THE MOUNTAIN INSTITUTE

CONSERVATION. CULTURE. COMMUNITY.

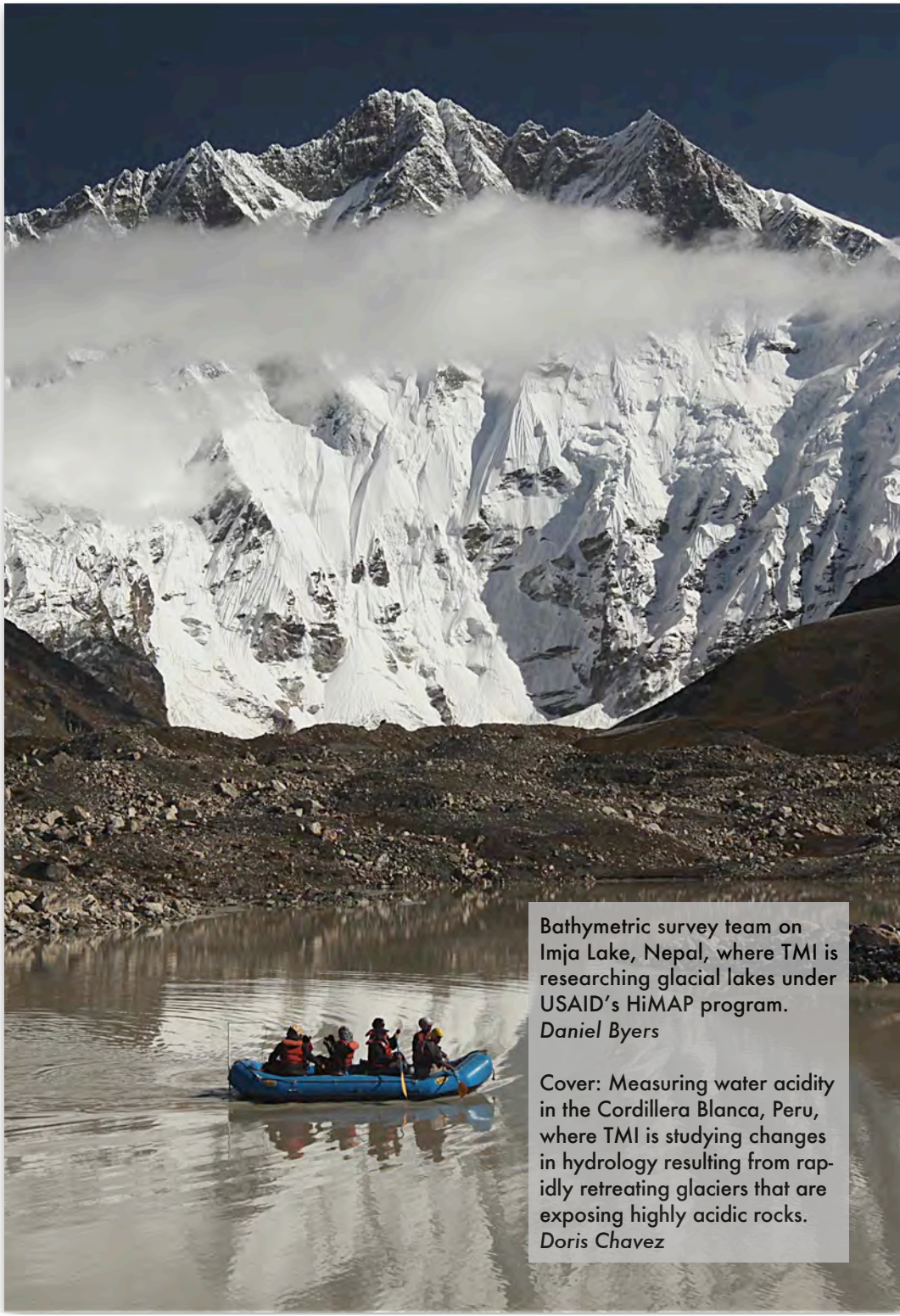
2012 Annual Report

LETTER FROM THE EXECUTIVE DIRECTOR

Dear Friends of the Mountains,

In 2012, The Mountain Institute celebrated its 40th anniversary. As I consider our work over the past year, I can't help but reflect on our organization's early days as a small environmental education center known as the Woodlands and Whitewater Institute. It would have been impossible then to imagine that this local organization, born on the slopes of Spruce Knob in West Virginia, would grow to become a vital partner in establishing protected areas around Mt. Everest in both Nepal and Tibet. Or that it would play a vital role in securing the biologically diverse Páramo ecosystems of the high Andes as a critical natural asset for rural communities. Or, moreover, that our programs in 2012 would be integrating science with local knowledge to protect and sustainably manage water supplies for millions of people and reduce threats from potential natural disasters such as glacial lake outburst floods.

While we have expanded from West Virginia to the Andes and Himalaya, we have remained true to our commitment to local communities. Thousands of children and teachers from the Appalachians visit our Spruce Knob Mountain Center each year to gain hands-on experience with water quality monitoring, geology and watershed management. Our work with mountain farmers in remote regions of Nepal is increasing household incomes so that families can better meet their basic needs. We are helping mountain communities, from the Sherpas at the foot of Mt. Everest to the descendants of South America's Incas, adapt to the changing environments around them as glaciers retreat, globalization expands and the urban areas lure mountain people away from



Bathymetric survey team on Imja Lake, Nepal, where TMI is researching glacial lakes under USAID's HiMAP program. *Daniel Byers*

Cover: Measuring water acidity in the Cordillera Blanca, Peru, where TMI is studying changes in hydrology resulting from rapidly retreating glaciers that are exposing highly acidic rocks. *Doris Chavez*

their home communities. In the western United States we are building bridges between the Nuwuvi (Southern Paiute) Nations and federal agencies to ensure that federal lands are managed in such a way as to protect and respect Native American traditions and culture. We are also increasingly engaging with the international community to focus governments on the frequently ignored challenges mountain regions face around the globe and to encourage them to invest in their local mountain communities.

As proud as we are of our success over the past 40 years, we realize that there is still much to do. Mountain ecosystems and mountain communities are in an increasingly precarious position. Climate change, geographic isolation, food scarcity and migration of mountain people to urban centers perpetuate poverty, cultural erosion and environmental degradation in mountain systems. In our continued effort to find solutions to these and other challenges we will always listen to mountain communities first and partner with them to develop strategies to help them take advantage of new opportunities while maintaining their extraordinary cultural and environmental heritages.

I would like to thank everyone who has supported The Mountain Institute over the past year, and throughout our history. With your continued support, we can continue to dedicate ourselves to conserving the beautiful mountain ecosystems that we all love and rely on while ensuring bright futures for those that live in them.

For the mountains!

Andrew Taber, D.Phil.

Executive Director

Top: Mountain agriculture in water-stressed Piura, Peru. *David Johnson*

Bottom: Deo Tamang (in the Maimjuwa Village, Nepal) is a "model farmer" in TMI's medicinal and aromatic plants cultivation program (MAPs). After five years in the project, Deo Tamang and his family have made enough money to build a smoke-free kitchen, add a new room to their home, and send two daughters to school. *Karma Bhutia*

Dil Bahdur Gurung (from the Mabu Village in East Nepal) displays Pakanbed, a native species that thrives on terrace risers. Dil Bahdur Gurung works in a "high value agriculture" project supported by TMI that encourages farmers to use every inch of available land to increase incomes without sacrificing food production. *Brian Peniston*

OUR IMPACT

The Mountain Institute works hand in hand with mountain communities to conserve mountain landscapes, sustainably develop their economies and preserve their unique cultures.

A precious stream in Peru's Nor Yauyos Reserve, where villages are being abandoned due to natural springs drying up. *Andrew Taber*

CONSERVING LANDSCAPES AND FRESHWATER RESOURCES

Experts frequently refer to the high ranges of the world as "nature's water towers" because mountains are the source of freshwater for nearly half of the human population. Mountain communities are the stewards of these freshwater resources, and their role will become increasingly important as the climate changes and the human population increases.

In 2012 in the Piura region of northern Peru, The Mountain Institute connected lowland water users such as farm owners with mountain communities to create a comprehensive watershed management network from peak to coast. Our efforts included a particular focus on conserving the vital highland Páramo ecosystem. These high Andean wetlands, reaching from Venezuela to northern Peru, are one of the most biologically diverse habitats on earth, harboring in excess of 6,000 species of flowering plants, and are a major source of freshwater for local and downstream communities.

Through local partnerships we have improved the management of rangelands, strengthened community management of nature preserves and have improved collaborative governance between municipalities.

Our experiences in Peru are being shared with similar programs from the United States to South Asia.

Top: Medicinal-plant storage depot near Mabu village, East Nepal. With improved knowledge of-market prices, mountain farmers can store their plants in simple village depots while waiting for prices to rise. *Karma Bhutia*

Bottom: Constructing a medicinal plant nursery to increase seed and seedling production, thereby creating sustainable seed supplies for the coming year. *Karma Bhutia*

IMPROVING LIVELIHOODS

The remote regions of the Himalayas in Nepal harbor extreme poverty. The Mountain Institute has worked with mountain farmers in these areas for nearly a decade, teaching them to cultivate and sell medicinal and aromatic plants. These agro-enterprises increase the farmers' incomes, helping them to meet their families' basic needs while protecting local forests from destructive harvesting practices. Specifically, we work with farmers in the districts of Ilam, Panchthar and Taplejung in the Kanchenjunga region, and the districts of Rasuwa and Dhading in the Langtang region. In 2012 alone, 10,000 farmers who have been trained through this program cumulatively earned approximately $1.2 million from the sale of medicinal and aromatic plants, which resulted in an average increase of 20% in their annual incomes.

Top: Children of Tibetan yak herders in northwest Nepal. *Brian Peniston*

Bottom: Halji Gompa, an 11th century Tibetan-Buddhist Monastery in Halji Village that TMI is helping protect from flooding resulting from climate change. *Brian Peniston*

PRESERVING CULTURE

Preserving the extraordinary cultural heritages of mountain communities has been a focus of The Mountain Institute since our founding. We believe that for mountain communities to be fully healthy, they need to be not only ecologically, economically and socially healthy, but spiritually healthy as well.

In 2012 we focused our attention on the ancient Drikung Kagyu Thubten Rinchenling Monastery, located in the village of Halji in the Limi Valley of northwestern Nepal. This monastery is the spiritual center of the three villages of the Limi Valley. Recent unexpected floods related to a high mountain glacier located above the village threaten to destroy the monastery and other parts of town. We are working with the village to build walls along the riverbank to prevent the rapid erosion that threatens to sweep the monastery away. Future flood protection activities will also include the planting of native deep-rooted trees to further stabilize the riverbanks and slow flood waters.

Top: High-school students identifying species in a West Virginia stream.

Bottom: As the highest point in the Chesapeake Watershed, Spruce Knob is helping to develop the Mountain Streams Primary Map (Appalachian Watershed and Stream Monitors), a high-end GIS program.

ENVIRONMENTAL STEWARDSHIP

The Mountain Institute's Spruce Knob Mountain Center, located on the slopes of Spruce Knob, West Virginia's highest mountain, continues to serve as an environmental and outdoors education center for West Virginians and others located throughout the Appalachian region and along the eastern coast of the United States. In 2012, we provided hands-on training and educational experiences for approximately one thousand teachers and students focused on water quality, watershed management and land use.

Our links to the West Virginia public school system, in particular, enable us to reach out to underserved and isolated schools to provide them with a world-class project-based learning opportunity.

This year we also launched an on-line tool to enable kids to input, see and share regional water quality data contributing directly to official regional monitoring efforts.

OUR PEOPLE

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West Virginia Department of Environmental Protection (WVDEP)

Wildlife Works Carbon

Previous page: Lake Palcacocha, Cordillera Blanca, site of the GLOF in 1941 that launched Peru's program of glacial lake safety works now studied by HiMAP. *John Harlin*

Above: View from near Khunde Village, with Ama Dablam rising on the right. *Daniel Byers*

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Previous page: Cordillera Blanca, Peru, where many streams have turned highly acidic because fresh minerals are leaching where glaciers used to be. *Daniel Byers*

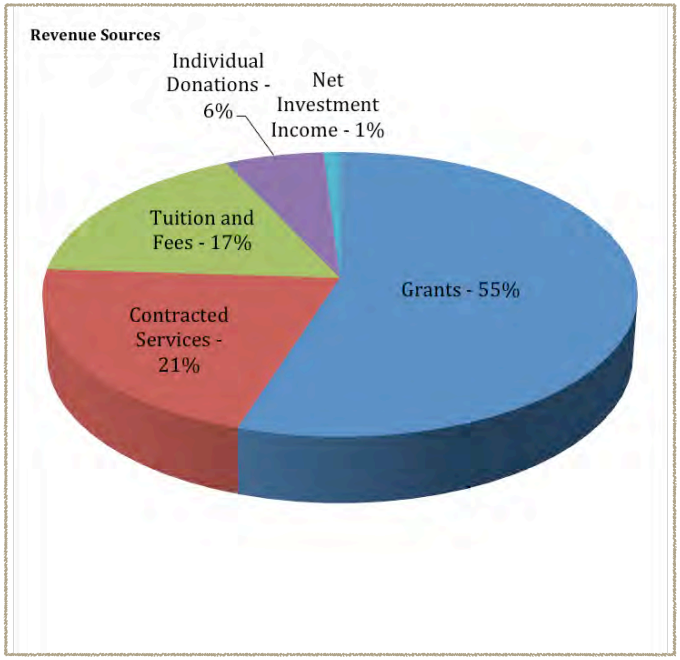
Above: Valley outside of Simikot, the headquarters of Humla District in northwest Nepal. *Chris Czarnecki*

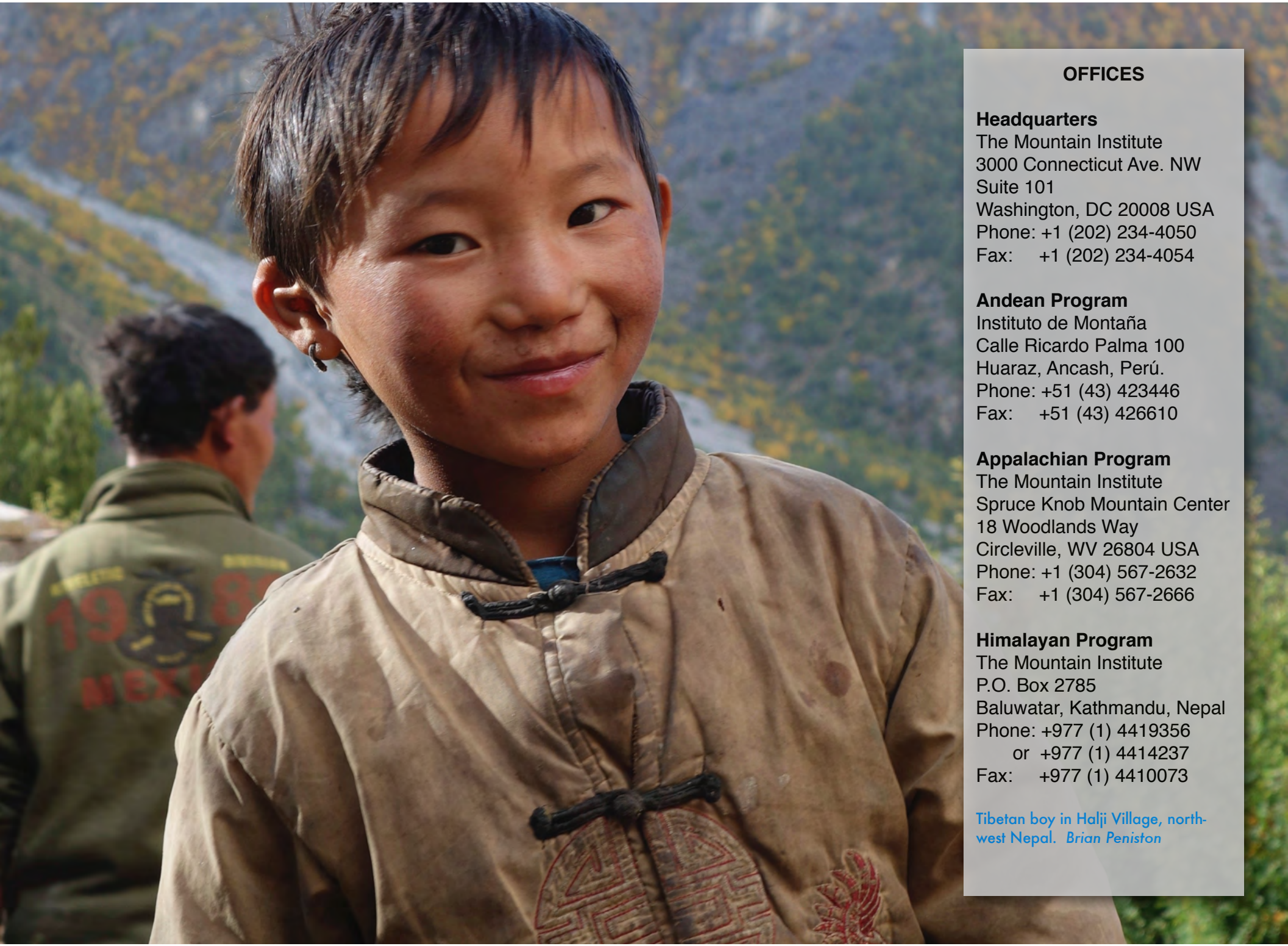
FINANCIAL SUMMARY

Statement of Financial Position – September 30, 2012

ASSETS		
Current Assets		
Cash and cash equivalents	$259,607	
Grants and contributions receivable	1,149,468	
Employee and other receivables	121,556	
Prepaid expenses	16,908	
Total Current Assets		$1,547,539
Investments	112,688	
Endowment investments	387,312	
Property and equipment, net	326,009	
TOTAL ASSETS		**$2,373,548**
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable and accrued expenses	281,711	
Refundable advances	71,421	
Total Current Liabilities		$353,132
Lines of credit	578,000	
TOTAL LIABILITIES		$931,132

Net Assets	
Unrestricted	($734,724)
Temporarily restricted	1,789,828
Permanently restricted	387,312
TOTAL NET ASSETS	1,442,416
TOTAL LIABILITIES AND NET ASSETS	**$2,373,548**





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Tibetan boy in Halji Village, northwest Nepal. *Brian Peniston*