

2014/2015

Fast Forward to Sustainable Development

Scroll Down



Daniel Gagnier
Chair, Board of Directors

MESSAGE FROM THE CHAIR

During the past quarter-century IISD has been a steady, strong voice on the urgent need to accelerate development that is sustainable. Years of false starts have shown that economic growth in the absence of social and environmental protection policies likely cost more than they contribute to real economic conditions, while environmental protection without inclusive development and social protection cannot be sustained.

Yet 2015 gives us grounds for real hope. Momentum is building to tackle urgent development and environmental challenges not as separate or opposing priorities, but together. This is reflected in the Sustainable Development Goals (SDGs)—the global agenda to build coherent, compatible development and environmental policies—as well as at the Finance for Development conference in Addis Ababa, the Paris Climate Conference of the Parties in late 2015, and hundreds of initiatives underway around the world.

IISD will continue to be at the centre of much this global agenda. In the past decade that I've been an IISD Board Director and Chair, I've admired the impact IISD's work has had in so many places. IISD has led the way in insisting that ecological and social dimensions be included in international investment agreements. The Earth Negotiations Bulletin has made the United Nations and its many negotiating avenues more transparent, accessible and accountable to people. Today, a growing number of countries are phasing out billions spent in fossil fuel subsidies, assisted by the applied and robust analysis of IISD's decade-old Global Subsidies Initiative.

The inclusion of the Experimental Lakes Area (IISD-ELA) into IISD's work was a natural extension of its steadfast commitment to anchor its policy work on robust, evidenced-based research. IISD's Water Program is bridging world-class scientific research underway at the 27,000 hectare site of the IISD-ELA in areas like climate change, contamination and micro-pollutants.

It has been a privilege to serve as the IISD's Chairman of the Board. As I step down this year, I will continue to watch the organization's work with great interest. These are important times for sustainable development, and I have no doubt IISD will be at the heart of the action.

Daniel Gagnier
Chair

MESSAGE FROM THE PRESIDENT

To strengthen IISD's world-class reputation for championing pioneering, robust and independent research and in-country





Scott Vaughan
President & CEO

implementation, a new strategic plan was adopted in the past year. Our 2014–19 strategy focuses IISD’s work around five key clusters, in addition to the critically important work of Reporting Services.

IISD’s overarching priority is to advance integrated, inter-disciplinary and applied research that advances sustainable development. Examples of our work include tracking market-based sustainability standards and supporting China’s ramping up of green finance. Because genuine progress means tackling the underlying economic causes of environmental degradation, IISD is examining how industrial policies and public procurement should integrate green and social criteria. IISD has been championing the elimination of fossil fuel subsidies and the shift to low-carbon, clean energy systems. And we are working with country officials to make investment legal regimes more equitable and transparent.

IISD

STRATEGIC GOALS

Equity and a Healthy Planet

<p>ECONOMIC LAW AND POLICY</p> <p>Reform economic policies to advance sustainable and equitable development.</p>	<p>WATER</p> <p>Advance science-based solutions for universal access to water and healthy ecosystems.</p>	<p>KNOWLEDGE</p> <p>Transform data and information into knowledge that supports sustainable change.</p>
<p>ENERGY</p> <p>Transform energy systems and policies to support universal access to clean, low-carbon energy.</p>	<p>RESILIENCE</p> <p>Build and defend resilience of communities and ecosystems to face unprecedented risks and uncertainty.</p>	<p>REPORTING SERVICES</p> <p>Provide accurate, neutral, high quality analysis that informs decision making about multilateral environmental negotiations in order to maximize sustainable development outcomes.</p>

A second priority is to support integrated water resource management. During the past year, impressive progress has been underway as IISD Experimental Lakes Area continued its work, while steps have been taken to bridge their world-class science with policies and application both within Canada and abroad.

To support these pillars, IISD knowledge platforms are creating a new generation of sustainability indicators to help citizens, countries and institutions measure progress. We are also looking at how to rethink our definition of progress by advancing work on natural capital and inclusive wealth.

Within IISD, work is underway to tackle three inter-linked priorities. First, implementing an ambitious and coherent fund-development strategy to broaden and deepen our support base. Second, articulating IISD’s theory of change, including how to better measure our accomplishments and outcomes. Third, sharpen our communications to maximize the impact of our work.

In 2015, IISD marked its 25th anniversary by opening its new global headquarters in Winnipeg, as well as moving into new offices in Ottawa and Beijing. We celebrated IISD’s new management of the Experimental Lakes Area and growing program of work on water science and policy with a gala in Toronto.

Throughout this year, IISD has been enormously fortunate to have a passionate and enormously gifted group of professionals at all levels and in all offices. The continued success of IISD is a reflection of their accomplishments and dedication.

Finally, I am deeply grateful for the leadership of the IISD Board of Directors. I wish in particular to thank those Board members who step down in 2015, including the Board Chair Dan Gagnier for his commitment and steady counsel.

Scott Vaughan
President

A YEAR IN REVIEW

OCTOBER 2014
Winnipeg, Canada

In Washington, United States, IISD and the United Way of Winnipeg (UWW) are honoured with a Community Indicators Consortium Impact Award for ‘Peg’. Peg is Winnipeg’s community indicator system, developed jointly by IISD and UWW.

FEBRUARY 2015
Toronto, Canada

IISD holds a gala to celebrate the innovative research underway at the IISD Experimental Lakes Area.

SEPTEMBER 2014
London, England

IISD gathers together over 60 civil society organizations from around the world to plan and coordinate joint-actions to support fossil-fuel subsidy reform.

NOVEMBER 2014
Montreux, Switzerland

IISD’s 8th Annual Forum for Developing Country Investment Negotiators hosts 99 participants from 54 countries.

[WATCH VIDEO](#)

[WATCH VIDEO](#)



FEBRUARY 2015
Peru's Nor Yauyay
Cochas reserve
IISD pilot **CRISTAL**
Pairs, a tool that helps
integrate climate risks into
conservation planning.

MARCH 2015
Yaoundé, Cameroon
IISD, the Central African
parliament, and the
Central African farmers
organization, PROPAC,
hold a capacity-building
workshop on investment
contracts for the
agriculture sector for
parliamentarians and
farmers.

MARCH 2015
Beijing, China
IISD releases a timely
report on Greening
China's Financial System
at the China Development
Forum.

[READ REPORT](#)

HIGHLIGHTS

Resilience



Anne Hammill
Director, Resilience

IISD's Resilience Program is about achieving sustainable development despite shocks and stresses like climate change, conflict and demographic shifts. We work on the policies, tools and research needed to help societies prepare for, withstand and recover from such disturbances.

2014–15 was an important year for consolidating our work and building a program that reflects our core strengths and emerging interests on resilience. We are focusing on three areas: Climate Adaptation; Environment, Conflict and Peacebuilding; and Food Systems. All three represent specific resilience-related challenges, each defined by particular shocks or stresses, vulnerability contexts, economic sectors, or some combination thereof.

On Climate Adaptation, our largest area of work, we continue to develop and apply innovative tools that help users embed climate risk management into planning decisions. In early 2015, IISD was selected to host the Secretariat for the National Adaptation Plan (NAP) Global Network, a growing group of individuals and institutions working to enhance bilateral support for NAP processes. At the UN climate negotiations in Lima last December, governments recognised NAPs as an important vehicle for delivering resilience. As more and more developing countries work on developing their NAPs, the Network—and IISD—is well-positioned to help advance these efforts.

CLIMATE-RESILIENT PEACEBUILDING

IISD has been at the forefront of international research on the links between climate change and conflict for almost ten years. This past year, our attention shifted away from examining these links and toward what can be done about them: namely, trying to better understand how peacebuilding practitioners, working in fragile states, can integrate climate risks and considerations into their work to ensure that it is sustainable and that it supports the transition from fragility to peace. This is climate-resilient peacebuilding.

A big part of the problem in fragile states is a lack of information about the local climate: weather stations are destroyed, technicians have fled or been killed, and investments have dried up. There is also a lack of capacity, among practitioners, to access, understand and use what little information might exist.



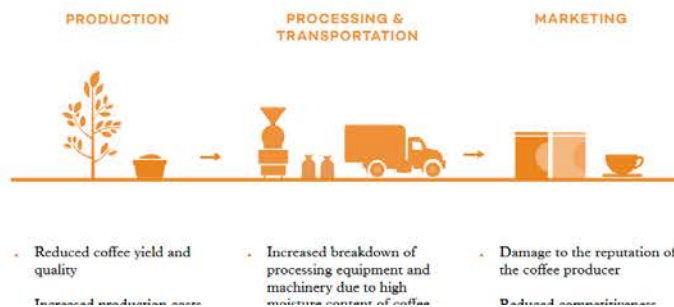
Source: <http://weather.rap.usar.edu/surface/stations.txt> | World Map by fixvectormaps.com

With support from the Government of Denmark, IISD worked with its partners to highlight some of the ways to address this lack of information about the local climate: where practitioners can find the information they need, what it means, and how it can be used to improve the resilience of their work.

CLIMATE-RESILIENT AGRICULTURAL VALUE CHAINS

To date, little is known about the impacts of climate change along entire agriculture value chains; in other words, on the journey that agricultural products make from production to consumption. IISD has been exploring ways to take a more holistic approach to climate risk management using a value chain approach. Our work goes beyond the evaluation of climate risk at the agricultural production level and involves a broader and relatively new set of actors in climate adaptation, such as food processors, transporters, exporters, mobile phone companies and commercial banks.

Impacts of heavy rainfall on the coffee value chain



- **AGRICULTURAL PRODUCTION COSTS**
- Reduced income
- Increased defaults on inputs bought on credits

- **HISTORIC COLLAPSE OF COFFEE BEANS**
- Damage to transport infrastructure
- Increased vehicle repair costs due to road deterioration
- Reduced income

- **AGRICULTURAL COMPETITIVENESS**
- Economic losses are passed on to farmers in the form of lower coffee bean prices

In Uganda last year we conducted a pilot in collaboration with the Ministry of Trade, Industry and Cooperatives and Makerere University to document climate impacts on coffee value chains. Our goal is to improve agricultural value chain performance and the well-being of small-scale farmers within the context of a changing climate. We are now expanding this work by focusing on the role of domestic private sector investment in supporting climate risk management along rice value chains.

HIGHLIGHTS

Energy



Peter Wooders
Group Director Energy

Coal or renewables? Will the low-carbon economy deliver jobs and new businesses? How can electricity utilities and systems be made financially sustainable, allowing investment to extend access and reliability? How should reserves of coal, oil and gas be managed for sustainable economic growth?

These are questions faced by decision-makers across the world, within a wider challenge to deliver economically, socially and environmentally sustainable economies. And solutions are needed urgently: electricity demand is growing at around 10 per cent per year in many developing countries; the vagaries of global energy markets result in fiscal challenges for energy exporters and importers alike; and greenhouse gas emissions continue to rise.

IISD's Energy Program supports decision-makers to implement change. Over the last year we have worked to understand the impacts of change—both negative and positive—on vulnerable and powerful stakeholders; for example, the women and children who tend to be most affected, and the enterprises that may lose market share or influence. We have proposed and advocated for social safety nets and other options to mitigate adverse impacts. We have developed the plans and communication strategies to move from the accepted rhetoric of sustainable energy for all and reforming harmful subsidies to practical action.

FOSSIL FUEL SUBSIDIES

Many countries at least partially increased subsidized prices for fossil energy over the last two years.

- Countries implementing reforms in 2013–2014



The IISD's Global Subsidies Initiative continues to lead the agenda through innovative research and support to countries.

6 to 3%

is the estimated reduction in global greenhouse gas emissions from fossil fuel subsidy reform by 2050, according to a report prepared by IISD and funded by the Nordic Council of Ministers.

Our Energy Program is working to increase commitment and ambition on fossil fuel subsidy reform ahead of the Paris Climate Change Conference, together with the [Friends of Fossil Fuel Subsidy Reform](#).



We have also worked with the [World Bank's Energy Sector Management and Assistance Program](#) and many other partners to support countries to implement reforms.



Indonesia

In November 2014 and January 2015, the Indonesian Government introduced price adjustments and large structural reforms to its gasoline and diesel subsidies, saving around US\$16 billion. Over the past four years, IISD has worked to support such reforms by providing technocratic analysis to a wide range of government officials on issues spanning the pricing system, the social impacts of reform and how to maximize environmental benefits, in partnership with Indonesian policy experts. IISD has also worked to reduce political opposition to reform by raising awareness and building the capacity of civil society organizations.

Map of Globe of Oceania, Single Color by FreeVectorMaps.com

Egypt

IISD worked in Egypt ahead of major fossil fuel subsidy reforms in July 2014. Our work focused on political economy and stakeholder analysis, uncovering the different interests involved and how they could be best accommodated in a comprehensive reform plan. Country-wide public polling and focus group discussions shed light on perceptions and attitudes towards different subsidy reform scenarios. This work culminated in detailed recommendations on the role of communications in supporting reforms in Egypt.

Map of Globe of Africa, Single Color by FreeVectorMaps.com



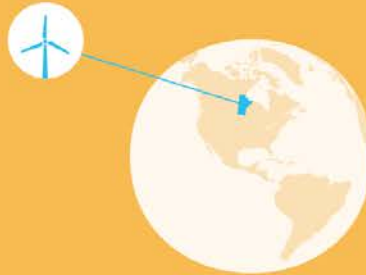
LOW-CARBON DEVELOPMENT

Fossil fuel subsidy reform is part of the Energy Program's broader effort to foster low-carbon development in the energy sector. A variety of work on that front has been carried out in Bangladesh, Canada, Morocco, Turkey, Vietnam, and across the North Africa and Middle East Region.

Morocco

The Government of Morocco has taken action to step up its efforts to secure more international finance, notably from the Green Climate Fund (GCF). To that end, Morocco launched a Green Investment Plan (GIP) at the 2014 UN Climate Summit in New York City aimed to mobilise international finance to implement its ambitious transition to a green economy. IISD has worked closely with the Government of Morocco in establishing its National Designated Authority to the GCF as well as in the preparation of the GIP. IISD is also supporting the Government of Morocco in its Intended Nationally Determined Contribution (INDC). As incoming President of COP-23, the Government of Morocco intends to present to the international community with an ambitious INDC.

Map of Globe of Africa, Single Color by FreeVectorMaps.com



Manitoba, Canada

In March 2014, the Canadian Province of Manitoba affirmed its commitment to the Green Economy by integrating the concept into its annual budget reporting and pledging to “enhance enabling conditions that will generate a positive business environment, build climate resilience, ensure sustained green economic development, and create green jobs for Manitobans.” IISD assisted by launching a first-of-its-kind bottom-up consultation process seeking opinions on what a green economy for Manitoba should look like, and developing a set of green economy indicators that the province can use as part of its annual budget and climate change reporting to track progress on low-carbon, climate resilient development.

Map of Globe of Americas, Single Color by FreeVectorMaps.com

HIGHLIGHTS

Reporting Services



Langston James "Kimo" Garaa VI
Vice-President, Reporting Services

For more than two decades, the writers of the Earth Negotiations Bulletin have provided transparency and accountability to international policymaking at the United Nations. Armed with laptop computers, we report from meetings large and small. In September 2014, working with the Executive Office of the Secretary General, IISD Reporting Services had eleven people in all the meeting rooms of the UN General Assembly during the UN Climate Summit, attended by 120 heads of state and government. Our reporting fed directly into the UN Secretary-General's statement at the end of the Summit.

As the UN finishes work on the post-2015 development agenda and the Sustainable Development Goals, which will shape the sustainable development landscape for the next fifteen years, and prepares for a September 2015 summit of heads of state and government to adopt the agenda, IISD has played a crucial role in providing information from numerous meetings held at UN headquarters in New York. From contact groups and informal consultations of the intergovernmental negotiations on the post-2015 development agenda and the UN Statistics Commission's Inter-Agency and Expert Group on SDG Indicators, and preparations for the International Conference on Financing for Development and the High Level Political Forum, our team has been there sending out a steady stream of information around the world on these important meetings that could otherwise go unnoticed.

And now, moving forward into the Post 2015 period, IISD will be

there, tracking the implementation of the new SDGs and communicating the sustainable development agenda for the next fifteen years.

21

multilateral environmental meetings covered in 2014 by ENB and ENB+

MULTILATERAL COVERAGE

The key focus and strength for IISD Reporting Services in 2014 has been to have our flagship publication, the Earth Negotiations Bulletin (ENB), and our knowledgebase driven Knowledge Management division set up comprehensive and streamlined coverage of the Post 2015 process. Our goals have been to enhance the understanding of the Post 2015 governance system while bringing greater transparency and accountability to the process.

Our real-time reporting, tracking, and monitoring of the entire Post 2015 and Sustainable Development Goals process, including ongoing and completed processes, is accessible at: iisd.ca/post2015

70,560

our total subscriber membership at the end of 2014

OUTREACH AND ENGAGEMENT

IISD Reporting Services maintains 18 email lists connecting regularly with the global sustainable development community, providing them with our reports, meeting coverage, as well as job opportunities.

Coverage of ENB, ENB+ as well as reporting from our knowledge management teams are distributed over Twitter and Facebook on a daily basis. 2014 was our first year of implementation of our new digital engagement strategy, which is having a positive impact on outreach numbers.

On Twitter:



@IISDRS

2,250
followers gained in 2014

4,251
total followers



@enbclimate

900
followers gained in 2014

4,100
total followers

On Facebook:



IISD Reporting Services

1,750
likes gained in 2014

3,446
total likes

8
videos produced

1 million+
collectively achieved impressions

50,667
views

2,747
post engagements



In 2014 IISDRS Knowledge Management published:

37
daily updates over our listservs

0
policy updates

2,125
news articles

3
guest articles

67
events

A critical way to engage our audience is to publish guest articles on relevant and timely sustainable development topics. Of the 43 guest articles last year, submissions came from prominent members in the field, including: Achim Steiner, UN Under-Secretary General and Executive Director, United Nations Environment Programme; Naoko Ishii, CEO and Chairperson, Global Environment Facility; and Elena Manaenkova, Assistant Secretary General, World Meteorological Organization, and Chair of the HLCP Working Group on Climate Change.

TELLING OUR STORY

In 2014 Reporting Services engaged the services of Toronto video animation firm Thought Café to create a short video describing our work. It was our intent to create a visual piece that would engage our current and future audiences in understanding the wider importance of our tracking and reporting on multilateral environmental agreement processes.

For over 23 years we have been tracking the story of sustainable development in international negotiations and reporting on it under our flagship publication, the Earth Negotiations Bulletin. Over time we have grown to offer more and this video helps explain the importance of the work that IISD Reporting Services engages in.



HIGHLIGHTS

Knowledge



Livia Bizikova
*Director, Knowledge
for Integrated Decisions*

The crowning achievements of what proved to be a very successful year for the Knowledge for Integrated Decisions program were two prestigious awards bestowed upon our community indicator project Peg: the Community Indicators Consortium Impact Award in Washington D.C. and the Spirit of Winnipeg Award.


It was also a great privilege to work with the United Nations Environment Programme on aspects of the post-2015 development agenda; specifically by advancing technical and policy aspects of the sustainable development goals (SDGs) and indicators in thematic and geographical contexts, ahead of this critical year for the SDGs.

So much of this work would not have been possible without our numerous partners and collaborators, including within IISD. This year we worked with IISD's Resilience team to advance monitoring of food security at the community level in Honduras, Nicaragua and Guatemala to help policy makers tailor existing indicators for specific community situations.

THE PEG

The Peg project (a joint initiative with the United Way of Winnipeg to track Winnipeg's health through a series of community indicators) continued to be a massive success, with many requests to meet with IISD and the United Way of Winnipeg from around the world in order to discuss replicating the project in other cities.

Expressions of Interest in IISD's Community Indicators Work

 Places that expressed interest





CANADA:

Victoria, British Columbia
Calgary, Alberta
Thunder Bay, Ontario
Stratford, Ontario
Oakville, Ontario
Region of Peel, Ontario
Toronto, Ontario
Montreal, Quebec

World Map by freestockmaps.com

ELSEWHERE:

Minnesota, USA
Wisconsin, USA
Georgia, USA
Mexico City, Mexico
Cali, Colombia
Abu Dhabi, United Arab Emirates
China

THE SUSTAINABLE DEVELOPMENT GOALS

This past year we completed a series of regional consultations on the SDGs in Africa, Latin America, the Caribbean and South East Asia and co-hosted workshop with the United Nations Office on Sustainable Development at the Sustainable Development Transition Forum to explore capacity needs for future SDGs.

11
policy-makers
attended

0
continents were
represented



With the United Nations Environment Programme, we assisted UN Member States in identifying potential indicators for targets proposed under SDG 12 (Ensure Sustainable Consumption and Production Patterns) and for related targets in 12 of the other proposed SDGs.

HIGHLIGHTS

Water



This past year we have seen some tremendous regional and global initiatives.

In 2014 we acquired the Experimental Lakes Area. Findings from this living laboratory's five decades of rigorous whole-lake experimentation have informed water policy globally. It brings great potential, allowing us to strengthen the link between science and policy work, develop research into some of the more locally (in Lake Winnipeg) and globally pressing issues, and provide educational opportunities.



Dimple Roy
Director, Water

In Manitoba's watersheds we continued to find innovative ways to convert under-utilized plant sources into environmentally-friendly sources of bioenergy, all while capturing nutrients for fertilizer. Our groundbreaking work harvesting cattails and converting them into pellets for energy has proven a viable alternative to traditional fossil fuels. Replicating this idea with the City of Winnipeg has resulted in reduced waste, nutrients and a local source of clean energy.


Moving into global arenas, this year not only resulted in signing MOUs with Lake Chao in China and Lake Chad in Africa, but work in places like Suriname, for assessing water-energy-food in the context of mining and developing indicators for ongoing monitoring with our Knowledge Program; or looking at water implications in the context of electricity subsidies or investment contracting with other IISD programs.

IISD EXPERIMENTAL LAKES AREA


On April 1, 2014, IISD was proud to take over the operation of the world-class whole-lake experimentation research facility in northwestern Ontario, Canada, and become its operator. Now called IISD-ELA, the site has been producing groundbreaking research into freshwater for almost half a century, and IISD is now able to expand its legacy with new research that confronts the most pressing environmental crises that threaten our world head on, as well as offering new educational and engagement opportunities.

IISD-ELA by the numbers


 **1968**
First year of operation at the Experimental Lakes Area


 **61**
Individuals to visit or work at IISD-ELA in the past year

 **275**
Number of followers of the @IISD_ELA Twitter handle

 **19**
Number of lakes (and their watersheds) comprising IISD-ELA

 **22**
Individuals from around the world who donated to our highly popular Indiegogo campaign in May 2014

 **15**
The number of the lake used in the groundbreaking experiment that initially proved that phosphorus was the main cause of algal blooms, leading countries around the world to take steps to reduce the amount of phosphorus entering waterways

 **2,102**
Person days of IISD-ELA site usage during the May-October 2014 research season

 **0**
number of successful research seasons completed since IISD took over operation of the facility

THE IISD EXPERIMENTAL LAKES AREA

IISD-ELA uses innovative fish tracking technology to follow the movements of individual fish in several ELA lakes throughout the year. Below you can see an example of one lake trout's travels over three day periods in May and October 2014.

LAKE 373
depth: 21 m



 Spring
 Fall

The journeys in spring are marked by the yellow points. Lake trout need to live in cold water, and in the spring before the lake warms up, the fish can travel all over the lake in search of prey such as minnows. The fish's trips in the fall are marked by the dark points. At this time of year, lake trout spend much of their time at or near the spawning shoal.

CATTAIL HARVESTING

Cattail harvesting and processing is a unique and creative way of working with cattail (and capturing phosphorus) that results in clean, organic energy. It is an innovative initiative from our Water Program (with partners) that will hopefully capture a market share once it is market ready.

1 CATTAIL HARVEST

Cattail absorbs phosphorus (P) and other elements such as nitrogen, storing these nutrients in its leaves and roots in the spring and summer. Harvesting cattail in late summer/early fall removes P before it can be released back into the water (e.g. through decomposition), where too much P can cause algal blooms in water bodies such as Lake Winnipeg.

FACT:

Around 2.2kg of P are stored and captured per tonne of harvested cattail biomass. That's 33 kg of P prevented from entering the Lake per hectare of cattail!

Phosphorus, Nitrogen



2 PELLET CREATION

The cattail plant is dried, shredded, and then converted into pellets and other fuel products.

FACT:

IISD and partners were able to generate CAD \$131,250 in carbon credits when we harvested a 350-hectare site of cattail.

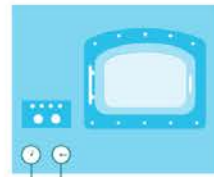


3 BIOENERGY

The burning of cattail pellets is a form of bioenergy. Not only is it better for the environment than many other forms of fossil fuel energy but it is also a renewable resource as the cattails grow back the next spring. The use of biomass based energy products can create revenue through carbon credits.

FACT:

Every tonne of cattail biomass used as an energy source could replace 0.54 tonnes of coal.

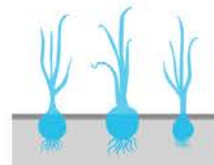


4 FERTILIZER

Burned cattail pellets produce ash that is still rich with phosphorus. This ash can be recycled and used as valuable fertilizer. Phosphorus is an essential part of a plant's growth process.

FACT:

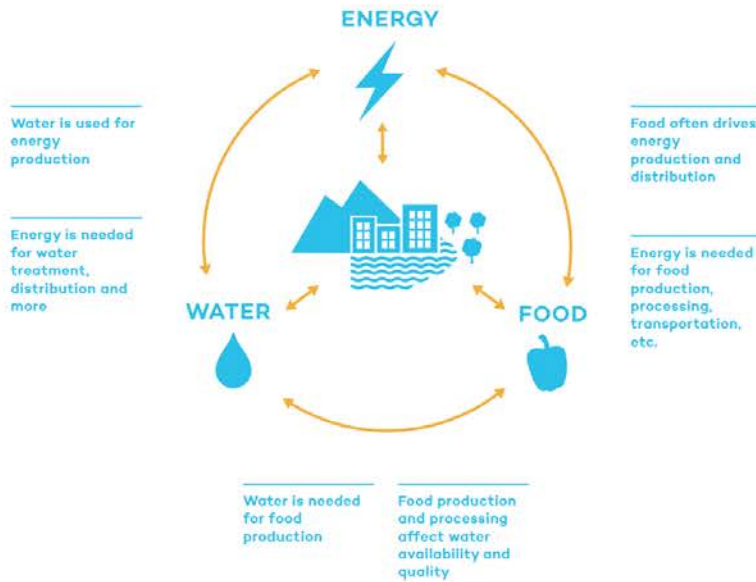
On average it costs CAD \$50/kg to remove phosphorus from a watershed using this method. That's compared to \$1000/kg for conventional water-treatment methods.



WATER-ENERGY-FOOD NEXUS WORK IN SURINAME

IISD's Water Program explores the complex relationships between water, energy and food (also called the WEF nexus) that are often overlooked in narrowly focused assessments, investments and policies. Some of this work is taking place in Suriname, especially in the mining industry, in partnership with our Knowledge for Integrated Solutions program.

Interlinked systems of water–energy–food must all be considered in the context of mining, agriculture and other development to achieve true sustainable development.



HIGHLIGHTS

Economic Law and Policy



Nathalie Bernasconi-Osterwalder
Group Director,
Economic Law & Policy

Sustainable development demands new thinking in the design and implementation of investments to ensure long-term economic and social benefits without compromising the natural environment. In 2014–15 IISD's Economic Law and Policy Program achieved key accomplishments in the areas of economic policy-making that promise some of the greatest gains for equitable growth and environmental sustainability.

Responding to requests and needs of developing country governments faced with food security pressures and the need for agricultural investments, we have developed a model agricultural investment contract. The model provides much-needed options on how to design investment projects so that they deliver economic and social benefits to developing countries and local communities in accordance with environmental prerogatives.

This past year we also maintained our focus on the mining sector, addressing the asymmetries in knowledge and capacity between developing country governments and mining companies. Towards that end, we conducted several training courses aimed at building the capacity of developing country officials in Africa to negotiate and design deals in the mining sector in a way that maximizes the opportunities for sustainable development. We also continue to monitor and analyse how voluntary sustainability standards are developing over time, both in terms of the systems they deploy and the market impacts that they have.

GREEN PUBLIC PROCUREMENT IN BHUTAN

In 2014 IISD launched a three-year project, funded by the European Union, on scaling-up public demand for environmentally and socially preferable goods, services and infrastructure in Bhutan. Green Public Procurement Bhutan provides a cross-cutting industrial strategy to support Gross National Happiness and 'The Middle Path', which together form the core of Bhutanese development priorities.

7 people

attended the official launch of the GPP Bhutan project, representing:



government ministries



corporations



national & international NGOs



political parties



academia



businesses

ENERGY EFFICIENCY IN INDIA

IISD provided 10 Big Ideas for Making Energy Efficiency Bankable in India in 2014. Attracting more investment for energy efficiency is important because:

It is estimated that

1,530 megawatts of generating capacity and \$42 billion

could be saved per annum by improving energy efficiency in India.



5%

of India's potential energy saving capacity was tapped at the beginning of 2014.

1/3

or more of India's rural population DOES NOT have access to electricity

INVESTMENT TREATIES

For over a decade IISD has been a thought leader on the reform of the laws and policies that govern investment. And over the years we have worked with dozens of governments and hundreds of policy makers to put those ideas into practice. In 2014-15 IISD's investment team worked with:

114

developing country officials

2

regional organizations

31

countries

That work is paying off. Numerous countries are taking action and moving towards a more sustainable investment model. Examples over the last year include:



Southern African Development Community (SADC)

After working with the SADC Committee on Investment on an innovative template for negotiating investment treaties for sustainable development, we were invited to facilitate a review by SADC Member States of the current Finance and Investment Protocol to bring it into line with their regional sustainable development priorities. We continue to provide legal advice into this process.

Map of Globe of Africa, Single Color by FreeVectorMaps.com

Myanmar

A reform process began in Myanmar in November 2010, when military rule was replaced by a new military-backed civilian government. The transition requires a review of international and national legal structures on investment. IISD is working with the



government and UNDP to ensure that the new investment frameworks contribute to a sustainable future for the country and its citizens.

Map of Globe of Asia, Single Color by FreeVectorMaps.com



European Union

The European Union is taking steps to address some of the weaknesses in the current investment treaty framework, including with respect to the way investment disputes are currently being settled. IISD has contributed constructively in the ongoing reform debates by analysing negotiating drafts and providing alternative approaches for policy makers and interested civil society groups.

Map of Globe of Europe, Single Color by FreeVectorMaps.com



Mark Halle
*Vice-President,
Strategy & Executive Director,
IISD-Europe*

GREEN FINANCE IN CHINA

Two years ago IISD began working with Chinese authorities to focus on how reforms to the financial system could speed the transition to green development. At the time, green finance was regarded at best as a curiosity—as a niche operation that, as has happened elsewhere, might create a satisfactory trickle of investment into green projects. As this work progressed, however, the topic began to move rapidly from the blurred edges of the radar screen to the centre of attention.

IISD's most recent contribution to the field, *Greening China's Financial System*, was launched at the China Development Forum, the country's top annual policy event, in March 2015.

Watch how green finance can help drive investment in the right direction:



OUR TEAM



**IISD MEMBERS OF STAFF
2014-2015**

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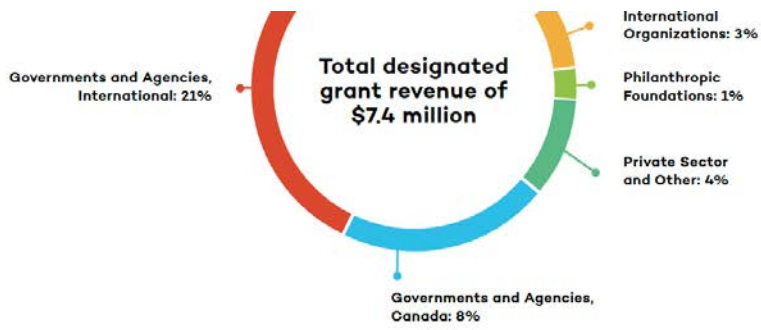
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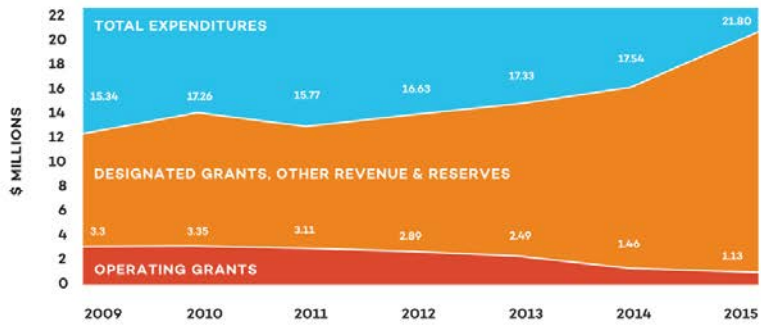
2014–2015 DESIGNATED GRANT REVENUE BY DONOR



United Nations
Agencies: 2%



2009-2015 IISD FINANCING TREND



**2014-2015 CONSOLIDATED FINANCIAL STATEMENTS
FROM INDEPENDENT AUDITOR ERNST AND YOUNG**