

**The EcoLogic
Development Fund
advances conservation of
threatened ecosystems in
rural areas where poverty
is extreme by promoting
sustainable livelihoods
that affirm local cultures
and by strengthening
community participation
in natural resource
management.**

EcoLogic Launches Climate Change Project in Honduras

With proud smiles, EcoLogic and its longtime Honduran partner, the Foundation for Pico Bonito National Park (FUPNAPIB), recently celebrated the opening of Bosques Pico Bonito SRL, our most ambitious response to global warming to date. Bosques Pico Bonito—the result of many years, many community meetings, and many late nights—is a for-profit company that will combine reforestation, carbon sequestration, and commercial forestry in rural Honduras. Our goal is to create a sustainable and financially successful business that will serve as a model for locally managed, market-based approaches to reduce the threat of global warming and habitat loss.

To administer the project, EcoLogic has formed a new U.S. company that will have a seat on the board of Bosques Pico Bonito, along with FUPNAPIB and local community leaders. EcoLogic's Rafael Sambula will serve as Bosques Pico Bonito's general manager.

In addition to its international governance structure, the project itself is substantial in scope and involves reforesting over 2,500 hectares (6,200 acres) of denuded land, planting 1.2 million trees, sequestering 1.4 million tons of carbon, and generating \$400 million in timber and carbon credit revenues.

Beyond its important contribution to reducing global warming and protecting critical ecosystems, Bosques Pico Bonito will directly benefit poor people who live in the project area by providing jobs in tree planting, nursery operation, forest maintenance, and sustainable tree harvests. We expect additional job opportunities in related new businesses to arise as well.

To accomplish these goals, we are seeking \$5 million in financing for the project from equity investors and financing institutions. So far we have received over \$1.1 million.

A host of major project milestones have already been achieved, including:

- A formal agreement with the World Bank Bio-Carbon Fund for the purchase of approximately \$4 million in carbon credits from the project;



Representatives from EcoLogic and FUPNAPIB with the Honduran Vice-Minister of Natural Resources and the Environment at the groundbreaking ceremony for Bosques Pico Bonito SRL

- Official approval under the Kyoto Protocol, joining only four other projects worldwide with approved methodologies for the accurate measurement of carbon sequestered by tree planting that can then be sold as carbon credits;
- Significant financial participation from Citigroup, the government of Japan, and the government of Honduras;
- Land purchased for tree planting;
- The establishment of tree nurseries; and
- The planting of our first trees.

Ultimately, we hope that our success in Honduras will be replicated elsewhere. Indeed, the World Bank has already begun to apply some of the pioneering aspects of our model to other projects.

Shaun Paul, EcoLogic's executive director, had this to say about the project: "Bosques Pico Bonito is about taking the global warming threat and turning it into an opportunity to generate jobs for local communities and attractive financial returns for investors, as well as to repair degraded habitats and ensure that local resources are plentiful for years to come. EcoLogic is excited to be creating development approaches that so successfully provide these multiple benefits."





DIRECTORS

Shaun Paul, *President*

Nick Shufro, *Treasurer*
PricewaterhouseCoopers

Winstead Rose, *Secretary*
Healthy Planet LLC

Janis Bristol Alcorn
Garfield Foundation

Mark Bookman
Lovett Bookman Harmon Marks LLP

Elsa Chang
Center for International Policy

David Crocker
Smith Barney

Bill Green
Island Alliance, Boston

Leslie Harroun
Oak Foundation

Gert Rosenthal
Minister of Foreign Relations,
Republic of Guatemala

Marcela O. de Rovzar
PROCURA, Mexico

W. Russell G. Byers, Jr.
Chair Emeritus
W.R.G. Byers Ltd.

U.S. STAFF

Shaun Paul
Executive Director

Diane Carazas
Managing Director

Deborah Fraize
Director of Development

Jocelyn Gardner
Program Associate

Melissa Haley
Operations Manager

David Kramer
Program Officer

Barbara Vallarino
Program Officer

REGIONAL STAFF

Sebastián Charchalac
Regional Director

Claudia González
Regional Program Director

Ramón Alfonso Herrera
Program Officer—Mexico

Josh Lichtenstein
Program Officer—Belize

Rosman Márquez
Program Officer—Honduras

Rafael Sambula
Project Coordinator

MESSAGE FROM THE EXECUTIVE DIRECTOR

A Year of New Possibilities

Dear friends and colleagues,

This newsletter affords me the opportunity to reflect on the past year and celebrate our many accomplishments. Truly, 2006 was a landmark year for EcoLogic. We hired our first managing director. We launched our first mission-driven, for-profit business. And we helped our local partner in Belize convince government authorities to consider environmental and social impacts before promoting oil exploration in a national park. In 2006 we also secured a substantial capacity-building grant for our people-centered work—thank you, again, to the Kendeda Sustainability Fund—and made ourselves known as a leader in community-managed water protection at the World Water Forum in Mexico City.

In July of 2006, we had the pleasure of welcoming Diane Carazas as our managing director. This is a new position for EcoLogic, born from our recent growth and the need to add expertise in staff management and organizational development. Diane has been terrific, and I'm so very grateful that we can benefit from her experience. If you haven't met her yet, I hope you get the chance soon.

As you've seen in our cover story, Bosques Pico Bonito SRL is open for business. In August, I had the pleasure of traveling to Honduras for the inauguration ceremony of this, our first for-profit venture. Those of you with long histories with us know it's been a long time coming. But good things come to those who wait, and we're confident that the project's thoughtful alignment with our mission will prove beneficial for the communities we serve and the investors who have entrusted us with their dollars.

On page four you'll find an update on our efforts to keep Belize's Sarstoon Temash National Park free from oil exploration. Many of you were extraordinarily generous with your financial support and letter-writing on behalf of our friends in Belize. We sent an amazing 3,400 petition signatures to the Belizean government and USCapital Energy, asking them to spare the park. A recent judgment leaves the oil exploration up in the air, pending the completion of an environmental impact assessment. This is a temporary victory for our partner in Belize. We'll let you know what happens as events continue to unfold.

Finally, I'd like to ask for your continued financial support. Many thanks to those who have previously given so generously! To make a new donation or to give in a new way, please refer to the "Ways to Give" box on page three and to our website, www.ecologic.org, for a wide range of giving options. As always, our success is possible only through your generous support, and while we are pleased with what we have accomplished this past year, the needs of our friends in Central America have never been greater.

On behalf of our staff and board and the thousands of people we touch in towns and villages across the region, thank you for your support, prayers, and good wishes and for the trust you put in our mission each day.

May 2007 be full of possibilities for you and your families,

From Great Donor Relationships Comes Great Change

We are honored that so many of our donors are extremely well-informed about the issues we seek to address and choose to give to us so generously. Some have even tracked us down after seeing the results of our work firsthand in some remote part of Central America. Our donors are engaged!

Nowhere is this more apparent than in our work with the *Comunitas* Charitable Trust on behalf of our long-term partner *Ulew Che' Ja'*, a coalition of Quiché Maya villages working together to protect 52,000 acres of communal forest in the highlands of Guatemala.

Comunitas is a family foundation established and managed by Hal and Paula Baron. They live in Chicago, where Hal was active in community organizing during the civil rights movement. He became interested in Central America after befriending exiled Salvadoran priest José Inocencio Alas, best known as “Chencho.” When Chencho returned home, he invited Hal and Paula to El Salvador, where the couple was impressed by the skilled community organizers they met.

Through *EcoLogic*, *Comunitas* has awarded capacity-building grants to *Ulew Che' Ja'* for two years. They aim to help *Ulew Che' Ja'* develop a leadership council with longer, staggered terms of office so that only half of the council leaves at the end of each year. In the past, all council members' terms expired at once. Switching to this new format offers the board a longer planning horizon, clearer institutional memory, and the potential for more experienced management. Hal recently visited *Ulew Che' Ja'* to help work through the administrative changes that *Comunitas* is funding.

Comunitas first learned of *Ulew Che' Ja'* through *EcoLogic*. Hal met Shaun Paul at a conference in 2004 where *EcoLogic* presented its work in Guatemala. Hal enjoys working with *EcoLogic* because the two organizations share the same core values: creating the space to allow people to find their own solutions, and avoiding the imposition of “expert” solutions upon local communities.

Today, *EcoLogic* helps *Comunitas* with logistics and provides connections to key community members. Hal estimates that, thanks to *EcoLogic*, his organization spends half of what it would spend on its own to work with *Ulew Che' Ja'*—effective resource sharing for both *EcoLogic* and *Comunitas*. *EcoLogic* and *Comunitas* have also set up the Meso-American Grantmakers Group, composed of over 20 organizations active in the region.

Ways to Give

***EcoLogic* relies on your support to help conserve the biological and cultural diversity of Latin America. Here's how you can help:**

- Become an *EcoLogic* Ambassador and pledge to raise \$1,000 or more. You can fulfill your pledge by making a personal contribution and reaching out to your network.
- Have your employer match your contribution.
- Honor a birthday, wedding, or anniversary with a donation to *EcoLogic*.
- Make a gift of stock or other securities.
- Share your talents by donating professional services.
- Participate in workplace giving. Federal or Massachusetts state employees can give to *EcoLogic* through Earth Share's yearly Combined Federal Campaign (CFC) by designating our code number (0955) on the payroll pledge form.
- Donate via our website. We welcome online credit card contributions. Simply go to www.ecologic.org and click on Donate Now to give through our secure online donation form. You can also sign up for recurring monthly donations on this page.

To find out more about these options, please call Deborah Fraize, Director of Development, at (617) 441-6300 ext. 105. Thank you!



Diane Carazas,
EcoLogic's new
managing director

EcoLogic Welcomes First Managing Director

EcoLogic was very pleased to welcome Diane Carazas as its first managing director in 2006. Diane is a veteran leader of nonprofit organizations in Latin America, having recently returned to the U.S. after serving as the country director for Food for the Hungry in Bolivia, where she oversaw a staff of 200.

The managing director position is new to *EcoLogic* and reflects our growing organization and expanding role in northern Latin America. We now have 17 staff members working on projects in five countries and are playing an ever-broader role in creating regional economic development and environmental management projects using our people-centered conservation methodology.

Diane is a former Peace Corps volunteer and holds a master's degree from the School for International Training in Brattleboro, Vermont. Diane grew up on the South Side of Chicago and is married to a Bolivian public health physician. Together they have raised a cross-cultural family, with children ages 14 to 30.

“We are very grateful to the R.K. Mellon Family Foundation, the Arntz Family Foundation, and a few generous individual donors for providing the funding to create our new managing director position,” said Shaun Paul. “We are excited to bring Diane's leadership, skill, and extensive development experience to our staff, partners, and community members in Central America and Mexico.”

Belize Oil Update

Normally, EcoLogic does not focus on public advocacy, but when the government of Belize took action that effectively canceled out the authority it had given our partner, the Sarstoon Temash Institute for Indigenous Management (SATIIM), to manage a national park, we decided we had to get involved. Thanks to your generous support, we could.

As a result of your continued support, we helped SATIIM with a letter-writing campaign and funds for legal counsel, reinforcing our strong commitment to this local partner.

In a victory for SATIIM, the Belize Supreme Court ruled that an environmental impact assessment (EIA) must be performed and approved before Belize's Forest Department can issue a permit for USCapital Energy to conduct seismic testing for oil in Sarstoon Temash National Park. SATIIM brought legal action in part because the Forest Department issued a permit without an EIA.

However, the court also ruled that such testing may be conducted in the park, a blow to SATIIM's hopes of permanently prohibiting oil exploration. Together, the rulings effectively postpone oil exploration until the EIA is completed and approved and a new permit is issued. Until then, USCapital Energy must halt all activities in the park.

While disappointed that the testing may ultimately take place, SATIIM is pleased that the court took the co-management agreement seriously. SATIIM and its attorneys are now reviewing the decision and will soon decide on their next steps.

A Heartfelt Goodbye...and Enthusiastic Hello

After almost five years with EcoLogic, Margaret Doherty-Lopez recently left us for a new position with an international human rights organization. Margaret has had an enormous impact on EcoLogic and has been a big part of our recent fundraising success. We miss her dearly as a co-worker but are thrilled that she continues to work with us on a volunteer basis, serving as a co-chair of our 2006 Ambassador Campaign, where she helped lead our efforts to increase individual giving. Thank you, Margaret!

Our new program officer for institutional development is David Kramer. David currently prepares EcoLogic's funding proposals and donor reports and assists with our communications materials. A former EcoLogic intern, David has experience in community organizing and environmental education, having served as a teacher in Cali, Colombia, and in Boston. He holds a certificate in outdoor leadership from Greenfield Community College, a B.A. in English from Dartmouth



David Kramer, EcoLogic's new program officer for institutional development

College, and a master's in public policy from Harvard University. David is fluent in Spanish and is a Switzer Environmental Fellow. He and his wife Carolina, who hails from Colombia, have a two-year-old daughter, Alana, and a dog, Doah. In his spare time, David likes to hike, bike, and swim and has completed a 28-mile swim race around Manhattan Island. Welcome, David!



25 Mount Auburn Street
Suite 203
Cambridge, MA 02138

Return Service Requested

Nonprofit
Organization
US Postage
PAID
Boston MA
Permit No 52683

