison Rangolan
Ms. Charmine Webber
Mr. Mark Constable

Human Resources, Compliance and Compensation Committee

Mrs. Jennifer Scott
Prof. Dale Webber
Mr. Barrington Lewis

Membership Committee

Mrs. Winsome Wilkins
Mr. Barrington Lewis
Ms. Allison Rangolan

Strategic Planning Committee

Dr. Michael Witter
Mrs. Eleanor Jones
Ms. Marilyn Headley
Mrs. Donna Blake
Mr. Barrington Lewis
Ms. Allison Rangolan

Fundraising Committee

Dr. David Smith
Prof. Dale Webber
Mr. Barrington Lewis
Ms. Allison Rangolan

Public Relations Committee

Mrs. Emma Lewis
Mr. Barrington Lewis
Mrs. Indi McClymont Lafayette
Ms. Petre Williams Raynor
Mrs. Francine Black Richards





Prof. Dale Webber

Chairman/Term Member



Mrs. Eleanor Jones

Vice Chair/Term Member



Mrs. Jennifer Scott

Board Secretary/Term Member



Mr. Ian Watson

Treasurer/Term Member



Mrs. Donna Blake

The Nature Conservancy
Permanent Member



Ms. Marilyn Headley

Government of Jamaica
Permanent Member
(up to December 2019)



Mr Jason Fraser

Government of United States
of America
Permanent Member



Dr. Michael Witter

Term Member



Dr. David Smith

Term Member



Mrs. Winsome Wilkins

Child Representative
Term Member

EFJ MEMBERS OF STAFF



Mr. Barrington Lewis
Chief Executive Officer



Ms. Allison Rangolan
Chief Technical Director



Mr. Leighton Cornwall
Senior Accountant / HR Officer



Ms. Charmine Webber
Programme Officer



Mr. Mark Constable
Programme Officer



Ms. Sydonnie Rothery
Administrative Assistant



Ms. Audrey Kirkland
Receptionist / Clerical Assistant



Ms. Paulette Westcarr
Office Attendant

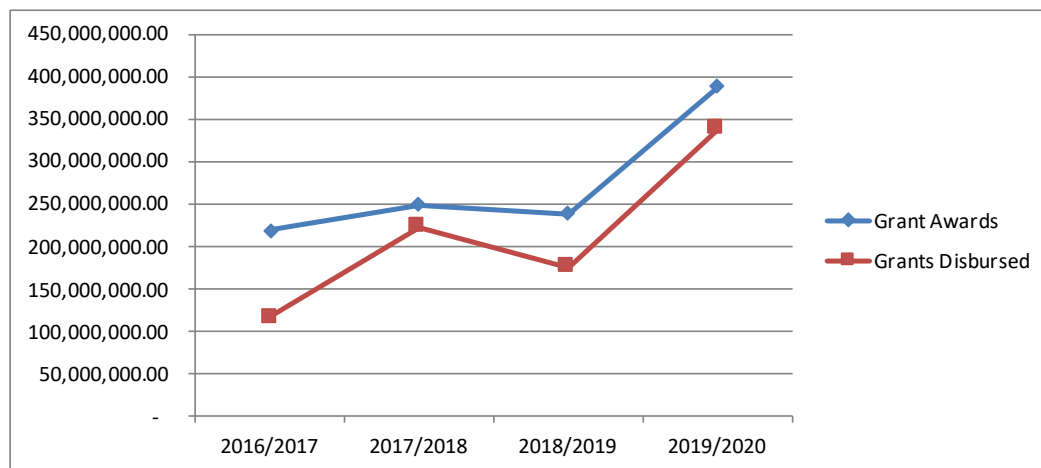
CHAIRMAN'S MESSAGE

A pandemic and weathering the challenges

The 2019 / 2020 fiscal year for the Environmental Foundation of Jamaica (EFJ) started with the Foundation in the midst of a Call for Proposals. This Call, the third - under the existing Fund Administration Agreement (FAA) with the Forestry Department (FD), had the broad thematic area of "Alternative Livelihoods for vibrant forest communities". The (FD) had earmarked J\$240 million (all told) to be disbursed to eligible organizations through the European Union (EU) Budget Support Programme titled "Addressing Environmental & Climate Change Challenges through improved forest management in Jamaica". The EFJ was the partner through which the grants would be administered and managed. At the end of the Call evaluation exercise eight projects were chosen to receive (the balance of) J\$43.60 million in grant funding.

I have often said that the EFJ is one of the largest grant makers to the NGO community and I am once again heartened to see this borne out by the records. Between 2016 and the end of this fiscal year approximately \$1.10 billion was made in grant awards. Not only have we awarded that amount in grants but based on the pace of project implementation 78% of the amounts awarded have been disbursed.

Years	Grant Awards	Grants Disbursed
2016/2017	218,744,260.02	116,783,805.61
2017/2018	249,445,616.19	223,448,163.29
2018/2019	238,956,420.20	175,318,536.83
2019/2020	388,427,071.90	337,281,636.69
	1,095,573,368.31	852,832,142.42



The pace of project implementation has been a cause for concern. The vast majority of projects awarded were given a twelve (12) month timeline for completion. This has proven to be very challenging for some of the organisations. **Why?** Well five months into the fiscal year (December 2019) the novel corona virus was spreading in China. By March 2020 Jamaica had its first case of the virus and not long after Covid-19 was declared a pandemic. Varying strategies have been implemented worldwide as countries continue to battle the devastating impact of this pandemic.

The EFJ's projects have also been affected and we continue to be as responsive as possible in assisting our grant beneficiaries with project implementation. From a review of our active projects we had ninety four (94) projects being impacted (59 projects under Phase 1 of the Special Climate Change Adaptation Fund (SCCAF), 9 under Phase 2 of the SCCAF and 26 projects from the EU/FD). It was very clear we were operating in difficult times.

Notwithstanding the foregoing issues allow me to highlight our successes especially with the SCCAF projects. I can report that sixty (60) projects were completed and have had significant impact on the lives of Jamaicans. Each parish received grant awards with three grants being the lowest awarded to any parish. From the data collection thus far we note the following:

- 46 Greenhouses and shade houses have been constructed
- 133,580 square feet of greenhouse/shade house space is available for agricultural production
- 104 hectares of land have been brought into cultivation
- Over 8 million gallons of water have been stored/collected through ponds, tanks etc.
- 398 solar panels provided to grantees
- Over 200,000 persons directly benefitting from the implementation of the projects

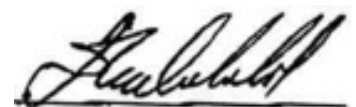
Given all the challenges the EFJ continues to be resilient. We have gone back to the drawing board and developed different strategies to ensure project implementation and, importantly, effective monitoring and evaluation of all projects. The Secretariat must be commended for the excellent job they have done during this year.

As a Board, we have plans to address a number of issues going into the new financial year 2020 / 2021. Firstly, the requests for support with capacity building and the lack of funding for some organisations to meet their budgetary needs are areas we are committed to assisting in. Already, the EFJ staff have crafted a plan, the Board has committed resources to it and this will be rolled out in the next fiscal year.

While capacity needs seem to be a universal challenge, our Strategic Action Plan 2019 – 2021 has regional capacity building as one of our targets. We are still expectant that we can attain this objective. Discussions with potential partners are on-going and we hope to announce a successful partnership in 2021.

Finally, we have also in our forecasts another open Call for proposals – this time using funding from the Forest Conservation Fund. The themes under this Call will be targeted so that we can get the biggest bang for our buck.

Amidst all the challenges of 2019/2020, we have had to be dynamic and play very well the hand that we have been dealt. For 2020/2021 our mantra of **“Preserving the future... today!”** will be guiding force.



Prof. Dale Webber
CHAIRMAN

The 2019/2020 financial year was one that tested the mettle of the EFJ. Like valiant soldiers in an army the Board, Staff and Grant beneficiaries responded to the challenges and were able to overcome the daunting tasks. It was a year that started with tremendous hope for the existing and potential grant beneficiaries as the EFJ was just about wrapping up a Call for Proposals. However, no one could have predicted that half way through the year the world would be in the throes of a pandemic with such scale and impact never before experienced.

The Secretariat report below outlines:

- How the grants fared and how the grant beneficiaries executed their projects given the changing dynamics
- The Human Resource impact of all the internal and external factors and how the EFJ managed to remain compliant with it's policies, procedures and statutory requirements,
- The financial performance of the EFJ and the EFJ Endowment Trust, and,
- The Audit Report and Audited Financial Statements of the EFJ

GRANT MANAGEMENT COMMITTEE REPORT

The funding source and, where applicable, the Fund Administrator Agreements guided the management processes for grants. We accordingly report on grants using these sources.

The 2019/2020 reporting period had grants being executed under:

- a) Tropical Forest Conservation Act – through the Forest Conservation Fund
- b) The Special Climate Change Adaptation Fund Phase 1
- c) The Special Climate Change Adaptation Fund Phase Two, and
- d) The European Union/Forestry Department Fund Administrator Agreement

FUNDING SOURCE: **Tropical Forest Conservation Act** (Forest Conservation Fund, FCF)

PROJECT HIGHLIGHTS

For this 2019/2020 report we highlight four (4) of the active FCF projects below. These projects are now (almost) complete, and some of the information presented reflects a comprehensive overview of the project during its lifetime.

Implementing Organization: Alligator Head Foundation

Project Title: Disaster Management through Mangrove Rehabilitation, Portland

Priority Area/Site: Other Forest Reserves and Crown Lands managed by the Forestry Department

Objectives:

- (a) To increase the appreciation of wetlands through the implementation of a public education campaign in four (4) communities (Salt Creek, Turtle Crawle, Anchovy, and Oyster Bay).
- (b) Populating a mangrove nursery to produce seedlings for planting in select locations.
- (c) Conducting a natural resource valuation and impact assessment of the Turtle Crawle wetlands.
- (d) Partnering with state agencies, private sector groups and community organizations to zone and protect critical areas of mangrove forest.
- (e) Creating jobs with mangrove replanting and the populating of the nursery to sell mangroves in order to assist others with disaster mitigation.

Achievements:

- 62 persons have been trained in how to plant mangrove seedlings. This was a part of the awareness program targeting persons from the four (4) communities.
- A nursery with a capacity of 2,500 seedlings has been constructed using plastic tanks.
- 2,075 red mangrove seedlings from the nursery have been planted. An additional 1,500 seedlings are being maintained in the nursery.
- A zonal map of the site has been completed.
- 25 persons have been employed on the project.

This project was 100% complete (July 2020) in its original scope. However the scope was broadened to include the Development of an Interactive Mangrove Education Pathway and a mangrove awareness programme called Jamaica Awareness of Mangroves in Nature (J.A.M.I.N.). Unfortunately the (J.A.M.I.N.) programme was shortlived due to the COVID-19 pandemic



Youth participants of the JAMIN awareness program.



Mangrove outplanting demonstration.

Implementing Organization: Jamaica Conservation and Development Trust (JCDDT)

Project Title: Reforestation and Sustainable Agriculture for Soil Stabilization in the Blue Mountains

Priority Area/Site: Southern Parts of the Blue and John Crow Mountains including Yallahs Watershed

Objectives:

1. Reforest and/or rehabilitate 25 hectares (ha) of land within the Blue and John Crow Mountains National Park:-

- (a) 10 ha invasive species controlled
- (b) 15 ha reforestation above Cinchona
- (c) 8 ha of earlier reforestation maintained

2. Improve and increase soil conservation practices on farms in target communities of Cascade, Woodford, Cedar Valley and Westphalia through:-

- (a) Greenhouse construction/repairs at Cascade and Woodford
- (b) Training (15 farmers from each of 2 communities)
- (c) Planting of pineapples on sloping land for soil conservation

Achievements:

- 10 ha invasive species controlled:
100% of target achieved as of May 2019, with the addition of 3 ha at Holywell and 2 ha at Mt. Horeb which were cleared of invasives and native non-lumber trees planted. In addition, native seedlings that sprang up were thinned and grown out for planting elsewhere.
- 15 ha reforestation around Cinchona:
A total of 17 ha (42.5 acres) of native tree seedlings (about 7,000) were planted in 2012. The target was over-achieved by 12% (2 ha) but a major fire which burned more than 100 acres (over 50 ha) in the Cinchona area also destroyed about 80% of the total acreage (about 13.5 ha (33.5 acres) of the 17 ha (42.5 acres)) planted under this project in 2014. Approval was given in 2015 for an extension of the project to reforest the burned area. The 3.6 ha (9 acres) remaining were being maintained but this ceased in 2016 when the Forestry Department began to reforest the wider acreage (over 50 ha) that had been burned.
- 8 ha of earlier reforestation maintained:
8 ha were maintained in the Cinchona/Bellevue area. This was not burned in the major fire.
- Volunteer Training & Activities – Holywell and Peak Trail areas:
A two-day training workshop in March 2019 was held for youth living in communities near to the trailhead i.e. Penlyne Castle and the nearby districts of Epping Farm and Minto. In addition, youths who do tour guiding at the National Park's main recreation area at Holywell and who are mainly from Buff Bay Valley communities were invited. 29 youth participated.
- Repair of green houses in Cascade and Woodford communities:
Target: 100% achieved – The Cascade greenhouse was repaired and the school

raised funds for expansion through the 4H Clubs. The repair of the Holywell nursery greatly assisted with the production of seedlings for National Park reforestation.

- Conduct training sessions in agroforestry and sustainable farming techniques (15 farmers in each of 2 communities - Woodford and Cascade - in a 2- day session): The target was exceeded as 77 farmers and 11 students were trained from 4 communities (Woodford, Cascade, Westphalia, and Content Gap) and in addition, follow-up activities were conducted. A total 1,178 fruit and lumber tree seedlings were distributed. A training session was also conducted at Holywell with assistance from Jamaica Organic Agriculture Movement (JOAM).



Volunteers tend a composting bin for the disposal of invasive species removed from the forest.



A farmer standing on his property where he planted seedlings which were distributed under the project.



Native seedlings collected in the wild being prepared at the Holywell Nursery for reforestation activities.



Invasive species for removal marked with pink ribbons.

Implementing Organization: Dolphin Head Cooperative Local Forest Management Committee
Project Title: Dolphin Head Cooperative Agro-forestry, Apiculture, Eco-Tourism and Alternative Livelihoods Initiative
Priority Area/Site: Dolphin Head Mountains

Objectives:

- (a) To select farmers to be trained in apiculture production.
- (b) To replant farm lands and create long- and short-term income; promote climate smart farming.
- (c) To build environmental awareness and education within the schools and communities.

Achievements:

- Thirty-five (35) people were trained to operate an apiary and to earn from this venture whilst preserving the environment in and around the community.
- Three (3) apiaries originally established with a total of 50 colonies increased to 68 colonies during the period December 2019 to January 2020. The group produced a total of 55 gallons of honey. Funds earned were used to purchase additional hive boxes, covers, and foundation to increase their colonies. Approximately 41 persons have benefited directly from the initiative.
- During this August 1, 2019 – July 31, 2020 fiscal year, fourteen (14) new farmers have been trained in agro-smart technology, disease control and greenhouse technology.
- Twenty (20) farmers participated in the agro-forestry training and have been supplied with pineapple suckers, timber seedlings including Jamaican Mahogany and Cedar, along with fruit tree seedlings of sweet sop, limes, mangoes, and avocado.

Farmers were trained in the correct procedure on how to strip the pineapple sucker to the root before planting. The pineapples were used as barriers for soil stabilization and as short term crops for income generation.

- Two (2) community meetings were held and environmental education and awareness sessions held with over 62 persons in attendance. During the period, two (2) school plots were visited; however no additional visits were made to the schools due the Covid-19 pandemic.



Participants involved in training to plant pineapple suckers

Implementing Organization: Discovery Bay Marine Laboratory, UWI (DBML)

Project Title: Phase 2: Critical Coastal Area Restoration Project

Priority Area/Site: Long Bay/Lilliput, Bogue Lagoons, (Galleon Beach) mangroves, Airport Runway Lagoon roadway, Falmouth-West

Objectives:

- (a) Design, execute and manage restoration plans in five (5) project sites which involve the continuation of mangrove nurseries in Port Royal and Discovery Bay at the Marine Laboratories with a maximum of 15,000 plants.
- (b) Train stakeholders within project locations on the value of wetlands, restoration processes and monitoring processes for the entire duration of the project.
- (c) Increase in mangrove and coastal forest area in Jamaica.
- (d) Document and disseminate best practices in restoration techniques suitable for use in Jamaica and improve coastal restoration monitoring protocols.

Achievements:

- **Mangrove Nurseries**
A total of 15,000 mangrove plants were housed in the existing nurseries in the Port Royal and Discovery Bay Marine Laboratories.
- **Stakeholder training**
The training of stakeholders within project locations on the value of wetlands,

restoration processes and monitoring processes was fully achieved. Stakeholders accompanied the project team during scoping, diagnosis of the damaging factors, restoration planning, field trips, etc. Community stakeholders were also intimately involved when restoration works were taking place. They were also incorporated into monitoring events.

- Increase in Mangrove and Coastal forest area in Jamaica
The project has directly enabled mangrove rehabilitation in four (4) areas across approximately 4.5 acres (18,700 meter square), thus fully achieving the aim to increase mangrove and coastal forest areas in Jamaica. The following list shows the size of each rehabilitated site:
 - Airport Runway - 400 m²
 - Bogue - 5,000 m²
 - Lilliput (Long Bay) - 1,300 m²
 - Malcolm's Bay - 12,000 m²

The lessons learnt and skills set of the project team has contributed to the restoration or restoration planning of more mangrove projects islandwide.

- Document and Disseminate Best Practices in Restoration Techniques Suitable for use in Jamaica and Improve Coastal Restoration monitoring protocols

This will be fully achieved as the restoration practices have been documented in the PhD thesis titled "Hydrological Restoration Approaches for Degraded Mangrove Forest in Jamaica" by Camilo Trench. The thesis defense is anticipated in the upcoming year.

Protocols for improving coastal restoration and monitoring were fully achieved through public presentations, scientific seminars, social media posts, reports and articles and the production of a PhD thesis, based on work performed at three (3) mentioned sites - Malcolm's Bay, Long Bay and Bogue.

Restoration Sites

- Airport Runway
Restoration of mangrove trees at the selected site along the Airport Runway was not fully achieved. The site was screened from solid waste by a fence and plastic meshing and cleaned quarterly. This was effective in reducing the marine litter load and safeguarding any seedlings planted or recruited at the site. However there was no natural recruitment as the site lacked viable parent trees. The substrate of the site was very rough due to many years of erosion. A technique to stabilize the shoreline and keep sandy material in place was attempted. Coir logs were imported and pinned along the shoreline using rigid metal rebar. A total of 200 mangrove seedlings were planted at the selected restoration site for National Tree Planting Day in October 2019.



Airport Runway prior to the mangrove restoration



Airport Runway prior to the mangrove restoration



Seedlings planted along the shoreline behind coir logs at Airport Runway

- Malcolm's Bay**

Restoration of mangrove trees at the selected site was fully achieved. The area was restored by removing numerous dead tree trunks, which were blocking the natural flow of mangrove propagules.



Malcolm's Bay facing north following tree clearing work



Bogie site 1 month following mangrove restoration



Natural recruits of mangrove seedlings in plot 2 after 24 months, with "BREDS" community partner doing measurements



Lilliput with mound of fill material prior to restoration



Lilliput immediately following restorative work with heavy equipment

- **West Falmouth**

Restoration of mangrove forest at the West Falmouth site was unfortunately only partially achieved due to delays. The site suffers from human impacts such as charcoal burning and clearing, resulting in sparse vegetation in the forest. Upon further investigation, the site/land ownership was found to be uncertain and the lands are the subject of a court battle. However, low level mangrove replanting occurred in some sections in conjunction with the Living Oceans Foundation and the University of the West Indies. The project also entailed students growing seedlings in a classroom nursery and using the site as a replanting location. The replanting was preceded by the removal of garbage, leveling of soil to allow wetting of the seedlings and an informal agreement with a charcoal burner to stay out of the planting area. The replanting was with the permission of one of the land owners. However, no large scale earth moving modifications were done due to the land ownership uncertainty.



Sparse vegetation as result of human impact on the mangrove forest in West Falmouth

FUNDING SOURCE: Special Climate Change Fund

Implementing Organization: Lions Club of Mona

Project Title: Supporting Sustainable Forest Management and Climate Change Mitigation through Reforestation and Forest Research in the Blue and John Crow Mountains Forest Reserve

Priority Area/Site: Blue and John Crow Mountains Forest Reserve (BJCMFR)

Objectives:

The objectives of the project are as follows:

(a) Replant 15.91 hectares of forests with local species by December 2019

(b) Maintain 15.91 hectares of forests for two (2) annual cycles.

(c) Determine the barriers to forest regeneration of deforested and abandoned land in the project site.

Achievements:

- 15.91 hectares have been planted with 10,000 native and lumber seedlings, at a survival rate of 96%.
- Two (2) cycles of maintenance were conducted on 15.91 hectares.
- To date the project has employed twelve (12) persons.

Unfortunately, the partner entity which would have facilitated the execution of objective (c), was unable to implement this component.



Growth and progress of surviving seedlings in the Blue and John Crow Mountains Forest Reserve



Aerial view of reforested areas

EFJ as Fund Administrator for the Special Climate Change Adaptation Fund (SCCAF)

The Adaptation Programme and Financing Mechanism (AP&FM) for the Pilot Programme for Climate Resilience (PPCR) Jamaica (the Programme) is being executed by the Government of Jamaica (GOJ) through the Ministry of Economic Growth and Job Creation (MEGJC) which has been assigned thematic responsibility for climate change. The MEGJC is implementing the Programme through its Project Executing Unit (PEU) – a division in the Ministry. The Planning Institute of Jamaica (PIOJ) is responsible for the overall coordination, in accordance with its role as focal point for the Climate Investment Funds (CIF) programme.

The general objective of the AP&FM Project for PPCR Jamaica is to generate information on approaches to address climate challenges and help mainstream climate change in development planning and processes, and disseminate results across sectors.

The Programme is structured in three (3) components:

Component I: Mainstreaming Climate Change Adaptation Measures. The objective of this component is to assist the mainstreaming of climate change into development plans and planning processes and demonstrate adaptation measures in a vulnerable watershed.

Component II: Creation of Financial Mechanisms. The objective of this component is to create innovative climate financing mechanisms to help support implementation of climate resilience within Micro, Small and Medium Size Enterprises (MSMEs) and Community Based Organizations (CBOs).

Component III: Knowledge Management. The objective of this component is to develop a knowledge management programme for the entire Jamaica PPCR.

It is **Component II** that is the primary focus of the EFJ's involvement. Component II involves the setting up and operation of (i) a Line of Credit, and (ii) a Special Climate Change Adaptation Fund (SCCAF) where loans and/or small grants, respectively, will be made available to micro, small, and medium enterprises (MSMEs), non-government organizations (NGOs) and community based organizations (CBOs), particularly in the agriculture and tourism sectors.

The EFJ was selected to be the Fund Administrator for the SCCAF and a Fund Administrator Agreement (FAA) was signed with the EFJ on July 28, 2016. We are now in year four (4) of this programme. To date, three Calls for Proposals have been conducted, which resulted in 135 grants awarded J\$621.62 million and being actively managed by the EFJ. The first Call (Call 2016) saw 29 proposals receiving grant awards of J\$132.94 million, the second (Call 2017) had 56 grant awards (including 5 awarded in February 2018 and one grant beneficiary who subsequently withdrew their proposal) valued at J\$249.20 million, and the third (Call 2018) had 51 grant awards valued at J\$239.47 million. Each grant was subject to a J\$5 million cap.

At the start of the 2019/2020 fiscal year over 90 active projects were being monitored. Grant disbursements during the year totaled J\$82.67 million. Our highlights of the SCCAF projects will look at the thematic areas with approved projects, the parish dispersion of the projects, and look at some of the successfully completed projects, and end with pictures of the projects being implemented.

Approved SCCAF Projects by Thematic Area

SCCAF Thematic Areas	Projects Approved
Management of Agricultural Waste	2
Agriculture	4
Climate Resilient Cropping Systems	39
Agro-Tourism	16
Climate Smart Building - Sustainable Building Practices/Facilities/Structural adjustments that increase climate change resilience	4
Disaster Preparedness	1
Aforestation/Reforestation	1
Water Management	9
Protection from Sea Level Rise	5
Renewable Energy Systems for Increasing Resilience to Climate Change	5
Soil Conservation/Protection of Soil from Water Stress/Soil Erosion; Flood Prevention	12
Waste Management	1
Community Water Management Systems	36
TOTAL	135

The two most common themes are Climate Resilient Cropping Systems (39 projects approved) and Community Water Management Systems (36 projects approved) and the least common thematic areas are Disaster Preparedness, Aforestation/Reforestation, and Waste Management (each with 1 project approved).

Approved SCCAF Projects by Parish

Parish	Projects Approved
Clarendon	23
Trelawny	3
St. Elizabeth	12
St. James	3
St. Thomas	8
St. Andrew	16
Kingston	3
Westmoreland	4
Manchester	19
St. Mary	9
Hanover	5
St. Ann	13
Portland	6
St. Catherine	11
Total	135

Figure 2: Map of Jamaica showing dispersion of the 135 projects awarded



map source: http://www.my-island-jamaica.com/jamaica_parishes.html

FUNDING SOURCE: Special Climate Change Adaptation Fund (SCCAF)

Highlights of SCCAF Projects Successfully Completed

GRANTEE RESPONSIBLE: Maryland Community Development Committee

PROJECT TITLE: Maryland Community Greenhouse Project

Thematic Area: Climate Resilient Cropping System – Greenhouse Farming

Project Purpose: The purpose of the Maryland greenhouse project is to provide vegetables to Maryland and adjoining communities and/or schools. Maryland is a drought-stricken community and most vegetables are purchased in Lucea and Montego Bay during periods of droughts.

OBJECTIVES	EXTENT OF ACHIEVEMENT	IMPACT
Promote climate resilient cropping systems and water management.	Construction of greenhouse with installation of water storage tanks.	A 4,000 sq. ft. greenhouse constructed and water harvesting system in place to store 2,450 gallons of water in 3 plastic tanks (1x1,000; 1x800 and 1x650).
Provide training in greenhouse operations.	Training in greenhouse farming operations and composting conducted.	Two training sessions held with 47 participants (19 students and 28 community members).
Use the profit made to assist schools and communities to start environmental clubs.	Income generated from sale of produce from the greenhouse.	The following seedlings were planted: Sweet pepper – 498; cabbage – 432; lettuce – 268; tomatoes – 200; cauliflower – 36; and eggplant – 18.



Completed greenhouse with beds and irrigation system in place



Completed greenhouse with beds and irrigation system in place



Students participate in reaping of vegetables

GRANTEE RESPONSIBLE: Moneague College

PROJECT TITLE: Infrastructural Improvement for Climate Smart Goat Rearing at Moneague College

Thematic Area: Climate Smart Agro-Businesses

Purpose of the project: The project aims to improve goat production at Moneague College by amalgamating the meat unit with a milk production unit to include cold storage facilities and the use of solar energy.

OBJECTIVES	EXTENT OF ACHIEVEMENT	IMPACT
Improve the infrastructure of goat house by revamping and improving the existing goat house and storage.	Cold storage and milking stations installed.	33 people were employed during construction.
Establish a solar system to improve energy options.	Solar system installed.	12 panel solar system established.
Stock improvement by gradually incorporating meat breeds into the existing milk breeds.	Artificial insemination of goat herd on-going.	Artificial insemination done and 136 people trained; 47 of whom are from the community.

The training of students and members of the community is on-going and therefore the impact will be significant over time.



Improvement to existing goat house to include milking stations



Solar panels installed on goat house for improved energy allocation

GRANTEE RESPONSIBLE: Wesley Frankfield Women's League

PROJECT TITLE: To provide climate resilient building for the use of training women and young girls with the hope of equipping them with a life skill

Thematic Area: Climate Smart Buildings/ Facilities

Purpose of the project: This project aims to renovate a building that will provide a climate change resilient space suitable for meetings. The space will also serve as a training ground for empowerment sessions, teaching the younger children in the church and community to be aware of climate change and its associated effects, and enabling them to learn other related skills offered by the programme.

OBJECTIVES	EXTENT OF ACHIEVEMENT	IMPACT
Construct a 16,434 gallon concrete water storage tank, harvest rainwater and provide water to bathroom facilities	16,434 gallon concrete water storage tank constructed.	16,434 gallons of water harvested. 48 people were employed as part of the construction process.
Renovate a building that is suitable for meetings of the Wesley Frankfield Women's League	A 985 sq. ft. building is now in place after the refurbishing work was completed.	A more climate resilient building which can accommodate a number of programme activities now exists.
Teach at least one (1) cohort of 15 persons from the church and community to be aware of climate change, its associated effects and enable them to learn a skill by February 2020.	11 knowledge sharing sessions were held.	30 females trained.

The project has the potential for continued growth and further impact on the community through additional livelihood creation. The water harvesting and storage will also stand to benefit the community especially during times of drought.



Water harvesting tank constructed



Building renovated for use as a training centre

Thematic Area: Climate Resilient Cropping Systems – Greenhouse Farming Grantee: Alpha Institute



Completed Greenhouse with Project sign



Greenhouse training session with students at Alpha Institute



Greenhouse - sweet pepper production

Thematic Area: Climate Resilient Cropping Systems - Hydroponics

Thematic Area: Climate Resilient Cropping Systems – Greenhouse Farming Grantee: Alpha Institute



Hydroponics farming – lettuce production

Thematic Area: Climate Resilient Cropping Systems - Aquaponics Grantee: College of Agriculture, Science and Education (CASE)



Aquaponics greenhouse troughs



Tilapia



Lettuce seedlings



Lettuce ready for harvesting

Thematic Area: Rainwater Harvesting
Grantee: Bellefield Citizens Development Association



Completed cement tank



Solar panels and Guttering

Soil Conservation/Protection of Soil from Water Stress/Soil Erosion/Flood Prevention
Grantee: Moneague College



Installed Gabion baskets



Vetiver grass in place for soil conservation

Grantee: Sanguinetti Farmers Group



Installed gabion basket



Check dam



Pineapple used for soil conservation

Thematic Area: Soil Conservation/Protection of Soil from Water Stress/Soil Erosion/Flood Prevention

Grantee: Summerfield Community Development Organisation



Completed culvert and U drain



Completed culvert and U drain

The COVID-19 pandemic has had a an imapct on the procurment of equipment, the conduct- ing of training, workshops and group meetings. Allot of the grantees have been encouraged to utilize online resources. However this has been slow due to internet challenges. Below we summarize all the grants issued to date.

Call 2016			
Grantee	Amount awarded	Amount Disbursed	Balance
Alpha Institute	4,417,530.00	4,417,530.00	-
Balaclava Development Area Committee	3,906,226.94	3,761,721.85	144,505.09
Brooks Level Community and Citizens Association	1,000,000.00	918,100.00	81,900.00
Central Jamaica Social Development Initiative	4,960,000.00	4,960,000.00	-
College of Agriculture Science & Education	4,993,600.00	4,993,600.00	-
Earth Strong	5,000,000.00	4,991,980.68	8,019.32
Essex Hall	5,000,000.00	5,000,000.00	-
Frankfield Primary and Infant School	4,219,789.64	4,219,789.64	-
Jeffrey Town Farmers Association	4,905,000.00	4,905,000.00	-
Mafoota Agricultural Cooperative	4,828,000.00	4,828,000.00	-
Manchester Parish Development Committee	5,000,000.00	4,929,010.00	70,990.00
Moneague College	3,962,087.97	3,962,087.97	-
Northern Caribbean University	5,000,000.00	5,000,000.00	-
Parry Town Citizens Association	4,376,150.00		4,376,150.00
Pedrovian Community Benevolent Society	4,976,781.28	4,976,781.28	-
Plant Jamaica	4,185,801.00	3,522,910.00	662,891.00
Ridge Red Bank Community Benevolent Society	4,990,000.00	4,990,000.00	-
Rocky Point Development Council Benevolent Society	5,000,000.00	5,000,000.00	-
Rose Town Foundation	3,650,775.00	3,554,941.57	95,833.43
Rural Water Supply - Garden Hill	5,000,000.00	3,743,206.07	1,256,793.93
Rural Water Supply - Garden Hill	5,000,000.00	5,000,000.00	-
Rural Water Supply - Snowdon	4,569,500.00	4,154,100.00	415,400.00
Southern Trelawny Environmental Association	5,000,000.00	5,000,000.00	-
St. Elizabeth Agricultural Cooperative	4,940,400.00	4,940,000.00	400.00
UWI - Spoilage Reduction	5,000,000.00	5,000,000.00	-
UWI Discovery Bay Marine Laboratory	5,000,000.00	5,000,000.00	-
Vision of Hope / Mountainside Juices Benevolent Society	4,988,094.00	1,409,370.00	3,578,724.00
Westmoreland Parish Development Committee	4,990,045.00	4,990,045.00	-
White River Marine Association	4,084,700.00	4,084,700.00	-

Call 2017

Ashley Primary and Infant School	4,930,938.00	4,830,938.00	100,000.00
Beeston Spring Community Development Committee	4,997,962.00	4,997,962.00	-
Best Care Foundation*	3,101,100.00	3,101,100.00	-
Bethabara Primary and Infant Parent Teachers Association	4,996,600.00	4,956,089.12	40,510.88
Bright River Cooperative Society Ltd.	4,147,100.00	4,147,100.00	-
Bustamante High School	4,999,800.00	4,980,800.00	19,000.00
Central Jamaica Social Development Initiative	4,990,000.00	4,990,000.00	-
Church Teachers College	5,000,000.00	4,525,000.00	475,000.00
Clarendon Parish Development Committee Benevolent Society	5,000,000.00	4,950,000.00	50,000.00
Cockpit Country Local Forest Management Committee	4,972,129.00	3,740,444.49	1,231,684.51
College of Agriculture Science and Education (CASE)	5,000,000.00	5,000,000.00	-
College of Agriculture Science and Education (CASE)	5,000,000.00	5,000,000.00	-
Cross Keys	3,583,400.00	3,294,058.00	289,342.00
Elliott Farmers Community Group	4,730,500.00	4,245,400.00	485,100.00
Enablers of Community Advancement Projects and Initiatives	4,942,350.00	4,942,350.00	-
Fair Prospect Gardens Citizen's Association	4,994,640.00	4,546,250.00	448,390.00
Faith Academy Ltd.	4,847,489.00	4,847,489.00	-
Fort George Primary	4,671,260.00	4,616,350.00	54,910.00
Frankfield Primary and Infant Parent Teachers Association	4,709,947.00	4,709,947.00	-
Grants Mountain Local Forest Management Committee	4,910,000.00	-	4,910,000.00
Green Island Friendly Fisherfolks Cooperative	5,000,000.00	3,006,123.00	1,993,877.00
Greenwich Town Fisherfolks Cooperative	5,000,000.00	3,513,102.91	1,486,897.09
HEART NTA Ebony Park Academy	5,000,000.00	-	5,000,000.00
Jacks Hill Community Benevolent Society	1,150,000.00	1,030,201.15	119,798.85
James Hill Farmers Group	2,655,870.00	2,655,870.00	-
James Hill Farmers Group	2,655,870.00	2,655,870.00	-
Jeffery Town Farmers Association	4,895,000.00	4,765,000.00	130,000.00
Jones Town Baptist Church	4,955,979.93	4,523,315.50	432,664.43
Knox Community College	4,950,000.00	-	4,950,000.00
Local Initiative Facility for the Environment /Jamaica Greenhouse Growers Association	5,000,000.00	5,000,000.00	-
Marlie Hill Community Development Committee	5,000,000.00	5,000,000.00	-
Moneague College	3,550,000.00	3,550,000.00	-
Mount Airy Primary & Infant School	4,742,760.00	4,261,600.00	481,160.00
Mount Olivet Boys Home (United Church)	4,818,000.00	4,818,000.00	-
Negril Area Environmental Protection Trust	5,000,000.00	4,000,000.00	1,000,000.00
Northern Caribbean University	4,990,438.00	4,890,438.00	100,000.00
Northern Caribbean University	4,997,000.00	4,997,000.00	-
Pepper Production and Marketing Organisation	5,000,000.00	5,000,000.00	-
Rock Primary and Infant School	4,930,938.00	4,830,938.00	100,000.00
Rural Agricultural Development Authority - St Andrew	3,875,890.00	3,430,856.22	445,033.78
Siloah Community Development Committee	4,754,228.67	4,390,500.00	363,728.67
Southern Trelawny Environmental Agency	5,000,000.00	4,951,912.00	48,088.00
St. Thomas Bee Farmers Cooperative Ltd**	4,843,500.00	4,816,188.49	27,311.51
Tarrant Baptist Church ***	2,324,471.37	1,966,400.00	358,071.37
The Caribshare Company Ltd.	4,081,714.80	4,081,714.80	-
The University of the West Indies - Mona Social Services****	4,999,800.00	4,486,900.00	512,900.00
The University of the West Indies - Agricultural Research and Innovation Facility	5,000,000.00	5,000,000.00	-
The University of the West Indies - Department of Physics	3,374,500.00	2,815,700.00	558,800.00
Unitas of Jamaica	5,000,000.00	5,000,000.00	-
Windalco Kirkvine Joint Communities Council	4,800,000.00	4,800,000.00	-
Windsor Castle Services Home Economics Benevolent Society	2,285,100.00	2,285,100.00	-

Awarded Feb 2018			
Do Good Jamaica	4,949,230.96	4,947,962.41	1,268.55
Jamaica Surfing Association	4,706,000.00	4,685,000.00	21,000.00
Knockpatrick Citizens Association	4,575,839.25	4,575,839.25	-
Maryland Community Development Committee	4,999,632.00	4,999,632.00	-
Wesleyan Farmers Group	3,476,550.00	3,476,550.00	-

Bellefield Citizens - Bellefield Primary Water Harvesting	4,940,000.00	4,940,000.00	-
Brighter Future Farmers	4,998,500.00	2,531,400.00	2,467,100.00
Carron Hall	4,827,335.08	-	4,827,335.08
Central Jamaica Social Development Initiative - Using Green House & Earthen Reservoir	5,000,000.00	5,000,000.00	-
Clarendon Municipality - Rehab of Leicestefield Catchment	4,211,100.00	4,050,175.00	160,925.00
Clarendon Municipality - Rehab of Pusey Hill	4,357,600.00	4,357,600.00	-
Clarendon PDC - Building Climate Resilience of the Simon	5,000,000.00	4,949,326.79	50,673.21
Kellits Primary PTA - Kellits' SWIFT	4,995,500.00	4,900,000.00	95,500.00
Knockalva	4,856,089.82	1,751,000.00	3,105,089.82
Mafoota - Expansion of Mafoota Water	4,999,785.29	3,903,037.39	1,096,747.90
Nature Preservation Foundation	5,000,000.00	3,328,518.18	1,671,481.82
Porter's Mountain Community - Climate Resilient Community based Water	5,000,000.00	2,690,500.00	2,309,500.00
Rose Hall Farmers Group	4,990,000.00	4,890,000.00	100,000.00
Mile Gully	4,950,000.00	-	4,950,000.00
Sanguinetti Farmers Group - Soil Conservation	5,000,000.00	4,840,000.00	160,000.00
STEPA	4,909,950.00	4,709,950.00	200,000.00
Wesley Frankfield Women's League	4,920,000.00	4,920,000.00	-
White Horses Botany Bay and Pamphret	4,999,066.28	3,912,000.00	1,087,066.28
White River - Phase 2 - Coral Restoration Programme	4,965,190.00	4,865,190.00	100,000.00
Windsor Castle - Agro processing	4,161,415.23	3,991,415.23	170,000.00
	621,625,929.29	545,007,440.31	76,618,488.98

SCCAF Phase II

The PEU recommended that a Grant Fund be established to allow community groups /organizations to access grant funding to implement projects to construct MICRO Check Dams on individual properties. USD 1.2M of Grant Resources was used to establish the Grant Fund for MICRO Check Dams. 1,800 MICRO Check Dams were constructed through the use of grants allocated to community groups/organizations.

The Grant Fund was similar to the Special Climate Change Adaptation Fund (SCCAF) Phase I. This arrangement was established via a new FAA in June 3, 2019.

During the financial year 6 organisations received grant awards of J\$148.43 million. Total Disbursements were J\$116.90 million.

GRANTEE	Amount Awarded	Amount Disbursed	Balance
Brandon Hill Patriots Community Development Committee (2 projects)	29,788,842.30	24,568,298.30	5,220,544.00
Bull Head Mountain Benevolent Society	14,991,040.00	14,643,940.00	347,100.00
James Hill Farmers Group	13,665,840.00	12,700,540.00	965,300.00
Kellits Development Area Committee (2 projects)	29,983,779.60	23,069,112.00	6,914,667.60
Rural Water Supply Company Ltd. (2 projects)	29,997,570.00	19,979,168.04	10,018,401.96
Summerfield Community Development Committee (2 projects)	30,000,000.00	21,942,155.25	8,057,844.75
			-
	148,427,071.90	116,903,213.59	31,523,858.31



James Hill CDC (2)



James Hill CDC



Kellits DAC

FUNDING SOURCE: European Union/ Forestry Department

The European Union (EU) and the Government of Jamaica (GOJ) have agreed on a programme of action geared towards Improved Forest Management for Jamaica (IFMJ) which will see the EU assisting the GOJ/ Forestry Department by way of Budgetary Support in implementing components of the National Forest Management and Conservation Plan (NFMCP 2016-2026). The aim of the NFMCP is the sustainable management and utilization of Jamaica's forest resources in order to enhance social and economic development and contribute to building the country's climate change resiliency programme.

In implementing a component of the action for IFMJ, a Specific Objective (SO) is geared towards enhancing the economic, social and environmental benefits of forests through the sustainable utilization of forest resources.

An expected result (ER) of this SO requires that forest communities, the general public as well as targeted groups of professionals have increased knowledge / capacity and participate in sustainable forest practices.

An activity under this ER is the provision of assistance to forest communities through the up-scaling of alternative livelihood projects to encourage the establishment of sustainable income generating project options.

The EFJ was appointed Fund Administrator of the monies disbursed pursuant to the IFMJ and a Fund Administrator Agreement (FAA) which commenced on February 1, 2019, will continue until May 31, 2022. We are now in year two (2) of this program. To date, three Calls for Proposals have been conducted, which resulted in 46 grants awarded J\$240 million and being actively managed by the EFJ. The first Call (Call #1 - 2019) saw 27 proposals originally receiving grant awards of J\$133.04 million. However, 1 proposal was decommitted while the scope and budget of another was subsequently reduced, resulting in implementation of 26 proposals valued at J\$126.42. The second (Call #2 - 2019) had 13 grant awards valued at J\$69.98 million, and the third (Call 2020) had 7 grant awards valued at J\$36.60 million.

Total Grant disbursements during the year were J\$131.51 million. A summary is provided of these grants on the next page.

EU/FORESTRY DEPARTMENT - FINAL LIST OF APPROVED PROJECTS

	Organization	Amount Approved	Amount Disbursed	Balance Remaining
	Call #1			
1	Bamboo Primary School	3,945,028.00	3,610,026.00	335,002.00
2	Bella's Gate Community Development Committee	5,156,000.00	4,876,000.00	280,000.00
3	Clarendon Municipal Corporation	3,540,000.00	3,310,000.00	230,000.00
4	Cockpit Country Local Forest Management Committee - Duanvale	5,575,000.00	4,711,450.00	863,550.00
5	Cockpit Country Local Forest Management Committee - Troy	4,740,000.00	4,086,500.00	653,500.00
6	Crescent Women's Group	6,000,000.00	4,632,000.00	1,368,000.00
7	Crofts Hill Farmers Group	4,514,000.00	3,034,000.00	1,480,000.00
8	Dolphin Head Local Forest Management Committee Cooperative Society Ltd	3,200,000.00	2,199,998.00	1,000,002.00
9	Douglas Castle/McNie CDC Benevolent Society	6,000,000.00	5,395,000.00	605,000.00
10	Ebenezer Home for the Mentally Challenged	3,335,300.00	3,296,700.00	38,600.00
11	Enablers of Community Advancement Projects and Initiatives (ECAPI)	5,650,000.00	4,550,000.00	1,100,000.00
12	Golden Valley JAS Group	4,980,333.00	3,854,035.00	1,126,298.00
13	Guy's Hill United PMO	6,000,000.00	3,068,889.15	2,931,110.85
14	James Hill Farmers' Group	5,147,600.00	4,944,280.00	203,320.00
15	Local Initiative Facility for the Environment	5,200,000.00	3,241,450.00	1,958,550.00
16	Madras All Age and Infant School	5,925,722.33	5,725,722.33	200,000.00
17	Maryland All Age & Infant School	3,773,300.00	3,573,300.00	200,000.00
18	Morant Farmers Group	3,965,000.00	2,460,000.00	1,505,000.00
19	New Horizon Christian Outreach Ministries	6,000,000.00	5,420,000.00	580,000.00
20	Northern Caribbean University	5,014,843.00	3,182,421.00	1,832,422.00
21	Quick Step Community Development Committee	3,313,000.00	2,231,420.00	1,081,580.00
22	Source Farm Foundation & Eco Village	5,999,975.52	4,570,449.08	1,429,526.44
23	Southern Trelawny Environmental Agency	4,500,000.00	4,300,000.00	200,000.00
24	Watermount Community Development Group	5,909,367.63	5,365,367.63	544,000.00
25	White Hall Women's Farmers Group	4,620,000.00	4,620,000.00	-
26	Youth Crime Watch of Jamaica	4,417,000.00	4,417,000.00	-
	Sub- total	126,421,469.48	104,676,008.19	21,745,461.29
	Call #2			
27	Cave Valley Multipurpose Cooperative Society	4,754,002.00	2,431,320.00	2,322,682.00
28	Cockpit Country Local Forest Management Committee	5,241,157.00		5,241,157.00
29	College of Agriculture Science and Education	5,538,300.00	3,019,150.00	2,519,150.00
30	Eamus Hall Women in Agriculture Farmers Group	5,860,000.00	4,102,000.00	1,758,000.00
31	Food For the Poor	3,165,600.00	2,071,300.00	1,094,300.00
32	Forward Step Foundation	5,435,270.00		5,435,270.00
33	Giddy Hall Youth Farmers Movement	6,000,000.00	4,200,000.00	1,800,000.00
34	Jamaica Association for the Deaf	5,946,252.50		5,946,252.50
35	Meamsville / Auldayr Community	4,776,175.60		4,776,175.60
36	Seville Farmers Benevolent Society	5,997,727.00	842,479.00	5,155,248.00
37	Social Services International Ministries Seventh Day Church of God	6,000,000.00	1,781,880.00	4,218,120.00
38	Southfield Farmer's Benevolent Society	5,957,314.56	4,701,500.00	1,255,814.56
39	Source Farm Foundation and Eco Village	5,304,654.00	3,619,686.00	1,684,968.00
	Sub- total	69,976,452.66	26,769,315.00	43,207,137.66
	Call #3			
40	Stanmore	6,000,000.00		6,000,000.00
41	Linton Park	5,999,200.00		5,999,200.00
42	Auchtembedie	5,280,017.10		5,280,017.10
43	Central Jamaica	6,000,000.00		6,000,000.00
44	Seventh Day	6,000,000.00		6,000,000.00
45	Cobbla	5,661,700.00		5,661,700.00
	Sawyers - Greenhouse			8,661,160.76
46	Sawyers Apiculture	8,661,160.76		
	Sub- total	43,602,077.86	-	43,602,077.86
	Bank Charges to date		64,075.00	64,075.00
	Grand Total	240,000,000.00	131,509,398.19	108,490,601.81

Highlights of Forestry Department EU Projects Successfully Completed

GRANTEE RESPONSIBLE: Enablers of Community Advancement Projects Initiatives

PROJECT TITLE: Alternative Livelihood through Food Forests (ALiFFs) Project

Thematic Area: Agroforestry

Purpose of the Project: The project will provide an alternative source of income for members of the Ballards River Farmers Group and reduce some economic hardship. Some of the main problems experienced by the farmers include:

1. Declining citrus production due to the citrus greening disease.
2. Severe weather events such as longer and more severe droughts, hurricanes, and intense rainfall which affect the growing of short term crops.

OBJECTIVES	EXTENT OF ACHIEVEMENT	IMPACT
Provide alternative source of earnings by creating food farms with at least 100 farms across 25 hectares.	Alternative livelihood provided for farmers through distribution and planting of seedlings on 21 hectares.	Improved livelihoods for 119 persons (75 males and 44 females) from the Ballards River and adjoining communities.
Increase awareness of biodiversity and sustainable land husbandry among farmers.	Farmers were trained in sustainable land husbandry practices.	<p>74 persons were trained (39 males and 35 females), and twelve (12) persons employed (5 males and 7 females).</p> <p>A training manual was developed in light of the COVID-19 pandemic, as face to face trainings could not be held.</p> <p>Approximately 21 of the 25 hectares projected were planted with 6,012 fruit and timber seedlings. An Agroforestry business plan was developed.</p>



Plot of land sustainably managed by participating farmer



Seedlings ready for planting



Farmer with equipment provided



Farmers collecting seedlings



Farmer in discussion with visitors to the farm

GRANTEE RESPONSIBLE: James Hill Farmers Group

PROJECT TITLE: James Hill Medicinal Plants & Nutraceutical Project

Thematic Area: Medicinal/Nutraceutical Products

Project Purpose: The project is geared towards harnessing the abundance of medicinal plants growing in the James Hill area of Clarendon. These plants include fever grass, leaf of life, guinea hen weed, soursop and a range of others. The intention of this project is to create tea bags and oils from the medicinal plants grown in James Hill and surrounding areas to impact the nutraceutical industry.

OBJECTIVES	EXTENT OF ACHIEVEMENT	IMPACT
Provide training in general agriculture and agri-preneurship, and specifically to train 20 female farmers, ages 20-65 in growing medicinal plants and agri-preneurship .	Farmers were trained in growing, reaping and drying of medicinal plants.	39 people trained (9 males and 30 females). The project has directly impacted 60 persons - 16 males and 44 females. Agribusiness/ entrepreneurship training has increased female participation and involvement in agricultural enterprises.
Expand medicinal plant production in Jamaica thereby, increasing the volume of the plants on the local market by purchasing the necessary inputs such as seeds and fertilizers for production.	Seedlings planted on over 10 acres of land.	2,000 guinea hen weed, 1,000 soursop, 1,000 lemon grass, and 2,000 castor bean seedlings planted.
Provide training in life skills by conducting life skills training sessions to increase the resilience of a cohort of twenty (20) females in dealing with personal, social and economic challenges.	Life skills training successfully completed.	Thirty-nine (39) people were impacted through training (9 males and 30 females).
Construct solar dryers and rehabilitate building for processing medicinal plants in White Shop, Clarendon.	Solar dryer in place for the processing of medicinal plants. Processing facility rehabilitated for processing activities.	Two (2) solar dryers were constructed and building rehabilitated for processing medicinal plants at White Shop.



In field training with women farmers



In field training with women farmers



Farmers reaping plants

GRANTEE RESPONSIBLE: Youth Crime Watch of Jamaica

PROJECT TITLE: Rockfort Encouraging Lifestyle Initiative for Viable Ecosystem

Thematic Area: Apiculture

Project Purpose: The project aims to promote urban apiculture as a tool used to support environmental initiatives as a gateway to urban sustainability. The activities of the project include:

- Using urban apiculture as a tool for improving and maintaining green spaces in the Rockfort community of East Kingston.
- Raising awareness of insect pollinators particularly bees and their effect on the environment.
- Introducing urban apiculture as a sustainable and viable source of income for low income and at-risk communities.

OBJECTIVES	EXTENT OF ACHIEVEMENT	IMPACT
Build the capacity of community members in apiculture and business development practices.	Apiculture and Business Development Training sessions held.	Twenty 20 people (13 males and 7 females) trained. Forty-eight (48) community members were directly impacted.
Establish a community honey enterprise at the Rock spring farm in Rockfort.	A 400 sq. ft. honey house facility constructed and furnished.	The apiary was established with 60 boxes and produced approximately 5 gallons of honey. Seventeen (17) persons (3 males and 14 females) were employed.



Apiculture Training: Participants on site visit to apiaries in Dover and Fletcher's District in Kitson Town, St. Catherine



Business development training session



Completed honey house facility



Established apiary at project site in Rockfort

GRANTEE RESPONSIBLE: Watermount Community Development Committee
Benevolent Society

PROJECT TITLE: Watermount Primary School Rainwater Catchment

Thematic Area: Smart Agriculture - Water Catchment Areas

Project Purpose: The project intends to improve the educational outcomes of students by conserving and managing the natural resources while improving sanitary practices, building the capacity of community members and creating greater partnership.

OBJECTIVES	EXTENT OF ACHIEVEMENT	IMPACT
Enhance water harvesting at the Watermount Primary School through the construction of a 20,000 gallon water storage tank and by installing gutters.	A 20,000 gallon concrete water storage tank was constructed and a 1000 gallon plastic tank installed.	30 persons (21 males and 9 females) employed during construction.
Install an irrigation system to assist in crop production at the Watermount Primary School.	480 ft of drip irrigation were installed to irrigate a wide variety of fruit trees and vegetables.	Crop production capabilities at the school have been and the irrigation system also provides an additional teaching and learning opportunity for the school and extended community.
Host field days to encourage smart environmentally friendly practices in farming and build the capacity of the local CDC.	One (1) online session was held and one (1) field day on environmental best practices in farming. The COVID-19 pandemic impacted both the format and the number of sessions.	42 persons (26 males and 16 females) trained.
Plant at least 50 fruit trees, 50 banana suckers along with other drought resistant crops to include pineapple on the farm at Watermount Primary School and at other locations in the community.	A wide array of fruit trees and vegetable crops were planted.	333 trees have been planted with approximately 20 species of trees and vegetable crops represented including 200 pineapple and 30 banana suckers.



Crops being reaped



Concrete water storage tank of 20,000 gallon capacity

GRANTEE RESPONSIBLE: Crofts Hill Farmers Group

PROJECT TITLE: Alternative Sustainable Investment for Crofts Hill Farmers Group

Thematic Area: Apiculture

Project Purpose: This project serves to demonstrate a way for farmers to acquire a more sustainable livelihood by incorporating sustainable use of forest resources.

OBJECTIVES	EXTENT OF ACHIEVEMENT	IMPACT
Construct a 1,600 (20x80) sq. ft. plant nursery in Crofts Hill District to provide vegetable seedlings.	4,800 (60x80) sq. ft. nursery was constructed	45 people were trained in nursery production.
Establish an apiary in the area to aid crop production and generate income from 20 colonies of bees.	25 colonies of bees were established and 10 farmers trained in apiculture.	The project engaged 10 community persons (7 females and 3 males) in apiculture training enabling them to start more sustainable livelihoods.
Establish agroforestry plots in the community ranging in size from 0.1 to 0.4 hectares for 60 farmers.	Over 1,500 trees were planted.	77 farmers participated in the agroforestry programme. The environmental impact is significant as agroforestry is a more sustainable approach to agriculture due to the impact stands of trees have on maintaining a healthy environment.

This project facilitated training for a total of 132 persons (75 females and 57 males).



Apiary



Seedling nursery



Agroforestry plot

The way forward

EFJ's most recent grant making activities continue to emphasize the significant financial, organisational and capacity challenges being faced by some members of the NGO and CBO community. EFJ has continued to ask grantees with greater capacity in certain areas to partner with the weaker ones to successfully implement projects. During the 2019/2020 fiscal year, the EFJ finalized one approach aimed at enhancing the institutional capacity of our beneficiaries; this will be implemented in the 2020/2021 financial year. Work on other potential capacity building initiatives remains on-going.

HUMAN RESOURCES AND COMPLIANCE COMMITTEE REPORT

Staff

For this reporting period the Human Resources and Compliance Committee (HRCC) undertook a review of its staff engagement policy. This was done after the renewal of staff contracts in January 2020. It was widely felt that the level of commitment and dedication exhibited by the staff should be rewarded with greater security of tenure.

The Board, in agreeing with the HRCC recommendation, stated going forward staff will no longer be engaged on one (1) year contracts and will be offered two year contracts. This policy position will be reviewed should there be a financial challenge.

Other notable occurrences during the year relating to staff included the HRCC receiving Board support in providing financial assistance for work related staff training. Two people utilised the facility during the year.

The internship programme with the students of the University of the West Indies, Mona, was suspended for this fiscal year. This was due to the covid-19 pandemic. The programme will resume as soon as it is safe to do so.

In the prior financial year a Fundraising Consultant was hired, however, for the current year budgetary provision was only made to engage a consultant to assist with writing proposals seeking donor funding. No consultant was engaged and the Chief Executive Officer spear-headed the proposal writing efforts.

The Covid-19 pandemic

The covid-19 pandemic has affected almost everyone in the world and our staff were no exceptions. The capriciousness of the virus and governmental response both affected and changed the way work was done at the EFJ.

With fifty percent (50%) of our staff living in Portmore and a government lockdown of that area (during the financial year) meant operations were impacted. The EFJ addressed this by providing:

- A workplace policy document on how to respond to the pandemic threat. Different permutations were outlined and the expected action of staff highlighted.
- Personal protective equipment and sanitizers for each staff member
- Limits on office visits by non-EFJ staff and the general public
- A work from home policy, mutually beneficial to staff and organisation
- Flexi work hours
- Remote access to all computers and printers to facilitate ease of working from various locations
- Subscription to Zoom to facilitate online meetings rather than in person meetings

Compliance

The EFJ was fully compliant with all its statutory and corporate responsibilities. For the fiscal year 2019/2020,

- all statutory payments were made in full and on time,
- filings with the Companies Office of Jamaica are up to date,
- reporting to the Department of Cooperatives and Friendly Society are current and all filings were completed during the financial year,
- the Congressional Report to the US State Department was submitted within deadline.
- procurement procedures were strictly followed.

EFJ's ENDOWMENT TRUST



Source of Funds:

- The EFJ Endowment Trust Fund was seeded with an amount of J\$85,000,000.00 by way of transfers from the EFJ in the 2011/2012 financial year. 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 original Endowment was from PL480 funds and the remaining 26% from AID DEBT.

A decision was taken during the 2012/2013 financial year that the Trust would offer support to the EFJ's operations. The amount of \$20,531,650.00 was given as a long term note receivable. As of July 31, 2020 this amount is still outstanding.

- **Prior year transfers:** During the fiscal year 2016/2017 the EFJ's Endowment Trust received the amounts set aside by Jamaica Protected Areas Trust (JPAT) for the FCF Endowment of US\$582,773.53 and J\$516.25 million. This was in keeping with the decision to merge the operations of JPAT/FCF and EFJ.

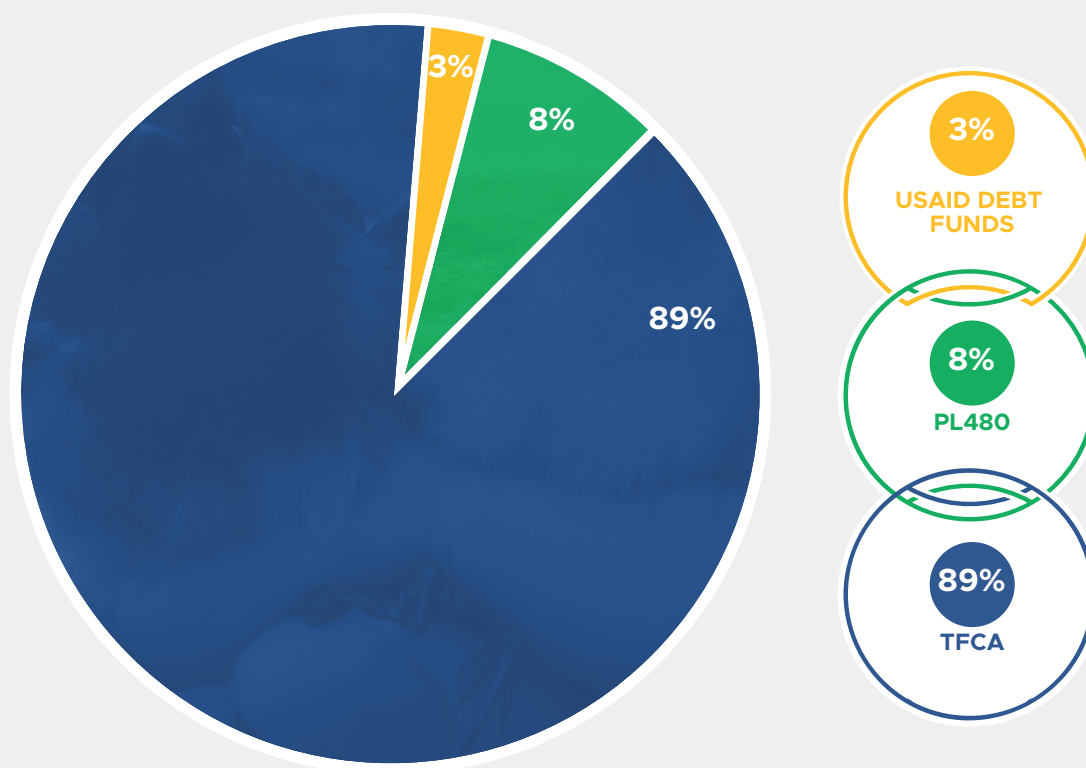
Secondly, based on the JPAT framework, 50% of all annual Government of Jamaica (GOJ) inflows are immediately placed on the Endowment Trust. Table E1 below details the receipt of funding over the years.

Table E1: Corpus of the EFJ Endowment Fund

Year	Details	AID DEBT	PL480	TFCA
2011/2012		22,124,698.19	62,875,301.81	
2012/2013	Loan to EFJ	(5,338,229.00)	(15,193,421.00)	
2016/2017	Transfer from JPAT			516,250,054.82
2016/2017	US\$582,773.53 - transfer from JPAT			74,187,070.37
2016/2017	50% of TFCA Annual Receipts			24,904,284.35
2017/2018	50% of TFCA Annual Receipts			48,041,725.39
2018/2019	50% of TFCA Annual Receipts			48,677,233.05
2019/2020	50% of TFCA Annual Receipts			49,943,708.01
		16,786,469.19	47,681,880.81	762,004,075.99

- For the current fiscal year (2019/2020) J\$49.94 million was transferred in from the FCF GOJ receipts.

Source of Endowment Funds



Investments and investment returns

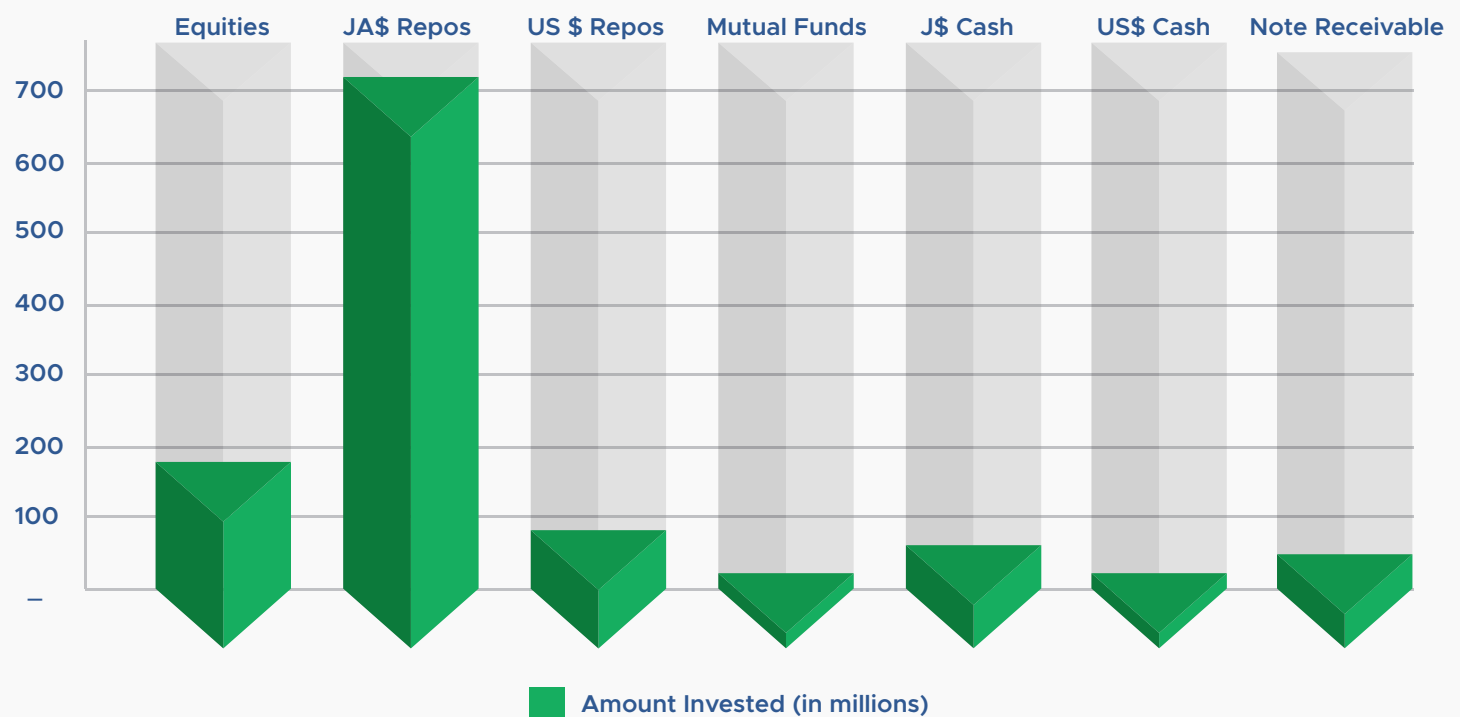
Several factors have contributed to the EFJ's Board of Directors widening the asset classes that funds from the Endowment can be invested in. Primarily, with more financial institutions exiting the repurchase market the available cash is being moved to into other relatively safe assets.

The asset classes and associated amounts invested as at July 31, 2020 are listed below.

Table E2: EFJ Endowment Fund Asset Class

Asset Class	Amount Invested
Equities	171,563,197.89
JA\$ Repurchase Agreements	706,403,478.64
US \$ Repurchase Agreements	93,212,350.56
Mutual Funds	8,022,078.44
J\$ Cash	25,662,412.42
US\$ Cash (conv. to JA\$)	5,141,393.31
Note Receivable	20,531,650.00
Total	1,030,536,561.26

Asset Class



Returns on the Endowment investments for the period showed a loss of approximately \$7.39 million. This was primarily due to a \$35.30 million unrealised loss on the Equity portfolio. Table E3 lists the returns for the fiscal year.

Table E3: EFJ Endowment Fund Investment Returns

Endowment Fund Investment Returns	
Realised Gains/(loss):	
Dividends	1,731,163.68
Interest income - J\$ Repo	21,778,382.56
Interest income - US\$ Repo	4,186,213.72
	27,695,759.96
Unrealised Gains / (Loss):	
Mutual Funds	218,798.18
Equities	(35,303,408.04)
	(35,084,609.86)
Net Position	(7,388,849.90)



The total value of the Endowment at July 31, 2020 is J\$1.03 billion.

Trustees

A short list with five (5) potential Trustees has been agreed on by the Board. These people have been provided with copies of the EFJ Trust Deed and Terms of Reference for the post. It is anticipated that we will have Trustees in place for the next fiscal year.

Revenues:

Fund Receipts

A total of J\$99.89 million was received from the Government of Jamaica in accordance with the schedule of payments under the TFCA. Fifty percent (50%) of this payment, J\$49.94 million, was transferred to the Endowment Trust Fund. The GOJ is scheduled to make TFCA payments to the EFJ until 2024 and a balance of US\$1.97 million is outstanding per TFCA Agreement as of July 31, 2020.

Investment Income

A modest return of \$4.22 million was earned during the year on the investments. J\$2.75 million of this was on TFCA Funds and J\$1.47 million on Americas Funds (broken down as J\$1.22 million on PL480 and J\$0.25 million on Aid Debt).

Unrealised losses of J\$21.44 million were booked on the equity investments for the financial year. These equities are held with BPM Financials Ltd and fall under the PL480 funds.

Generally, the investment income was reduced due to two main reasons:

- (1) overall interest rates are low and most financial institutions are exiting the repo markets. The EFJ has a large percentage of its holdings in repurchase agreements and these repos are earning low returns,
- (2) the covid-19 pandemic has greatly affected businesses and the equity market was significantly impacted.

Other inflows

European Union/ Forestry Department Fund Administrator Agreement

The EFJ entered into a Fund Administration Agreement (FAA) with the Forestry Department on January 31, 2019. The objective of the agreement, undertaken pursuant to the European Union Budget Support Programme, was to sustainably manage and utilize Jamaica's forest resources to enhance social and economic development. One specific activity under the programme was to provide grants, through the "upscaling" of existing alternative livelihood projects, to support forest communities. There was to be a particular focus on gender in these projects.

A total of \$240 million was awarded in grants to forty six (46) projects. Inflows from the Forestry Department during the financial year were J\$120 million.

Special Climate Change Adaptation Fund (SCCAF) - Phase 1 & 2

In the last financial year the EFJ received the final amounts from the GOJ under both phases of the FAAs. For this fiscal year while there were no inflows grant disbursements continued on the incomplete projects from the balance of funds.

Fund Administration Fees

As part of the thrust to diversify income streams the EFJ has been administering grants on behalf of other organisations. J\$13.12 million was earned during the financial year on the administration of the two phases of the SCCAF.

Rental Income

Rental income earned during this fiscal year totalled J\$4.05 million. As has been reported in prior annual reports, the EFJ has rented the ground floor of its office building. The rental agreement was renegotiated in June 2020 and the space leased was reduced at the request of the lessee.

Expenditures

Administrative Expenses

The Assignment, Assumption and Amendment Agreement signed on June 29, 2015 at Section 4.1(d) states that the total Administrative Expenses should not exceed US\$450,000.00 without the unanimous approval of the Permanent Directors. At the prevailing exchange rate Administrative Expenses would be capped at J\$66.10 million.

Actual Administrative Expenses totaled J\$48.12 million for the fiscal year, a J\$1.87 million increase over the prior year's expenditure and J\$17.98 million below the upper limit per Agreement.

At 66% of the overall expenditure, the line item "Staff costs" was the highest component of Administrative expenses, Depreciation, Security and Utilities were the next largest amounts.

Managed Fund Expenses

Direct expenses for Fund Administration totaled J\$2.85 million. Of this total \$1.20 million related to the SCCAF and \$1.65 million was expenditure under the EU/Forestry Department FAA.

Grant Disbursements:

Special Climate Change Adaptation Fund

As indicated earlier all amounts under the SCCAF Phases 1 & 2 were received in the prior year. Disbursements to Phase 1 grants for the financial year were J\$82.67 million; cumulatively J\$545 million of the J\$621 million awarded has now been paid out.

Phase 2 grant awards were J\$148.43 million and a total of J\$116.90 million has already been disbursed.

Please see the Grant Management Committee report for more details on the disbursements.

European Union / Forest Department Fund Administration Agreement

While forty (46) grant agreements totaling \$240 million were signed with the successful entities, at July 31, 2020, only J\$120 million of this amount was received by the EFJ. Of the amount received J\$108.56 million was paid to the organisations.

TFCA Funds

Financial year 2019/2020 saw gross disbursements under the TFCA of J\$6.30 million while there was a refund of J\$0.04 million yielding a net of J\$6.26 million.

Aid Debt Funds

No grant disbursements were made during the year.

PL480 Funds

The EFJ made no grant disbursements during the year.

When viewed as a cumulative, total grant disbursements (inclusive of bank charges) made for the financial year were J\$337.28 million. This represents the second highest disbursement total in EFJ's history.



Environmental Foundation of Jamaica
(A foundation limited by guarantee)

Financial Statements
31 July 2020

Environmental Foundation of Jamaica

(A foundation limited by guarantee)

Index

31 July 2020

Page

Independent Auditor's Report to the Members

Financial Statements

Statement of changes in the Americas' and TFCA's Funds	1
Statement of financial position	2
Administrative Income & Expenditure Statement	3
Statement of cash flows	4
Notes to the financial statements	5 – 39



Independent auditor's report

To the Members of Environmental Foundation of Jamaica

Report on the audit of the financial statements

Our opinion

In our opinion, the financial statements give a true and fair view of the financial position of Environmental Foundation of Jamaica (the Foundation) as at July 31, 2020, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and with the requirements of the Jamaican Companies Act.

What we have audited

The Foundation's financial statements comprise:

- the statement of financial position as at July 31, 2020;
- the statement of changes in the Americas' and TFCA's Funds
- the administrative income and expenditure statement;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Foundation in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

PricewaterhouseCoopers, Scotiabank Centre, Duke Street, Box 372, Kingston, Jamaica
T: (876) 922 6230, F: (876) 922 7581, www.pwc.com/jm

L.A. McKnight B.L. Scott B.J. Denning G.A. Reece P.A. Williams R.S. Nathan C.I. Bell-Wisdom G.K. Moore T.N. Smith DaSilva K.D. Powell

Responsibilities of management for the financial statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards and with the requirements of the Jamaican Companies Act, and for such internal control as management determines 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, management is responsible for assessing the Foundation'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 management either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Foundation to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

As required by the Jamaican Companies Act, we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

In our opinion, proper accounting records have been kept, so far as appears from our examination of those records, and the accompanying financial statements are in agreement therewith and give the information required by the Jamaican Companies Act, in the manner so required.

PricewaterhouseCoopers

Chartered Accountants
Kingston, Jamaica
9 June 2021

Environmental Foundation of Jamaica

(A foundation limited by guarantee)

Statement of Changes in the Americas' and TFCA's Funds

Year ended 31 July 2020

(expressed in Jamaican dollars unless otherwise indicated)

	Note	(Americas) Fund I \$'000	(Americas) Fund II \$'000	(TFCA) Fund III \$'000	2020 \$'000	2019 \$'000
Fund Receipts		-	-	49,944	49,944	48,677
Investment income earned		1,224	248	2,748	4,220	5,014
Foreign exchange losses	11	-	-	-	-	(344)
		1,224	248	52,692	54,164	53,347
Unrealised (loss)/gain on FVPL investments	11	(21,437)	-	-	(21,437)	35,098
		(20,213)	248	52,692	32,727	88,445
Less:						
Project grants disbursed, net	5	-	-	(6,261)	(6,261)	(27,499)
Transfers to administration		-	-	(24,944)	(24,944)	(29,677)
Investment advisers' fees	9	(685)	(127)	-	(812)	(719)
Expected credit loss	11	-	-	-	-	(164)
		(685)	(127)	(31,205)	(32,017)	(58,059)
Surplus for year		(20,898)	121	21,487	710	30,386
Reclassification (prior year ECL)		-	164	-	164	-
Fund balance at beginning of year		33,794	88,602	117,471	239,867	209,481
Fund balance at end of year		12,896	88,887	138,958	240,741	239,867

Environmental Foundation of Jamaica

(A foundation limited by guarantee)

Statement of Financial Position

31 July 2020

(expressed in Jamaican dollars unless otherwise indicated)

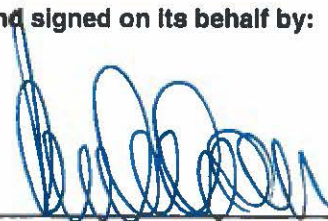
	Note	2020 \$'000	2019 \$'000
Non-Current Assets			
Property, plant and equipment	10	17,368	20,044
Beneficial interest in endowment fund	12	1,032,206	983,560
Investment securities	11	84,270	104,071
		<u>1,133,844</u>	<u>1,107,675</u>
Current Assets			
Other assets	13	12,535	14,436
Short term investment	11, 12	133,418	115,693
Cash and bank	14	123,332	232,749
		<u>269,285</u>	<u>362,878</u>
Current Liabilities			
Accounts payable and accrued charges	15	9,370	7,905
Due to endowment fund		20,532	20,532
Managed funds	16	110,268	217,971
		<u>140,170</u>	<u>246,408</u>
Net Current Asset		<u>129,115</u>	<u>116,470</u>
		<u>1,262,959</u>	<u>1,224,145</u>
Equity and Capital			
Administration fund-expenses recoverable	17	(20,044)	(9,810)
Capital reserves	18	10,134	10,584
Funds in Trust – Endowment Fund		1,032,128	983,504
TFCA funds		138,958	117,471
Americas' funds		101,783	122,396
Total Equity and Capital		<u>1,262,959</u>	<u>1,224,145</u>

Approved on behalf of the Board of Directors on May 26, 2021 and signed on its behalf by:



Dale Webber

Chairman



Ian Watson

Treasurer

Environmental Foundation of Jamaica

(A foundation limited by guarantee)

Administrative Income & Expenditure Statement

Year ended 31 July 2020

(expressed in Jamaican dollars unless otherwise indicated)

	Note	2020 \$'000	2019 \$'000
Income			
Transfers from TFCA		24,944	29,677
Transfers from Capital Reserves		450	663
Administration Fees	16(b)	13,119	31,200
Other Income		4,265	4,960
		<u>42,778</u>	<u>66,500</u>
Expenditure			
Administrative Expenses	7	(48,122)	(46,248)
Other Expenses – Managed Funds		(4,890)	(9,926)
Total Expenditure		<u>(53,012)</u>	<u>(56,174)</u>
(Deficit)/Surplus Income over Expenditure		<u>(10,234)</u>	<u>10,326</u>

Environmental Foundation of Jamaica

(A foundation limited by guarantee)

Statement of Cash Flows

Year ended 31 July 2020

(expressed in Jamaican dollars unless otherwise indicated)

	2020 \$'000	2019 \$'000
Cash Flows from Operating Activities		
Surplus for year	710	30,386
Adjustments for:		
Depreciation	3,337	3,428
(Decrease)/increase in amount due to Administration Fund	(10,234)	10,326
Unrealised loss on foreign exchange	-	344
Investment income	(17,217)	(76,106)
Expected credit loss on financial instruments	-	164
	(23,404)	(31,458)
Changes in operating assets and liabilities:		
Other assets	1,901	(9,527)
Accounts payable and accrued charges	1,465	169
Managed funds	(107,703)	159,508
Cash (used in)/provided by operating activities	(127,741)	118,692
Cash Flow from Investing Activities		
Investments	19,801	(1,227)
Endowment Fund	(48,646)	(125,377)
Investment in property, plant and equipment	(661)	(321)
Interest received	17,359	40,112
Cash used in investing activities	(12,147)	(86,813)
Cash Flow from Financing Activities		
Increase in Funds in Trust	48,646	125,321
Capital Reserves	(450)	(663)
Cash Flow from Financing Activities	48,196	124,658
(Decrease)/Increase in cash and cash equivalents	(91,692)	156,537
Effect of exchange rate changes on cash and cash equivalents	-	(344)
Cash and cash equivalent at beginning of year	348,442	192,249
CASH AND CASH EQUIVALENTS AT END OF YEAR	256,750	348,442
Represented by:		
Cash and bank	123,332	232,749
Short term investments	133,418	115,693
	256,750	348,442

Environmental Foundation of Jamaica

(A foundation limited by guarantee)

Notes to the Financial Statements

31 July 2020

(expressed in Jamaican dollars unless otherwise indicated)

1. Identification and Activities

Environmental Foundation of Jamaica (the Foundation) is limited by guarantee and was incorporated in Jamaica on 18 November 1992. The Foundation was established pursuant to an agreement between the Government of the United States of America and the Government of Jamaica concerning the establishment of an Enterprise for the Americas Initiative. This agreement referred to as "The Enterprise for the Americas Initiative Framework Agreement" (EAI Agreement) was signed on 26 November 1991 and amended effective 27 August 1993. The agreement provides for the creation of a special Americas Fund to be administered by the Foundation in accordance with agreement terms and the Foundation's memorandum and articles of association.

The main objectives of the Foundation which are in conjunction with the EAI Agreement are as follows:

- (i) to promote and implement activities designed to conserve and manage the natural resources and environment of Jamaica in the interest of sustainable development and;
- (ii) to encourage the improvement of child survival and child development in Jamaica.

The Foundation pursues its objectives mainly through the granting of funds to organisations, for qualified projects based on established criteria, by carrying out specific educational activities and rendering technical assistance towards its objectives. Operations commenced in August 1993.

On 30 September 2012, the final disbursement from the Government of Jamaica under the EAI Agreement was received. The Board of Directors approved the finalisation of a proposal to merge with Forest Conservation Fund, to raise additional funds and continue the operations of the Foundation.

On 29 June 2015, an Assignment, Assumption and Amendment Agreement referred to as the "Assignment Agreement" was entered into by The Government of Jamaica (GOJ), The Nature Conservancy (TNC), The Jamaica Protected Area Trust Limited (JPAT) and the Environmental Foundation of Jamaica (EFJ). The agreement resulted in the transfer of the rights and obligations of JPAT under the "Forest Conservation Agreement" dated 21 September 2004 to EFJ and the agreement of this transfer of rights and obligations by GOJ and TNC.

On 26 October 2016, the terms under the Assignment, Assumption and Amendment agreement were executed resulting in the assets and liabilities of JPAT being transferred to EFJ.

Environmental Foundation of Jamaica

(A foundation limited by guarantee)

Notes to the Financial Statements

31 July 2020

(expressed in Jamaican dollars unless otherwise indicated)

2. Summary of Significant Accounting Policies

(a) Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS. The financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB). These financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain financial assets.

The preparation of financial statements in conformity with International Financial Reporting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results could differ from these estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant for the financial statements are disclosed in Note 4.

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realisation of assets and settlement of liabilities in the normal course of business.

Standards, interpretations and amendments to published standards effective in current year

Certain interpretations and amendments to existing standards have been published that became effective during the current financial year. The Foundation has assessed the relevance of all such new standards, interpretations and amendments, and has adopted the following, which are immediately relevant to its operations.

- **Amendment to IFRS 9, 'Financial Instruments', on prepayment features with negative compensation and modification of financial liabilities** (effective for annual periods beginning on or after January 1, 2019 (August 1, 2019 for the Foundation). This amendment confirmed two points: i.) that reasonable compensation for prepayments can be both negative or positive cash flows when considering whether a financial asset solely has cash flows that are principal and interest and ii.) that when a financial liability measured at amortised cost is modified without this resulting in de-recognition, a gain or loss should be recognised immediately in profit or loss. The gain or loss is calculated as the difference between the original contractual cash flows and the modified cash flows discounted at the original effective interest rate. This means that the difference cannot be spread over the remaining life of the instrument which may be a change in practice from IAS 39. There was no significant impact from the adoption of this amendment.

Environmental Foundation of Jamaica

(A foundation limited by guarantee)

Notes to the Financial Statements

31 July 2020

(expressed in Jamaican dollars unless otherwise indicated)

2. Summary of Significant Accounting Policies (Continued)

(a) Basis of preparation (continued)

- **IFRS 16, 'Leases'**, (effective for annual periods beginning on or after January 1, 2019 (1 August 2019 for the Foundation)). This standard replaces the current guidance in IAS 17 and is a far-reaching change in accounting by lessees. Under IAS 17, lessees were required to make a distinction between a finance lease (on statement of financial position) and an operating lease (off statement of financial position). IFRS 16 now requires lessees to recognise a lease liability reflecting future lease payments and a 'right-of-use asset' for virtually all lease contracts. The IASB has included an optional exemption for certain short-term leases and leases of low-value assets; however, this exemption can only be applied by lessees. For lessors, the accounting stays almost the same. However, as the IASB has updated the guidance on the definition of a lease (as well as the guidance on the combination and separation of contracts), lessors will also be affected by the new standard. At the very least, the new accounting model for lessees is expected to impact negotiations between lessors and lessees. Under IFRS 16, a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The adoption of this standard did not have a significant impact on the Foundation.

Standards, interpretations and amendments to published standards that are not yet effective and have not been early adopted by the Foundation

The Foundation has concluded that the following standards which are published but not yet effective are relevant to its operations and will impact its accounting policies and financial disclosures as discussed below. These standards and amendments to existing standards are mandatory for the Foundation's accounting periods beginning on or after 1 August 2019, but the Foundation has not early adopted:

- **Amendments to IAS 1 and IAS 8 on the definition of material**, (effective for annual periods beginning on or after 1 January 2020, (1 August 2020 for the Foundation)). These amendments to IAS 1, 'Presentation of financial statements' and IAS 8, 'Accounting policies', changes in accounting estimates and errors', and consequential amendments to other IFRSs: i) use a consistent definition of materiality throughout IFRSs and the Conceptual Framework for Financial Reporting; ii) clarify the explanation of the definition of material; and iii) incorporate some of the guidance in IAS 1 about material information. The Foundation does not expect any significant impact on the financial statements arising from future adoption of the standard.
- **Amendments to IFRS 9, IAS 39 and IFRS 7 – interest rate benchmark reform**, (effective for annual periods beginning on or after 1 January 2020, (1 August 2020 for the Foundation)). These amendments provide certain reliefs in connection with interest rate benchmark reform. The reliefs relate to hedge accounting and have the effect that inter-bank offered rate (IBOR) reform should not generally cause hedge accounting to terminate. However, any hedge effectiveness should continue to be recorded in the income statement. Given the pervasive nature of hedges involving IBOR based contracts, the reliefs will affect companies in all industries. The Foundation does not expect any significant impact on the financial statements arising from future adoption of the standard.

Environmental Foundation of Jamaica

(A foundation limited by guarantee)

Notes to the Financial Statements

31 July 2020

(expressed in Jamaican dollars unless otherwise indicated)

2. Summary of Significant Accounting Policies (Continued)

(a) Basis of preparation (continued)

- **Amendments to IFRS 16, 'Leases' – COVID-19 related rent recession**, (effective for annual periods beginning on or after 1 June 2020). As a result of the coronavirus (COVID-19) pandemic, rent concessions have been granted to lessees. Such concessions might take a variety of forms, including payment holidays and deferral or lease payments. On 28 May 2020, the IASB published an amendment to IFRS 16 that provides an optional practical expedient for lessees from assessing whether a rent concession related to COVID-19 is a lease modification. Lessees can elect to account for such rent concessions in the same way as they would if they were not lease modifications. In many cases, this will result in accounting for the concession as variable lease payments in the period(s) in which the event of condition that triggers the reduced payment occurs. The Foundation does not expect that this amendment will have a significant impact on its operations.
- **Amendments to IAS 1, Presentation of financial statements on classification of liabilities**, (effective for annual periods beginning on or after 1 January 2022). These narrow-scope amendments to IAS 1, 'Presentation of financial statements', clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (for example, the receipt of a waiver or a breach of covenant). The amendment also clarifies what IAS 1 means where it refers to the 'settlement' of a liability. The Foundation does not expect any significant impact on the financial statements arising from future adoption of these amendments.

There are no other new or amended standards and interpretations that are published but not yet effective that are expected to have an impact on the accounting policies or financial disclosures of the Foundation.

(b) Government of Jamaica Receipts

Government of Jamaica payments received by the Foundation under the Enterprise of the Americas Initiative Framework Agreement are recorded when received and credited directly to the Americas' Funds Account until disbursed.

(c) Income recognition

Interest income is recognised in the Americas' Funds for all interest-bearing instruments which is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit impaired. For credit impaired financial assets, the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance). Interest income is recognised where it is earned from financial assets that are held for cash management purposes. Interest income includes income earned on cash and cash equivalent accounts held.

Dividends are recognized when the Foundation's right to receive payment is established, it is probable the economic benefits will flow to the Foundation and the amount can be measured reliably. The Foundation recognizes dividends in Statement of Changes in the Americas' and TFCA's Funds (profit and loss account).

Environmental Foundation of Jamaica

(A foundation limited by guarantee)

Notes to the Financial Statements

31 July 2020

(expressed in Jamaican dollars unless otherwise indicated)

2. Summary of Significant Accounting Policies (Continued)

(d) Foreign currency translations

Functional and presentation currency

Items included in the financial statements of the Foundation are measured using the currency of the primary economic environment in which the Foundation operates. The financial statements are presented in Jamaican dollars, which is the Foundation's functional and presentation currency.

Translation and balances

Foreign currency transactions are accounted for at the exchange rates prevailing at the dates of the transactions. At the year end date monetary assets denominated in foreign currency are translated using the closing exchange rate. Exchange differences arising from the settlement of transactions at rates different from those at the dates of the transactions and unrealised foreign exchange difference on unsettled foreign currency monetary assets are recognised in the Americas' Funds.

(e) Employee benefits

Employees' entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the year-end date.

(f) Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on the straight-line basis at annual rates that will write off the carrying value of each asset over the period of its remaining useful life. Annual depreciation rates are as follows:

Building	2.5% - 12.5%
Motor vehicles	20%
Computers	25%
Furniture and fixtures	10%

Freehold land is not depreciated.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Repairs and maintenance are charged as administrative expenses during the financial period in which they are incurred. Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amount and are taken into account in determining administrative fund balance.

Environmental Foundation of Jamaica

(A foundation limited by guarantee)

Notes to the Financial Statements

31 July 2020

(expressed in Jamaican dollars unless otherwise indicated)

2. Summary of Significant Accounting Policies (Continued)

(g) Financial instruments

A financial instrument is any contract that gives rise to both a financial asset in one entity and a financial liability or equity of another entity.

The Foundation classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss (FVPL), and
- those to be measured at amortised cost.

The classification depends on the Foundation's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will be recorded in profit or loss (statement of changes in Americas' and TFCA's Funds). For investments in equity instruments that are held for trading, Management has accounted for the equity investment at fair value through profit and loss (FVPL).

(ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on settlement date. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Foundation has transferred substantially all the risks and rewards of ownership.

(iii) Measurement

Debt Instruments

Measurement of debt instruments depends on the Foundation's business model for managing the asset and the cash flow characteristics of the asset. The Foundation classifies its debt instruments into two measurement categories:

- Amortised cost: Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in the income statement using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss. Impairment losses are presented as a separate line item in the income statement.
- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is measured at FVPL is recognised in profit or loss in the period in which it arises.

The Foundation subsequently measures all equity investments at fair value. Changes in the fair value of financial assets at FVPL are recognised in the income statement.

Environmental Foundation of Jamaica

(A foundation limited by guarantee)

Notes to the Financial Statements

31 July 2020

(expressed in Jamaican dollars unless otherwise indicated)

2. Summary of Significant Accounting Policies (Continued)

(g) Financial Instruments (continued)

(iv) Impairment

The Foundation assesses its financial assets at amortised costs on a forward-looking basis the expected credit losses (ECL) associated with its financial assets classified at amortised cost and debt instruments measured at FVPL.

Application of the General Model

The Foundation applied the 'general model' as required by IFRS 9 for debt instrument other than trade receivables. Under this model, the Foundation is required to assess on a forward-looking basis the ECL associated with its debt instrument assets carried at amortised cost and FVPL. The ECL will be recognised in the profit or loss before a loss event has occurred. The measurement of ECL reflects an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes.

The probability-weighted outcome considers multiple scenarios based on reasonable and supportable forecasts. Under current guidance, impairment amount represents the single best outcome; the time values of money and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

ECL is calculated by multiplying the Probability of default (PD), Loss Given Default (LGD) and Exposure at Default (EAD). The impairment model uses a three-stage approach based on the extent of credit deterioration since origination:

Stage 1 – 12-month ECL applies to all financial assets that have not experienced a significant increase in credit risk since origination and are not credit impaired. The ECL will be computed using a 12-month PD that represents the probability of default occurring over the next 12 months.

Stage 2 – When a financial asset experiences a significant increase in credit risk subsequent to origination but is not credit impaired, it is considered to be in Stage 2. This requires the computation of ECL based on lifetime PD that represents the probability of default occurring over the remaining estimated life of the financial asset. Provisions are higher in this stage because of an increase in risk and the impact of a longer time horizon being considered compared to 12 months in Stage 1.

Stage 3 – Financial assets that have an objective evidence of impairment will be included in this stage. Similar to Stage 2, the allowance for credit losses will continue to capture the lifetime ECL.

The Foundation uses judgement when considering the following factors that affect the determination of impairment:

- Assessment of credit risk; this is done on a relative basis. To assess whether the credit risk on a financial asset has increased significantly since origination, the Foundation compares the risk of default occurring over the expected life of the financial asset at the reporting date to the corresponding risk of default at origination, using key risk indicators that are used in the Foundation's existing risk management processes. At each reporting date, the assessment of a change in credit risk will be individually assessed for those considered individually significant and at the segment level for retail exposures. This assessment is symmetrical in nature, allowing credit risk of financial assets to move back to Stage 1 if the increase in credit risk since origination has reduced and is no longer deemed to be significant.

Environmental Foundation of Jamaica

(A foundation limited by guarantee)

Notes to the Financial Statements

31 July 2020

(expressed in Jamaican dollars unless otherwise indicated)

2. Summary of Significant Accounting Policies (Continued)

(g) Financial Instruments (continued)

- **Macroeconomic Factors and Forward-Looking Information**
The Foundation applies an unbiased and probability weighted estimate of credit losses by evaluating a range of possible outcomes that incorporates forecasts of future economic conditions.

Macroeconomic factors and forward-looking information are incorporated into the measurement of ECL as well as the determination of whether there has been a significant increase in credit risk since origination.

Measurement of ECLs at each reporting period reflect reasonable and supportable information at the reporting date about past events, current conditions and forecasts of future economic conditions. The Foundation uses three scenarios that are probability weighted to determine ECL.

Expected Life when measuring ECL, the Foundation considers the maximum contractual period over which the Foundation is exposed to credit risk. All contractual terms are considered when determining the expected life, including prepayment options and extension and rollover options. For certain revolving credit facilities that do not have a fixed maturity, the expected life is estimated based on the period over which the Foundation is exposed to credit risk and where the credit losses would not be mitigated by management actions.

The Foundation classifies its investments as fair value through profit and loss (FVPL) and amortized cost investments. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

(h) Cash and cash equivalents

Cash and cash equivalents are carried at the year end at cost. For the purposes of the cash flow statement, cash and cash equivalents comprise cash and bank balances, deposits held on call with banks, other short-term highly liquid investments with maturity dates of less than 90 days.

(i) Accounts payable

Accounts payable are stated at historical cost.

(j) Administration fund/deferred income

Where funds received for administration expenses are insufficient to cover these expenses, the over expended balance, referred to as Administration Fund - expenses recoverable, is recoverable from the Americas' Funds. While funds received for administration expenses, which are unexpended, are referred to as Administration Fund - deferred income. Refer to note 17 for details.

Environmental Foundation of Jamaica

(A foundation limited by guarantee)

Notes to the Financial Statements

31 July 2020

(expressed in Jamaican dollars unless otherwise indicated)

2. Summary of Significant Accounting Policies (Continued)

(k) Capital reserves

The cost of property, plant and equipment acquired from Government of Jamaica EAI receipts, for administrative purposes, is credited directly to capital reserves and is written off to the administration fund account over the useful lives of the relevant assets.

(l) Americas' funds

As outlined in Note 1, the EAI Agreement provides for the establishment of a special Americas' Fund to be administered by the Foundation in pursuit of its objectives. Under this arrangement, specific amounts due by the Government of Jamaica to the Government of the United States of America are paid into the fund in accordance with provisions of two debt reduction agreements (Agreement I and Agreement II). Agreement I relate to funds owed under the U.S. PL480 programme and Agreement II relates to funds owed under a specific USAID debt Agreement.

In accordance with the EAI Agreement, all funds deposited into the Fund, including investment income earned belongs to the Government of Jamaica until disbursed in accordance with stipulated guidelines.

The two funds should not be co-mingled.

(m) Impairment of non-current assets

Property, plant and equipment and other non-current assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of an asset's net selling price and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

(n) Provisions

Provisions are recognised when the Foundation has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

3. Financial Risk Management

The Foundation's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Foundation's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Foundation's financial performance.

The Foundation's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The Foundation regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practice.

The Board of Directors is ultimately responsible for the establishment and oversight of the Foundation's risk management framework. The Board provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, and investment of excess liquidity.

Environmental Foundation of Jamaica

(A foundation limited by guarantee)

Notes to the Financial Statements

31 July 2020

(expressed in Jamaican dollars unless otherwise indicated)

3. Financial Risk Management (Continued)

(a) Credit risk

The Foundation takes on exposure to credit risk, which is the risk that a party will cause a financial loss for the Foundation by failing to discharge its contractual obligations. Credit risk is a very important risk for the Foundation's business; management therefore carefully manages its exposure to credit risk. Credit exposures arise principally from the Foundation's cash and investment activities. The Foundation structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to a single counterparty or groups of related counterparties.

Credit review process

Management performs ongoing analyses of the ability of borrowers and other counterparties to meet repayment obligations.

(i) Investments

The Foundation limits its exposure to credit risk by investing mainly in liquid securities, with counterparties that have high credit quality and Government of Jamaica securities. Accordingly, management does not expect any counterparty to fail to meet its obligations.

(ii) Cash

Cash transactions are limited to high credit quality financial institutions. The Foundation has policies that limit the amount of credit exposure to any financial institution.

Maximum exposure to credit risk

The Foundation's maximum exposure to credit risk at year end was as follows:

	2020 \$'000	2019 \$'000
Investment securities	1,181,056	1,114,700
Cash and bank	123,332	232,749
Other assets	12,535	14,069
	<u>1,316,923</u>	<u>1,361,518</u>

Exposure to credit risk for investment securities

The following table summarises the Foundation's credit exposure for investment securities at their carrying amounts, as categorised by issuer:

	2020 \$'000	2019 \$'000
Endowment Fund	1,032,206	983,870
Government of Jamaica Securities	15,432	15,137
Corporate	133,418	115,693
	<u>1,181,056</u>	<u>1,114,700</u>

Environmental Foundation of Jamaica

(A foundation limited by guarantee)

Notes to the Financial Statements

31 July 2020

(expressed in Jamaican dollars unless otherwise indicated)

3. Financial Risk Management (Continued)

(b) Liquidity risk

Liquidity risk is the risk that the Foundation maybe unable to meet its payment obligations associated with its financial liabilities when they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, and the ability to close out market positions.

Liquidity risk management process

The Foundation's liquidity management process includes:

- (i) Maintaining a portfolio of highly marketable and diverse assets that can easily be liquidated as protection against any unforeseen interruption to cash flow;
- (ii) Optimising cash returns on investment; and

The maturities of assets and liabilities are important factors in assessing the liquidity of the Foundation and its exposure to changes in interest rates and exchange rates.

Undiscounted cash flows of financial liabilities

The maturity profile of the Foundation's financial liabilities at year end based on contractual undiscounted payments was as follows:

	Within 1 Month \$'000	1 to 3 Months \$'000	3 to 12 Months \$'000	Total \$'000
2020				
Accounts payable and accrued charges	485	69	8,816	9,370
Due to Endowment Fund	-	-	20,532	20,532
Managed funds	-	109,267	1,001	110,268
	485	109,336	30,349	140,170
2019				
Accounts payable and accrued charges	339	242	7,324	7,905
Due to Endowment Fund	-	-	20,532	20,532
Managed funds	-	216,970	1,001	217,971
	339	217,212	28,857	246,408

Assets available to meet all of the liabilities and to cover financial liabilities include cash and short-term investments.

Environmental Foundation of Jamaica

(A foundation limited by guarantee)

Notes to the Financial Statements

31 July 2020

(expressed in Jamaican dollars unless otherwise indicated)

3. Financial Risk Management (Continued)

(c) Market risk

The Foundation takes on exposure to market risks, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks mainly arise from changes in foreign currency exchange rates and interest rates. Market risk exposures are measured using sensitivity analysis. There has been no change to the Foundation's exposure to market risks or the manner in which it manages and measures the risk.

Currency risk

Currency risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of changes in foreign exchange rates. The Foundation is exposed to foreign exchange risk arising from currency exposures, primarily with respect to the US dollar. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities.

The Foundation manages its foreign exchange risk by ensuring that the net exposure in foreign assets and liabilities is kept to an acceptable level by monitoring currency positions. The Foundation further manages this risk by discussing with Fund Managers the projected exchange rates and divert into Jamaican dollar investments where adverse exchange rate movements are expected.

Concentrations of currency risk:

The table below summarises the Foundation's exposure to foreign currency exchange rate risk at 31 July.

	2020		
	Jamaican \$ J\$'000	United States \$ J\$'000	Total J\$'000
Financial Assets			
Investments	84,270	-	84,270
Short term investments	133,418	-	133,418
Beneficial interest in endowment fund	933,852	98,354	1,032,206
Cash and bank	122,010	1,322	123,332
Other assets	12,535	-	12,535
Total financial assets	1,286,085	99,676	1,385,761
Financial Liabilities			
Accounts payable and accrued charges	9,224	146	9,370
Due to Endowment fund	20,532	-	20,532
Managed funds	110,268	-	110,268
Total financial liabilities	140,024	146	140,170
Net financial position	1,146,061	99,530	1,245,591

Environmental Foundation of Jamaica

(A foundation limited by guarantee)

Notes to the Financial Statements

31 July 2020

(expressed in Jamaican dollars unless otherwise indicated)

3. Financial Risk Management (Continued)

(c) Market risk (continued)

Currency risk (continued)

	2019		
	Jamaican \$ J\$'000	United States \$ J\$'000	Total J\$'000
Financial Assets			
Investments	104,071	-	104,071
Short term investments	115,693	-	115,693
Beneficial interest in endowment fund	901,756	81,804	983,560
Cash and bank	231,538	1,211	232,749
Other assets	14,436	-	14,436
Total financial assets	1,367,494	83,015	1,450,509
Financial Liabilities			
Accounts payable and accrued charges	7,759	146	7,905
Due to Endowment fund	20,532	-	20,532
Managed funds	217,971	-	217,971
Total financial liabilities	246,262	146	246,408
Net financial position	1,121,232	82,869	1,204,101

Foreign currency sensitivity

The following tables indicate the currencies to which the Foundation had significant exposure on its monetary assets and liabilities and its forecast cash flows. The change in currency rates below represents management's assessment of the possible change in foreign exchange rates. The sensitivity analysis shows the impact of translating outstanding foreign currency denominated monetary items, assuming changes in currency rates shown in the table below. The sensitivity was primarily as a result of foreign exchange gains and losses on translation of US dollar-denominated investments. The correlation of variables will have a significant effect in determining the ultimate impact on market risk, but to demonstrate the impact due to changes in variable, variables had to be on an individual basis. It should be noted that movements in these variables are non-linear.

Environmental Foundation of Jamaica

(A foundation limited by guarantee)

Notes to the Financial Statements

31 July 2020

(expressed in Jamaican dollars unless otherwise indicated)

3. Financial Risk Management (Continued)

(c) Market risk (continued)

Currency risk (continued)

	% Change in Currency Rate 2020	Effect on Equity and Capital 2020 \$'000	% Change in Currency Rate 2019	Effect on Equity and Capital 2019 \$'000
Currency:				
USD	+2	(1,992)	+4	(3,333)
USD	-6	5,972	-6	4,991

Interest rate risk

Interest rate risk is the risk that the value or future cash flows of financial instruments will fluctuate because of changes in market interest rates. Floating rate instruments expose the Foundation to cash flow interest risk, whereas fixed interest rate instruments expose the Foundation to fair value interest risk.

The following table summarises the Foundation's exposure to interest rate risk. It includes the Foundation's financial instruments at carrying amounts, categorised by the earlier of contractual repricing or maturity dates.

	Within 1 Month \$'000	1 to 3 Months \$'000	Non-Interest Bearing \$'000	Total \$'000
	2020			
Assets				
Investments – FVPL	-	15,432	68,838	84,270
Beneficial interest in endowment fund	-	1,032,206	-	1,032,206
Short term investments	133,418	-	-	133,418
Cash and bank	123,332	-	-	123,332
Other assets	-	-	12,535	12,535
Total financial assets	256,750	1,047,638	81,373	1,385,761
Liabilities				
Managed funds being total financial liabilities	-	-	(140,170)	(140,170)
Total interest repricing gap	256,750	1,047,638	(58,797)	1,245,591

Environmental Foundation of Jamaica

(A foundation limited by guarantee)

Notes to the Financial Statements

31 July 2020

(expressed in Jamaican dollars unless otherwise indicated)

3. Financial Risk Management (Continued)

(c) Market risk (continued)

Interest rate risk (continued)

	Within 1 Month \$'000	1 to 3 Months \$'000	Non-Interest Bearing \$'000	Total \$'000
	2019			
Assets				
Available-for-sale-investments	-	14,972	89,099	104,071
Beneficial interest in endowment fund	-	983,560	-	983,560
Short term investments	115,693	-	-	115,693
Cash and bank	232,749	-	-	232,749
Other assets	-	-	14,436	14,436
Total financial assets	348,442	998,532	103,535	1,450,509
Liabilities				
Managed funds being total financial liabilities	-	-	(217,971)	(217,971)
Total interest repricing gap	348,442	998,532	(114,436)	1,232,538

Interest rate sensitivity

The following table indicates the sensitivity to a reasonable possible change in interest rates, with all other variables held constant, on the Foundation's statement of changes in the Americas' Funds.

The sensitivity of the statement of changes in the Americas' Funds is the effect of the assumed changes in interest rates on net deficit based on non-trading financial assets. The sensitivity of changes in the Americas' Funds is calculated by revaluing fixed rate FVPL financial assets for the effects of the assumed changes in interest rates. The correlation of variables will have a significant effect in determining the ultimate impact on market risk, but to demonstrate the impact due to changes in variable, variables had to be on an individual basis. It should be noted that movements in these variables are non-linear.

	Effect on Equity and Capital 2020 \$'000	Effect on Equity and Capital 2019 \$'000
Change in basis points:		
-1% (2019: -1%)	(354)	(205)
+1% (2019: +1%)	(354)	205

Environmental Foundation of Jamaica

(A foundation limited by guarantee)

Notes to the Financial Statements

31 July 2020

(expressed in Jamaican dollars unless otherwise indicated)

3. Financial Risk Management (Continued)

(d) Capital management

The Foundation's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide benefits for stakeholders. There were no changes to the Foundation's approach to capital management during the year.

In Accordance with the Assignment, Assumption & Amendment Agreement dated June 29, 2017, Section 4.1(d), the total administrative expenses should not exceed a maximum combined amount of US\$450,000 without the unanimous approval of the permanent Directors.

(e) Fair values of financial instruments

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

The following table provides an analysis of financial instruments held as at the date of the statement of financial position that, subsequent to initial recognition, are measured at fair value. The financial instruments are grouped into levels 1 to 3 based on the degree to which the fair value is observable, as follows:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical instruments;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the instrument, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the instrument that are not based on observable market data (unobservable inputs).

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
2020				
Investments at FVPL				
Quoted equities	68,838	-	-	68,838
Government of Jamaica bonds	-	15,432	-	15,432
	68,838	15,432	-	84,270
2019				
Investments at FVPL				
Quoted equities	89,099	-	-	89,099
Government of Jamaica bonds	-	15,136	-	15,136
Expected credit losses	-	(164)	-	(164)
	89,099	14,972	-	104,071

Environmental Foundation of Jamaica

(A foundation limited by guarantee)

Notes to the Financial Statements

31 July 2020

(expressed in Jamaican dollars unless otherwise indicated)

3. Financial Risk Management (Continued)

(e) Fair values of financial instruments (continued)

The fair value of financial instruments traded in active markets is based on quoted market prices at the date of the statement of financial position. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets is the current bid price. These instruments are grouped in Level 1.

The fair value of financial instruments not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

4. Critical Accounting Judgement and Key Source of Uncertainty

The management of the Foundation makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical judgements in applying the Foundation's accounting policies

In the process of applying the Foundation's accounting policies, the management has not made any significant judgements that would cause a significant impact on the amounts recognised in the financial statements.

(b) Key sources of estimation uncertainty

In the process of applying the Foundation's accounting policies, the management has not made any significant estimate that would cause a significant impact on the amounts recognised in the financial statements.

Environmental Foundation of Jamaica

(A foundation limited by guarantee)

Notes to the Financial Statements

31 July 2020

(expressed in Jamaican dollars unless otherwise indicated)

5. Project Grants Disbursed

	Fund III \$'000
Projects' disbursement, net	6,261
Disbursements allocated as follows:	
Dolphin Head Cooperative	620
Jamaica Organic Agriculture Movement	1,368
Lions Club of Mona	3,262
UWI Discovery Bay Marine Lab	1,053
	<u>6,303</u>
Refunds	
4-H Club	(42)
Net Disbursements	<u>6,261</u>

6. Administration Fund

In accordance with the Assignment, Assumption & Amendment Agreement dated June 29, 2015 Section 4.1(d), the total administrative expenses should not exceed a maximum combined amount of US\$450,000 without the unanimous approval of the permanent Directors. Permanent Directors comprise one Director appointed by the Government of Jamaica, one Director appointed by the United States Government and one Director appointed by The Nature Conservancy.

Total administrative expenses during the year was below the threshold permitted and indicated below:

	2020 \$'000	2019 \$'000
Jamaican Dollar equivalent of US\$450,000	66,104	60,562
Less: Administrative expenses for the year (note 7)	<u>(48,122)</u>	<u>(46,248)</u>
Excess	<u>17,982</u>	<u>14,314</u>

Environmental Foundation of Jamaica

(A foundation limited by guarantee)

Notes to the Financial Statements

31 July 2020

(expressed in Jamaican dollars unless otherwise indicated)

7. Expenses by Nature

	2020	2019
	\$'000	\$'000
Advertising and public relations	255	384
Auditors' remuneration	1,100	1,100
Depreciation (Note 10)	3,337	3,428
Legal and professional fees	195	1,217
Local and foreign travelling expenses	222	67
Motor vehicle expenses	1,124	1,409
Office and general expenses	1,931	1,624
Printing and stationery	524	158
Repairs and maintenance	1,573	1,326
Staff costs (Note 8)	31,696	29,499
Security	2,655	2,656
Utilities	2,484	2,644
Other expenses	1,026	736
	<u>48,122</u>	<u>46,248</u>

8. Staff Costs

	2020	2019
	\$'000	\$'000
Wages and salaries	27,291	25,433
Payroll taxes – employer's portion	2,796	2,606
Other	1,609	1,460
	<u>31,696</u>	<u>29,499</u>

The number of persons employed by the Foundation at the year-end was 8 (2019 - 8).

Environmental Foundation of Jamaica

(A foundation limited by guarantee)

Notes to the Financial Statements

31 July 2020

(expressed in Jamaican dollars unless otherwise indicated)

9. Investment Advisers' Fees

Investment Advisers' fees for the year are comprised as follows -

	2020 \$'000	2019 \$'000
BPM Financials Limited	812	719

10. Property, Plant and Equipment

	2020				
	Freehold Land and Building \$'000	Motor Vehicles \$'000	Computers \$'000	Furniture and Fixtures \$'000	Total \$'000
At Cost -					
At 1 August 2019	27,168	11,479	18,761	7,096	64,504
Additions	-	-	127	534	661
At 31 July 2020	27,168	11,479	18,888	7,630	65,165
Depreciation -					
At 1 August 2019	13,493	5,549	18,605	6,813	44,460
Charge for the year	871	2,296	71	99	3,337
At 31 July 2020	14,364	7,845	18,676	6,912	47,797
Net Book Value -					
31 July 2020	12,804	3,634	212	718	17,368

Environmental Foundation of Jamaica

(A foundation limited by guarantee)

Notes to the Financial Statements

31 July 2020

(expressed in Jamaican dollars unless otherwise indicated)

10. Property, Plant and Equipment (Continued)

	2019				
	Freehold Land and Building \$'000	Motor Vehicles \$'000	Computers \$'000	Furniture and Fixtures \$'000	Total \$'000
At Cost -					
At 1 August 2018	27,168	11,479	18,630	6,906	64,183
Additions	-	-	131	190	321
Disposals					
At 31 July 2019	-	-	-	-	-
Depreciation -	27,168	11,479	18,761	7,096	64,504
At 1 August 2018					
Disposals	12,622	3,253	18,406	6,751	41,032
Charge for the year	-	-	-	-	-
At 31 July 2019	871	2,296	199	62	3,428
Net Book Value -	13,493	5,549	18,605	6,813	44,460
31 July 2019	13,675	5,930	156	283	20,044

11. Investment Securities

	2020 \$'000	2019 \$'000
At beginning of year	219,764	67,014
Fund receipts (net)	15,141	113,146
Unrealized (loss)/gain on investment	(21,437)	35,098
Interest earned	4,220	5,014
Exchange differences	-	(344)
Expected credit loss	-	(164)
At end of year	217,688	219,764
Represented by:		
Short term investments (amortised cost)		
Repurchase agreement	113,414	105,585
Cash deposit	20,004	10,108
	133,418	115,693
Investments at FVPL		
Equity instruments (Quoted shares)	68,838	89,419
Debt instruments (Government bonds)	15,432	14,652
	84,270	104,071
	217,688	219,764

Environmental Foundation of Jamaica

(A foundation limited by guarantee)

Notes to the Financial Statements

31 July 2020

(expressed in Jamaican dollars unless otherwise indicated)

12. Beneficial Interest in Endowment Fund

	2020 \$'000	2019 \$'000
Total investments comprised the following -		
Endowment Fund		
Funds held in trust	1,011,674	963,028
Notes receivables	20,532	20,532
	<u>1,032,206</u>	<u>983,560</u>
Investment FVPL (Note 11)	84,270	104,071
Investments at amortised cost (Note 11)	133,418	115,693
	<u>1,249,894</u>	<u>1,203,324</u>

The Board, in recognition that the America's Fund is a reducing source which was established for a limited period of time, approved the establishment of an endowment fund on 23 September 2004 and seeded the fund with \$85,000,000 in January 2013. The purpose of the fund is to ensure that the Foundation has a long-standing and sustained source of income.

In furtherance of the EFJ's merger with Forest Conservation Fund / Jamaica Protected Areas Trust (JPAT):

- the amount of \$633,135,000 designated by JPAT for their Endowment Fund was transferred to the EFJ in 2016/2017,
- the amount of \$48,042,000.00 was transferred in 2017/2018,
- the amount of J\$48,677,000.00 was received in 2018/2019 and
- the amount of J\$49,944,000.00 was received in 2019/2020

These amounts are now being invested in a separate pool of Funds at NCB Capital Markets.

Investment Securities by Adviser

	Fund I \$'000	Fund II \$'000	Fund III \$'000	2020 \$'000	2019 \$'000
Endowment Fund	106,634	37,632	714,708	858,974	981,947
Expected credit loss	-	-	-	-	(310)
Investments -					
Barita Portfolio Management Limited					
Securities (FVPL)	368	15,000	-	15,368	15,095
Quoted equities (FVPL)	68,838	-	171,563	240,401	89,099
Expected credit loss	-	-	-	-	(164)
Amortised cost	-	-	133,418	133,418	115,693
	<u>175,840</u>	<u>52,632</u>	<u>1,019,689</u>	<u>1,248,161</u>	<u>1,201,360</u>
Accrued interest	103	99	1,531	1,733	1,964
Total investments	<u>175,943</u>	<u>53,731</u>	<u>1,021,220</u>	<u>1,249,894</u>	<u>1,203,324</u>

Environmental Foundation of Jamaica

(A foundation limited by guarantee)

Notes to the Financial Statements

31 July 2020

(expressed in Jamaican dollars unless otherwise indicated)

13. Other Assets

	2020 \$'000	2019 \$'000
Prepayments	382	367
Other receivables	12,153	14,069
	<u>12,535</u>	<u>14,436</u>

- (i) The Foundation has been granted a waiver of all taxes in accordance with Article III of the agreement between the Government of Jamaica and the Government of the United States of America concerning an Enterprise for the Americas Initiative and in accordance with the provisions of Charities Act.
- (ii) Other receivables primarily represent administrator fees receivable from the Special Climate Change Adaptation Fund and amounts advanced to grant beneficiaries under the European Union / Forestry Department Fund Administration Agreement.

14. Cash and Bank

	2020 \$'000	2019 \$'000
Cash and bank	<u>123,332</u>	<u>232,749</u>

15. Accounts Payable and Accrued Charges

	2020 \$'000	2019 \$'000
Accounts payable	146	339
Accrued charges	7,163	5,588
Other	2,061	1,978
	<u>9,370</u>	<u>7,905</u>

Environmental Foundation of Jamaica

(A foundation limited by guarantee)

Notes to the Financial Statements

31 July 2020

(expressed in Jamaican dollars unless otherwise indicated)

16. Managed Funds

	2020 \$'000	2019 \$'000
Northern Jamaica Conservation Association Endowment Fund (a)	1,001	1,001
Special Climate Change Adaptation Fund (b)	109,267	216,970
European Union / Forestry Department Grants (c)	-	-
	<u>110,268</u>	<u>217,971</u>

(a) Northern Jamaica Conservation Association

The Foundation has decided to manage separately monies approved for the establishment of an Endowment Fund for Seven Oaks Sanctuary for Wildlife. The amount approved, and interest earned is as follows:

	2020 \$'000	2019 \$'000
Opening balance of fund	<u>1,001</u>	<u>1,001</u>
Closing balance of fund	<u>1,001</u>	<u>1,001</u>

The agreement between the Foundation and NJCA (amended in December 2007) included the restriction of disbursements to interest earned for a period of five years after which the grant will be eligible for renewal. There were no disbursements in the period.

Environmental Foundation of Jamaica

(A foundation limited by guarantee)

Notes to the Financial Statements

31 July 2020

(expressed in Jamaican dollars unless otherwise indicated)

16. Managed Funds (Continued)

(b) Special Climate Change Adaptation Fund

Phase I

The Adaptation Programme and Financing Mechanism (AP&FM) for the Pilot Programme for Climate Resilience, Jamaica (PPCR) is being executed by the Government of Jamaica (GOJ) through the Ministry of Economic Growth and Job Creation (MEGJC) which has been assigned the responsibility for climate change. The Programme is pursued with funding provided by the Special Climate Change Adaptation Fund (SCCAF) and comprises three (3) components.

The MEGJC wishes to pursue the implementation of Component II of the Programme which relates to the creation and establishment of innovative climate financing mechanisms to help support implementation of climate resilience within Micro, Small and Medium Size Enterprises (MSMEs) and Community Based Organizations (CBOs). The MEGJC has established a Project Executing Unit (PEU) with office located at 16a Half-Way-Tree Road in Kingston. The PEU is responsible for the overall fiduciary, administrative, financial management and technical functions (including planning, coordination, supervision, staffing, procurement, monitoring and evaluation) in the implementation of the AP&FM-PPCR Jamaica.

The total sum allocated for the purposes of performing the activities under Component II is Four Million Seven Hundred Thousand United States Dollars (USD \$4,700,000.00). Broken out as follows:

Year 1: US\$1,200,000.00

Year 2: US\$1,400,000.00

Year 3: US\$1,400,000.00

Year 4: US\$ 700,000.00

Phase II

The PEU has recommended that a Grant Fund be established to allow community groups/organizations to access grant funding to implement projects to construct MICRO Check Dams on individual properties. **USD 1.2M of Grant Resources** was used to establish the Grant Fund for MICRO Check Dams to implement the construction of 1,800 MICRO Check Dams through the use of grants allocated to community groups/organizations.

The Grant Fund will be similar to the Special Climate Change Adaptation Fund (SCCAF) Phase I which was established under the AP&FM-PPCR, Jamaica in July 2016 through a Fund Administrator Agreement (FAA) between the MEGJC and the Environmental Foundation of Jamaica (EFJ). This arrangement was established via a new FAA in June 3, 2019.

The MEGJC engaged the Environmental Foundation of Jamaica (EFJ) to perform the Services required to implement these activities. Fees for the performance of these services under each Phase were agreed to be 7% of the annual allocations.

Environmental Foundation of Jamaica

(A foundation limited by guarantee)

Notes to the Financial Statements

31 July 2020

(expressed in Jamaican dollars unless otherwise indicated)

16. Managed Funds (Continued)

(b) Special Climate Change Adaptation Fund Phase I (continued)

Statement of changes in fund balance

	2020 \$'000	2019 \$'000
Balance at beginning of year	(122,669)	(29,207)
Add: Fund Receipts – Ministry of Economic Growth & Job Creation	117,444	327,108
Interest Income	1,025	-
Less:		
Grant Awards-		
paid (i)	(199,652)	(162,494)
accrued (i)	(108,146)	(239,645)
Uncommitted Funds SCCAF Phase 2	(14,756)	-
Fund Administrator fees-		
paid	(26,444)	(4,946)
accrued	-	(13,325)
Bank Charges	(76)	(160)
Surplus for year	(230,605)	(93,462)
Balance at end of year	<u>(353,274)</u>	<u>(122,669)</u>

Environmental Foundation of Jamaica

(A foundation limited by guarantee)

Notes to the Financial Statements

31 July 2020

(expressed in Jamaican dollars unless otherwise indicated)

16. Managed Funds (Continued)

(b) Special Climate Change Adaptation Fund (continued)

Statement of cash flows

	2020 \$'000	2019 \$'000
Cash flows from operating activities		
Surplus for year	(230,605)	(93,462)
Adjustments for:		
Grants awarded but not disbursed	108,146	239,645
Uncommitted Funds SCCAF Phase 2	14,756	-
Fund Administrator fees payable	-	13,325
Cash (used in)/provided by operating activities	(107,703)	159,508
Cash and cash equivalent at beginning of year	216,970	57,462
Fund cash balance at the end of the year	109,267	216,970

Environmental Foundation of Jamaica

(A foundation limited by guarantee)

Notes to the Financial Statements

31 July 2020

(expressed in Jamaican dollars unless otherwise indicated)

16. Managed Funds (Continued)

(b) Special Climate Change Adaptation Fund (continued)

- (i) Grants are awarded to eligible organisations through a Call for Proposals. There were no Calls for Proposals during the year. See listing below of projects awarded under Phase I:

	Amount awarded \$'000	Amount disbursed \$'000	Balance \$'000
Alligator Head Foundation	4,521	3,905	616
Alpha Institute (2 projects)	8,158	6,937	1,221
Ashley Primary and Infant School	4,931	4,831	100
Balacava Development Area Committee	3,906	3,761	145
Bartons Community Development Committee	5,000	4,707	293
Beeston Spring Community Development Committee	4,998	4,998	-
Bellefield Citizens Development Association	4,940	4,940	-
Best Care Foundation	3,101	3,101	-
Bethabara Primary and Infant Parent Teachers Association	4,997	4,956	41
Bright River Cooperative Society Limited	4,147	4,147	-
Brighter Future Farmers Group	4,999	2,532	2,467
Brooks Level Citizens Association Benevolent Society	1,000	918	82
Bustamante High School	5,000	4,981	19
Carron Hall Primary School	4,827	-	4,827
Cave Valley Multi-Purpose Cooperative	5,000	5,000	-
Central Jamaica Social Development Initiative (3 projects)	14,950	14,950	-
Church Teachers College	5,000	4,525	475
Clarendon Municipal Corporation (2 projects)	8,569	8,408	161
Clarendon Parish Development Committee Benevolent Society (2 projects)	10,000	9,899	101
Claude McKay High School	4,425	4,416	9
Cockpit Country Local Forest Management Committee	4,972	3,740	1,232
College of Agriculture Science and Education (CASE) (3 projects)	14,994	14,994	-
Cross Keys Development Area Committee (2 projects)	8,432	8,142	290
Denbigh High School	5,000	3,140	1,860
Development Beyond Horizons	3,657	3,325	332
Do Good Jamaica	4,948	4,948	-
Earth Strong Agro NGO	5,000	4,992	8
Balance carried forward on next page	159,472	145,193	14,279

Environmental Foundation of Jamaica

(A foundation limited by guarantee)

Notes to the Financial Statements

31 July 2020

(expressed in Jamaican dollars unless otherwise indicated)

16. Managed Funds (Continued)

(b) Special Climate Change Adaptation Fund (continued)

	Amount awarded \$'000	Amount disbursed \$'000	Balance \$'000
Balance brought forward	159,472	145,193	14,279
Elliott Farmers Community Group	4,731	4,246	485
Enablers of Community Advancement Projects and Initiatives	4,942	4,942	-
Essex Hall Citizens Association	5,000	5,000	-
Fair Prospect Gardens Citizen's Association	4,995	4,546	449
Faith Academy Limited	4,847	4,847	-
Food for the Poor	5,000	3,412	1,588
Fort George Primary School	4,671	4,616	55
Frankfield Primary and Infant Parent Teachers Association	4,710	4,710	-
Frankfield Primary and Infant School	4,220	4,220	-
Grants Mountain Local Forest Management Committee	4,910	-	4,910
Green Island Friendly Fisherfolks Cooperative	5,000	3,006	1,994
Greenwich Town Fisherfolks Cooperative	5,000	3,513	1,487
HEART NTA Ebony Park Academy	5,000	-	5,000
Jacks Hill Community Benevolent Society	1,150	1,030	120
Jamaica Association for the Deaf	4,992	3,444	1,548
Jamaica Conservation and Development Trust	5,000	2,066	2,934
Jamaica Greenhouse Growers Association	5,000	5,000	-
Jamaica Surfing Association	4,706	4,685	21
James Hill Farmers Group	2,656	2,656	-
Jeffrey Town Farmers Association (2 projects)	9,800	9,670	130
Jones Town Baptist Church	4,956	4,523	433
Kellits Primary School PTA - Kellits' SWIFT	4,996	4,900	96
Kitson Town Community Development Committee	5,000	4,842	158
Knockalva Polytechnic College	4,856	1,751	3,105
Knockpatrick Citizens Association	4,576	4,576	-
Knox Community College	4,950	-	4,950
Local Initiative Facility for the Environment (LIFE)	5,000	4,830	170
Lucky Valley Primary School	5,000	4,787	213
Mafoota Agricultural Cooperative Society (2 projects)	9,828	8,731	1,097
Manchester Parish Development Committee	5,000	4,929	71
Marlie Hill Community Development Committee	5,000	5,000	-
Maryland Community Development Committee	5,000	5,000	-
Merlene Ottey High School	4,034	2,950	1,084
Balance carried forward on next page	323,998	277,621	46,377

Environmental Foundation of Jamaica

(A foundation limited by guarantee)

Notes to the Financial Statements

31 July 2020

(expressed in Jamaican dollars unless otherwise indicated)

16. Managed Funds (Continued)

(b) Special Climate Change Adaptation Fund (continued)

	Amount awarded \$'000	Amount disbursed \$'000	Balance \$'000
Balance brought forward	323,998	277,621	46,377
Mile Gully/Warwick Castle Benevolent Development Society	4,950	-	4,950
Moneague College (3 projects)	12,512	12,512	-
Mount Airy Primary & Infant School	4,743	4,262	481
Mount Olivet Boys Home (United Church)	4,818	4,818	-
Nature Preservation Foundation	5,000	3,329	1,671
Negril Area Environmental Protection Trust	5,000	4,000	1,000
New Horizon Christian Outreach Ministries (NHCOM)	5,000	5,000	-
Northern Caribbean University (3 projects)	14,987	14,887	100
Old Harbour Youth Farmers Network	5,000	5,000	-
Parry Town Citizens Association	4,376	-	4,376
Pedrovian Community Benevolent Society	4,977	4,977	-
Pepper Production and Marketing Foundation Limited	5,000	5,000	-
Plant Jamaica	4,186	3,523	663
Planters Hall All Age and Infant School	5,000	4,787	213
Porter's Mountain Community Development Committee- Climate Resilient Community based Water	5,000	2,691	2,309
Ridge Red Bank Community Benevolent Society	4,990	4,990	-
Rock Hall Production and Marketing Benevolent Society	740	573	167
Rock Primary and Infant School	4,931	4,831	100
Rocky Point Development Council Benevolent Society	5,000	5,000	-
Rose Hall Farmers Group	4,990	4,890	100
Rose Town Foundation for the Built Environment	3,651	3,555	96
Rose Town Foundation for the Built Environment	1,463	1,463	-
Rural Agricultural Development Authority (RADA) – St Andrew	3,876	3,431	445
Rural Water Supply Limited (3 projects)	14,570	12,897	1,673
Sanguinetti Farmers Group - Soil Conservation	5,000	4,840	160
Seaforth High School	4,998	4,178	820
Siloah Community Development Committee	4,754	4,390	364
Source Farm Foundation & Ecovillage	5,000	5,000	-
Southern Trelawny Environmental Agency - (2 projects)	10,000	9,952	48
St. Elizabeth Agricultural Cooperative Society	4,940	4,940	-
St. Mary Technical High School	5,000	3,985	1,015
St. Thomas Bee Farmers Cooperative Limited	4,844	4,816	28
Balance carried forward on next page	503,294	436,138	67,156

Environmental Foundation of Jamaica

(A foundation limited by guarantee)

Notes to the Financial Statements

31 July 2020

(expressed in Jamaican dollars unless otherwise indicated)

16. Managed Funds (Continued)

(b) Special Climate Change Adaptation Fund (continued)

	Amount awarded \$'000	Amount disbursed \$'000	Balance \$'000
Balance brought forward	503,294	436,138	67,156
St. Thomas Environmental Protection Association	4,910	4,710	200
Summerfield Community Development Organization	5,000	5,000	-
Sunbeam Children's Home	5,000	5,000	-
Tarrant Baptist Church	2,324	1,966	358
The Caribshare Company Ltd.	4,082	4,082	-
The University of the West Indies (7 projects)	33,354	32,168	1,186
Troja Primary & Junior High School	5,000	3,643	1,357
Unitas of Jamaica	5,000	5,000	-
Upper Rock Spring All Age & Infant School	4,993	4,893	100
Vision of Hope / Mountainside Juices Benevolent Society	4,988	1,409	3,579
Wesley Frankfield Women's League	4,920	4,920	-
Wesleyan Farmers Group	3,477	3,477	-
Westmoreland Municipal Corporation	4,990	4,990	-
White Horses Botany Bay and Pamphret Development Benevolent Society Limited	4,999	3,912	1,087
White River Marine Association (2 projects)	9,050	8,950	100
Windalco Kirkvine Joint Communities Council	4,800	4,800	-
Windsor Castle Social Services Home Economics Benevolent Society (2 projects)	6,446	6,276	170
York Small Farmers Benevolent Society	5,000	3,671	1,329
Total Phase I	621,627	545,005	76,622

Environmental Foundation of Jamaica

(A foundation limited by guarantee)

Notes to the Financial Statements

31 July 2020

(expressed in Jamaican dollars unless otherwise indicated)

16. Managed Funds (Continued)

(b) Special Climate Change Adaptation Fund (continued)

Phase II: MICRO Check Dams

	Amount awarded \$'000	Amount disbursed \$'000	Balance \$'000
Brandon Hill Patriots Community Development Committee	29,789	24,568	5,221
Bull Head Mountain Benevolent Society	14,991	14,644	347
James Hill Farmers Group	13,666	12,701	965
Kellits Development Area Committee	29,983	23,069	6,914
Rural Water Supply Company	29,998	19,979	10,019
Summerfield Community Development Committee	30,000	21,942	8,058
Total Phase II	148,427	116,903	31,524

(c) EU / Forestry Department Grants

The Foundation entered into a Fund Administrator Agreement with the Forestry Department on January 31, 2019. The objective of the agreement is for the administration of a specific activity to be undertaken pursuant to the European Union Budget Support Programme; that activity being the upscaling of existing alternative livelihood projects to support forest communities.

The activities related to the Improved Forest Management for Jamaica (IFMJ) programme, between the European Union and Jamaica is to assist the Government of Jamaica in implementing the Forest Policy for Jamaica 2017 (and supporting the National Forest Management and Conservation Plan (2016-2026), to sustainably manage and utilize Jamaica's forest resources to enhance social and economic development and contribute to building Jamaica's climate change resiliency programme.

At year end 46 grants were awarded a total of J\$240 million. These projects are listed in the table below.

Environmental Foundation of Jamaica

(A foundation limited by guarantee)

Notes to the Financial Statements

31 July 2020

(expressed in Jamaican dollars unless otherwise indicated)

16. Managed Funds (Continued)

(c) EU / Forestry Department Grants (Continued)

	Amount awarded \$'000	Amount disbursed \$'000	Balance \$'000
Auchtembeddie	5,280	-	5,280
Bamboo Primary School	3,945	3,610	335
Bella's Gate Community Development Committee	5,156	4,876	280
Cave Valley Multipurpose Cooperative Society	4,754	2,431	2,323
Central Jamaica Social Development Initiative	6,000	-	6,000
Clarendon Municipal Cooperation	3,540	3,310	230
Cobbla	5,662	-	5,662
Cockpit Country Local Forest Management Committee	5,241	-	5,241
Cockpit Country Local Forest Management Committee – Duanvale	5,575	4,711	864
Cockpit Country Local Forest Management Committee – Troy	4,740	4,087	653
College of Agriculture Science and Education	5,538	3,019	2,519
Crescent Women's Group	6,000	4,632	1,368
Croft's Hill Farmer's Group	4,514	3,034	1,480
Dolphin Head Local Forest Management Committee Cooperative Society Ltd.	3,200	2,200	1,000
Douglas Castle / McNie CDC Benevolent Society	6,000	5,395	605
Eamus Hall Women in Agriculture Farmers Group	5,860	4,102	1,758
Ebenezer Home for the Mentally Challenged	3,335	3,297	38
Enablers of Community Advancement Projects & Initiatives	5,650	4,550	1,100
Food for the Poor	3,166	2,071	1,095
Forward Step Foundation	5,435	0	5,435
Giddy Hall Youth Farmers Movement	6,000	4,200	1,800
Golden Value JAS Group	4,980	3,854	1,126
Guy's Hill United PMO	6,000	3,069	2,931
Jamaica Association for the Deaf	5,946	0	5,946
James Hill Farmers Group	5,148	4,944	204
Linton Park	5,999	0	5,999
Local Initiative Facility for the Environment	5,200	3,241	1,959
Balance carried forward on next page	159,472	109,256	50,216

Environmental Foundation of Jamaica

(A foundation limited by guarantee)

Notes to the Financial Statements

31 July 2020

(expressed in Jamaican dollars unless otherwise indicated)

16. Managed Funds (Continued)

(c) EU / Forestry Department Grants (Continued)

	Amount awarded \$'000	Amount disbursed \$'000	Balance \$'000
Madras All Age and Infant School	5,926	5,726	200
Maryland All Age & Infant School	3,773	3,573	200
Mearnsville /Auldayr Community	4,776	-	4,776
Morant Farmers Group	3,965	2,460	1,505
New Horizon Christian Outreach Ministries	6,000	5,420	580
Northern Caribbean University	5,015	3,182	1,833
Quickstep Community Development Community	3,313	2,231	1,082
Sawyers	8,661	-	8,661
Seventh Day	6,000	-	6,000
Seville Farmers Benevolent Society	5,998	842	5,155
Social Services International Ministries Seventh Day Church of God	6,000	1,782	4,218
Source Farm Foundation & Eco Village (2 projects)	11,305	8,190	3,115
Southern Trelawny Environmental Agency	4,500	4,300	200
Southfield Farmer's Benevolent Society	5,957	4,701	1,256
Stanmore	6,000	-	6,000
Watermount Community Development Group	5,909	5,365	544
White Hall Women's Farmers Group	4,620	4,620	-
Youth Crime Watch	4,417	4,417	-
Total	240,000	131,445	108,555

J\$108.56 million is payable to grant beneficiaries at year end July 31, 2020.

17. Administrative Fund Expenses Recoverable

	2020 \$'000	2019 \$'000
Opening balance	(9,810)	(20,136)
Surplus Income over Expenditure	(10,234)	10,326
Closing balance	<u>(20,004)</u>	<u>(9,810)</u>

Environmental Foundation of Jamaica

(A foundation limited by guarantee)

Notes to the Financial Statements

31 July 2020

(expressed in Jamaican dollars unless otherwise indicated)

18. Capital Reserves

The cost of capital assets acquired using Government of Jamaica EAI payments received is credited to capital reserves and released to the administration fund over the life of the relevant assets by reference to depreciation charges. The balance is comprised as follows:

	2020 \$'000	2019 \$'000
Balance at beginning of year	10,584	11,247
Less:		
Transfers to administration fund in current year (depreciation)	(450)	(663)
Balance at end of year	<u>10,134</u>	<u>10,584</u>

Depreciation noted in the Capital Reserves differ from amount recognised in Note 10 property, plant and equipment as the funds used to acquire (i) some of computers and (ii) Motor Vehicles were obtained from sources external to the America's Fund. The depreciation charges recognise in capital reserves excludes depreciation on these assets.

19. Commitments

As at 31 July 2020, the Foundation had project grant funds committed and not disbursed of approximately \$263,597,000 - SCCAF \$122,894,000 (Note 16); EU/Forestry Department \$108,491,000; TFCA \$26,717,000, PL480 \$5,269,000, Aid Debt \$226,000).

20. Related Party Balances and Transactions

(a) Key management compensation:

	2020 \$'000	2019 \$'000
Wages and salaries	13,871	13,211
Payroll taxes – employer's portion	1,409	1,339
Other	<u>240</u>	<u>240</u>
	<u>15,520</u>	<u>14,790</u>
Directors' fees	<u>Nil</u>	<u>Nil</u>

At year ended 31 July 2020, grants approved but not disbursed for University of the West Indies amounted to \$4,877,000 from TFCA/PL480/AID Debt, \$5,386,000 is also committed under the Special Climate Change Fund.