

ANNUAL REPORT 2004



INTERNATIONAL RIVERS NETWORK | 1847 BERKELEY WAY, BERKELEY, CA 94703 USA | 1-510-848-1155 | WWW.IRN.ORG



The international movement against destructive dams gained further ground in 2004, most remarkably in China. In January, I had the fascinating experience of giving a presentation at the country's first ever national meeting of dam critics, held at the Chinese Academy of Social Sciences. IRN's long opposition to the Three Gorges Dam is well-known by the Chinese pro-dam lobby so I never thought I would find myself giving a talk on the worldwide failures of large hydro at a packed meeting in a government institute in Beijing.

The January meeting helped spur the creation of the China Rivers Network, headed by the award-winning journalist Wang Yongchen. The work of Wang and other courageous journalists and activists resulted in Premier Wen Jiabao's April decision to suspend (for the time being) plans for a river-wrecking cascade of 13 big dams on the Nu River. The proposed projects would forcibly displace some 50,000 ethnic minority people. They would also harm millions of people living downstream in Burma and Thailand who depend on the river for fisheries, agriculture and many other aspects of their livelihoods.

In 2004, renewable energy continued to make major gains worldwide. The renewable energy and decentralized cogeneration (combined heat and power) industries installed ten times as much new capacity as the large hydro industry in 2004. Wind power capacity alone grew at three times the rate of large hydro. In June, IRN attended a major global renewable energy conference in Bonn sponsored by the German government and successfully lobbied against the World Bank including large hydropower in their "renewables" portfolio.

On the policy front, IRN achieved a notable success with the passage of a European Union directive that requires some hydropower projects to comply with the recommendations of the World Commission on Dams (WCD). The directive applies to large hydro plants in developing countries that sell carbon credits to be used in the EU-wide carbon trading system, and is a major milestone in our long-term goal of universal adoption of the WCD recommendations.

IRN's advocacy efforts also helped to ensure that the World Bank debarred Canadian dam-engineering company Acres International from receiving contracts to work on World Bank projects for three years. Acres had been convicted in Lesotho of paying bribes to the head of that country's dam-and-diversion scheme.

But sadly there was also plenty of alarming news and trends in 2004. The World Bank and their allies in the international dam industry stepped up their backlash against the advances made by energy and water justice advocates over the past ten years. The World Bank approved its first large dam in India for 15 years and continued its efforts to discredit the recommendations of the World Commission on Dams, which the Bank itself had sponsored and committed to apply.

The coming years will present even greater challenges as the dam industry, the World Bank and major dam-building countries such as China, India and Brazil plan massive expansions of dam construction. Countering this trend will require a redoubling of efforts by IRN and our partners to stop destructive projects and show that there are viable energy and water solutions to meet the needs of the world's people while respecting the environment and human rights.

Of course, we could not do anything without all of you—our members and funders. If we are to be ultimately successful, we need your continued commitment to our vision of healthy rivers and water and energy justice for all. Thank you for all that you do for IRN and the world's rivers and people.

A handwritten signature in black ink, appearing to read "Patrick McCully".

Patrick McCully
Executive Director

Financial Statements 2004

Statement of Activities

Year Ended December 31, 2004 with Comparative Totals for the Year ended December 31, 2003

	Unrestricted	Temporarily Restricted	2004 Total	2003 Total
SUPPORT AND REVENUE				
Grants	\$40,000	\$875,762	\$915,762	\$1,157,024
Contributions	152,897	2,397	155,294	143,946
In-kind contributions	7,335	0	7,335	106,587
Sales of publications	555	0	555	1,451
Contract revenue and service fees	10,170	0	10,170	15,031
Contributions and revenues from fundraising event	44,940	0	44,940	48,520
Direct fundraising event expenses	(18,347)	0	(18,347)	(22,396)
Interest	1,096	0	1,096	1,487
Net gain (loss) from investments	(9)	0	(9)	355
Gain (loss) from disposal of fixed assets	(1,250)	0	(1,250)	(2,993)
Other income	4,511	0	4,511	400
Net assets released from restrictions:	1,049,966	(1,049,966)	0	0
TOTAL SUPPORT AND REVENUE	\$1,291,864	(\$171,807)	\$1,120,057	\$1,449,412
EXPENSES				
Program Activities				
Campaigns	1,032,541	0	1,032,541	1,148,707
Information and media	99,586	0	99,586	122,111
Supporting Activities				
Administration	188,391	0	188,391	127,768
Fundraising	130,740	0	130,740	119,694
TOTAL EXPENSES	\$1,451,258	0	\$1,451,258	\$1,518,280
Change in net assets	(159,394)	(171,807)	(331,201)	(68,868)
Net assets at beginning of year	123,651	558,622	682,273	751,141
NET ASSETS AT END OF YEAR	(\$35,743)	\$386,815	\$351,072	\$682,273

2004 Staff and Board

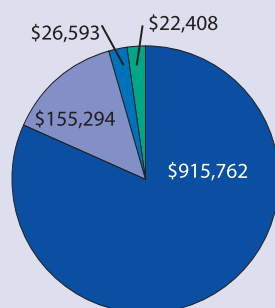
Staff

Juliette Majot, *Executive Director*
 Anne Carey, *Assistant to the Executive Director*
 Aviva Imhof, *Southeast Asia Campaigns Director*
 Doris Shen-Hoover, *China & Private Finance Campaigner*
 Elizabeth Brink, *Policy Analyst*
 Elizabeth Sabel, *Campaigns & Development Assistant*
 Glenn Switkes, *Latin America Campaigns Director*

Inanna Hazel, *Business Manager*
 Jonathan Stein, *Information Technology Assistant*
 Lori Pottinger, *Africa Program Director & World Rivers Review Editor*
 Mary Houghteling, *Development Director*
 Monti Aguirre, *Latin America Campaigner*
 Patrick McCully, *Campaigns Director/Executive Director (elect)*
 Peter Bosshard, *Policy Director*
 River Lune, *Web Manager*
 Ryan Shen-Hoover, *Africa Campaigner*
 Susanne Wong, *Southeast Asia Campaigner*
 Terri Hathaway, *Africa Campaigner*

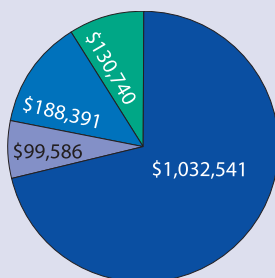
Consultants

Colin Felton
 Jorge Alberto Fernandez
 Friends of the Earth
 Masao Inamura
 Darin Jensen
 Kevin Li Yuk Shing
 Willow Lune
 Jean Manrique
 Dr. Payal Parekh
 Profundo
 John Reid
 Ann Kathrin Schneider, WEED
 Oswaldo Sevá
 Bruce Shoemaker
 Dr. Bolyvong Tanovan
 Guillermo Terol



Support and Revenue

Grants	\$915,762
Contributions	\$155,294
Fundraising Event (minus expenses)	\$26,593
Other Income	\$22,408
Total Support and Revenue	\$1,120,057



Expenses

Campaigns	\$1,032,541
Information and Media	\$99,586
Administration	\$188,391
Fundraising	\$130,740
Total Expenses	\$1,451,258

Statement of Financial Position

December 31, 2004 with Comparative Totals for the Year Ended December 31, 2003

	2004	2003
ASSETS		
Current Assets:		
Cash and cash equivalents	\$131,549	\$282,040
Grants receivable	300,000	412,500
Other receivables	2,398	829
Inventory	12,423	20,357
Prepaid expenses	5,863	5,791
Total Current Assets	\$452,233	\$721,517
Property and equipment	33,059	42,957
Grants receivable	0	0
Deposits	2,171	2,653
TOTAL ASSETS	\$487,463	\$767,127
LIABILITIES		
Current Liabilities:		
Accounts payable, including current portion of leases payable	37,051	13,841
Grants payable	44,050	20,000
Accrued personnel liability	37,968	28,378
Total Current Liabilities	\$119,069	\$62,219
Lease payable	17,322	22,635
TOTAL LIABILITIES	\$136,391	\$84,854
NET ASSETS		
Unrestricted	(35,743)	123,650
Temporarily restricted	386,815	558,623
TOTAL NET ASSETS	\$351,072	\$682,273
TOTAL LIABILITIES AND NET ASSETS	\$487,463	\$767,127

For a complete financial report contact Karolo Aparicio, Development Director at 510.848.1155.

TMI Consulting, Inc.
Jan Willem van Gelder
Elliot Wheaton

Interns and Volunteers

Aden Bayner
Dipti Bhatnagar
Wil Dvorak
Barbara Haya
Belle Kevin
Jill Lambird
Selma Barros de Oliveira
Betty Ann Webster

Special Thanks

David Blake
Barbara Rose Johnston

Guy Lanza
Justin Pressfield
Eric Theiss
Peter Willing

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