

**Micronesia Conservation Trust**

# 2017-2018 Combined Annual Report





# LETTER FROM THE CHAIRPERSON OF THE BOARD OF TRUSTEES

---

Dear Friends and Supporters of MCT,

Iakwe and Warmest Greetings from Micronesia. I am honored to represent my colleagues on the Board of Trustees of the Micronesia Conservation Trust (MCT) in addressing this letter to you at the end of yet another two years of growth and achievement at MCT. We are pleased to report at this time that, thanks to our technical and executing partners across Micronesia, we have achieved most of the goals and milestones set out for 2017 and 2018 in MCT's 2016-2018 Strategic Action Plan. More importantly, we trust that the successes we have enjoyed in implementing the second and third year of our Strategic Plan have contributed to the ongoing and substantial progress made towards the achievement of the goals set out in the Micronesia Challenge. In December, my colleagues and I met in Pohnpei with the MCT staff and updated our plan for another three years. We look forward to sharing our exciting new direction and plans in the next annual report. We will also share the finalized update as soon as it is ready. Most of the report that follows highlights the amazing work that our partners and communities do across the region and which we are honored to support.

Personally, I am especially proud of the two talented young Micronesian women selected as the first students to receive the Bill Raynor Micronesia Challenge Scholarship. I will let you read more about Becky and Nicole in the report, as well as those who have followed in their footsteps, and I look forward to watching their continued success and to seeing the contributions they make to conservation and climate change adaptation in Micronesia. As a Trustee, I am also proud of our staff for the success in July 2017 of gaining MCT's accreditation to the Green Climate Fund. As a Board, we reviewed and approved the revisions to our policies and procedures to bring them fully in line with international standards and requirements. It was hard work, well performed by our team, with plenty of support from friends and partners in Micronesia and further afield. The ultimate result will be increased resources and support for the outstanding organizations and communities that dedicate their time, talent and resources to making sure that our islands and people stay resilient in the face of the changing climate.

Komol Tata,

Doreen deBrum, Chairwoman of the Board of Trustees



# MESSAGE FROM THE EXECUTIVE DIRECTOR

---

Kaselehlle Maingko! I am pleased to add a few words to those of our Chairwoman in presenting this consolidated 2017-2018 Annual Report from the Micronesia Conservation Trust. While I am bound to highlight the following organizational and leadership items, it is the projects and programmatic work of our partners that shine and that will make the most lasting impact on our island environments and contribute to the sustainable livelihoods of all of our islands' residents for many years to come. I will let you read about these exciting developments in more detail in the report.

As an organization, MCT continued to grow and mature, aiming at all times to improve its service to partners and communities across Micronesia. Sometimes this involved difficult decisions and changes that were not always easy or popular, but necessary to ensure that MCT meets the standards required to continue bringing funding and other resources in support of our efforts towards achieving the goals of the Micronesia Challenge and to enhancing the resiliency and livelihoods of our islands' communities. In 2017, we gained accreditation to the Green Climate fund, so that now MCT can work with our government and community partners to directly access both the Adaptation Fund and the Green Climate Fund, increasing the flow of resources to climate change adaptation work in Micronesia. We also continued to build on relationships with donors and technical assistance providers, including the United States Federal Agencies, private foundations, international NGOs, and multilateral donors and other organizations. The details of these programs and the level of support provided follow in this report.

As well as maintaining these external relationships, MCT continued to work closely with Micronesian organizations and communities to provide support for community-driven projects and implementation of self-developed resource management and adaptation plans. We have striven to provide the necessary funding, as well as capacity-building and technical assistance necessary to ensure that the projects proceed according to plan and with the intended effects. This also often involved guidance with the development of policies and frameworks for natural resource management and Protected Area Networks and for the newly extended no-commercial fishing zone in the Federated States of Micronesia (FSM). As with the other items highlighted here, the more interesting details follow in the body of this report. My colleagues at MCT and I also participated in the update to the MCT Strategic Action Plan and very much look forward to making the Trustee's vision for our work serving Micronesia a reality through 2021. Please enjoy reading about the exciting work that our partners and communities work so hard to achieve in ensuring that our island ecosystems can continue to provide for our people well into the future.

Kalahngan,

William Kostka, Executive Director



# World Class and Deeply Micronesian

## MCT Strategic Action Plan 2016 – 2018

The Micronesia Conservation Trust promotes Conservation, Climate Resilience and Sustainable Livelihoods for the people of Micronesia in the Federated States of Micronesia, the Republic of Palau, the Republic of the Marshall Islands, the US Territory of Guam, and the Commonwealth of the Northern Mariana Islands.

### Statement of Strategy: 2016-2018

MCT's core value proposition is to act as an effective bridge between the international conservation community, development partners and our Micronesian communities and governments.

MCT aims to create positive and meaningful results in three primary impact areas: conservation, climate resilience, and sustainable livelihoods. To do so, we focus our efforts on three main practices: growing capabilities of our partner organizations, bringing financial resources to bear in the region in both proven and innovative ways, from international and local sources, and influencing the context of Micronesian conservation work by affecting decision-makers and cultural expectations and parameters. We will further develop our own organization and enable our success by focusing on two internal drivers: our systems and our means.



## Key MCT Results 2017 - 2018

MCT continues to promote conservation and support livelihoods development projects for the communities in Micronesia through funding opportunities. The projects have led to heightened community support for natural resource management efforts, resulting in effective management of 79,173.18 hectares of nearshore and terrestrial areas with endorsed management plans as of the end of 2018. New partnerships were developed and additional funding sources secured that will further the work of MCT and its partners.

As a non-implementing entity, MCT shares with its partners the key achievements highlighted in this 2017-2018 combined annual report. The financial accomplishments from the past two years are illustrated in the table to the right.

Financial Accomplishments		
	2017	2018
Total project funded	\$1,979,685.20	\$1,182,491.02
Total endowment funds	\$21,995,255.12	\$20,138,369.38
MCT operational endowment	\$805,299.86	\$748,277.59
MC Endowment RMI	\$4,246,693.66	\$3,945,990.59
MC Endowment FSM	\$5,839,138.75	\$5,471,840.38
MC Endowment ROP	\$10,184,749.79	\$9,112,474.19
MC Endowment CNMI	\$1,140.57	\$1,059.81
Bill Raynor MC Scholarship	\$356,704.01	\$349,412.84
Helen Reef MCA	\$28,514.32	\$26,495.25
YELA Easement Endowment	\$533,014.16	\$482,818.73



# Micronesia Challenge Highlights 2017-2018

## About

The Micronesia Challenge (MC) is an ambitious regional initiative to effectively conserve 30% of near-shore marine resources and 20% of terrestrial resources by 2020. It was launched in 2006 by the chief executives of the Republic of Palau (ROP), the Federated States of Micronesia (FSM), the Republic of the Marshall Islands (RMI), the Commonwealth of the Northern Mariana Islands (CNMI), and Guam.

## Status

The MC partners have achieved more than half of its conservation percentage goals through Protected Area Networks (PAN), with more than 150 sites established across the region. Progress is assessed by biological and socio-economic measures and management effectiveness. The MC has enabled tens of millions of dollars to be leveraged toward conservation, and MCT continues to manage an endowment and support recurring expenses which had reached nearly 20 million USD by the end of 2018. Palau became the first jurisdiction to draw funds from its endowment (2017 and 2018).

## Highlights

- New Socio-Economic Monitoring (SEM) Coordinator, Mr. Winfred Mudong, on board, core team revitalized, addendum added to existing MC indicators, and regional monitoring plan updated
- MC terrestrial monitoring carried out in FSM and RMI, and data analysis underway for Guam and FSM, methods adjusted for Palau, and planning for CNMI. Web-viewer launched to showcase results (<https://mcterrestrialmeasures.org>)
- Ongoing marine monitoring efforts at over 200 sites feeding into a regional database and scorecard in place
- Continued capacity building through partner networks (Pacific Islands Managed and Protected Areas Community, Micronesians in Island Conservation, Micronesians in Finance Administration Network, Locally Managed Marine Areas, Rare)
- Bill Raynor MC Scholarship/Sophia University supports 2 graduate students a year (8 currently)
- Nine MC Young Champion interns were mentored at local conservation organizations
- MC Chief Executives updated during the Micronesian Island Forum (MIF). Leaders expressed support of the MC and desire to continue efforts beyond 2020

## Review

MC partners began an evaluation of the status of the Challenge, with the intent to showcase progress and lessons learned in 2020, as well as plan for regional conservation efforts in years to come.



MC Steering Committee and Regional Coordinator at a Micronesia Challenge lunch event for the chief executives during the 2018 MIF. L to R: King Sam, Doreen DeBrum, Vangie Lujan, Alissa Takesy, Janice Castro, Rachael Nash, Willy Kostka



**Above:** MC Young Champion intern Audrey Meno at an MC outreach table during an event in Guam (PC: Aubrey Meno)

**Left:** MC Terrestrial Champion, Roseo Marquez, conducting forest monitoring in RMI

## Impact Areas

### *Conservation/Climate Resilience/Sustainable Livelihoods*

**Program:** Building the Resilience of Communities and their Ecosystems to the Impacts of Climate Change in Micronesia and Melanesia

**Supporting Partner(s):** The Nature Conservancy (TNC), Rare

**Implementing Partners:** Marshall Islands Conservation Society (MICS), Women United Together Marshall Islands (WUTMI), Kosrae Conservation and Safety Organization (KCSO), Conservation Society of Pohnpei (CSP), Chuuk Conservation Society (CCS), Yap Community Action Program (YapCAP), Tamil Resource Conservation Trust (TRCT), Melekeok State Government (MSG), Palau Conservation Society (PCS), Palau International Coral Reef Center (PICRC), Natural Resources Conservation Service (NRCS), College of Marshall Islands (CMI), Kosrae Island Resource Management Authority (KIRMA)

This program funded projects to develop ecosystem-based solutions and empower communities in building resilience and adapting to climate change. The projects, completed in April 2018, contributed to climate adaptation strategies in 8 communities across Micronesia.

#### Community Highlights:

- Wotto (RMI): Completed analysis of biological and social data contributing to three reports to support the community to establish a sustainable community fishery.
- Mejit (RMI): Completed a participatory flood mapping exercise and dry-litter piggery demonstration, planted native coastal vegetation along vulnerable coastlines, planted important species for food security, and established a terrestrial protected area.
- Malem (Kosrae): Endorsed a marine protected area and established a community waste management program.
- Pakin (Pohnpei): Improved piggery management and water security.
- Oneisomw (Chuuk): Improved water security through well restoration and revegetation and completed a learning exchange in Yap for community management.
- Tamil (Yap): Establishment of fresh water protected area and the completion of a community nursery for food security.
- Melekeok (Palau): Improved water security through revegetation of the watershed and developed a coastal area guidance document for building climate proof housing.
- Kayangel (Palau): Established compost and raised garden beds for food security, development of an alternative livelihood strategy for pelagic versus reef catch.



*Top: Signing of the Malem MPA*

*Middle: Water testing training on Pakin*

*Bottom: Household gardens on Kayangel*



## Impact Areas

Conservation/Climate  
Resilience/Sustainable Livelihoods



**Above:** CSP and MCT staff at ceremony of patrol boat hand-over to Lenger and Dehpehk/Takaïou MPA communities.



**Above:** Community representatives work together in groups at the MPAME training in Yap.

**Program:** Supporting More Effective Natural Resource Management in Micronesia

**Support Partner(s):** Margaret A. Cargill Foundation

**Implementing Partners:** Kosrae Conservation and Safety Organization (KCSO), Coral Consulting, University of Guam's Research Corporation, Palau International Coral Reef Center (PICRC), Palau Conservation Society (PCS), Conservation Society of Pohnpei (CSP), Hatohebei Organization for People and Environment (HOPE), Ebiil Society, Inc., the Nature Conservancy (TNC), Ridge to Reef (R2R)

This project capitalized on the momentum from the Micronesia Challenge (MC) while expanding necessary support for Protected Area Networks (PAN), improving protected area effectiveness, and advancing fisheries management. The project also strengthened financial and human capacity, including supporting the launch of the Bill Raynor Micronesia Challenge Scholarship program in order to build the next generation of conservation and climate change champions in Micronesia.

### Highlights:

- The Marine Protected Areas Management Effectiveness (MPAME) tool was updated and became available for use regionally. MCT, TNC, and R2R co-led MPAME trainings with key partners in each of the four FSM states to increase marine resource monitoring capacity.
- The Ngaraard and Ngardmau communities in Palau endorsed protected areas management plans, updated by PCS and partners, for conservation areas in the respective communities.
- CSP compiled awareness messages and produced a short video to showcase the marine resource management efforts on Ant reserve in Pohnpei. The video is available on CSP's Facebook page: <https://www.facebook.com/conservation.society.pohnpei/>
- CSP engaged with the communities of Dehpehk/Takaïou and Nanwap in Pohnpei to train community members on data collection. The team conducted surveys to support guidance for fisheries management and increase awareness within fishing communities on the island.
- The MPA communities of Dehpehk/Takaïou and Lenger in Pohnpei now have improved monitoring capacity as demonstrated in part by a conviction in the U Municipal Court.



## Impact Areas

### *Conservation/Climate Resilience/Sustainable Livelihoods*

*Continued*

- To monitor and assess the impacts of growing tourism on coral reefs in Palau, PICRC conducted an ecological survey which showed that snorkelers significantly increased the number of coral fragments in shallow reefs. PICRC used the survey results to support the Responsible Tourism campaign.
- HOPE conducted assessment needs for monitoring and enforcement plans at 8 project sites to strengthen management compliance and enforcement.
- Ebil Society initiated the “Sustainable Seafood – Palau” network and organized it as part of their fisheries improvement campaign to sustain Palau’s fishery and improve market transparency. 33 fishers, 8 restaurants and 1 fishing cooperative were involved in this project and connected by an app called OurFish.
- The UOG Marine Lab undertook a project to expand, maintain and improve visualization of the Micronesia Challenge Coral Reef Monitoring Database. The newly updated database underwent beta-testing throughout 2017 and 2018 and will be rolled out in early 2019.
- UOG Research Corp continued data collection and analysis to support efforts to address gaps in marine resource management by providing quantitative fisheries-dependent baselines to assess the status of targeted reef fish populations. Over 6,000 fish have been measured and identified to species level, adding to over 20,000 for the entire project.
- KCSO and its partners engaged with the Lelu community to develop a management guideline document to assist the community and Kosrae state in ensuring effective biodiversity and ecosystem management.



**Above:** Yap coral reef (PC: Peter Houk)



**Left:** PICRC conducting ecological survey at Helen Reef (PC: PICRC)



**Below:** KCSO community outreach in Kosrae



**Above:** Participants of the AMAP Fishing Tournament in Pohnpei. **Bottom left:** U Youth gather around the newly developed 3D map of U Municipality. **Bottom right:** PMK fish market staff



**Program:** Supporting More Effective Natural Resource Management in Micronesia

**Support Partner(s):** David and Lucile Packard Foundation

**Implementing Partners:** Kosrae Conservation and Safety Organization (KCSO), Coral Consulting, University of Guam's Research Corporation, Palau International Coral Reef Center (PICRC), Palau Conservation Society (PCS), Conservation Society of Pohnpei (CSP), Hatohebei Organization for People and Environment (HOPE), Ebiil Society, Inc., the Nature Conservancy (TNC)

#### 2017 Highlights:

- U Municipal Government endorsed a fisheries management plan, recruited a Natural Resource Management Coordinator and built a 3D map of the municipality which is on display as an awareness and planning tool.
- Kitti Municipal Government endorsed a fisheries management plan.
- Pohnpei held a fisheries symposium resulting in a Leaders' Call to Action and a Response to the call.

#### 2018 Highlights:

- Pohnpei Menin Katengensed (PMK), with support from Dr. Kevin Rhodes, opened PMK Sustainable Sea-food Market.
- MCT initiated a new partnership with Marcela Foundation, which supports the management and outreach efforts on Ant Biosphere Reserve in Pohnpei.
- CSP spearheaded a robust campaign that successfully spread the "Ahi Mour Ahi Pwukoah" (AMAP), or "My Life My Responsibility," message in Pohnpei and incorporated it into the Green Road Show Program.
- MCT and partners supported the first AMAP Fishing Tournament in Pohnpei.
- Across the Micronesia Challenge jurisdictions, 79,173.18 hectares of nearshore and terrestrial areas with endorsed management plans were under more effective management as of the end of 2018.





## Impact Areas

*Conservation/Climate Resilience/Sustainable Livelihoods*

**Program:** Micronesia Challenge Forest Inventory Analysis Program in the Federated States of Micronesia

**Supporting Partner(s):** US Department of Agriculture (USDA), US Forest Service (USFS)

**Implementing Partners:** Micronesia Challenge Regional Office (MCRO), FSM Department of Resources and Development (FSM R&D), Pohnpei State Department of Land and Natural Resources (DLNR), Conservation Society of Pohnpei (CSP), Kosrae Island Resource Management Authority (KIRMA), Kosrae Conservation and Safety Organization (KCSO), Yela Environment and Landowners Authority (YELA), Chuuk Division of Agriculture and Forestry, Chuuk Conservation Society (CCS), Chuuk Women Council (CWC), Yap Department of Resources and Development (Yap R&D), Yap Community Action Program (YapCAP), the Guam Plant Extinction Prevention Program of the University of Guam (GPEPP)

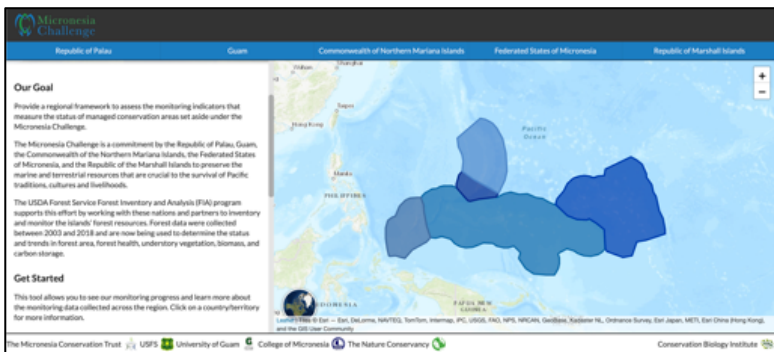
The ultimate goal of the program is to improve the effectiveness of the Micronesia Challenge to conserve priority areas by providing leadership, strengthening partnerships, increasing terrestrial monitoring capacity, and establishing intensified Forest Inventory Analysis (FIA) plots within the Protected Area Networks (PAN) and other priority landscape areas.

### 2017 Highlights:

- FIA working groups in Palau, CNMI and RMI formalized and the 2018 MC FIA workplan finalized.
- The MC Terrestrial Champion reported back on the status of Guam and FSM MC FIA data within the FSM states.
- MCT contracted Mr. Julian Dendy through the University of Guam to complete the analysis of MC FIA data for Guam and FSM.
- A total of three representatives from Guam, RMI and FSM attended a 5-week intensive training in Alaska regarding forest inventory analysis.

### 2018 Highlights:

- Funding was secured for Mr. Dendy to analyze the RMI FIA data.
- Mr. Dendy attended a training in Portland on accessing data and started discussions with the Conservation Biology Institute (CBI) about developing a web-viewer to show FIA results. The web-viewer was published and available at <https://mcterrestrialmeasures.org>.
- The MC Terrestrial Champion continued to explore tools and funding for measuring the other MC indicators (water and birds) that will be applicable across all jurisdictions.



**Top:** FIA working group in CNMI with MCT's MC Terrestrial Champion, Conservation Program Manager and the Micronesia Challenge Regional Coordinator

**Bottom:** MC terrestrial monitoring web-viewer



*Coral reef monitoring team in Majuro, Marshall Islands*



*CSP conducting coral reef monitoring around transects in Pohnpei's MPAs*

**Program:** Expanding Science-to-Management Frameworks for Coral Reef Ecosystems across Micronesia

**Support Partner(s):** US National Oceanic and Atmospheric Administration (NOAA)

**Implementing Partners:** University of Guam Marine Lab (UOGML), Palau International Coral Reef Center (PICRC), Micronesia Islands Nature Alliance (MINA), Chuuk Conservation Society (CCS), Marshall Islands Marine Resources Authority (MIMRA), Conservation Society of Pohnpei (CSP), Kosrae Conservation and Safety Organization (KCSO), Yap Community Action Program (YapCAP), the Nature Conservancy (TNC), Locally Managed Marine Areas (LMMA), Micronesians in Island Conservation (MIC), Pacific Islands Managed and Protected Areas Community (PIMPAC)

The NOAA Cooperative Agreement supported the development of science across Micronesia. The project continued the marine biophysical and socioeconomic monitoring efforts across the jurisdictions in Micronesia. MCT and partners achieved the following throughout 2017 and 2018.

#### 2017 Highlights:

- A learning exchange occurred between Kosrae and Pohnpei monitoring teams.
- Partners across the region conducted school and community outreach programs to share the results of the marine biophysical monitoring analyses.
- In Kosrae, surveys by UOGML and the Kosrae coral reef monitoring team revealed impacts from a recent high-temperature induced bleaching event. The survey results were immediately translated into outreach materials and integrated into ongoing fisheries management plans.
- The Marshall Islands coral reef monitoring team collected extensive data from 50 sites across 5 atolls in support of their long-term outer-atoll resource management program. The results will be used to revise the management planning process being used by the interagency working groups.
- A graduate student from the University of Guam, Mr. Steven Johnson, completed a detailed and integrative analysis of Yap's fisheries and social system structure and published it as a UOG MS thesis. This work, titled "Marine Protected as Linked Social Ecological Systems," revealed that social cohesion was a key attribute leading to conservation success over the past 7 years of coral reef monitoring.



Continued

### 2018 Highlights:

- Results of continued coral reef monitoring efforts in Palau, RMI and FSM proved essential to documenting the impacts from the recent ENSO events across Micronesia. Chuuk was the most affected with monitoring results revealing 50-95% coral mortality from bleaching.
- UOGML, CSP and Pohnpei State OFA conducted surveys on benthic fish, invertebrates and coral assemblages in Pohnpei. CSP and partners immediately used the invertebrate data to support re-assessment of the sea cucumber harvesting situation in the state.
- Sokehs Municipal Government and Sokehs traditional leaders in Pohnpei endorsed the Palikir Marine Protected Area Management Plan.
- PICRC conducted coral reef monitoring at 23 of its permanent monitoring sites, monitored 11 of 14 MPAs and surveyed 6 additional MPAs. PICRC developed and finalized three additional technical reports on MPAs and one on coral reef monitoring. The team continued awareness presentations to government officials, and to communities across Palau.
- The SEM Coordinator conducted a strategic planning meeting in Pohnpei, worked with CSP to consult with the Woun Kepin Soamwoai community in Kitti and completed the Nahtik (Woun Kepin Soamwoai) SEM assessment survey instrument.
- The Weloy community endorsed the Weloy SEM assessment.
- Awareness of community success stories in Yap led to the establishment of a new partnership between YapCap and the Rumung community. YapCap initiated lengthy discussions with the Rumung community to protect and better manage the community's marine resources.



Kosrae coral reef monitoring team



PICRC hosts a meeting with the Ngermid Hamlet community of Koror State to present findings on work completed in Nikko Bay, Palau.



Left: A living coral reef in Chuuk photographed in 2016 and Right: the same reef post-coral bleaching in 2018 (PC: Peter Houk)





## Impact Areas

*Conservation/Climate Resilience/Sustainable Livelihoods*

**Program:** Micronesian Forest Stewardship Program

**Support Partner(s):** US Forest Service (USFS)

**Implementing Partner(s):** Yela Environment and Landowners Authority (YELA), Yap Community Action Program (YapCAP), Conservation Society of Pohnpei (CSP), Chuuk Conservation Society (CCS), the Nature Conservancy (TNC)

### 2017 Highlights:

- YELA continued implementation of activities under the Forest Stewardship Plan (FSP) in Kosrae, including invasive species control, survey and monitoring, restoration of the Ka Forest, and public awareness. YELA opened a temporary office to implement project activities and work towards sustainability of the entire project.
- The Unnuno, Fongen and Onongoch (UFO) communities in Chuuk endorsed a Forest Stewardship Plan and mapped out the project focus areas.
- The Weloy community in Yap endorsed the Weloy Resource Stewardship Plan.
- The Nanwelin Rohi community in Pohnpei developed a community FSP.

### 2018 Highlights:

- The UFO communities fully implemented key activities from the UFO FSP.
- The Weloy community fully implemented key activities from the Weloy FSP.
- The Nanwelin Rohi community fully implemented the Nanwelin Rohi FSP.

**Top left:** (Clockwise from left bottom corner) CCS ED Akapito, Rep. Sebastian, Mr. Weneireng, and Mr. Joseph reviewing meeting documents regarding UFO forest management targets. **Middle left:** The YELA temporary office. **Top right:** Workshop to establish priority actions for funding under the Weloy FSP. **Bottom:** Weloy community reps during signing of stewardship plan.

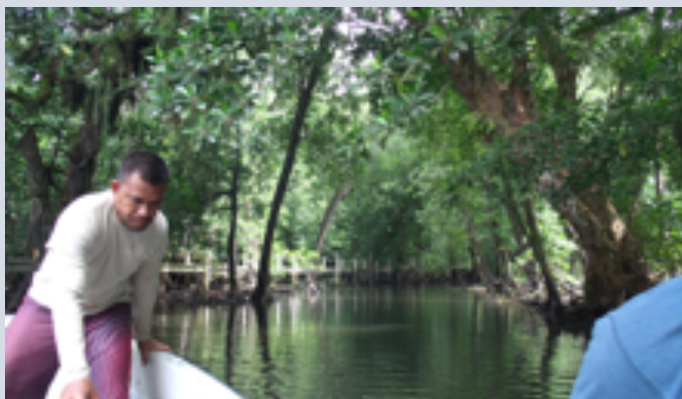


**Program:** The Yela Conservation Easement

**Supporting Partner(s):** USFS– Legacy Program, the David and Lucile Packard Foundation

**Implementing Partners:** Kosrae Island Resource Management Authority (KIRMA), Yela Environment and Landowners Authority (YELA), the Nature Conservancy (TNC)

In 2014, KIRMA, YELA, TNC and MCT established Micronesia's first conservation easement in Kosrae in order to preserve the Yela Ka Forest and its surrounding ecosystem. Ten landowners and their families (approximately 200 people) own the 84.39 acres of the Yela Ka Forest. The families, who have given up the bulk of their commercial development rights within the easement will receive annual dividends equivalent to half a year's average salary in Kosrae from the Yela Endowment. The ultimate aim of the conservation easement is to protect the area while simultaneously providing an economic benefit to the landowners. MCT made the third annual payment of approximately \$20,000 in annual dividends to the 10 families in 2018. The easement also resulted in permanent conservation of 78 acres of Kosrae's wetland forest, which includes part of the largest remaining contiguous stand of Ka tree (*Terminalia carolinensis*) in the world.



**Above:** Monitoring activities in Yela Forest

**Program:** Solar Mamas

**Support Partner(s):** The Barefoot College  
<https://www.barefootcollege.org/>, Government of India

**Implementing Partners:** Chuuk Women Council (CWC)

In March of 2016, MCT, the Chuuk Women's Council and the Barefoot College of India launched a new program in FSM, funded by the Indian Government, that selected eight mature women from the islands of Kosrae, Chuuk and Pohnpei who live in villages that are not connected to the main power grid, and sent them to the Barefoot College in India to attend a 6-month course to become certified solar engineers. These women graduated in September 2016 and came home with the intent to "light up" their communities in Pohnpei (Parem, Lenger, Mwahnd, Depehk and Takaïou islands), Kosrae (Walung Village) and Chuuk (Parem Island and Fonoton) with solar energy systems which will come as part of the program funded by the Indian Government. MCT is working with the FSM National Government, SPC, State Governments, Utility Corporations and other partners to train more solar mamas and to expand to program to more communities.

**Program:** Increasing Resilience of Micronesia's Mangroves: Pohnpei Pilot Project

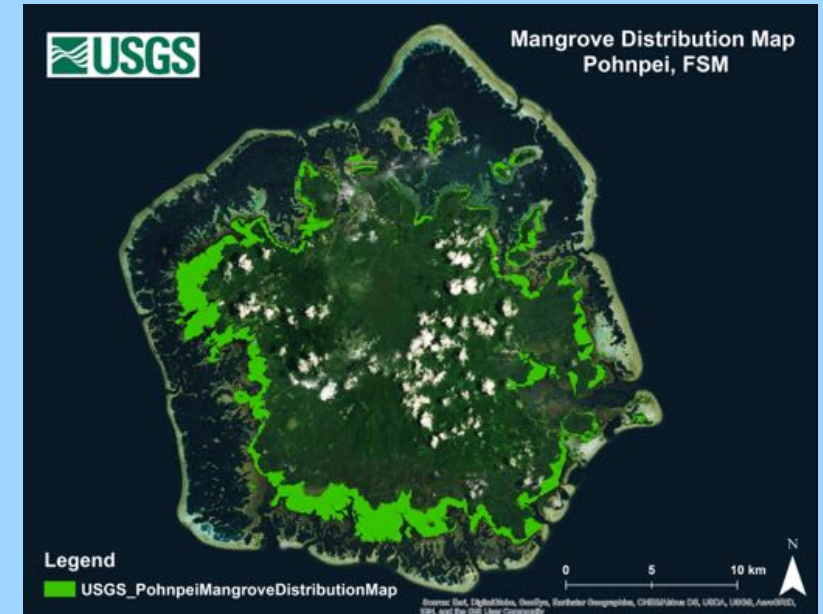
**Supporting Partner(s):** US Geological Survey (USGS)

**Implementing Partners:** Conservation Society of Pohnpei (CSP), Pohnpei State Government, the Nature Conservancy (TNC), US Fish and Wildlife Service, US Geological Survey (USGS), Department of Interior Office of Insular Affairs, Pacific Islands Climate Change Cooperative, US Forest Service (USFS), University of Tasmania, Dr. Stephen Crooks

This project will complete a pilot to build local capacity to identify and implement viable management options for increasing mangrove resilience in Pohnpei. It is anticipated that this project will ultimately leverage similar efforts in the rest of Micronesia to address the need to increase long-term resilience and adaptive capacity of mangrove resources across the region.

#### Highlights:

- Completion of a preliminary Carbon Credit Marketing Feasibility Assessment
- Development of the Sokehs/Peidie Mangrove Protected Area Management Plan
- Collection of mangrove vulnerability assessment field data, mangrove permanent plot re-measurement, sediment cores, accretion data, elevation data, sediment supply assessment
- Implementation of an Above Ground Biomass Training in Pohnpei by USGS for 23 community, NGO and state resource managers.
- Completion of a high-resolution mangrove distribution map per municipality by USGS
- CSP and Meghan Gombos adapted the Local Early Action Planning (LEAP) template to be more focused on mangroves
- 8 community vulnerability assessments completed by CSP



Trainees at the Above Ground Biomass Training





MCT inception meeting with FSM National Government authorities



Ant Atoll (PC: Drinnette James)

**Program:** Practical Solutions for Reducing Community Vulnerability to Climate Change in the Federated States of Micronesia

**Supporting Partner(s):** FSM Government, Adaptation Fund

**Implementing Partners:** FSM Department of Environment Climate Change and Emergency Management (DECCEM), FSM Department of Resources and Development (FSM R&D), USAID Climate Ready, FSM NGOs, State Government Agencies

The overall goal of the project is to build the ecological, social and economic resilience of communities in the Federated States of Micronesia through practical solutions for reducing community vulnerability to climate change stressors that are already affecting the marine ecosystem on which they depend for subsistence and livelihoods.

To achieve the Project Goal, this project consists of three main components:

1. Natural assets or ecosystems under protected area management and near-shore fisheries are adequately protected/rehabilitated
2. Community-level adaptive capacity strengthened to address climate change threats
3. Knowledge Management system developed to facilitate future scaling-up and replication of effective MPA management and community-led ecosystem-based approaches

#### Highlights:

The Adaptation Board approved MCT's \$970,000 request at its 31<sup>st</sup> meeting. MCT led five individual workshops with the FSM National Government and the four state governments (Pohnpei, Kosrae, Yap and Chuuk) in their respective jurisdictions. The inception workshops brought representatives from different levels of government and non-government groups including national, state and local governments, communities, youth, and women's and fishermen's groups. The purpose of the inception workshops was:

- Review of MCT Adaptation Fund project
- Discussion of MCT Adaptation Fund project implementation
- Presentation and discussion of synergies of the FSM Ridge to Reef project, other projects in the FSM and the MCT Adaptation Fund project

## Impact Areas

*Conservation/Climate Resilience/Sustainable Livelihoods*

**Program:** Assessing and Building Adaptive Capacity to Address Climate Change Impacts on Fishing Communities and Fisheries Resources in Micronesia

**Support Partner(s):** US National Oceanic and Atmospheric Administration (NOAA), University of Hawaii (UH)

**Implementing Partners:** the Nature Conservancy (TNC), TNC Reef Resilience Program, Micronesia Islands Nature Alliance (MINA), Conservation Society of Pohnpei (CSP), Chuuk Conservation Society (CCS), Humatak Community Foundation, Yap Community Action Program (YapCAP), West Fanif Marine Conservation Area, NOAA Fisheries Guam Office, University of Guam (UOG), MarAlliance

This project collected data on the social adaptive capacity of fishing communities and integrated the data with existing fisheries, ecological, and climate data. The collected data will inform sustainable fisheries management and climate adaptation planning to support the project goal of resilient and adaptive fishing communities in Micronesia in the face of climate change.

### Highlights:

Throughout 2017 and 2018, MCT's partners completed socio-economic surveys at target sites (Merizo and Humatak in Guam, Pehleng in Pohnpei, Onei in Chuuk, and West Fanif in Yap). In partnership with NOAA affiliate, Dr. Supin Wongbusarakum, Social Science Research Institute, University of Hawaii, data was analyzed in preparation for reporting back in early 2019.



**Above:** Focus group in West Fanif, Yap (PC: Supin Wongbusarakum)



**Above:** Enumerators in Pehleng, Pohnpei (PC: Supin Wongbusarakum)



**Above:** Focus group in Humatak, Guam (PC: Supin Wongbusarakum)





*Above: C4Life community engagement (PC: Elly Love)*

**Program:** Coconut for Life

**Supporting Partner(s):** FSM Vital Energy

**Implementing Partners: (Awareness Core Team)** Conservation Society of Pohnpei (CSP), FSM Department of Resources and Development (FSM R&D), FSM Social Security Administration (FSM SS), iStop

Coconut for Life (C4L) is an initiative by FSM Vital Energy (Vital), supported by MCT to rehabilitate the copra industry to support Vital and MCT's commitment to improve the livelihoods of the people of Micronesia. The project enhances the capacity for the buying, selling, exporting, manufacturing, processing, and distribution of copra and other products from coconut trees in the FSM. New community-based revenue streams are created for the people as opportunities become available for farmers to market coconuts.

**Highlights:**

- MCT hired a Livelihoods Project Manager (LPM), Mr. Santiago Joab Junior.
- The LPM and partners conducted C4L awareness activities in 8 communities around Pohnpei. Women from the communities participated at a high rate in the awareness programs and provided significant feedback for the decision-making process of the communities.
- MCT's primary role in this project is the community outreach and coordination to establish and support the Participatory Guarantee System (PGS) groups supplying copra to the project. By the end of 2018, MCT established and registered two PGS groups at the FSM National Government: Takaiau and Rohi communities in U Municipality. MCT worked with two additional communities as they prepared to register as PGS groups: Parem and Lenger communities in Nett Municipality.



## Impact Areas

### *Conservation/Climate Resilience/Sustainable Livelihoods*

**Program:** Development of the Federated States of Micronesia National Biodiversity Strategy and Action Plan (and State SAPs for Pohnpei, Kosrae, Chuuk and Yap) 2018-2023

**Consultancy:** FSM National Government and the United Nations Development Program

The FSM National Biodiversity Strategy and Action Plan (NBSAP) is meant to chart a course to protect the FSM's biodiversity, which is an intrinsic part of the country's many traditional cultures and practices, and a foundation for a secure, sustainable and economically independent future. With its multitude of low-lying islands and the fact that a large number of people live in coastal communities, the FSM is also at the forefront of climate change. Ensuring the country's biodiversity is healthy offers the best way forward for dealing with this, with robust ecosystems better able to withstand a changing climate and the resultant disturbances. It is therefore imperative that biodiversity in the FSM be conserved, protected and sustainably utilised. However, a number of threats to biodiversity in the FSM have been identified, including environmental conversion and degradation, over-exploitation of resources, waste management and pollution, invasive and alien species, climate change and infrastructure development.

Under a consultancy contract from the FSM National Government (Focal Point to the Convention on Biological Diversity (CBD) and the UNDP), MCT, with the help of Mr. Iain Hall, graduate student at Sophia University in Tokyo, Japan, completed the update of the NBSAP and the four state strategy and action plans (state SAPs). Through a consultative process, MCT updated the 2002 NBSAP and state SAPs. The plan builds on the current status and achievements of the country with respect to biodiversity planning and reporting and integrated the FSM's obligations under the CBD into its national development and sectoral planning frameworks. The process was a participative planning and strategizing process to produce measurable targets for biodiversity conservation and sustainable use of resources. MCT hosted workshops in all 4 states with national and state government officials, NGO and Civil Society groups, community members and other stakeholders to consult, strategize and update the NBSAP. The final document was submitted and presented to the United Nations at the Conference of the Parties (COP) CBD in Egypt.



*Photos: NBSAP workshop in Chuuk, Yap, Kosrae and Pohnpei (from top to bottom)*



## Practices

*Grow Capabilities/Bring Financial Resources/Influence Context*

**Program:** Bill Raynor Micronesia Challenge Scholarship

**Support Partner(s):** David and Lucile Packard Foundation, Margaret A. Cargill Foundation, multiple private/individual donors

The Bill Raynor Micronesia Challenge Scholarship (BRMCS) fund aims to contribute to the development of effective conservation of Micronesia's biodiversity and the promotion of sustainable livelihoods across the region. This scholarship provides an opportunity for individuals from Micronesia to undertake either a Master's or Doctorate degree in any resource management/conservation field. This scholarship was first awarded in 2017 and currently 4 individuals are receiving this fund.

**Student:** Ms. Elizabeth Furey from Saipan, CNMI

**Degree/Program:** Masters in Environmental Policy and Management

**Institution:** American Public University System

Passionate about working with communities and concerned for the natural environment, Ms. Furey is furthering her education in Environmental Policy and Management as a fulltime student. She also works fulltime as a Program Manager at Micronesia Islands Nature Alliance.



**Student:** Ms. Nicole Yamase from Pohnpei, FSM

**Degree/Program:** PhD in Marine Biology

**Institution:** University of Hawaii at Manoa



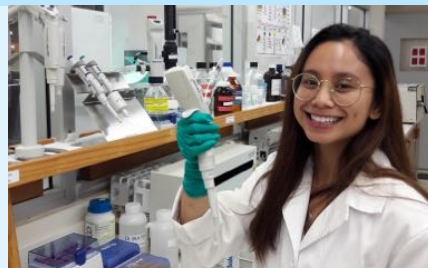
Ms. Yamase is studying the effects of climate change on the marine plant community to understand how these primary producers respond to the environmental changes in order to help predict the future health of coral reefs.

**Student:** Ms. Lourdes Mafnas from Guam

**Degree/Program:** Masters in Environmental Science

**Institution:** University of Guam

Ms. Mafnas is conducting research on the pathological science of toxicity in the environment. She studies fish with signs of toxicity exposure in their liver to determine possible causes/reasons for the discoloration.



**Student:** Ms. Viann Harmony Yomai from Chuuk, FSM

**Degree/Program:** PhD in Evolutionary Biology

**Institution:** University of Tennessee at Knoxville

Ms. Yomai is studying reproductive biology of flowering plants on islands (Pohnpei) and comparing it with that of continental mainland's. The goal is to see if Baker's Law is true on islands, do island species arrive with their traits or do they evolve these traits on the islands?

#### **Program:** APIC-BRMC Scholarship

**Support Partner(s):** Association for Promotion of International Cooperation, Sophia University

MCT partnered with the Association for Promotion of International Cooperation (APIC) to establish the APIC-BRMC Scholarship program. This scholarship gives individuals from Palau, FSM and/or RMI the opportunity to pursue a Master's degree in the Global Environmental Studies Program at Sophia University in Tokyo, Japan.

#### **Highlights:**

- This scholarship award began in 2017 and currently 4 students are receiving this funding: Ms. Bertha Reyuw from Yap, Mr. Bradford Mori from Chuuk, Ms. Tamae Waguk from Kosrae, and Mr. Lajkit Rufus from Majuro.
- Ms. Reyuw is conducting research around the impacts of climate change on women in the FSM and looking at how their roles in climate change adaptation affect the level of climate resilience of families or communities.
- Mr. Mori is studying climate adaptation funding mechanisms to assess how adaptive capacity, resilience, and innovation are incorporated into plans and policies and highlighting the advantages/disadvantages or effectiveness thereof.
- Ms. Waguk is focusing her research on forestry in Kosrae.
- Mr. Rufus is conducting research around addressing the major threats to agricultural challenges in the face of climate change in the Marshall Islands.
- 14 students from the Graduate School of Global Environmental Studies participated in a study tour to Pohnpei to learn first hand the challenges of climate change for communities in terms of climate adaptation, biodiversity conservation and island sustainability being faced by a small island developing state.



*Bradford Mori from Chuuk*



*Bertha Reyuw from Yap*



*Lajkit Rufus from Majuro*



*Tamae Waguk from Kosrae*



*Sophia University students visit Nan Madol during study tour in Pohnpei*



**Program:** Implementing Protected Area Networks and Improving Fisheries Management in Micronesia

**Supporting Partner(s):** Oceans 5, Waitt Foundation

**Implementing Partners:** Chuuk Conservation Society (CCS), Kosrae Conservation and Safety Organization (KCSO), Conservation Society of Pohnpei (CSP), Yap Community Action Program (YapCAP), Marshall Islands Conservation Society (MICS), the Nature Conservancy (TNC)

This project is a campaign for FSM and RMI to: (1) expand no commercial fishing zones; (2) establish PAN legislation and associated regulations; (3) establish PAN funds; and (4) establish sustainable financing mechanism.

2017 Highlights:

- The FSM for 10% campaign continued to advocate for the protection of a large span of FSM's marine environment and showed a significant level of initiation and engagement on the part of the national government. The campaign enhanced public understanding of the importance and benefits for large scale marine protected areas and having a PAN in place.
- FSM Congress passed the law to expand the FSM no commercial fishing zone from 12 to 24 miles.
- FSM National Police confiscated the *Shen Lian Cheng 881* fishing vessel within the 24 nautical miles of the FSM EEZ.
- FSM took further steps to receive its endowment dividend as Chuuk State passed its PAN legislation.

2018 Highlights:

- The FSM National Government endorsed the National PAN Policy Framework.
- The RMI PAN legislation was amended and submitted to the RMI Nitijela along with final draft of associated rules and regulations for consideration. RMI continued to work towards the approval of the National Framework and Country Program Strategy.
- The RMI and Palau governments had a PAN learning exchange, where RMI learned how Palau conducts the MC activities in support of its PAN and the Palau Marine Sanctuary. The RMI representatives hoped to be able to take some of those lessons back to their country to help guide the development and improvement of policies, laws and mechanisms that can support natural resources management (conservation and climate change adaptation) in their home islands.
- Oceans 5, Waitt Foundation, TNC, NatGeo and MCT visited RMI and discussed terms of an MOU to support RMI work towards their Oceans efforts going forward.

Pohnpei Catholic School students supporting the FSM for 10% campaign at the FSM National Government





## Practices

*Grow Capabilities/Bring Financial Resources/Influence Context*

**Program:** Pacific Islands Managed and Protected Areas Community (PIMPAC)

**About:** The PIMPAC program focused on capacity building and providing support resource managers for effective site-based management. As a network, it used five approaches to reach its goals: 1) Training and Technical Support, 2) Learning Exchanges, 3) Partnership Building, and 4) Coordination and Leveraging Funds. The latter approach involved many supporting and implementing partners.

**Strategic Action Plan:** 23 conservation partners from across the Micronesian region drafted the PIMPAC 2017-2020 strategic plan. The plan builds on previous plans and incorporates new capacity building needs, such as terrestrial monitoring under training and technical support, that contribute to site-based management and the Micronesia Challenge (MC) goals.

([http://www.pimpac.org/images/file/FINAL\\_PIMPAC%20Strategic%20Plan%202017\\_Full\\_Version%20\(1\)with%20cover.pdf](http://www.pimpac.org/images/file/FINAL_PIMPAC%20Strategic%20Plan%202017_Full_Version%20(1)with%20cover.pdf))

### Highlights:

- Ongoing Local Early Action Planning (LEAP) Support and Climate Change video toolkit created and MPAME tool updated
- New and updated management plans in Yap and Pohnpei
- Socio-economic monitoring (SEM) training and planning for core team members and enumerators, and SEM assessments in Yap and Pohnpei
- MC terrestrial monitoring in Forest Inventory Analysis (FIA) field methods in RMI, and database and web-viewer (<https://mcterrestrialmeasures.org>) use during PIFC meetings in Guam and Palau
- Enforcement training for marine and terrestrial sites in Pohnpei and Chuuk, and with Guam Community College
- Learning exchange between Micronesia Challenge and Hawaii 30x30 (<http://dlnr.hawaii.gov/dar/announcements/hawaii-30-by-30-oceans-target/>)

**Review:** PIMPAC partners also began an internal evaluation of the program, from its inception in 2005 to present. Information collected will determine impact and lessons learned and help inform planning for post 2020.



*L: MC SEM Coordinator Winfred Mudong, R: Marine monitoring (PC: Peter Houk)*



*MC Regional SEM core team at training and planning workshop in Pohnpei 2018*



*Conservation partners at 2017 PIMPAC strategic planning workshop in Guam*





## Practices

*Grow Capabilities/Bring Financial Resources/Influence Context*



*Above: Enforcement trainers in Guam*



*Above: Founding members of APNET at first assembly*

**Program:** Professional Internships in Pacific Terrestrial Island Ecosystem Management (PIPTIEM)

**Support Partners:** US Forest Service (USFS), Micronesia Challenge Regional Office (MCRO), Pacific Islands Managed and Protected Areas Community (PIMPAC), the United States Department of the Interior, USAID, the Congress of the Federated States of Micronesia

**Implementing Partners:** RMI Ministry of Natural Resources and Commerce, FSM Department of Resources and Development (FSM R&D), Palau Bureau of Agriculture and Forestry, Guam Forestry, CNMI Department of Land and Natural Resources

The main purpose of the PIPTIEM program was to prepare young professionals to lead terrestrial natural resource organizations and build the capacity of Micronesian organizations to design and manage conservation programs. Support for leadership skills development relevant to environmental management complementary to the “Micronesia Challenge Young Champions” internship program and towards Continuing Education courses for staff of state and private forestry grantees (or partner organizations), have resulted in the following achievements:

This grant facilitated the first-ever Marine Terrestrial Conservation Enforcement Academy at the Guam Community College to enable law enforcement professionals from around the region to study methods of enforcing conservation of precious marine and land resources throughout the Pacific.

**Program:** Asia-Pacific Conservation Trust Fund Network (APNET)

The APNET is a new international consortium of conservation trusts. The purpose of APNET is to: (1) facilitate partnerships and collaboration among members and with similar organizations and networks; (2) facilitate capacity building, knowledge sharing, and use of best practices; (3) generate and mobilize resources to support APNET’s efforts; and (4) communicate the work of APNET and its members to stakeholders.

The six founding organizations:

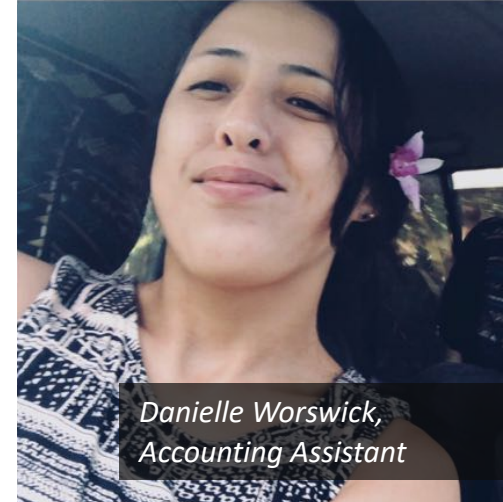
- Arannayk Foundation (Bangladesh)
- Bhutan Trust Fund for Environmental Conservation
- Forest Foundation Philippines
- Foundation for the Philippine Environment
- Yayasan KEHATI (Indonesia)
- Micronesia Conservation Trust

# New faces at MCT

MCT's team grew by leaps and bounds in 2018, with the addition of Mr. Santiago Joab, Livelihoods Project Manager, Ms. Danielle Worswick, Accounting Assistant, and Ms. Drinnette James, Grants Officer. Ms. Elly Love also joined the MCT team through the Australian Volunteers International program to serve as Communications Management Specialist. MCT also hosts Mr. Winfred Mudong hired by Micronesia Challenge Regional Office (MCRO) as the new MC Socio-Economic Coordinator.

Visit MCT's website or Facebook page for more information about the new team members and the rest of the MCT staff  
(<http://ourmicronesia.org/about-mct/our-staff>)

Photo: Winfred Mudong,  
MC Socio-economic Coordinator



Danielle Worswick,  
Accounting Assistant



Drinnette James, Grants  
Officer



Elly Love, AVI Volunteer



Santiago Joab Jr., Coconut for  
Life Project Manager





## Internal Drivers *Systems/Means*



*MCT staff (front row, left to right) Danielle Worswick, Drinnette James, Jo Lynn Mori, Tamara Alefaio, (middle row, left to right) Elly Love, Semleen Jano, Lisa Andon, Shirley Ann Pelep, (back row, left to right) Willy Kostka, Santiago Joab Jr., Roseo Marques*

### Monitoring, Evaluation, Reporting and Improvement (M&E)

Before leaving MCT at the end of his volunteer assignment in 2017, the M&E Specialist, Mr. Anthony Hele, led staff training activities to introduce M&E concepts and the MCT M&E Framework. He also commenced drafting M&E guidance documents for MCT and its partners, which will support the Framework's implementation and communication. He and Grants Officer, Ms. Shirley Ann Pelep, also accomplished the roll-out of new policies, procedures and tools for grantee partners in all the MC jurisdictions.

### Board and Staff Development and Training

- MCT Grants Officer, Ms. Shirley Ann Pelep, expressed interest in taking on responsibility for MCT's ongoing Monitoring & Evaluation work (both internal and providing partner support) and worked closely with the Monitoring and Evaluation Specialist before he left to ensure her ability to implement the framework and continue its development.
- MCT Grants Officer, Ms. Jo Lynne Gallen Mori, began an accelerated online MBA program through Benedictine University.
- The MCT Executive Director, Board of Trustees Vice-Chairman, Board Treasurer and Board Secretary all maintained Accredited Investment Fiduciary certification through the Asia Pacific Association for Fiduciary Studies.
- MCT Staff spent three days on Lenger Island for a three-day staff retreat focusing on team-building, communication, work-planning for 2018 and preliminary visioning for upcoming update of the Strategic Action Plan, while having plenty of fun and relaxation.

### Staff Promotions

- In 2018, Ms. Shirley Ann Pelep assumed responsibilities as a Senior Grants Officer, with responsibility for the Adaptation Fund, "Practical Solutions for Reducing Community Vulnerability to Climate Change in the Federated States of Micronesia" project.
- Ms. Jo Lynne Gallen Mori also accepted a promotion to Senior Grants Officer after four years of service at MCT.

## Financial Management System

MCT's financial management system is comprised of accounting records and a series of processes and procedures assigned to staff, Board, and outside professionals. The goals of MCT's system are to ensure that financial data and transactions are properly entered into the accounting records and that financial reports necessary for management are prepared accurately and in a timely fashion. MCT's financial management policies and procedures provide assurance that assets are used solely for the benefit of the organization, and not for personal or other gain, and that donated funds are used for the purposes which donors intended, as specified in grant agreements. Internal controls help ensure operational efficiency and prevent the deliberate or misguided use of funds for unauthorized purposes.

As of the close of 2018, the Finance Officer remained the operational lead for the financial management system, with assistance from the new Accounting Assistant, and with guidance and oversight from the Board of Trustees Investment Audit and Finance Committee. Vice-Chairman Sadang continued to chair the Committee and Trustee Mendiola assumed the role of Board Treasurer in 2018. Together, Management and the Board ensured another two years of unqualified audits (conducted by Earnst & Young LLP), maintained accreditation status with the Green Climate Fund and Adaptation Fund, and maintenance of 501(c)3 tax exempt status with the United States Internal Revenue Service.

## Statement of Financial Position

	December 31,	
	2018	2017
<b>Assets</b>		
Current assets:		
Cash	\$ 829,910	\$ 321,134
Grants and contracts receivable	25,814	582,018
Other receivables and other assets	<u>7,302</u>	<u>10,133</u>
Total current assets	863,026	913,285
Investments	<u>20,138,369</u>	<u>21,995,256</u>
Total assets	<u>21,001,395</u>	<u>22,908,541</u>
<b>Liability and Net Assets</b>		
Current liability - Accounts payable	<u>\$ 287,461</u>	<u>\$ 364,228</u>
<b>Net assets:</b>		
Unrestricted	33,526	20,069
Temporarily restricted	2,722,063	7,482,947
Permanently restricted	<u>17,958,345</u>	<u>15,041,297</u>
Total net assets	<u>20,713,934</u>	<u>22,544,313</u>
Total liability and net assets	<u>\$ 21,001,395</u>	<u>\$ 22,908,541</u>



## Statement of Activities

Year ended December 31, 2017				
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenues, gains and other support:				
Grants, contracts and other contributions	\$ -	\$ 1,979,685	\$ 387,472	\$ 2,367,157
Investment gains, net	-	3,060,374	-	3,060,374
Miscellaneous	8,003	(456,436)	-	(448,433)
Net assets released from restriction:				
Satisfaction of program restrictions	2,043,876	(2,043,876)	-	-
Total revenues, gains an other support	2,051,879	2,539,747	387,472	4,979,098
Expenses and losses:				
Grant and project expenses	2,043,876	-	-	2,043,876
Total expenses and losses	2,043,876	-	-	2,043,876
Increase in net assets	8,003	2,539,747	387,472	2,935,222
Net assets at beginning of year	12,066	4,943,200	14,653,825	19,609,091
Net assets at end of year	\$ 20,069	\$ 7,482,947	\$ 15,041,297	\$ 22,544,313

Year ended December 31, 2018				
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenues, gains and other support:				
Grants, contracts and other contributions	\$ -	\$ 1,762,437	\$ 226,024	\$ 1,988,461
Investment gains, net	-	(1,804,887)	-	(1,804,887)
Miscellaneous	2,255	-	-	2,255
Net assets released from restriction:				
Satisfaction of program restrictions	1,850,944	1,850,944	-	-
Total revenues, gains an other support	1,853,199	1,808,494	226,024	185,829
Expenses and losses:				
Grant and project expenses	1,850,944	-	-	1,850,944
Total expenses and losses	1,850,944	-	-	1,850,944
Increase in net assets	2,255	1,808,494	226,024	(1,665,115)
Net assets at beginning of year	20,069	7,482,947	15,041,297	22,544,313
Net assets at end of year	\$ 22,324	\$ 9,291,441	\$ 15,267,321	\$ 20,879,198



## Internal Drivers

*Systems/Means*

The grant and program expenses by object class for the years ended December 31, 2017 and 2018 are as follows:

---

Grant & Program Expenses	2018	2017
Regranting	804,935	934,036
Salaries and benefits	479,867	451,967
Workshops	66,371	234,081
Program Travel	198,692	204,890
Contractual	177,217	122,599
Supplies and materials	31,605	31,484
Miscellaneous	47,826	20,267
Board of Directors meeting	10,598	12,239
Rent	11,550	10,650
Administrative travel	11,478	10,514
Communication	5,027	6,098
Utilities	2,938	3,352
Insurance	675	857
Vehicle fuel	843	529
Repair and maintenance	1,322	313
Total	1,850,944	2,043,876



Partners and Supporters				Government partners		
Non-government partners				Regional	Association of Pacific Islands Legislatures	
					Micronesia Island Forum/Chief Executives	
					Pacific Islands Forum, Committee on Regionalism	
Regional	The Nature Conservancy	Republic of Palau	Palau Conservation Society	Federated States of Micronesia	Pacific Islands Forum, Committee on Regionalism	
	Rare		Palau International Coral Reef Center		Department of Resources and Development	
	Global Island Partnership		Hatohobei Organization for People and Environment		Office of Emergency and Environmental Management	
	Micronesians in Island Conservation		Ebiil Society, Inc		Congress, Office of the President, Department of Justice	
	Pacific Islands Marine Protected Areas Community		Kerradel Conservation Network		Chuuk Department of Agriculture and Forestry	
	Locally Managed Marine Areas Network		Support Partners		Chuuk Environmental Protection Agency	
	Secretariat for the Pacific Regional Environment Program				Chuuk Department of Marine Resources	
	Global Environment Facility Small Grants Program				Yap Resources and Development (R&D)	
	Micronesia Challenge Regional Office				Yap R&D Division of Agriculture and Forestry	
	University of Guam GPEPP-Guam Plant Extinction Prevention Program				Yap R&D Division of Land Resources	
University of Guam, Marine Lab			Yap R&D Marine Resource Management Division			
Federated States of Micronesia	Chuuk Women's Council				Yap Fishing Authority	
	Chuuk Conservation Society				Kosrae Island Resource Management Authority	
	Kosrae Conservation and Safety Organization				Kosrae DREA Division of Agriculture	
	Yela Environment Landowners Authority				Kosrae Conservation and Enforcement Taskforce	
	Yap Institute of Natural Science				Pohnpei Office of Fisheries and Aquaculture	
	Yap Community Action Program				Pohnpei Department of Lands and Natural Resources	
	Waa'gey				Pohnpei Department of Public Safety, Fish and Wildlife	
	Conservation Society of Pohnpei				Pohnpei Department of Economic Affairs	
	Awak Youth Organization				Pohnpei Environmental Protection Agency	
	Island Food Community of Pohnpei			Marshall Islands Marine Resources Authority		
College of Micronesia-FSM			Republic of the Marshall Islands	RMI OEPPC		
Marcela Foundation				Ministry of Resources and Development		
Republic of the Marshall Islands	Marshall Islands Conservation Society			Republic of Palau	Palau OERC	
	Women United Together Marshall Islands				Palau Ministry of Environment	
	Jo Jakum				Palau PAN Fund	
	Ainiken Kora in Mejit			CNMI	Forestry-Division of Land & Natural Resources	
	College of the Marshall Islands				US Territory of Guam	
CNMI	Mariana Islands Natural Alliance					
US Territory of Guam	Humatak Community Foundation					

# Micronesia Conservation Trust

World Class and Deeply Micronesian

**Kinisou Chapur**

**Kulo Mulalap**

**Kamagar**

**Kalahngan**

**Mesulang**

**Kommol Tata**

**Olomwaay**

**Si Yu'us Ma'ase**

## Thank You

Report prepared by:

**Willy Kostka**, *Micronesia Conservation Trust*, Executive Director

**Lisa Andon**, *Micronesia Conservation Trust*, Deputy Executive Director

**Drinnette James**, *Micronesia Conservation Trust*, Grants Officer

With contributions and support from the Micronesia Conservation Trust Board of Trustees and Staff