

Dear Friends:

2015 flew by with streams of success and hard work as we achieved significant growth and even more significant impact.

This year GEI recommitted itself to innovation as we moved to a new office, welcomed five new staff members and continued to implement strategies to modernize our approach to sustainable development – take for instance this new online annual report! Within our programs, there were new exciting collaborations, which were perhaps only bested by the outstanding external work we accomplished this year.

Here are just some highlights from our work:

- *Released 2 Series of Expert Reports on China's Overseas Investments covering China in Africa (Congo, Mozambique, Cameroon, and Uganda) and in the Lower Mekong Region (Vietnam, Cambodia, Laos, and Myanmar).*

These two report series comprehensively analyze Chinese investments in two of China's hottest OFDI areas since the 'Going Out' began in 2002. They also build the capacity of businesses to mitigate risk and conduct due diligence in overseas investment. Importantly these reports, while authoritative in their own right, supplement and expand our materials prepared to train Chinese enterprises in conducting responsible overseas investment. In fact, over 2015 we held training sessions in Beijing and Yunnan for Chinese executives about corporate social responsibility. GEI also facilitated the first draft of the Manual on Myanmar overseas timber trade, which has already begun curtailing the illegal timber trade between Myanmar and China.

- *Achieved international cooperation for Climate Change Mitigation while simultaneously building China's capacity for implementing science-based low-carbon development policy and donating sustainable development aid.*

Since 2008, GEI has worked diligently to develop the China-America cooperation on climate change, beginning with the 'Track 2 Dialogues' that finally led to their Executive Joint-Statement for Climate Change in 2014. The resulting communication and cooperation between China and America was highlighted across major media and think tanks as a significant reason for the success of the Paris 2015 United Nations Conference of Parties (COP21). GEI participated in COP21 and is dedicated to the next stage of international climate work.

In 2015, we also expanded the application and promotion of our Low-Carbon Development Policy Toolkit throughout China to Tianjin, Shanxi, Guangdong, Shanghai, Dalian, Qinghai and Gansu provinces. In these seven areas, over 150 officials participated in our training sessions and are now prepared to craft implementable and science-based policies that can bring lasting and positive development to their city. In addition, we worked with the Tianjin Academy of Governance to develop the 'Green Transport Policy Analysis,' which we explained in nearly 10 courses to 600 leaders. Moving forward, GEI is excited about more success. In fact, due to the success of the Low Carbon Development Toolkit in Guangdong, Shaanxi, and Hunan provinces, 31 new cities signed Memorandum of Understandings to develop "greenhouse gas emissions inventory and forecast tool" and to acquire software for the construction and transportation sectors.

Turning our attention to the rural areas of China and neighboring countries, GEI's Energy and Climate Change team also completed two projects part of their "Low Carbon Clean Cook stove Demonstration Project" in China's Shanxi Province and in Myanmar. The Myanmar project specifically led to facilitating 3.3million USD of donations as part of the China South-South Fund for Climate Change.

- *Expanded GEI's Community-driven Conservation Concession Agreement (CCCA) Protection agreement throughout Western China so to empower hundreds of locals to care for their local environment and develop new sustainable means for development.*

The CCCA mechanism was primarily spread throughout Ningxia and Qinghai, the main areas of the Tibetan Plateau, which are experiencing severe environmental changes due to global warming. As part of the CCCA, GEI worked on several platforms to increase the local's ability to monitor and protect their environment as well as establish new economically viable markets. For example, we established three distinct community funds that support four cooperatives including Tibetan women's cooperative, crafts and life-stock breeding development. Furthermore, 15 households of Tibetan herdsman were involved in our ecotourism services demonstration. By donating their households, these herdsman cut back on the environmental degradation that would come with building new roads and infrastructure for new hotels. Furthermore, 62 herders worked with GEI officers to plant 500 acres of apricot and plum, which are economically viable crops.

GEI officers also worked to increase the community protection and desertification control protocol in the Sanjiangyuan Region in Qinghai, Ningxia and Inner Mongolia. Specifically, we expanded the protocol by more than 8,400 hectares to total 30,000 hectares and this land will be cared for by the locals whom we directly trained. Over the course of 2015, we worked with 300 farmers and herdsman, more than 120 women and disabled and 25,000 residents of the affected communities. These people will cultivate a strong, supportive and self-sustaining network to grow beyond the current 11 communities.

The results achieved in 2015 are impactful and dynamic, enabling us to develop a new way of thinking. As we begin planning GEI's strategy for the next 3-5 years, innovation remains central. Over the next few years, we hope to enhance our work focusing on China's industrial restructuring and the 'going out' process, as well as how these practices will affect ecologically fragile areas. Moreover, we are doubling-down on protection mechanisms for China's national biodiversity areas along the 'One Belt, One Road' pathway. Finally, we will continue to establish community networks and regional expansion of bilateral and multilateral platforms to expand GEI's results and impact.

On behalf of GEI, I express my sincere gratitude to you, our partners and friends, for your support. As 2016 begins, we are eager to continue this great work and the new, exciting projects that lay ahead.

Sincerely,



Jiaman JIN

Global Environmental Institute, Executive Director