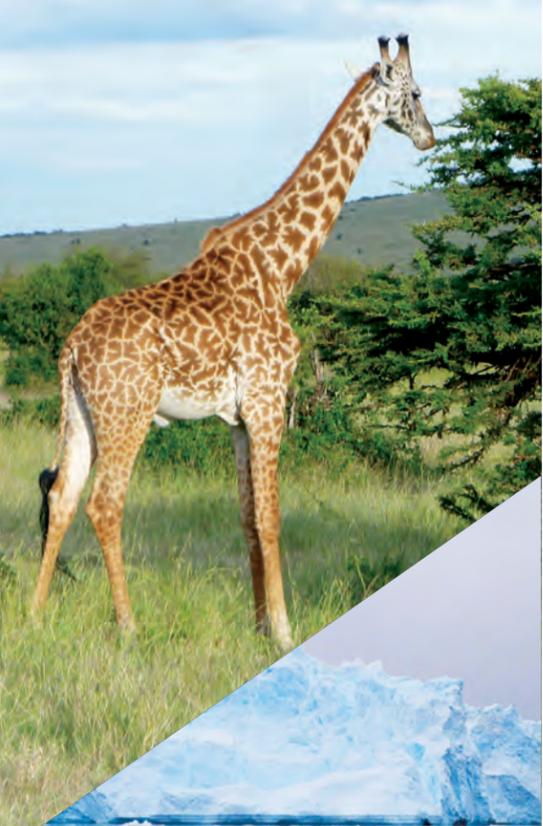




2018

IMPACT REPORT





A MESSAGE

FROM THE PRESIDENT & EXECUTIVE DIRECTOR

In 2018 the Environmental Investigation Agency continued to confront the greatest environmental threats facing the world today. The EIA team pursued, documented and exposed the activities of syndicates that threaten endangered species, damage the climate and ozone layer, and drive the trade in timber stolen from the world's most important remaining forests.

From the global ban on international ivory trade in 1989 that launched our reputation as a fearless leader among environmental NGOs; to the 2008 Lacey Act Amendment, banning the import and sale of illegally harvested wood and wood products into the United States; to the Kigali Amendment to the Montreal Protocol, phasing out hydrofluorocarbons (HFCs) that contribute to global warming, EIA has consistently spearheaded the most impactful initiatives to save our planet, its threatened wildlife and exploited and endangered forests.

This year our investigations gathered new evidence of widespread illegal trade and export of ivory from Japan. In the Arctic, EIA pursued increased protections for endangered belugas in Alaska, already experiencing and suffering the impacts of rapid climate change. We supported investigations into rhino horn poaching and illegal trade in southern Africa. In Latin America and Africa, EIA's evidence caused major disruption to illegal timber traders. Our evidence documented and exposed massive illegal timber shipments from Peru into the US, resulting in a USG-initiated

Our investigators and campaigners drive real and tangible change through undercover evidence, meticulous documentation and analysis, and focused achievable solutions.

ban against the offending company. And, the massive illegal rosewood log trade from Nigeria into China has been stopped following release of EIA's evidence.

An EIA exposé showing that large scale illegal CFC-11 emissions damaging the ozone layer and contributing to global warming were emanating from China secured global press attention, and resulted in significant measures by China to increase enforcement against the illegal production.

Our investigators and campaigners drive real and tangible change through undercover evidence, meticulous documentation and analysis, and focused achievable solutions.

On nearly every continent in the world, we have investigated and exposed violent wrongdoing against the earth, its forests and their guardians, and critically endangered species on the cusp

of extinction. Our approach is both strategic and tactical, but above all it is tireless, and successful.

In 2018, our on-the-ground investigations and fact-driven reports continued to mobilize legal protections to close and restrict markets that cause environmental destruction, both here and abroad. We invite you to look at some of last year's highlights and to share in EIA's ambitious plans for the future.

Allan Thornton
President

Alexander von Bismarck
Executive Director

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Our Mission

THIRTY YEARS OF PROTECTING THE ENVIRONMENT WITH INTELLIGENCE

For the past three decades, the Environmental Investigation Agency has been identifying solutions to the world's most pressing environmental problems, and taking a targeted tactical approach toward solving them. Since 1989, we have worked alongside our UK office to alter the global economy in a way that sustainable management of the world's natural resources may be realized.

Our campaigns to protect diminishing forests, endangered wildlife, and the critically-imperiled climate fight a tide of unmitigated global demand, increasing trade, and hastening loss of natural resources and species. EIA's independent and nimble approach produces concrete and actionable intelligence and facilitates strategic solutions with lasting and far-reaching impact.

As a non-profit organization with IRS 501(c)(3) designation, EIA relies on financial support from individual donors and charitable foundations. Donations to EIA are U.S. tax deductible to the full extent of applicable law.

This report focuses on the activities of EIA's Washington, D.C. office during 2018.



WHO IS EIA?

The Environmental Investigation Agency is internationally renowned for its use of innovative techniques and prescient analysis in an unrelenting pursuit to expose and stop environmental crime. Through undercover investigations; analysis of supply chains and trade data; aggressive advocacy coupled with diplomacy; and a strong network of local and international partnerships, EIA has instigated systematic change in global markets, and promoted laws and policy that protect the natural world from exploitation.

EIA's track record over several decades shows the world's most consistently independent, dynamic and effective NGO working on global environmental issues. EIA was instrumental in the 1989 international ban on ivory trade; the first organization to call for a global phase out of hydrofluorocarbon (HFC) gases due to their extreme global warming potential; and spearheaded the successful movement to prohibit the import of illegally harvested wood and wood products into the United States.

We are a small organization that packs an enormous punch. Although growing in size, we still pride ourselves on our flexibility to react quickly to news of environmental crime around the world. Here are just a few examples of our fast-acting and nimble nature and the results achieved from each of our campaigns during 2018.

WILDLIFE When an Alaskan gas and oil development corporation applied to expose the endangered and iconic population of Cook Inlet beluga whales to harassing levels of sound, EIA discovered a version of the 43-billion-dollar pipeline project had been switched out, without notifying the public, midway through the comment period. Quickly analyzing hundreds of pages, we found numerous changes that deceptively reduced the number of affected belugas to an alleged "safe" level. EIA sounded the alarm to the federal government, other NGOs, and the media, effectively stalling the project. We have since filed a Freedom in Information Act request should momentum in the project resurface.

Where We Work

Headquartered in Washington DC, EIA has teams on every continent, connecting with and empowering civil society; facilitating dialogue among industry and global leaders; and promoting frameworks that protect natural resources, wildlife, and the people who depend on them.

Our Method

1 • IDENTIFY

Determine where international markets undermine efforts around the world to protect the environment.

2 • DOCUMENT

Use on-the-ground undercover operations to document the problem and track its demand and supply-side causes.

3 • SHAPE SOLUTIONS

Work with partners to develop innovative, achievable, and lasting measures to solve the problem on whatever scale necessary.

4 • IMPLEMENT & FOLLOW-UP

Strategic, alliance-based campaigning, leveraging EIA's unique evidence to institute lasting solutions.

At a Glance



Wildlife: Committed to ending illegal and unsustainable killing of and trade in threatened wildlife including elephants, rhinos, and cetaceans (whales, dolphins, and porpoises).



Climate: Focused on phasing out — both domestically and abroad — the use of potent greenhouse gases known as hydrofluorocarbons, which warm the planet at a dangerous and shocking rate.



Forests: Dedicated to exposing large-scale illegal deforestation and associated international trade; amplifying the voices of impacted local communities; and shifting demand toward sustainable timber and wood products.

CLIMATE We rapidly responded to newly unfolding scientific data detecting an unknown source of escalating emissions of CFC-11, a banned ozone-depleting gas with massive warming potential, emanating from East Asia. EIA's ensuing work exposed illegal use of CFC-11 in China's polyurethane foam industry and helped catalyze resolve from the international community to fully investigate and address the issue.

FORESTS When the Peruvian government stripped OSINFOR — an impartial and by design apolitical entity charged with detecting illegal logging in the Peruvian Amazon — of its autonomy, EIA immediately came to the defense of the agency. Due in no small part to our pressure, the Peruvian government ultimately reversed its decision, and restored the independence of this Agency that over the past decade has verified EIA allegations of rampant illegal logging in Peru.

From illegal logging in the Amazon, Africa and Europe's last remaining forests; to unbridled elephant and rhino poaching in Africa and the threat of heavy fuel oil affecting polar mammals; to the illegal trade and production of outlawed substances that contribute to catastrophic global warming, we expose the world's worst environmental crimes. Our holistic approach toward investigations and strategic solutions enable policymakers to make informed decisions and provide law enforcement tangible evidence upon which they can act.



WILDLIFE



From the African savannah to the coastal waters of Japan and Alaska, EIA's Wildlife Campaign focuses on stopping the illegal killing of and trade in threatened and endangered species including elephants, rhinos, whales, dolphins, and porpoises. For over thirty years, EIA has been dedicated to protecting wildlife all over the world.

We are committed to applying relentless pressure to end the poaching, and ensure the survival of both elephant and rhino.

We rely on intelligence gathered from our investigations and robust scientific and trade data. We promote and support policies that seek to protect the world's most critically threatened species. Our impact on wildlife protection has been global, lasting, and profound.

African elephants continue to diminish in numbers due to poaching — tens of thousands of elephants a year are being killed for their ivory. Our investigations and research expose illegal ivory trade where it occurs while we also pressure consumer nations to pass stronger regulations, shut down remaining domestic markets, and enforce existing laws outlawing ivory trade.

Rhinos face a similar poaching epidemic. Fueled by demand for their horns for bogus medicinal purposes, more than 9,200 rhinos have been killed in the past decade. We are committed to applying relentless pressure to end the poaching, and ensure the survival of both elephant and rhino.

EIA also leads in the international effort to protect the world's cetaceans — whales, dolphins, and porpoises — all of which face threats from commercial hunting, pollution, marine debris, and climate change. We are passionate about protecting these beautiful and humble species from the multitude of threats they face.



2018 Highlights

MARCH

EIA voiced opposition to the Trump administration's unprecedented plan to open 98 percent of the American outer continental shelf to oil and natural gas activity, a move that would threaten four out of the five populations of beluga whales in the United States.

APRIL

EIA welcomed Taiwan's decision to close its domestic ivory market starting January 1, 2020 — thus eliminating another domestic ivory market in Asia — as well as the announcement of a comprehensive ivory ban in the United Kingdom, one of the strictest bans to date.

As part of the Clean Arctic Alliance, EIA called upon the International Maritime Organization (IMO) Member States to support a proposed ban on heavy fuel oil (HFO) from Arctic shipping. Following this pressure, the IMO agreed to develop a ban on an appropriate timeline — a critical step towards protecting Arctic species like the beluga whale from a catastrophic HFO spill.

MAY

Uncovering troubling procedural errors and inconsistencies in a proposed pipeline project through Cook Inlet, Alaska — home to an iconic and endangered population of beluga whales — EIA immediately sounded the alarm to the federal government, other NGOs, and the media.

AUGUST

EIA issued *White Noise: Preventing Acoustic Pollution in the Arctic*, showing how the acoustic sanctuary of the Arctic marine environment is being increasingly impacted by industrial activity like commercial ship traffic.

SEPTEMBER

The International Whaling Commission (IWC) passed by consensus a new Resolution focused on addressing the impacts of anthropogenic underwater noise on cetaceans. The Resolution committed the IWC's Scientific Committee to review the impacts of underwater noise on Arctic species such as whales, dolphins and porpoises, and also tasked its Conservation Committee with developing a list of priority actions to address and mitigate these impacts.

EIA drafted an analysis of Japan's recent amendments to its ivory control laws, decrying the effort as both superficial and falling drastically short of the dramatic reform required to remedy the country's deeply flawed ivory control system.

OCTOBER

How Ivory Hanks Destroyed Africa's Elephants and Drives Japan's Illegal Ivory Trade exposed how Japanese retailers are willing to sell ivory hanks, even knowing the sought-after name seals are destined for illegal export. EIA's report documented the key role of ivory hanks in driving Japan's demand for elephant tusks, thus undercutting global efforts to protect elephants. EIA called upon Japan to close its ivory market before the start of the Tokyo 2020 Summer Olympics.

CLIMATE

With the U.S.'s withdrawal from the Paris agreement, our climate work has become even more pressing as we hasten to show the rest of the world that we as an organization and country are not abandoning the most important battle for our planet's survival.

Our Climate Campaign focuses on the phasing down of hydrofluorocarbons (HFCs), synthetic chemicals commonly used in refrigeration and air-conditioning, which if left unchecked could offset most, if not all, climate change mitigation actions that were pledged by countries under the 2015 Paris Agreement. With the U.S.'s withdrawal from the Paris agreement, our climate work has become even more pressing as we hasten to show the rest of the world that we as an organization and country are not abandoning the most important battle for our planet's survival.

EIA's climate team may be best known for its tireless and ultimately successful push for adoption to the Montreal Protocol of the Kigali Amendment (October 2016), placing controls on the consumption and production of HFCs to enter into force January 1, 2019. Successful implementation of the Kigali Amendment could avoid an estimated 80 billion tonnes CO₂ equivalent of emissions by 2050, representing the largest one-off climate mitigation measure ever adopted. Rapid large-scale transition to HFC-free alternatives are critical to protect our climate.



2018 Highlights

JULY

EIA launched *Blowing It: Illegal Production and Use of Banned CFC-11 in China's Foam Blowing Industry* and thereby provided evidence to the Montreal Protocol of the widespread use of CFC-11 in China's foam blowing industry. EIA's report and call for intervention prompted an unprecedented number of sixty countries to co-sign a commitment to address CFC-11 emissions.

AUGUST

Following publication of *Blowing It*, China launched an immediate enforcement effort; prioritized the identification of production and use of CFC-11; and pledged continued assistance in developing deterrents against catastrophic environmental crimes.

SEPTEMBER

At the Global Climate Action Summit, EIA was afforded a unique opportunity to influence industry and society on the critical need to phase down super-pollutant hydrofluorocarbons (HFCs). While California continued to lead state-level action, other states followed suit with New York, Maryland, and Connecticut all announcing they would pursue regulations to reduce current emissions and provide certainty that bans on the most climate-damaging HFCs will stick.

NOVEMBER

EIA issued the report *Energy Efficiency in HFC-free Supermarket Refrigeration*, arguing that tackling the climate impact of refrigerants must be coupled with addressing energy efficiency and sources of industrial refrigeration systems. Our report called for a rigorous integrated approach to equipment design and selection in supermarket refrigeration, and encouraged retailers to use the opportunity of the global HFC phasedown to also improve energy efficiency.

EIA issued *Tip of the Iceberg: Implications of Illegal CFC Production and Use*, showing both the extraordinary amount accomplished over four months to address the environmental crime exposed in *Blowing It*, and also the need for the Montreal Protocol to ensure a compliance regime robust enough to implement all of its decisions. With the Kigali Amendment coming into force in 2019, and major cuts in HFCs occurring in developing countries, *Tip of the Iceberg* addressed the real and potential danger of increased illegal trade.

Rapid large-scale transition to HFC-free alternatives are critical to protect our climate.

FORESTS



EIA's Forests Campaign works to expose forest crime around the world, and promote new laws and policy solutions to eliminate illegally-sourced wood products and commodities grown on deforested land. Coordinating with government and civil society groups, this campaign elevates and amplifies the voices of local and indigenous people, the true guardians of the forest, who depend on the trees and biodiversity for their homes and livelihoods. Working with governments, we support enacting

and enforcing strong laws against illegal timber products in both producer and consumer countries.

EIA's undercover investigations have revealed pervasive and destructive illegal logging and timber trade in countries like Romania, Peru, Madagascar, and others. Our frontline evidence combined with trade data analysis has illustrated just how U.S., European, Chinese, and Japanese consumer demand drives illegal logging. Our investigations scrutinize supply chains, and trace illegal practices — often back to major corporations.



Coordinating with government and civil society groups, this campaign elevates and amplifies the voices of local and indigenous people, the true guardians of the forest, who depend on the trees and biodiversity for their homes and livelihoods.



FEBRUARY

EIA's report *Moment of Truth: Promise or Peril for the Amazon as Peru Confronts Its Illegal Timber Trade* showed advances in Peru's fight against illegal logging and timber laundering, as well as the persistent backlash in contravention of new approaches and enforcement efforts. EIA called upon Peru to act decisively against systemic corruption, endemic laundering, and the ongoing export of illegal timber.

MARCH

EIA celebrated Gabonese authorities quietly but decisively cracking down on illegal logging and related trade in their forests. Within Gabon, a team of determined government officials showed themselves to be deeply committed to defeating and dismantling the timber mafia, and thereby enacting transformative change to save the Congo Basin forest.

MAY

EIA celebrated the 10th anniversary of the 2008 U.S. Lacey Act Amendment — landmark legislation aimed at halting the destructive and criminal practice of illegal logging. The Lacey Act amendment expanded coverage to plants, including the harvest and trade of stolen timber. Ten years later, this legislation has significantly helped level the playing field for legitimate U.S. businesses competing with cheaper illegal products and criminal enterprises overseas. In the past decade, other countries and regions — including the EU, Australia, Japan, South Korea and, most recently, Mexico — have passed similar legislation designed to keep stolen wood from their markets.

JULY

EIA's report *Behind the Scenes* detailed how the Austrian timber giant *Holzindustrie Schweighofer*, one of the largest wood processors in Romania, continued to fuel the destruction of Europe's last old growth forests, in spite of years of pledges not to source timber from national parks or protected areas.

OCTOBER

The government of Korea enacted momentous new legislation prohibiting the import of illegally-sourced timber. EIA traveled to the region to advise on efforts and celebrate Korea adding its name to the growing list of countries saying "no" to illegal timber.

DECEMBER

EIA released *Authorized Plunder*, documenting how the sale of 180,000 rosewood logs in Guinea-Bissau, enabled by the Secretariat of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), was fueled by high-level corruption; encouraged illegal logging; and threatened local communities. EIA's report showed how the very traffickers pushing for the sale would inevitably benefit from this chaotic scheme.



ENVIRONMENTAL INVESTIGATION AGENCY FINANCIALS

WASHINGTON, DC

STATEMENT OF FINANCIAL POSITION

December 31, 2018 and 2017

ASSETS	2018	2017
Cash & Cash Equivalents	\$2,095,955	\$1,343,611
Investments	\$438,014	\$390,105
Grants & Other Receivables	\$1,441,636	\$1,564,946
Prepaid Expenses & Other Assets	\$82,843	\$79,940
Net Fixed Assets	\$52,436	\$93,283
Total Assets	\$4,110,884	\$3,471,885
LIABILITIES		
Accounts Payable	\$185,948	\$189,913
Grants Payable	\$40,674	\$66,801
Deferred Rent	\$14,062	\$36,364
Total Liabilities	\$240,684	\$293,078
NET ASSETS		
Temporarily Restricted	\$2,700,826	\$2,237,283
Unrestricted - Undesignated	\$903,031	\$720,382
Unrestricted - Board Designated	\$266,343	\$221,142
Total Net Assets	\$3,870,200	\$3,178,807
Total Liabilities & Net Assets	\$4,110,884	\$3,471,885

The Financial results are derived from EIA's audited financial statements, which contain an unqualified audit opinion expressed by an independent public accounting firm. A copy of our audited financial statements can be provided upon request.

STATEMENT OF ACTIVITIES

December 31, 2018 and 2017

REVENUE	2018	2017
Contributions & Grants	\$5,665,615	\$5,046,301
Investment Income	-\$4,902	\$22,895
In-Kind Contributions	\$1,970	\$10,637
Miscellaneous Income	\$5,650	\$3,839
Total Revenue	\$5,668,333	\$5,083,672
EXPENSES		
Program Services		
Climate Campaign	\$261,027	\$294,648
Cetaceans Campaign	\$264,501	\$219,337
Elephants Campaign	\$867,395	\$531,949
Forest Campaign	\$3,492,640	\$3,506,316
Total Program Services	\$4,885,563	\$4,552,250
Management & General	\$64,760	\$86,738
Fundraising	\$26,617	\$29,006
Total Expenses	\$4,976,940	\$4,667,994
NET ASSETS		
Change in Net Assets	\$691,393	\$415,678
Net Assets - Beginning of the Year	\$3,178,807	\$2,763,129
Net Assets at End of Year	\$3,870,200	\$3,178,807



GROWTH & DEVELOPMENT

EIA spends a minimum of our resources on development and fundraising, and relies largely on word of mouth and our reputation to inspire potential funders. We let our actions speak for themselves, so that donors rightly feel like they've discovered something radical and unique.

EIA, Inc. is a 501(c)(3) non-profit organization based in Washington, D.C. Our small but dedicated staff works tirelessly to protect our natural world and its inhabitants.

“Working undercover EIA has brought about changes in international laws and government policies, thus saving the lives of millions of endangered animals and putting a stop to the devastating effects wrought by criminals.”

— United Nations Environment Program citation on electing EIA to its Global 500 Roll of Honor

CHIEF ADMINISTRATIVE PERSONNEL

PRESIDENT

Allan Thornton

EXECUTIVE DIRECTOR

Alexander von Bismarck

FINANCE AND ADMINISTRATION DIRECTOR

Ghaya Hassairi

BOARD OF DIRECTORS

Allan Thornton
Environmental Investigation Agency,
President (Founder)

John Fitzgerald, 2011
Society for Conservation Biology,
Former Policy Director

Michael Brintnall, 2013
American Political Science Association
(APSA), Former Executive Director

Brian B. Cox, 2016
MFX Solutions, President and CEO

Janine Ferretti, 2016
Inter-American Development Bank,
Chief, Environmental Safeguards Unit

Kristin Rechberger, 2018
Dynamic Planet, CEO

“EIA works diligently and tirelessly to protect the most vulnerable environmental hotspots of our planet. They do this through supporting and listening to communities on the front lines, having a deep knowledge of international policy, and unique partnerships that help to magnify their effectiveness.”

— Lauren Sullivan
Reverb | Founder, Co-Executive Director

Donors

- Bloomberg Philanthropies
- The Children's Investment Fund Foundation
- Climate and Land Use Alliance
- ClimateWorks Foundation
- The Cox Family Fund
- Good Energies Foundation
- M. Piuze Foundation
- The Max and Victoria Dreyfus Foundation, Inc.
- Norway's International Climate and Forest Initiative (NICFI)
- The Overbrook Foundation
- Shared Earth Foundation
- The Tilia Fund
- Weeden Foundation
- The Whitehead Foundation

During 2018, EIA received the support of a number of generous individuals, charitable foundations, and non-profit institutions that wish to remain anonymous.





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