



**International  
Conservation  
Fund of Canada**

## **2009 Annual Report**



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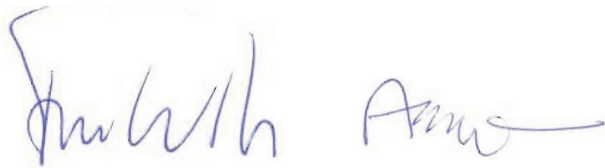
## A Message from ICFC's Managing Directors

In its third year (second full year), the International Conservation Fund of Canada (ICFC) carried on with existing programs, with the continued help of Dr. Barbara Zimmerman whom we hired in 2009 (we share her with the Environmental Defense Fund) as our Kayapo Program Director and Tropical Ecologist.

Barbara's extensive experience in tropical biology and conservation and particularly her twenty years experience with the Kayapo in the Brazilian Amazon — work which she pioneered — makes her the idea person to head our key Kayapo program and to advise on other ICFC work. See her mini-bio near the end of this report.

In 2009 ICFC continued to help the Kayapo Indians protect 11-million hectares of rainforest in the southeastern Amazon region of Brazil. We also supported parks guards who double as "parataxonomists" at Costa Rica's Area de Conservación Guanacaste. And with other partners, we continued work to strengthen Brazil's first network of marine protected areas and in the formation and management of Brazil's first "marine extractive reserves".

Please see our website ([ICFCCanada.org](http://ICFCCanada.org)) for more detailed information.



Tom Welch and Anne Lambert  
Managing Directors  
International Conservation Fund of Canada



Tom Welch



Anne Lambert



Barbara Zimmerman

## PROJECTS

### Protecting Kayapo lands, Brazil

#### Securing protection of Kayapó Indigenous Territories in the southeastern Amazon region of Brazil

In 2009 ICFC continued its involvement in a remarkable conservation effort in Brazil.

The Kayapó Indigenous people of Brazil protect 11-million hectares of their lands from deforestation in the highly threatened southeastern Amazon region of Brazil. This vast block (an area twice the size of Nova Scotia) of legally ratified Kayapó Indigenous Territories is the largest tract of tropical forest in the world under some form of protection.

This effort takes advantage of the desire of the Kayapó to protect their lands from deforestation and helps to provision them for surveillance, demarcation and protection of the lands. It also helps develop sustainable and culturally compatible economic activities that provide an alternative to lucrative options like gold-mining and mahogany extraction.

In 2009 we worked with two Kayapo non-governmental organizations: the Associação Floresta Protegida (AFP, Protected Forest Association) and Instituto Kabu (IK). Each is headed by an educated Brazilian and we are fortunate to work with two very dedicated and able individuals, Adriano Jerozolinski of AFP; and Luis Carlos Sampaio of IK.

Territorial surveillance work in 2009 included surveillance overflights of areas of concern and an operation to clear the Rio Branco of fallen trees to allow access for surveillance, along with routine surveillance activities.

Instituto Kabu facilitated meetings of Kayapó leaders with the municipal government of Novo Progresso in order to obtain building space for setting up a regional office for FUNAI (the government agency responsible for indigenous peoples). The physical presence of FUNAI in the area will contribute greatly to the effectiveness of surveillance and territorial control. (FUNAI has legal authority for removing invaders and enforcing indigenous rights.) IK also facilitated meetings of several Kayapó communities with FUNAI and with municipal officials, which resulted in inclusion of the communities in government health, education and indigenous rights services.

IK negotiated a compensation package from the government to strengthen territorial control by the western Kayapó after the paving of the BR-163 highway "opens floodgates" to colonization and deforestation along their border. As a first part of the compensation package, the Department of Transport

provided a 4X4 truck to the IK for surveillance.



Instituto Kabu negotiating with FUNAI for highway impact compensation package.

IK and AFP held meetings in various communities to explain and consult about the potential of REDD (reduced emissions from deforestation and forest degradation) carbon credit funding to support conservation of Kayapó forested lands. A consensus was reached in support of pursuing this. Barbara Zimmerman played a key role in this effort.

Work on sustainable economic development focused on developing markets for various non-timber forest products: copaiba oil, brazil nut oil and babaçu palm oil; obtaining FSC (Forest Stewardship Council) and other certifications; and marketing Brazil nuts. IK also organized participation of 10 Kayapó from three communities in a capacity-building workshop on "Harvest, Production, Storage and Commercialization of Tree Seeds". IK also assisted another NGO, Instituto Menire, in its work with the community of Pukanu on an enterprise that produces art works, including painted fabric and panels and traditional beaded pieces.



Tree Seed Workshop

#### Conservation significance

Kayapó indigenous lands harbour endangered species including several mammals (white-lipped peccary, giant otter, giant armadillo, jaguar) and at least one bird species (hyacinth macaw). Vulnerable vertebrate species include the eastern



Amazonian bearded saki monkey, red-handed howler monkey, white-whiskered spider monkey, neotropical otter, bush dog, blue-winged macaw, bare-faced curassow, razor-billed curassow, red-throated piping guan, umbrellabird, bare-necked fruitcrow, wood stork, and chestnut-throated spinetail.

In addition, surveys have shown that much of the Kayapó territory remains reasonably undisturbed as judged by population densities of large-bodied game species, including Cracids, lowland tapir, and white-lipped peccary.

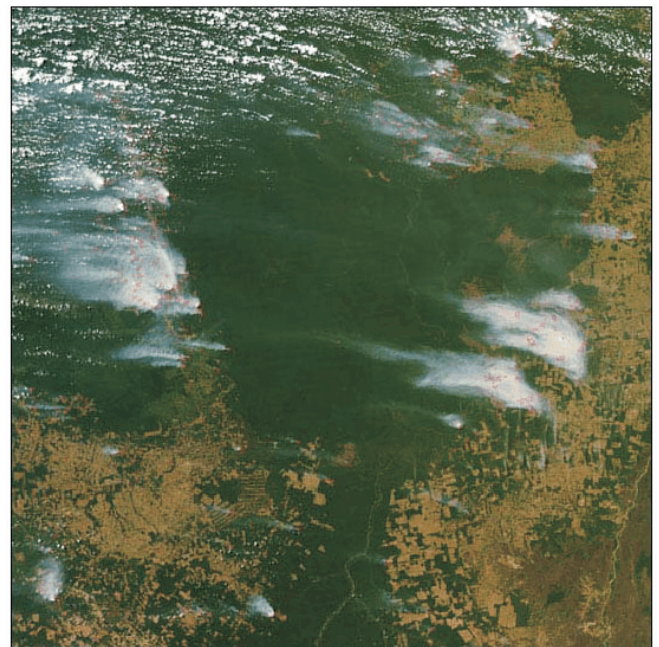
Kayapó lands and the contiguous Xingu Indigenous Park to the south protect more than four hundred kilometers of the Xingu river from degradation by deforestation, pollution and over-fishing. Preliminary surveys indicate that as many as 1,500 fish species inhabit the Xingu River; including at least 16 endemic species.

We believe that our collaboration also has the added benefit of helping the Kayapó to retain their traditional way of life and culture, in which they are justifiably proud.

### Threats and Opportunity

Within the last four decades, the Xingu River basin has fallen under increasingly intense deforestation pressure as the agricultural frontier inexorably expands north and west. An "arc of fire" constituting the highest rate of deforestation in Brazil and indeed, one of the highest in the world, sweeps across the region. This intensifying process of occupation and agricultural expansion, often accompanied by violent land conflict in the lawless frontier, follows road construction especially the perimetral framework of national highways.

At the same time as this tsunami of forest destruction threatens to engulf the region, an enormous 28.8-million-ha network of protected areas (including both ratified indigenous territories and conservation areas) secures protection in law of 56% of the Xingu basin. This protected areas corridor is the great hope for conservation of multi-landscape scale tracts of southeastern Amazonian forest with all its magnificent richness of biodiversity, indigenous cultures and ecosystem services. Indigenous lands of the Xingu are of particular importance because they occupy two thirds of the protected areas corridor and possess *de facto* protection services - their indigenous inhabitants. Over the past three decades, indigenous territories have proved formidable barriers to forest destruction especially from east to west and south to north. However, outside pressure on the ecological and socio-cultural integrity of these areas continues to build and expand. If borders are not well monitored in this region of weak governance, ranchers, colonists, fraudulent land developers, commercial fishermen, loggers and gold-miners will invade protected areas. The protection we facilitate counters this and provides an effective deterrent.



Satellite image of Kayapó lands and most of the Xingu Indigenous Park (to the south) showing plumes of smoke rising from burning of primary forest remnants outside of the Indigenous Territories. Dark green areas are indigenous lands and light brown areas are ranch and agricultural land.

## Abrolhos Marine Protected Area network, Brazil

### Strengthening protection and management of Marine Protected Areas in Abrolhos, Brazil

In contrast to terrestrial protected areas, marine protected areas (MPAs) are a relatively recent phenomenon, and one that is being embraced in developed and developing countries for their ability to both conserve marine biodiversity and protect the productive capacity underlying commercial fisheries.

In 2009, ICFC continued its partnership with Conservation International to support about one-fifth of a multi-faceted program aimed at strengthening the protection and management of Abrolhos, Brazil's first marine protected area network. This effort involves biological field research, collecting information on commercial fishing, working with fishing communities to assist them in their new role in co-managing (along with government) "marine extractive reserves", and disseminating information on the biological and socioeconomic benefits of MPAs.

### Conservation significance

With about 95,000 square kilometers along the south coast of Bahia, the region of Abrolhos comprises a mosaic of marine

and coastal environments, including habitats such as coral reefs, sea-grass beds, calcareous algae banks, mangroves and beaches. Abrolhos is home to endemic species of brain coral, crustaceans and molluscs, and to turtles and marine mammals threatened with extinction, and is a breeding ground for humpback whales. Abrolhos is also economically important, with the region supporting more than 20,000 fishermen in adjacent communities.

### Threats

Despite the abundance of natural resources and conservation efforts in the region, uncontrolled fishing, exploitation of oil and natural gas, shrimp farms, sedimentation caused by deforestation and urban sprawl are some of the human activities that threaten the coastal ecosystems of Abrolhos.

### What we accomplished

In 2009, further biological surveys focused both on the newly discovered reefs and on a large calcareous algae bank, which appears to represent an enormous carbon bank and as such, a key habitat to protect in relation to climate change mitigation.

Project staff continued to work with local communities, especially on developing community involvement in new or pending "marine extractive reserves" which are co-managed by communities and the Brazilian government using a model that has proved successful for resource management elsewhere.

A very entertaining and effective video ("Mukussuy"; viewable on YouTube) was produced that features interviews with local fishermen and others saying why they think the marine protected areas and marine extractive reserves are beneficial to the local fishery and community, as well as "experts", notably our project personnel. The video was launched in January, 2010.



Presentation to a local community.

2009 was a busy year for our exchange program, with representatives from the different extractive reserves meeting to discuss common problems and solutions and develop an integrated work plan for the reserves.

A significant advance occurred in 2009 with the creation of the Cassurubá Extractive Reserve, which protects vital nursery sites for many of the region's fish species. The signing ceremony took place in Caravelas on World Environment Day (June 5) 2009, with President Lula, the Bahia State Governor, the Environment Minister, and more than 2000 people from the local communities present. The 100,687-ha reserve protects mangroves, estuaries and coastal habitats, while the 485,007-ha buffer zone harbors 95 percent of the Abrolhos mangroves, representing a key nursery site for many fish species of ecological and economic importance.



Fishing in mangroves

Our input was vital in helping the local community of the Cassurubá Extractive Reserve decide to reject a proposed large-scale shrimp farm that would have destroyed a large area of mangroves and had a very adverse impact on local coastal habitats.

## Guanacaste, Costa Rica

### Involving local communities in conservation and scientific research at Area de Conservación Guanacaste, Costa Rica

Our Costa Rican partner, the Guanacaste Dry Forest Conservation Fund (GDFCF), directed by Dr. Daniel Janzen (University of Pennsylvania), has developed an innovative approach to involving local communities at Area de Conservación Guanacaste and associated lands owned by GDFCF. Part of this approach entails hiring local people sector caretakers and training them as "parataxonomists", so that rather than just patrolling and guarding lands, they contribute to the ongoing comprehensive biological inventory that is underway there.

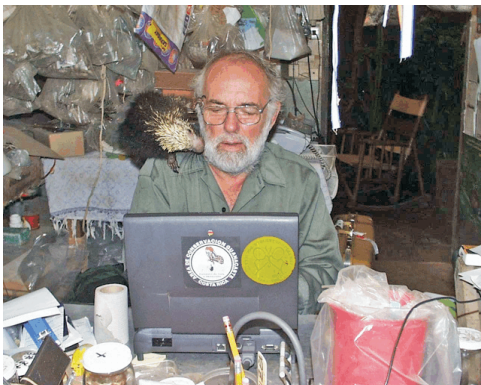
Area de Conservación Guanacaste (ACG) spans 163,000 hectares of tropical forest and marine habitat in northwestern Costa Rica, is a UNESCO World Heritage Site, and represents 2% of Costa Rica's land area, and 2.6% of the world's biodiversity. It is the product of one of the world's most successful habitat restoration and conservation efforts. The ACG is home to an estimated 350,000 species of plants and

animals, and it supports research at the leading edge of ecology, evolutionary biology, biotechnology, biodevelopment, child education, and conservation.

ACG includes a large component of dry lowland forest, which is an especially threatened habitat type in the tropics. ACG also protects adjacent areas of rain forest and cloud forest that are ecologically interlinked with and vital to the dry forest as well as being important in their own right. And it now includes a 43,000-ha marine component.

In 2009, ICFC maintained five positions for parataxonomist/sector caretakers, supplied field stations and provided for vehicle maintenance and operation. We thereby strengthened protection of this important natural area, gained further support for and understanding of conservation and biology in local communities and contributed to the scientific database for ACG.

In supporting this work, we get the services of the hyper-dedicated, hyperkinetic, penny-pinching famed tropical biologist Dan Janzen and colleague, biologist Dr. Winnie Hallwachs, thrown in for free.



Dan Janzen at work

Working as a volunteer in her spare time, ACG biologist Maria Marta Chavarria (a gifted science teacher) runs after-school and vacation-time educational programs in marine biology and ecology for children from the town of Cuajiniquil on the coast just north of the ACG. In 2009, ICFC support allowed the purchase of supplies for this program, which is highly popular and has developed a strong interest in natural history among local children. (There have even been requests by parents for programs for adults.)



Students (and mothers) gather for field trip (top); learning through snorkeling (bottom).

## Small projects

### Training of Ecuadorian Ornithologists

Thanks to a generous donation from an ICFC supporter, we were able to sponsor the training of two Ecuadorian ornithologists at Long Point Bird Observatory from 24 August to 30 October, 2009. The trainees learned extensive censusing and migration monitoring techniques, and met and worked with other ornithologists from around the world (and improved their English!).

## New staff at ICFC

We were delighted to welcome Barbara Zimmerman to the staff in 2009 as ICFC's Kayapó Program Director and Tropical Ecologist. Barbara trained as a tropical ecologist, doing field research in the Brazilian Amazon for Master's (University of Guelph) and PhD (Florida State University) degrees on an amphibian and reptile community in *terra firme* forest. Since 1989 she has been working with the Kayapó Indians of Brazil's Xingu Basin to develop conservation-based economic alternatives to logging and to strengthen Kayapó capacity for territorial control so that they are able to continue to protect from deforestation 110,000 km<sup>2</sup> of their legally ratified territories. Barbara works closely with ICFC's Kayapó NGO partners, other Brazilian NGOs and government agencies, and, of course, the Kayapó people themselves. We also benefit from her input on our other programs.



## Major Supporters

We are very grateful to the following supporters who (along with ourselves) made major donations during 2009.

Hugh Agro  
Charles Ballantyne  
A.D. Brewer  
W.A. Lambert  
Thomas Land  
John McWilliams  
Diane Pinto

## FINANCIAL INFORMATION

### BALANCE SHEET

	2009	2008
ASSETS		
Cash	142,343	298,247
Project advances	55,169	106,607
USD Accounts Receivable	7696	
HST paid	211	905
	205,419	405,759
FIXED ASSETS	0.00	0.00
TOTAL ASSETS	205,419	405,759
CURRENT LIABILITIES		
Accounts payable	6447	3917
CPP Payable	100	
	6547	3917
EQUITY		
Retained Surplus	401,841	161,604
Plus Current Year Operating Surplus/(Deficit)	(202,970)	240,238
TOTAL CAPITAL FUNDS	198,872	401,842
LIABILITIES AND EQUITY	205,419	405,759

## STATEMENT OF REVENUE AND EXPENSES

	2009	2008
REVENUE		
Donations	349,968	350,000
Gain or Loss on currency	(70,049)	34,317
NET REVENUE	279,919	384,317
EXPENSES		
Abrolhos (Brazil) project	187,982	79,395
Kayapó (Brazil) project	226,576	11,933
Guanacaste (Costa Rica) project	57,363	49,728
Morningside (Sri Lanka) project		2,682
TOTAL Program Expenses	471,921	143,738
Administration and Management	10,968	341
TOTAL EXPENSES	482,889	144,079
SURPLUS (DEFICIT)	(202,970)	240,238

## ABOUT ICFC

Founded in 2007, ICFC is a registered Canadian charity  
(Charitable Registration # 85247 8189 RR0001)

### OUR MISSION:

To advance the long-term preservation of nature and biodiversity in the tropics and other priority areas by:

- (i) furthering the protection of natural ecosystems;
- (ii) countering degradation of natural ecosystems; and
- (iii) promoting the restoration or recovery of natural ecosystems, where appropriate;

while seeking ways to involve local communities and offset the costs of conservation to them.

### Directors:

Anne B. Lambert  
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Thomas G. Welch

Kayapó Program Director and Tropical Ecologist:  
Barbara Zimmerman, PhD

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