

The Faces of Change

Annual Report 2012



The faces of change

A message from the leadership.

Thank you for taking the time to read this special Friends of the Earth annual report — "The faces of change."

Within these pages, you will read stories of everyday individuals who are fighting heroically to protect the environment from the abuses of corporations seeking to maximize profit while ignoring environmental impacts, or standing up to government agencies and policies that fail to protect people and the environment, or working to rebuild after extreme weather disasters like Superstorm Sandy.

The stories of Adam Armstrong, Eufemia Landa Sanchez, Mila de Mier, Mike Williams, Ernie Fellows, Irene Brady and Jeff Steinmetz are deeply inspirational and motivational to Friends of the Earth's board and staff and hopefully to you as well.

Our job at Friends of the Earth is to empower and amplify the actions of these individuals — as well as the 150,000 online activists, the 32,000 Facebook followers, the 24,000 Twitter followers, and the more than 750,000 people who visit our website annually — to create deep and long-lasting change. Last year, our combined efforts helped to create this kind of change.

The year started off on the right foot — our sustained efforts to end a \$6 billion per year tax credit to the corn ethanol industry were rewarded when Congress decided to let the subsidy expire. Since then, more victories have poured in.

In January 2012, President Obama rejected the permit for the Keystone XL pipeline, and over the past year we have stalled TransCanada's efforts to push through approval for the northern segment of the pipeline. In August, after nearly a decade of campaigning, Friends of the Earth's oceans and vessels program was instrumental in the implementation of an emission control area for North America, compelling cruise ships and other vessels to stop using dirty, highly polluting fuels within 200 nautical miles of the coasts of the U.S. and Canada. We also produced a report card rating cruise lines on their environmental impacts.

We provided guidance on the structure of the Green Climate Fund to ensure that funding for climate adaptation benefits climate victims, not Wall Street banks. We also worked closely with international groups opposing the privatization of forests in their home countries, and aggressively fought provisions in a trade agreement that would allow corporations to sue countries for environmental regulations that impact their profits. Friends of the Earth also continued its leadership in the campaign to keep California's dangerous San Onofre nuclear reactors shut down.

We are grateful for your help in achieving these victories, but much more needs to be done. According to the National Oceanic and Atmospheric Administration, 2012 was the hottest year on record in U.S. history, and scientific studies are coming out on an almost daily basis reporting that we are not reducing our carbon emissions fast enough. Summer temperatures in Australia were so high that meteorologists had to create a new color to depict the record-breaking heat on their weather maps. Winning the war against climate change and saving our planet means taking the fight to the very corporate interests that are at the root of the problem.

Winning will mean taking the fight to the Koch Brothers, Exxon Mobil, Peabody Coal and other moneyed corporate interests that have bent the mechanisms of government to their favor for more than a century. It will mean working to reform our democracy to weed out those same corporate interests that want to preserve the status quo. It will mean fighting for what needs to be done, not for what is politically expedient.

The faces of change are you and us, those heroes and heroines highlighted in this annual report, and everyone fighting to create a more just and healthy world. We believe that we will ultimately win this fight because fundamentally "the people united can never be defeated."

Regards,



Erich Pica
President



Arlie Schardt
Chairman of the board

On the cover: Background photo: Cascadas de Agua Azul waterfall, Chiapas, Mexico. Additional photos from top to bottom, left to right: Woman at a rally against mountain top removal; Tom Goldtooth, Executive Director of Indigenous Environmental Network at a REDD conference in California; anonymous protester at a rally; woman protesting the Keystone XL pipeline; Adam Armstrong in front of the Brooklyn Cruise Terminal; two protesters at a Keystone XL rally.

A breath of fresh air in Red Hook

Adam Armstrong, a musician, music teacher and father, lives in view of the Brooklyn Cruise Terminal in Red Hook, a neighborhood in Brooklyn, NY.



Adam in front of the Queen Mary 2. Photo credit: Matilda Armstrong.

Though isolated by its lack of subway station and the physical barrier of the Brooklyn Queens Expressway, Red Hook is home to a diverse array of residents, including 8,000 living in the largest public housing development in Brooklyn, and many others attracted by affordable housing, views of the harbor and the appeal of a tight-knit neighborhood. It's also part of the New York and New Jersey port complex, the third largest in the U.S.

"From our yard you can see the smokestacks from the ships, and smoke coming out of the top, but it's the tiny particulate matter that gets caught in your lungs and gets into your blood stream causing all sorts of respiratory damage that's the bigger problem. The real threat is invisible, floating over our heads and dropping down in our homes."

Since the opening of the Brooklyn Cruise Terminal in 2006, Adam's neighbors have been forced to breathe the polluted air from the visiting ships, and it's taking an unknown toll on an already burdened community — the childhood asthma rate in Red Hook is at a whopping 40 percent. Just last year, three kids in the Red Hook Houses died from asthma attacks. Two women on Adam's block have developed cancer.

Another boy down the street has such severe asthma attacks he often ends up in the emergency room.

Inspired by conversations with his neighbors, Adam started a blog called "A View From The

Hook" where he began documenting everything that was happening in Red Hook, especially focusing on ship pollution. It's become a resource for the community, a few Brooklyn blogs and local politicians.

Offline he was equally active, attending town hall meetings with representatives from the Port Authority and the Economic Development Corporation about redeveloping the waterfront. His pointed questions served to embarrass them, but also drew broader attention to the problem. "We would stand up in the middle of a crowded room and say, 'What are you doing about the pollution from these ships — are you aware that it's incredibly dangerous? Our kids are already suffering from environmental challenges and you're thrusting this new source of pollution into the heart of our neighborhood.' People would come up to us after the meeting to ask for more information."

The Red Hook Initiative, a non-profit organization that is a resource for



The childhood asthma rate in Red Hook is 40 percent.



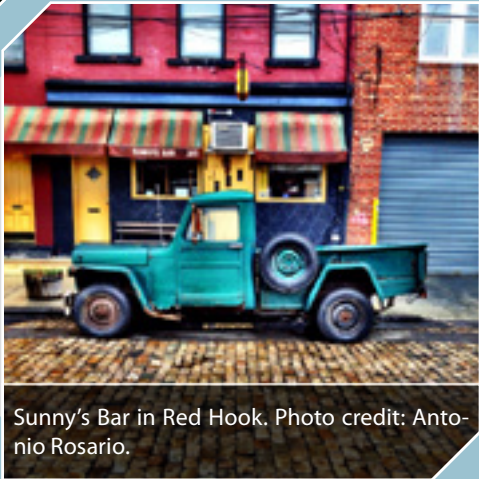
Night fishing in Red Hook, with the Statue of Liberty in the distance. Photo credit: Barry Yanowitz.

people in public housing, similarly reached out to Adam and together they started changing peoples' minds. "It's difficult to put a human face on the health impacts, and when there's a tension between the economic needs of a community and a desire not to alienate an industry that would bring in jobs, people are often willing to turn a blind eye." But people started recognizing that the problems they were seeing — astounding asthma rates, cancer clusters — weren't okay and although they couldn't necessarily make the direct connection, it was obvious that ship emissions weren't making things any better.

Our achievements this year



The Queen Mary 2 in port at the Brooklyn Cruise Terminal in Red Hook, Brooklyn, NY. Photo credit: Jeffrey Bary.



Sunny's Bar in Red Hook. Photo credit: Antonio Rosario.

The most effective way to eliminate harmful emissions from ships docked at port and protect vulnerable port-side communities from the impact of these emissions is the use of shore power. In fact, as Adam points out frequently in his blog posts, "the Port Authority came out with a study that suggested the shore power plan

could potentially save Brooklyn residents \$9 million per year in health costs. That's some serious cost we're currently shouldering in the form of asthma, heart disease, cancer, premature mortality and more. The EPA states that these costs are being carried disproportionately by our most vulnerable — our children, the elderly, people with lung disease, those who exercise outside, and low-income and minority communities located near ports."

As the result of a lot of work by community members like Adam, and with support from the city and state of New York, the terminal in Red Hook is scheduled to implement a plan for shore power in 2013, making it the first of its kind on the East Coast.

But as pleased as he is with this progress, Adam strives for more. "Why should we settle for the reduction of pollution, and the resultant environmental and health problems, when we can eliminate it? The truth is, this Brooklyn plan should be the first step in implementing this type of life-saving technology throughout our ports."

You can find Adam's blog at <http://aviewfromthehook.blogspot.com>.

Mobilized support for air pollution reductions from ships traveling in North American waters. The Emission Control Area is expected to prevent between 12,000 and 31,000 premature deaths across the U.S. and save billions of dollars in health costs by 2030.

Continued our support of a strong ECA by intervening in a lawsuit brought by the State of Alaska against the EPA and State Department, in which the state is challenging the implementation of the ECA in Alaska. If successful, the state's challenge could invalidate the entire ECA, depriving coastal communities and those further inland of cleaner air brought about by the reduction of pollution from ships traveling within 200 nautical miles of the coasts of the U.S. and Canada.

Released a new cruise ship report card, which reveals that many cruise lines continue to lag in implementing air and water pollution reductions to protect the people and communities that host cruise ships. People considering taking a cruise can use the online database to find out which cruise ships have the best environmental safeguards.

Played a major role in the implementation of a No-Discharge Zone along the California coast whereby large cruise ships and other vessels cannot discharge sewage of any kind (treated or not) anywhere close to shore in California, expanding on a 2006 ban on graywater and other polluted wastewater discharges from large ships.

Achieved a ban on cruise ships dumping wastewater while docked at the Port of Seattle. The ban will protect the people and marine habitats of Puget Sound.

Standing up for trees in Mexico

When a quasi-official, multi-state body called the Governors' Climate Change and Forests Task Force met in Chiapas, Mexico, in September 2012 to promote a program to use local forests to offset California's climate pollution, Eufemia Landa Sanchez stood up in protest.

Eufemia is Tseltal Mayan, from a remote corner of Chiapas, adjacent to the Montes Azules Biosphere Reserve, one of Mexico's largest protected forests. Eufemia's ancestors were peones, or plantation serfs, forced to work in timber camps or cattle ranches. Living in one of the most rapidly deforested regions of the state, Eufemia is profoundly familiar with the close links between social conflict, human degradation and environmental destruction.

Friends of the Earth spearheaded an effort to ensure that communities whose rights have been violated or who have been harmed by forest offset projects can seek redress. In response to our calls for action, the United Nations Development Programme drafted an accountability and community grievance policy for REDD.

She and several dozen other indigenous peasant farmers traveled to the meeting to express their opposition to the Reducing Emissions from



Eufemia Landa Sanchez.
Photo credit: Jeff Conant.

Deforestation and forest Degradation, or REDD, program.

Eufemia stood before a packed auditorium and delivered the demands of her compañeros.

"We have come before you today," she said, "to denounce the programs and projects that threaten to dispossess us of our territories and our resources; programs that bad governments have attempted to impose for a long time; now they have a new pretext: climate change and the project they call REDD."

Many of those promoting REDD at the meeting were taken aback – after all, REDD is not a plan to extract forest resources, but to protect them. But to peasant farmers like Eufemia, who live in a region marked by decades of conflict over land rights, REDD looked like another land grab. While the land grabs of the past were done for cattle ranching, corporate agriculture or mineral extraction, today they are carried out in the name of protecting forests and saving the climate – a phenomenon known as "green grabs."

The government's REDD initiative involved paying Eufemia's indigenous neighbors, the Lacandon tribe, to guard the remaining forests; but it also included criminalizing traditional farming methods and relocating villages. According to a report by the Chiapas state government,



The delegation in front of the California state capitol. Photo credit: Jeff Conant.



Burned Lacandon jungle in Chiapas. Photo credit: www.flickr.com/photos/jamidwyer/.

172 communities have already been "relocated" in an effort to curb deforestation.

"Why don't they consult us? Why do the wealthy want to impose their will by force?" Eufemia asked the gathering. While Eufemia pleaded with the audience inside, a truly Chiapan scene was unfolding outside – dozens of peasant farmers banging drums and holding signs, agitating in the streets.

Eufemia's message was clear – campesinos like herself who have lived on the land for generations

Our achievements this year



View of the Usumacinta River from Yaxchilan, Chiapas, Mexico. Photo credit: <http://en.wikipedia.org/wiki/User:TheImadatter>.



We organized a delegation of Indigenous Peoples to educate policy makers in California about the risks posed by integrating forest carbon credits into the state's carbon trading system. Photo credit: Jeff Conant.

should be given responsibility to protect the land. Her perspective echoes decades of research that shows that the best way to protect forests is to devolve power and resources to the local level, to build capacity in community forestry and to keep out the powerful forces that threaten forests most. And it echoes what common sense tells us: the best way for a state like California to tackle climate change is to reduce its own emissions, not rely on complex carbon trading systems that create liability for people in Chiapas.

Eufemia concluded, "We don't come to your countries and tell you what to do with your lands and your lives. We ask for the same respect."

Effectively educated international negotiators involved in the Trans-Pacific Partnership, a new regional trade pact, about the dangers of a provision that would allow multinational companies to sue governments for environmental and public health regulations that could impact corporate profits.

Supported the launch of a Robin Hood Tax campaign in the U.S. that would tax Wall Street trading to fund critical social and environmental needs, like helping the world's most vulnerable communities adapt to the impacts of climate change.

In May 2012, Senator Sanders and Representative Ellison introduced a bill that went further than any legislation to date to eliminate fossil fuel subsidies. Friends of the Earth President Emeritus Brent Blackwelder joined Sen. Sanders, Rep. Ellison and more than 200 activists at a rally at the Capitol to celebrate the bill, which, if passed, would save taxpayers more than \$10 billion a year.

Continued to uphold environmental and social standards in international finance. With activists from around the globe, we held a World Bank proposal at bay that would have exempted a new lending program from 25 social and environmental safeguards.

With allies, encouraged Chinese banks to follow international environmental and social standards in their overseas investments. This year, the China Banking Regulatory Commission released guidelines instructing Chinese banks to adhere to these standards. This directive sets a global precedent for pro-environmental banking regulation.

A blueprint for impact

- 1 Forced the FDA to re-examine the potential toxicity of nano-ingredients in sunscreens.
- 2 Helped prevent legislation allowing funding for new nuclear reactors in Iowa and North Carolina.
- 3 Filed a Clean Water Act case with Food & Water Watch, challenging the EPA on a water pollution trading scheme.
- 4 Galvanized policy makers to petition the EPA to waive the corn ethanol mandate.
- 5 Convinced the U.N. to support the rights of communities harmed by forest offset projects.



Photo credit: www.flickr.com/photos/aboyandhisbike.

Achieved a ban on cruise ships dumping any wastewater while docked at the Port of Seattle.

6



Successfully campaigned to keep the dangerous San Onofre nuclear reactors in Southern California shut down.

7



Delayed a risky experiment involving the release of genetically engineered mosquitoes.

8

How we are different

We fight for what's needed over the longer term for all creatures on our planet, not for what is easy or popular in the short term.

We are a loud and fearless voice for the environment — and have been one for 43 years.

We act globally and locally. Worldwide collaboration is a powerful tool, which is why we are a part of the world's largest environmental network, with activists in 74 countries.

We know that solving deep-rooted environmental problems requires exposing and fighting the economic forces that fuel them.

We employ a variety of tactics — from policy analysis, to grassroots activism, to litigation, to creative communications — in order to win campaigns.



Launched the Climate Stories initiative, raising awareness around the climate crisis.

9



Highlighted conflicts of interest around the approval process of the KXL pipeline, compelling the president to reject the permit.

10



Galvanized the global movement to address risky emerging technologies at the U.N. and Rio +20 Earth Summit.

11

Creating a buzz over genetically engineered mosquitoes

Mila de Mier refused to believe that a corporation's profits could be held in higher regard than public health. But that's just what Oxitec, a British genetic engineering company, had in mind last year when it proposed releasing genetically engineered mosquitoes into the wild on Key West, where Mila lives with her three children and her dogs.

Sunset over the harbor in Key West, FL. Photo credit: Kwong Yee Cheng.



Our Food and Technology Project was successful in raising public awareness, halting risky projects and representing the environmental concerns within civil society across the fields of emerging technologies.



A town hall meeting with Oxitec in Key West.

Upon first hearing of the experiment, Mila was optimistic. After all, the goal of eradicating dengue fever seemed noble enough. But as she further investigated the proposal, Mila found that “the more questions [she] asked the more questions [she] had.”

“The Florida Keys Mosquito Control District held a town hall meeting with Oxitec, and they were not disclosing everything. The details of the experiment were not clear — [for instance] they referred to the test mosquitoes as ‘male releases,’ not genetically engineered mosquitoes.” With little access to information about the experiment the community was being kept in the dark.

Though Mila initially felt powerless to stop her home of 15 years from becoming a science experiment, she recalled the number of petitions she had signed in her life and turned to Change.org to create her own petition. “This is a little community. I thought, if I could just get 1,500 signatures, I’ll send a message to the mosquito control director.”

Much to her surprise, the response to her petition skyrocketed, and Mila ultimately garnered massive support online. Nearly 120,000 people from across the country signed her petition. Saying she was “humbled” and that she “never thought there would be such a huge response,” Mila decided to take the outpouring of opposition to the Food and Drug Administration in Washington, D.C.

Most importantly, however, Mila has worked to make clear the threat that genetically engineered mosquitoes pose to her home and community. Key West, despite its small size, is a delicate and highly interconnected ecosystem, so the potential for disastrous consequences is great. To Mila, Oxitec is “naïve to think that mosquitoes aren’t going to fly onto a cruise ship and go to other countries or other cities, or hop in a car to ride home with a tourist to a different part of the state or the country.” The risk of genetic contamination is real and not just contained to any one place. “And sometimes, with this kind of experiment, you don’t see consequences until 10 or 20 years down the road.”

As the fight to protect her home from risky experimentation continues, Mila says she is thrilled to know that she has so much support. And it’s taught her to believe that one person can make a difference. “In this world it’s not just you and your little community — together we’re so much bigger.”



Mila delivering her petition to the FDA.

Our achievements this year

Coordinated a global coalition release of the Principles for the Oversight of Synthetic Biology, which outlines how synthetic biology should be regulated and the distribution of which has helped to shift the debate around synthetic biology among policy makers.

Attended the U.N. Convention on Biological Diversity where we met with government representatives to educate them on the risks of synthetic biology to biodiversity and advocated for a moratorium on synthetic biology. In a small step forward, the U.N. agreed to apply the Precautionary Principle when dealing with synthetic biology and its potential risks.

Sued the FDA, challenging the regulations for testing and labeling sunscreens in its sunscreens monograph. In response to our lawsuit, the agency agreed to reopen its study on sunscreens to account for the novel potential toxicity of nanomaterials now found in these and other cosmetic products.

Held the 6th annual Nanotechnology Summit as a part of the People’s Summit for Social and Environmental Justice in Rio de Janeiro, Brazil, during the U.N. Conference on Sustainable Development, Rio +20. We worked closely with our Brazilian allies to focus the summit on the fantastic work of our South American colleagues, who recently secured worker safeguards like labeling of nanomaterials at pharmaceutical plants in Brazil.

We worked with community members to successfully delay a risky experiment involving the release of genetically engineered mosquitoes in Key West as part of a mosquito population control technique that raised health, ethical and environmental concerns.

Targeting the Climate Crisis

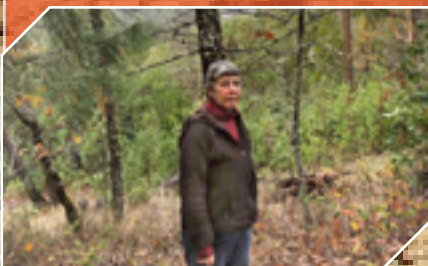
Their stories.

Irene Brady

"In 1980 I bought 20 acres in a wooded forest canyon near Medford, Oregon. I reveled in the abundance of Douglas firs, madrones and white oak trees.

Not anymore. Prolonged hot, dry weather over the decades is killing my trees. This year, we had one of the driest autumns in recent history with no rain for weeks. And my woods have changed drastically.

While not a major story of hard times, I believe that what's happening on my land is a sign of global warming. The changing climate is affecting all of us — our land, our lives and all the species that share this planet with us."

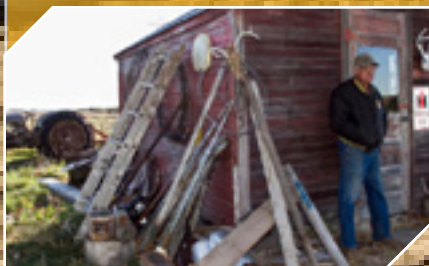


Ernie Fellows

Ernie Fellows is a retired rancher in Mills, Nebraska. Drought is killing his ranch. No rain means no grass for the cattle. Where he used to run 300 head of cattle, Ernie is down to 100 now, which isn't enough to support him.

Ernie knows this is probably just the beginning. "All my almanacs indicate that there's going to be a temperature rise — four to ten degrees. My neighbors don't all agree with me, but I think it's because of all the carbon dioxide we're pumping out."

Ernie doesn't know how much more his corner of the world can take.



Mike Williams

"I am a Yupiaq from the small village of Akiak, Alaska, where climate change is becoming woven into the fabric of our lives.

Alaska's wider Indigenous community is suffering. Everything is changing so quickly. Lakes are drying, new insects are appearing, permafrost is melting, berries are disappearing, storms are fiercer, and polar bears are drowning. Our temperatures are increasing, our ice is melting, our oceans are acidifying, and our sea levels are rising.

Our villages are quite literally being swept away into the sea."

Read all of the climate stories at www.climatestories.us.



This year we focused a spotlight on the stories of climate victims & worked to fight the root causes of runaway climate change & expose false solutions to the climate crisis.

Our solutions.



01 Monitored the Green Climate Fund to ensure it serves the needs of climate victims, especially the world's poorest and most vulnerable, rather than Wall Street banks.



02 In the midst of the devastating drought this summer we mobilized policy makers to petition the EPA to waive the corn ethanol requirement in the federal biofuels mandate, and lessen the competition between food and fuel.



03 Intervened in a lawsuit that challenged the implementation of the Emission Control Area, which will reduce ship emissions in the U.S.



04 Pressured the Obama administration to stop the Keystone XL tar sands oil pipeline.



05 Supported legislation to eliminate fossil fuel subsidies.



06 Worked with regulators to combat crime and corruption in California's carbon trading system, and minimize the potential damage from this false solution to climate change.

Sounding the nuclear alarm

Friends of the Earth has worked for years to shut down a dangerous nuclear power plant that threatens the lives of 8 million people.

Early one morning, Jeff Steinmetz awoke to the sound of a nuclear alarm somewhere near his neighborhood in San Clemente, California. "It was obviously not a test because it was going off at [4 o'clock] in the morning. The alarm continued to go off, and we called the police department, we called the fire department. All of those lines were jammed... we could not get through."

San Clemente is located little more than five miles north of the San Onofre Nuclear Generating Station, between Los Angeles and San Diego on the Southern California coast. Upon hearing the alarm, Jeff acted as any concerned parent would — he prepared for the worst.

Following the release of radioactive steam from the generators on January 31, 2012, we filed a petition with the Nuclear Regulatory Agency, arguing that the utility company operating the reactors failed to get a necessary license amendment to operate.

"It is no joke when this happens to you, your house and your family. I had to pack up all my computers and all my important documents

and shove them into the trunk of my car. And then, I had to go and wake up my six-year-old daughter and put her in the car along with her blanket and one or two stuffed animals."

But right before they left, Jeff finally got through to the police department and learned that it was a false alarm. Discovering later that the rain had caused the alarm to malfunction, Jeff was angered. If a sailing enthusiast like him can frequently prepare for and deal with inclement weather, why couldn't the designers of a nuclear power station?

"I didn't use to be the anti-nuclear guy... I used to lean with nuclear," said Jeff. But that late-night false alarm made him painfully aware of the realities of living near a nuclear power station. "After that happened to me, I could not go back." While he notes that, for many in the area, "life gets away from you, [and] you start to forget about [the reactors]," the alarm incident led him to research local evacuation plans and federal nuclear policies. The lack of preparation and transparency that he found worried him.

As a parent, Jeff was especially worried to discover the emergency plans put in place by the Capistrano Unified School District, where his daughter attends school. The district only has a quarter of the buses



An activist protesting the reactors.



Activists held a press conference on the beach in front of the reactors in April.

it would need to evacuate all the students during a nuclear emergency.

In January 2012, a pipe malfunction released radioactive steam from the San Onofre reactors and caused both generators to be taken offline for repairs. As Southern California Edison, the plant operator, struggles to show that the damaged reactors

Our achievements this year



San Clemente is less than 10 miles from the reactors.



The beaches next to the San Onofre nuclear reactors are popular with surfers and residents of San Clemente.

are safe to put back into operation, Jeff has joined a local movement to keep them down for good.

In his testimony at a Del Mar city council hearing on the reactors in September, Jeff shared his personal experience and put in a call for action. "I live less than 10 miles away [from the reactors], you live less than 50. Is that something you want for your citizens? This is a serious threat, and [reactor owner Southern California Edison] is down playing the threat significantly."

The Del Mar city council ultimately adopted a resolution urging an open investigation of the reactors, and Jeff is seeing more and more press coverage on the issue in Southern California.

As he continues his advocacy, Jeff says he hopes he can bring a sense of realism to a potential emergency situation that would affect millions of families just like his.

Defeated for the second straight year an effort by MidAmerican Energy to pass legislation in Iowa that would force taxpayers to fund the construction of new nuclear reactors. The media and policy makers are using the bill's failure as proof that nuclear power is not economically viable.

Involved in a landmark court ruling that charged the Nuclear Regulatory Commission with failing to adequately account for the potential environmental impacts of storing highly radioactive spent nuclear fuel on site at nuclear plants in the absence of securing a national permanent repository.

The drought that devastated corn crops across the Midwest this summer hit farmers hard and hurt millions of people who are paying high food prices. It also put a spotlight on the Renewable Fuel Standard. This federal biofuels mandate exacerbates drought by prioritizing fuel before food. Working with other organizations, we galvanized six governors and more than 50 senators and 150 representatives to petition the EPA to waive the corn ethanol requirement in the federal biofuels mandate.

Instigated an investigation into the conflict of interest between the State Department, the company behind the Keystone XL tar sands oil pipeline – TransCanada, and Cardno Entrix, the company contracted to evaluate the environmental impacts of the project. The report revealed further proof of conflict of interest and the State Department dropped Cardno Entrix as the contractor.

Statement of financial position

As of June 30, 2012

Assets

Cash & cash equivalents	\$ 4,773,497
Accounts receivable	371,787
Prepaid expenses & other assets	102,751
Investments at market value	300,495
Fixed assets, net of depreciation	528,099
Total assets	\$ 6,076,629

Liabilities

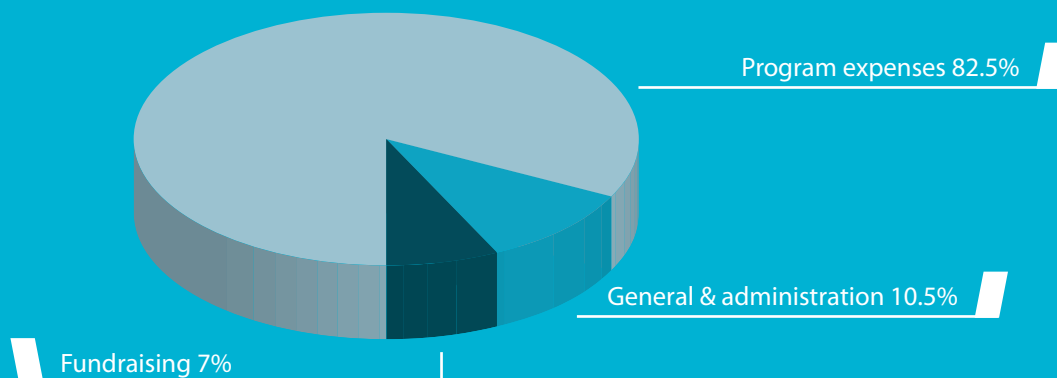
Accounts payable	\$ 234,781
Lease-related liabilities	699,270
Charitable gift annuities	46,827
Total liabilities	\$ 980,878

Net assets

Restricted	\$ 2,589,042
Reserve & endowment funds	505,100
Unrestricted	2,001,609
Total net assets	\$ 5,095,751

Total liabilities & net assets	\$ 6,076,629
---	---------------------

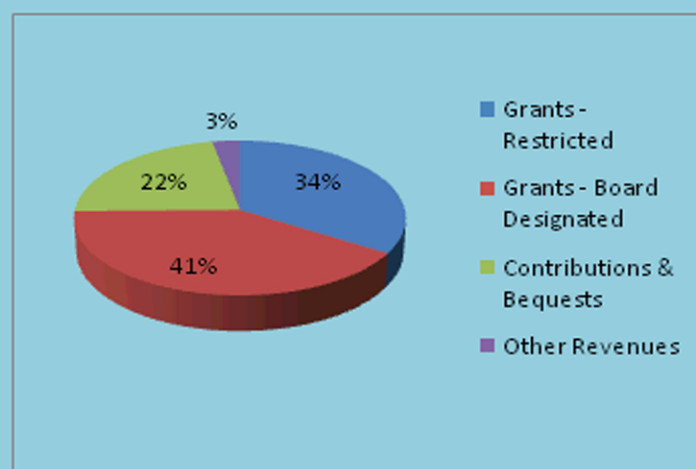
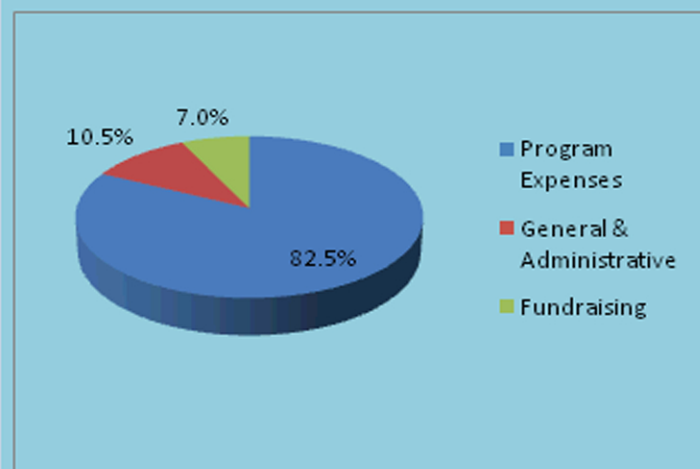
Expenses



Statement of activities

For the year ended June 30, 2012

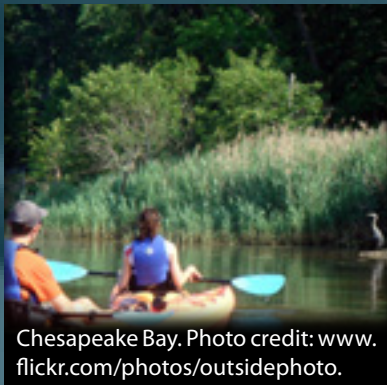
Revenues	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Grants, Bequests & Contributions	\$ 2,258,472	\$ 3,602,464	\$ 100,000	\$ 5,960,936
Other Income	182,195	-	-	182,195
Net Assets Released from Restriction	2,481,310	(2,481,310)	-	-
Total Revenue & Support	\$ 4,921,977	\$ 1,121,154	\$ 100,000	\$ 6,143,131
Expenses				
<i>Program Expenses</i>				
Economic Policy	\$ 745,100	\$ -	\$ -	\$ 745,100
Oceans & Vessels	284,578	-	-	284,578
Climate & Energy	1,279,934	-	-	1,279,934
Food & Technology	419,645	-	-	419,645
Outreach & Membership	944,465	-	-	944,465
<i>Total Program Expenses</i>	<i>\$ 3,673,722</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ 3,673,722</i>
<i>Supporting Expenses</i>				
Management & General	\$ 469,018	\$ -	\$ -	\$ 469,018
Fundraising	312,624	-	-	312,624
<i>Total Supporting Expenses</i>	<i>\$ 781,642</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ 781,642</i>
Total Expenses	\$ 4,455,364	\$ -	\$ -	\$ 4,455,364
Change in Net Assets	\$ 466,613	\$ 1,121,154	\$ 100,000	\$ 1,687,767
Net Assets - Beginning of Year	1,741,675	1,666,309	-	3,407,984
Net Assets - End of Year	\$ 2,208,288	\$ 2,787,463	\$ 100,000	\$ 5,095,751



Fighting for justice in the courtroom

We filed seven* new lawsuits this year,
making it our busiest year ever for action in the courts.

*Check out page 5 for details on our case for cleaner shipping



Chesapeake Bay. Photo credit: www.flickr.com/photos/outsidephoto.

We filed a Clean Water Act case with Food & Water Watch, challenging the EPA's approval of a water pollution trading and offsets scheme as a part of the Total Maximum Daily Load rule for the Chesapeake Bay. If we succeed, the revised rule should improve water quality for fishing and swimming in the Bay.



A Cessna 195. Photo credit: www.flickr.com/photos/obriendigital.

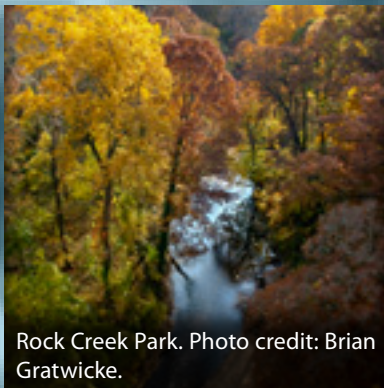
We sued the EPA under the Clean Air Act for its failure to respond to our repeated requests to regulate lead in general aviation fuel, which poses a threat to the health of people, especially children, living near the 22,000 airports in the U.S. Our partnership with Vero Beach, Florida, residents is working toward a ban on lead in aviation fuel at their local airport.



Vogtle nuclear reactors.

We joined several southeastern organizations in a lawsuit against the Nuclear Regulatory Commission for its decision to approve a flawed nuclear reactor design, the AP1000, for use in two proposed new units at the Vogtle Electric Generating Plant in Georgia. We are asking the court to require the NRC to complete a new environmental impact statement to show how Vogtle's proposed unit design will be upgraded to protect against natural disasters and long losses of electric power like we saw in Fukushima.

We want to thank our lawyers for their tireless work: Ayres Law Group; Center for Biological Diversity; Center for Food Safety; Clean Air Task Force; Columbia Law School Environmental Law Clinic; Earthjustice; Emory U. Turner Environmental Law Clinic; Food & Water Watch; Golden Gate U. Environmental Law and Justice Clinic; Harmon, Curran, Spielberg & Eisenberg; Keyes, Fox & Wiedman; Law Office of Frances A. Dubrowski; Sidley Austin; Smith & Lowney; Terris, Pravlik & Millian; Western Environmental Law Center.



Rock Creek Park. Photo credit: Brian Gratwicke.

We joined with the Sierra Club to defend a proposed hiking and biking trail in the Klinge Valley section of Rock Creek Park in Washington, D.C. A small group of people wanted to rebuild Klinge Road for cars — worsening traffic congestion, placing a tax burden on residents and adversely affecting surrounding neighborhoods — and sued the city to stop its revitalization plans. We intervened in support of the city's decision to build a recreational area that could be enjoyed by all residents and in August 2012 the case was dismissed.



Mining for tar sands oil in Alberta, Canada.

We continued our efforts to expose lobbyist bias in the State Department's review of the Keystone XL tar sands oil pipeline by filing a Freedom of Information Act lawsuit asserting that the Department had withheld communications between its staff, several named lobbyists and TransCanada regarding the pipeline. As a result of our lawsuit, all of the documents were released to us this past summer.

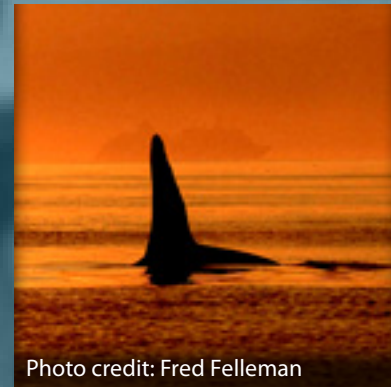


Photo credit: Fred Felleman

We joined several other groups in suing the National Marine Fisheries Service for approving escalation of the U.S. Navy's training activities in the Pacific Northwest and Northern California where sensitive marine habitats are home to endangered orcas and other marine animals that are at risk from the Navy's use of active sonar and explosives.

Friends of the Earth is committed to offering a full range of philanthropic opportunities

Each of us has our preferred ways of showing support for the causes we care about. At Friends of the Earth, we are committed to providing donors with a wide range of giving options to meet their needs.

While we have offered online giving opportunities for years, we are now proud to announce a mobile website where you can give on the go.

Visit www.foe.org on your phone or mobile device and you'll be automatically directed to our mobile-friendly website where you can take action, learn more about our work and, of course, donate.

We are also pleased to announce new text-to-give options, with three simple ways to show your support:

- 1) Text **EARTH** to 80077 to give \$10*
- 2) Text **FRIENDS** to 80077 to give \$5,* or
- 3) Scan the QR code below to make a \$10 gift*

Many of our donors are able to take advantage of tax breaks by choosing to give gifts of stock. For information about any of these giving options, please contact James Ross, director of development, at 202-783-7400.



*All charges will appear on your wireless bill, or be deducted from your prepaid balance. All purchases must be authorized by account holder. Must be 18 years of age or have parental permission to participate. Message and data rates may apply. Text STOP to 50555 to stop. Text HELP to 50555 for help. Full terms: mGive.org/T. Privacy policy: mGive.org/P.

ways to give



Annual Report
 Volume 42, Number 4 Winter 2012
 1100 15th St. NW, 11th Floor
 Washington, DC 20005



PERIODICALS
 POSTAGE PAID AT
 WASHINGTON, DC
 AND ADDITIONAL
 MAILING OFFICES

Friends of the Earth Newsmagazine (ISSN: 1054-1829) is published quarterly by Friends of the Earth, 1100 15th St. NW, 11th Floor, Washington, DC 20005, phone 202-783-7400, fax 202-783-0444, e-mail: foe@foe.org, website: www.foe.org. Annual membership dues are \$25, which includes a subscription to the Friends of the Earth Newsmagazine. The words "Friends of the Earth" and the Friends of the Earth logo are exclusive trademarks of Friends of the Earth, all rights reserved. Requests to reprint articles should be submitted to Lisa Stone at lstone@foe.org. Periodicals postage paid at Washington, DC.

Board of Directors
 Arlie Schardt, Chair; Soroush Shehabi, Vice chair; David Zwick, Treasurer; Harriett Crosby, Secretary; Whitey Bluestein; Jayni Chase; Cecil D. Corbin-Mark, Clarence Ditlow; Dan Gabel; Jeffrey Glueck; Mike Herz; Russell Long; Patricia Matthews; Avis Ogilvy Moore; Steven Nemeth; Chris Paine; Doria Steedman; Peyton West
 Brent Blackwelder, President emeritus and ex-officio

Staff
 Erich Pica, President
 Lisa Archer, Food and technology program director
 Michelle Chan, Economic policy program director
 Jeff Conant, International forests campaigner
 Julie Dyer, Executive assistant
 Eric Hoffman, Food and technology policy campaigner
 John Kaltenstein, Marine program manager
 Marcie Keever, Oceans and vessels program director
 Carrie Mann, Membership associate
 Damon Moglen, Climate and energy program director
 Karen Orenstein, International policy campaigner
 Anna Prow, Managing director
 Jim Ross, Director of development
 Adam Russell, Communications associate
 Madelyn Rygg, Financial controller
 Kathy Sawyer, Director of foundation relations

Ben Schreiber, Climate and energy tax analyst
 Sharon Smith, Accountant
 Peter Stocker, Membership director
 Lisa Stone, Publications manager
 Kendra Ulrich, Nuclear campaigner
 William Waren, Trade policy analyst

Intern
 Hua Wang, Fellow, Economic Policy
 Consultants/Advisors
 Bob Alvarez, Institute for Policy Studies
 Astrid Design Studio
 Beehive Research, Inc.
 Brent Blackwelder
 Shaun Burnie
 Mike Carberry
 Colin Carter
 Rebecca Choi, Group Forward
 Citrix
 Sue Claytor, TPO, Inc.
 CliftonLarsonAllen
 Patrick Connors
 Colleen Cordes
 Samuel Evans

Fairewinds Associates, Inc
 Fred Felleman
 Free Range Studios
 Kevin Fingerman
 David Freeman
 Robert Guild
 Heist
 Ian Illuminato
 Institute for Energy & Environmental Research
 Doug Koplow, EarthTrack
 Bernhard Knierim
 Large and Associates
 Mark Longabaugh, Wild Bunch Media
 Adina Matisoff
 MD-HD On Demand
 Mellman Group
 Diane Moss
 Network Alliance
 Palmer Group Media
 Mariama Richards
 Staffing Advisors
 The Sharpe Group
 Bill Walker, dba Deadline Now
 Dave Weinman

Our Mission: Friends of the Earth defends the environment and champions a healthy and just world.



Friends of the Earth's Annual Report is printed on 100% recycled paper with 50% post-consumer content and processed without chlorine.



A copy of the latest Financial Report and Registration filed by this organization may be obtained by contacting us at Friends of the Earth, 1100 15th St. NW, 11th Floor, Washington, DC 20005. Toll-free number: 877-843-8687. Or, for residents of the following states, by contacting any of the state agencies: CALIFORNIA - A copy of the Official Financial Statement may be obtained from the Attorney General's Registry of Charitable Trusts, Department of Justice, PO Box 903447, Sacramento, CA 94203-4470 or by calling 916-445-2021. FLORIDA - A COPY OF THE OFFICIAL REGISTRATION AND FINANCIAL INFORMATION MAY BE OBTAINED FROM THE DIVISION OF CONSUMER SERVICES BY CALLING TOLL-FREE, WITHIN THE STATE, 1-800-435-7352. REGISTRATION DOES NOT IMPLY ENDORSEMENT, APPROVAL OR RECOMMENDATION BY THE STATE. Florida registration # CH960. KANSAS - Annual financial report is filed with Secretary of State #258-204-7. MARYLAND - For the cost of copies and postage: Office of the Secretary of State, State House, Annapolis, MD 21401. MICHIGAN - MICS 10926. MISSISSIPPI - The official registration and financial information of Friends of the Earth, Inc. may be obtained from the Mississippi Secretary of State's office by calling 1-888-236-6167. Registration by the Secretary of the State does not imply endorsement by the Secretary of State. NEW JERSEY - INFORMATION FILED WITH THE ATTORNEY GENERAL CONCERNING THIS CHARITABLE SOLICITATION MAY BE OBTAINED FROM THE ATTORNEY GENERAL OF THE STATE OF NEW JERSEY BY CALLING 973-504-6215. REGISTRATION WITH THE ATTORNEY GENERAL DOES NOT IMPLY ENDORSEMENT. NEW YORK - Office of the Attorney General, Department of Law, Charities Bureau, 120 Broadway, New York, NY 10271. NORTH CAROLINA - FINANCIAL INFORMATION ABOUT THIS ORGANIZATION AND A COPY OF ITS LICENSE ARE AVAILABLE FROM THE STATE SOLICITATION LICENSING BRANCH AT 1-888-830-4989. THE LICENSE IS NOT AN ENDORSEMENT BY THE STATE. PENNSYLVANIA - The official registration and financial information of Friends of the Earth may be obtained from Pennsylvania Department of State by calling toll-free within the state 1-800-732-0999. Registration does not imply endorsement. UTAH - Permit #C495. VIRGINIA - State Division of Consumer Affairs, Department of Agriculture and Consumer Services, PO Box 1163, Richmond, VA 23218; 1-800-552-9963. WASHINGTON - Charities Division, Office of the Secretary of the State, State of Washington, Olympia, WA 98504-0422; 1-800-332-4483. WEST VIRGINIA - West Virginia residents may obtain a summary of the registration and financial documents for the Secretary of State, State Capitol, Charleston, WV 25305. Registration does not imply endorsement.