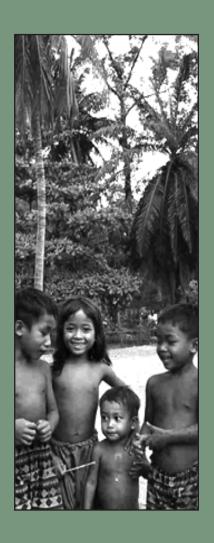
Blacksmith Institute







Annual Report 2005

Blacksmith Institute

Our Focus Our History

Blacksmith Institute's vision is a clean planet for our children. We develop and implement solutions for pollution-related problems in the developing world. We work cooperatively with partnerships of donors, governments, NGO's and others, and provide strategic, technical, and financial support to local champions as they strive to solve specific, pollution-related problems in their communities.

Blacksmith Institute's name is inspired by the hard work of a blacksmith who, in a dirty environment, creates items that are practical, useful, and can stand the test of time. Blacksmith Institute strives to emulate this with its projects - creating and supporting local agencies that really work to solve pollution problems.

Through its support of these local champions, Blacksmith empowers on-the-ground responses to pollution within communities. This approach capitalizes on local knowledge and networks and is inclusive of all stakeholders - community leaders, local and national governments, and industry.

Blacksmith Institute 2 Park Avenue, 29th Floor New York , New York 10016 Telephone: 646 742-0200 Fax: 212 779-8044

www.blacksmithinstitute.org

Copyright 2005 Blacksmith Institute

Since 1999, the Blacksmith Institute has been addressing a critical global need: the clean-up of dangerous and largely unknown polluted sites throughout the developing world. Industrial wastes, air emissions, and legacy pollution from old industry affect billions of people around the world. Women and children are especially at risk. Tens of thousands of people are poisoned and killed each year. Others have reduced neurological development, damaged immune systems, and long-term health problems. The World Heath Organization, in conjunction with the World Bank, estimates that 20 percent of deaths in the developing world are directly attributed to environmental factors from pollution. This is a direct threat for efforts to create sustainable economies, protect local environments, and improve the health and development prospects of people living in poverty.

Worldwide, millions of people suffer the consequences of haphazard and unregulated industrialization. Those impacted most live in developing regions where the governments lack the technical resources and funding to resolve pollution issues.

Some of the initial projects supported by Blacksmith between 1999 and 2004 included designing Cambodia's hazardous waste legislation and medical waste disposal guidelines, founding a group to combat lead poisoning in Zambia, and establishing a new branch of the Tanzanian Lawyers Environmental Action Team on the banks of Lake Victoria.

2005 has seen a comprehensive expansion of Blacksmith operations throughout Russia and India, where we have identified and solved some the most serious pollution problems facing these countries.

Our Future

The mission of the Blacksmith Institute is to identify these communities throughout the developing world, and initiate local efforts to solve these problems. Blacksmith provides financial, technical, managerial, and networking support to our partners, helping to find the path of greatest success in project implementation.

Blacksmith has refined its methodology for identifying and evaluating polluted sites for intervention and assistance. The focus of this endeavor is to bring life-saving assistance where it is needed most — impoverished communities living with the terrible health consequences of unchecked pollution and waste.

The Blacksmith methodology includes a process for site identification, site assessment, and project intervention design. Using this process we find and support the clean up of polluted sites in the developing world that demonstrate significant health impacts, the strong will of local partners, and reasonable, cost-effective prospects for successful remediation. Blacksmith serves to provide financial and technical help to local governments, NGOs, and individuals working together to solve these problems.

Our work also encourages the international community to recognize local point-source pollution as a pressing issue of grave concern.

Blacksmith Institute

Board of Directors

Technical Advisory Board

Richard Fuller

Director

Blacksmith Institute

Josh Ginsberg

Vice-President, Conservation Operations Wildlife Conservation Society

Joshua Mailman

President

Sirius Business Corporation

Ron Reede

Senior Vice President Lazard Freres & Co.

Hume Steyer

Partner

Seward & Kissel LLP

Board of Advisors

Allen Barnett

CEO

Mayfare Software Solutions

Frances Beinecke

Executive Director NRDC

Paul Dolan

Director

ABC News

Pradeep Kapadia

CEO

Kapadia Energy Services

Karti Sandilya

Former US Resident Director Asian Development Bank

Pat Breysse

Director of Environmental Health Engineering, Department of Environmental Health Sciences Johns Hopkins School of Public Health

Jack Caravanos, Ph.D, CIH, CSP

Director, MS/MPH program in Environmental and Occupational Health Sciences Hunter College

Josh Ginsberg, Ph.D.

Vice-President, Conservation Operations Wildlife Conservation Society

David Hanrahan, M.Sc.

Senior Environment Specialist World Bank

David Hunter, Sc.D.

Professor of Epidemiology and Nutrition Harvard University School of Public Health

Philip J. Landrigan, M.D., M.Sc.

Director, Center for Children's Health and the Environment; Chair, Department of Community and Preventive Medicine; and Director, Environmental and Occupational Medicine, Mount Sinai School of Medicine

Leona D. Samson, Ph.D.

Ellison American Cancer Society
Research Professor; Director, Center for
Environmental Health Sciences; and
Professor of Biological Engineering
Massachusetts Institute of Technology

David Carpenter, M.D.

Professor

Environmental Health and Toxicology Division, School of Public Health University of Albany, SUNY

Paul Roux

CEO/Founder, Roux Associates, Inc.,

Ira May

Geologist,

U.S. Army Environmental Center

Donald E. Jones

Founder

Quality Environmental Solutions, Inc.

Mukesh Khare, Ph.D.

Professor

Indian Institute of Technology in Delhi

Staff

Richard Fuller

Director

Bharati Maskey

Polluted Places Coordinator

Maya Shenkmen

Russia Projects Coordinator

Meredith Block

Programs Administrator and Africa Projects Coordinator

Marlo Mendoza

Philippines Projects Coordinator

Blacksmith Institute brings resources and expertise to local groups and agencies in developing countries to solve some of the most severe pollution problems, one site at a time.

Peter Hosking

Asia Projects Coordinator

Promila Sharma

India Projects Coordinator

Rachel Bennett

Grant Writer

Vladimir Kuznetsov

Russia Projects Coordinator

Message from the Director

Dear Friends,

Over the course of this year we've visited more and more sites where pollution is endemic. Some are horrifying. I've seen children cleaning out drums of hazardous chemicals and young men drinking water yellowed with hexavalent chromium. I've witnessed kids in nervous spasms with acute lead poisoning and rivers running with streaks of black and bright colors from industrial waste being used to water market gardens, and for drinking. I've seen open dumps of PCB's next to bathing holes.

We've even seen some cities where the pollution is so extensive that the whole population is affected. One community in Russia where we work has a life expectancy of less than 35 years, a rate that has not been seen on the planet in millennia. And it is not just certain cities; it seems that every large town in the third world has a poisoned neighborhood, where the dumping of toxic chemicals and metals goes unchecked and people are living in direct contact with it, sick and dying.

This situation is untenable. We solved this problem in the developed world decades ago. We in the industrialized world are no longer threatened by the kind of health risk you see in these places, and our governments and courts have helped us to live free of these risks. The solutions we implemented were not terribly complicated or difficult. It just took some time and attention.

This is Blacksmith's focus: to give time and attention to resolve pollution issues once and for all, the entire planet.

We are moving ahead rapidly. We now have over 40 projects in 13 countries, including China, Russia, India, the Philippines, and others. We completed eight projects in 2005 and have added more and more complex projects to our portfolio. We're expanding our work as fast as new funds and government relationships allow us.

Aside from actual project work, we were also successful in 2005 in developing methodologies for solving pollution problems. Building on the Polluted Places Manual, we have well-tested methodologies for identifying locations and assessing health risk (using the Technical Advisory Board, and the Initial Site Assessment protocol). We also know how to initiate and manage clean-up for small-scale legacy problems and have completed a great number of these projects. Most exciting, we now have a clear methodology for managing multi-modal projects (where the pollution is both active and legacy, and there are many different sources and players), which is working very well. We can build on this intellectual capacity in the coming years to clean up more and more communities.

Blacksmith is focused on implementing real projects. We initiate the work required to fix the problem once and for all. Our tools are our technical expertise (the technical board is second to none), our methodologies and strategies, and our ability to leverage large resources. And, of course, the firm commitment and dedication of a wonderful and capable staff around the globe.

I welcome your involvement in this work in any way you see fit. My office and telephone are always open and available. In the meantime, let this report give you a summary of our accomplishments to date. RAFIL

With best regards,

2005 Program Highlights

UNIDO PARTNERSHIP - MAY 2005

Blacksmith initiated the first in a series of appropriate technology demonstrations to reduce mercury emissions associated with small-scale gold mining in Mozambique. Members of the United Nations Global Mercury Project traveled to Mozambique to provide technical assistance to officials from the government and mining communities by engaging in active demonstrations, discussion, and analysis. By teaching miners how to use retort technology, exposure to toxic mercury vapor will be reduced, as will the release of mercury into the environment. Thanks to appropriate technology and training, the mining communities are able to retain their livelihoods without endangering themselves or the environment.



£100,000 for OUTSTANDING LEADERSHIP SEPTEMBER 2005

Blacksmith Institute Director, Richard Fuller, recieved a £100,000 award from the Sigrid Rausing Trust on behalf of the Blacksmith Institute for Outstanding Leadership. The Trust is a charitable, philanthropic foundation, based in the UK, which gives grants for work in the fields of human rights, women's rights, minority rights and social and environmental advocacy. The Trust focused on awarding elements they believe contribute strongly to good leadership, including the individual qualities of the leader, the extent to which a group is providing leadership in its sector, as well as a group's quantifiable impact in their field.

CLEAN WATER - AUGUST 2005

Blacksmith provided a drinking water filtration system to Pyra, Russia, the former center of Soviet chemical weapons manufacturing, ensuring clean and safe water for village residents, the local hospital, and school system.



In 2006, nominations, site assessments and new projects initiated are projected to double.

In 2005, the Technical Advisory Board reviewed over 145 Polluted Places nominations, of which there have been 67 site assessments that have resulted in the initiation of 15 new projects.

INDIA BIOREMEDIATION - NOVEMBER 2005

Work is well underway on a pilot groundwater remediation project in Kanpur, India, where bioremediation technology will be utilized to remove hexavalent chromium from the groundwater. A cluster of approximately 350 tanneries has contaminated the groundwater, and successful implementation of this technology could hold the key to solving a major environmental problem that has plagued India for decades.



BLACKSMITH EXPANDS INTO CHINA

Along with our comprehensive site assessment work identifying all major pollution hotspots throughout India and Russia, Blacksmith has expanded into China. We will be working with both the Oriental Environmental Institute and the State Environmental Protection Agency to launch a proactive strategy for addressing China's worst pollution problems.

Project Highlights: AFRICA

Blacksmith Country Representatives

Delax Chilumbu

Zambia
Advocacy for Restoration
of the Environment

Saada Juma

Tanzania
AGENDA for Environment
and Responsible
Development

Mamadi Kourouma

Guinea Centre d'Appui au Developpement (CAD)

Dr. Marcelino Lucas

Mozambique Director, Environmental Health Department, Ministry of Health

Ibrahima Sow

Senegal Chemical Engineer, Division of Pollution Control, Ministry of Environment

Amadou Diouf

Senegal Director, Africa Clean

Environment Management Trust: Dar es Salaam, Tanzania

In Mikocheni, a light industrial neighborhood in Dar es Salaam, four extremely polluted streams run past homes and residents, on their way to the Indian Ocean. Children play in the streams and cattle drink from this water as it carries untreated industrial and domestic wastes through town. Ten polluting factories and numerous households have caused this pollution due to a lack of adequate waste treatment systems.

Blacksmith Institute founded the Environment Management Trust, an organization charged with monitoring and providing remediation plans for the polluted waterways. After careful examination of pollution sources, EMT identified a heavily polluting, collapsed sewer infrastructure that has since become a \$164.6 million renovation project funded by the Tanzanian government through its privatization of the sewage and water authority. Neighborhood residents have been educated about the dangers of improper sewage disposal and as a result, many have opted to have their septic tanks professionally emptied.

Among the ten industrial polluters, six industries have now either constructed or repaired their treatment systems, and two others have begun product importation and modification, replacing manufacturing. EMT plans to expand its successful approach to other areas of Dar es Salaam.



Kabwe Environmental and Rehabilitation Foundation: Kabwe, Zambia

For almost a century, the 300,000 residents of Kabwe have been suffering severe health consequences as a result of living in an environment highly contaminated with lead. Zambia Consolidated Copper Mines (ZCCM), a government-owned lead mine and smelter, has been closed since 1994, but due to inaction on the part of both the company and the government, the citizens of Kabwe continue to suffer from lead poisoning.

Blacksmith helped found the Kabwe Environmental and Rehabilitation Foundation (KERF), a local NGO, to inform the community about the dangers of lead and how to limit exposure, as well as provide nursing support for the ill. As a result of Blacksmith's involvement, the World Bank has allocated \$15 million to Kabwe clean-up, as part of a larger \$40 million grant and loan to clean up the industrial Copperbelt Region of Zambia. With major Blacksmith support, KERF was approved for a World Bank grant of approximately \$100,000 to establish community information centers. KERF is currently building the first of many planned community health and education centers to combat lead poisoning and is actively encouraging research and the buildup of national academic and professional expertise and training in lead poisoning.

The Kabwe project exemplifies Blacksmith's ability to leverage funds and act as a powerful intermediary between communities and large donor organizations.



Leaded Gas Phase-Out Task Force: Mozambique

Although banned in many nations and a known hazard to human health since the 1960's, numerous developing countries continue to use leaded gasoline. In Sub-Saharan Africa, lead poisoning from vehicle air emissions continues to cause serious human health problems, especially in children. In congested urban areas, 90 percent of all air pollution is attributed to leaded gasoline exhaust, effectively depositing a layer of lead particulate over entire cities.

With funding from Blacksmith the Mozambique Leaded Gas Phase-Out Task Force created a national action plan to eliminate leaded gas from the nation's fuel supply. In 2004, the government of Mozambique removed price distortions on unleaded gas, making it the less expensive alternative to leaded gas. A full ban and phase-out process is ongoing, and import restrictions went into effect in May 2005. Currently, the Task Force, along with government groups and industry representatives, is conducting a campaign to educate the public about the economic and health benefits of unleaded gas.

Blacksmith has partnerd with the United Nations Environment Programme's Partnership for Clean Fuel and Vehicles to expand its support to leaded gasoline phase-out throughout Africa.



Project Highlights: ASIA

Tannery Chemicals Groundwater Pollution: India

Millions of people in towns and villages in India depend on local rivers, streams, and groundwater for their drinking, cooking, and other daily needs. Extensive, unchecked industrial pollution and untreated sewage have destroyed the viability of these resources in many areas, but many communities without any recourse to alternative sources continue to use them, with severe health consequences.

Since February 2004, Blacksmith Institute has been providing funding to Eco-Friends, an NGO based in Kanpur in the state of Uttar Pradesh, that is spearheading an initiative to combat the illegal dumping of toxic chromium – a known carcinogen – from tanneries into water supplies. This has caused extensive groundwater pollution and significantly harmed the health of the local population. As a result of Eco-Friends' efforts, the local environmental agency has released funds for the installation of treatment facilities at most of the 110 polluting tanneries, as well as established a secure landfill site locally for disposal of the recovered chromium wastes.

In 2005, Blacksmith, in cooperation with the Central Pollution Control Board of India and other Indian organizations, initiated the first pilot groundwater remediation project in India. This project involves the bioremediation of the hexavalent chromium plume that pervades the groundwater in these settlements.

The success of the Kanpur project has implications for solving one of India's most widespread environmental issues.



Hazardous and Medical Waste Disposal: Cambodia

In Cambodia, a working environmental legal infrastructure is still in its formative stages. Cambodia needs support from the international community to develop the local systems and expertise needed to manage a growing range of environmental issues. For the past four years, Blacksmith has been providing funding, technical support, and project management advice to the Cambodian Ministry of the Environment (MoE) on developing legislation for controlling hazardous materials, and a national program for managing infectious hospital wastes. The latter initiative has resulted in significantly improved waste treatment at a number of locations. Currently, a team from the MoE is working on the development of technical guidelines for conducting air quality testing, which will enable it to effectively monitor air pollution from vehicles and stationary sources, an increasing problem in the capital city of Phnom Penh.

In 2005, Blacksmith worked with the MoE on two new projects addressing environmental and human health concerns. The first provides alternatives to the use of mercury and cyanide in small-scale, unregulated gold mining activities, while the second mitigates health issues associated with improper management of pesticides and their related wastes.

Blacksmith Country Representatives

Marlo Mendoza

Philippines Coordinator

Liu Zhoade

China Oriental Environmental Institute

Promila Sharma

India
Polluted Places
Coordinator

Penchom Saeteng

Thailand Campaign for Alternative Industry Network (CAIN)

Pak Sokharavuth

Cambodia Ministry of Environment

Leyan Wang China



Industrial Pollution: Marilao, Philippines

Significant industrial waste is haphazardly dumped into the Meycauayan River, a source of domestic and agricultural water for 250,000 people living in and around Manila. Substantial contamination comes from small-scale lead recycling facilities along the river at Marilao and from the many tanneries that dump untreated hexavalent chromium into the river. This river also feeds directly into the Manila Bay, and its effluents contaminate shellfish in commercial fishing areas.

Blacksmith is currently creating a coordinating body to oversee the control and clean up of the river. This body will include senior representatives of the Philippines' federal government, the Asian Development Bank, the local municipality, industry, and local community groups. Together they will design and implement remediation efforts over the next several years.

The Philippines
model will lay the
groundwork for
full-scale
rehabilitation work
in 5 other bays in
Africa, and Latin
America.

Project Highlights: Eastern Europe

Blacksmith Country Representatives

Vladimir Kuznetsov Russia

Polluted Places Coordinator

Alexey Yablokov Russia Director, Center for Russian Environmental Policy in Moscow

Petr Sharov Russia Far Fastern Health Fund

Radioactive Monazite: Krasnoufimsk. Russia

In Sverdlovsk in the Central Urals. 82,000 tons of radioactive monazite concentrate has been stored 7 kilometers from the town of Krasnoufimsk. The monazite is packed in wooden boxes and stored in 23. warehouses encompassing an area of approximately 20 hectares. There is very high incidence of cancer in the Krasnoufimsk district. More than half the children suffer from developmental problems.

Blacksmith Institute is funding a local NGO to raise awareness about the problem and lobby the government for its safe removal.



Muslyumova is located 30

Radioactive Waste Removal:

Muslyumova, Russia

kilometers downstream from the Mayak Chemical Combine on the banks of the River Techa. It was the village most exposed to the Combine's unregulated radioactive discharges from 1949-1956. People living in this town were exposed to 240 millisievert (mSv) between 1950 and 1951, and in 1956 people received an average dose of 350 mSv (maximum exposure level 1mSv).

Blacksmith is funding a local NGO to remove and safely contain the contaminated soil along the river.

Mercury Contamination: Popov Island, Russia

Twenty-five Kilometers southwest of Vladivostok in the Primorskii Krai Region of Russia's Far East, tests conducted by scientists from the Il'ichev Pacific Oceanological Institute revealed mercury levels that were 8 times the maximum permissible concentrations in the drinking water at Popov Island. Mercury levels still exceeded permissible levels by 2-3 times even after 80 percent of the pipelines were replaced.

The remaining 20 percent of mercury-contaminated water pipes were successfully replaced, preventing mercury exposure to the Popov Island community.



Lead Remediation and Poisoning Prevention: Rudnaya Pristan and Dalnegorsk, Russia

In Far Eastern Russia, near the Sea of Japan, a railway links the small lead mining town of Dalnegorsk to a privately owned smelter in Rudnaya Pristan. This area is home to over 90,000 people who face constant danger from lead-contaminated air and soil. Lead exposure results smelting emissions and from the open-air transport of lead concentrate along this railway. As a result, the population suffers higher than average levels of cancers and respiratory disease.

Blacksmith has been working to improve health in this community by supporting the Dalnegorsk Division of the Center of State Sanitary and Epidemiologic Supervision (CSSES) in its effort to reduce the risk of lead poisoning in children and to organize long term remediation. Blacksmith has established a blood testing program and an education initiative on the dangers of lead poisoning. In addition, ongoing negotiations have ensured the closure of the smelter and safe transport of lead concentrate to other destinations in hermetically sealed containers.

Blacksmith continues to work with international experts to aid the local committee in designing appropriate responses to lead exposure in children.

According to an official government report, 60% of the Russian population lives in an environment harmful to human health.



Project List

CAMBODIA

Pesticide Contamination

Ministry of the Environment, Department of Pollution Control Status: Ongoing

Gold Mining and Mercury Emissions

Ministry of the Environment, Department of Pollution Control Status: Ongoing

Technical Guidelines for Air Quality Monitoring

Ministry of the Environment, Department of Pollution Control Status: COMPLETE 2005

Mlup Baitong - Kirirom National Park

The Ministry of Environment and Department of Nature Conservation

Status: COMPLETE 2004

Medical Waste

Ministry of Health and Ministry of the Environment, Medical Waste Management Committee Status: COMPLETE 2002

Hazardous Materials Legislation Project

Ministries of the Environment, Health, Industry, and Agriculture, Fisheries, and Forestry Status: COMPLETE 2003

CHINA

Greener Beiiing

Greener Beijing Institute Status: Ongoing

Fubao Village

Yunnan Environmental Protection Bureau Status: Ongoing

Three Gorges Dam

China Chongging Green Volunteers Union Status: COMPLETE 2003

GUINEA

Leaded Gasoline Phase-Out

Centre D'Appui au Develeppement Status: COMPLETED 2005

Gold Mining and Mercury Emissions

Centre D'Appui au Develeppement, UNIDO

Status: Ongoing

PCB Clean-up and Removal

Centre D'Appui au Develeppement Status: Ongoing

INDIA

Groundwater Contamination, Kanpur

Central Pollution Control Board and Eco-Friends Status: Ongoing

Groundwater Contamination, Meerut

Janhit Foundation Status: Ongoing

Polluted Stretch of the Wah-Umkrah River

NEEDS

Status: COMPLETE 2005

Kolkata Lead Smelter Residue Assessment

Status: Ongoing

Aruputo Chromium Contamination Assessment

Status: Ongoing

Tangra Tannery Chromium Contamination

Status: Ongoing

Hyderabad Lake Pollution

Status: Ongoing

Muthia Village Hazardous Waste

Concept Biotech Status: Ongoing

Kanpur Fly-Ash

Center for Environment Education Status: Ongoing

MOZAMBIQUE

Leaded Gasoline Phase-Out Task Force

Status: COMPLETE 2005

Pilot Project for the Reduction of Mercury Contamination

Ministry for the Coordination of Environmental Affairs.

UNIDO

Status: Ongoing

Environmental Journalists Group

Status: Ongoing

Center for Environmental Research and Advocacy

Centro Terra Viva - Estudos e Advocacia Ambiental Status: COMPLETE 2004

NEPAL

Park Conservation

N/ATO

Status: COMPLETE 2005

Dhobi Khola River Pollution

WATO

Status: Ongoing

PERU

La Oroya Lead Pollution

Asociacion Civil Labor Status: COMPLETE 2004

PHILIPPINES

Marilao/Meycauayan Industrial Contamination

Ministry of Environment

Status: Ongoing

Project List

RUSSIA

Rudnaya Pristan Lead Remediation

Far Eastern Health Fund

Status: Ongoing

Sakhalin Oil Remediation

SEW (Sakhalin Environment Watch)

Status: Ongoing

Popov Island Mercury Pollution

Ecogea (Center for Ecological and Civil Initiatives)

Status: COMPLETE 2005

Nizhny Novgorod Toxic Chemical Remediation

Volga Center for Environmental Health

Status: Ongoing

Drinking Water Treatment, Dzerzhinsk

Status: Ongoing

Drinking Water Treatment, Pyra

Status: COMPLETE 2005

Magadan Radioactive Remediation Project

Status: COMPLETE 2004

Western Siberia DDT Remediation.Tomsk

Status: COMPLETE 2004

Instrument Calibration Project

Mayak NGO/Government Cooperation

Status: COMPLETE 2003

Bryansk Radionuclide Treatment

Status: Ongoing

Krasnoufimsk Monazite Remediation

SOKOL

Status: Ongoing

Muslyumova Radioactive Sludge Removal

TECHA

Status: Ongoing

SENEGAL

Pilot Project for the Control of Air Pollution in

Dakar

Africa Clean, Ministry of Environment

Status: Ongoing

Baia de Hanne Industrial Pollution

Africa Clean, Ministry of Environment

Status: Ongoing

Leaded Gasoline Vendor Testing

Africa Clean

Status: Ongoing

SOMALIA

Somalia Environment and Development

Organization

Status: COMPLETE 2003

TANZANIA

Lake Victoria Pollution, Mwanza

LEAT (Lawyers' Environmental Action Team)

Status: Ongoing

Leaded Gasoline Phase-Out Awareness Campaign

Lawyers' Environmental Action Team

Status: COMPLETE 2005

Environmental Management Trust

Status: Ongoing

Environmental Professional's Organization

Status: COMPLETE 2004

Msimbazi River Action Network

Status: Ongoing

THAILAND

Map Ta Phut Medical Assistance

Map Ta Phut Hospital

Status: Ongoing

EnLAW (Environmental Law for the Wants)

Status: Ongoing

The Klity Mining Case

EnLAW (Environmental Law for the Wants)

Status: Ongoing

Cobalt-60 Case

EnLAW (Environmental Law for the Wants)

Status: Ongoing

ZAMBIA

Kabwe Clean-up Oversight

ARE (Advocacy for Restoration of the Environment)

Status: Ongoing

Kafue River Cleanup

ARE (Advocacy for Restoration of the Environment)

Status: Ongoing

Kabwe Lead Pollution

KERF (Kabwe Environmental and Rehabilitation

Foundation)
Status: Ongoing

Developing and implementing solutions for the innumerable pollution-related problems in the developing world is the focus of our work.

We develop partnerships with donors and transnational organizations to provide

strategic, technical, and financial support to local champions as

they strive to solve specific, pollution-related problems in

their communities.

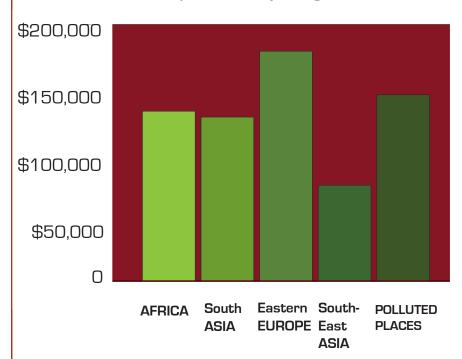
2005 Financial Highlights

In 2005, Blacksmith Institute's total revenue was approximately \$950,000 compared to \$649,000 in 2004. This increase was a result of focused fundraising efforts and strategic development planning. Blacksmith's 2005 expenses totaled \$858,000. Of that figure, 83 percent or \$716,000 directly supported our programs.

This past year, Blacksmith Institute supported 46 ongoing projects in 12 countries, completing 8 in 2005 and renewing 30 for 2006. Blacksmith Institute continues to approve new projects: 253 sites are currently nominated through Polluted Places. We are constantly expanding geographically and are tackling a diverse group of remediation and human health issues.

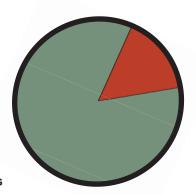
Private institutions and foundations continue to be the major funding sources for Blacksmith, though individual donations provide substantial support for our programs.

Expenses by Region



These results are in the process of being audited. Please contact our office for all audited statements.

2005 Expenses



Administration 17%

Project Grants and Program Services 83%

2005 Donors

Blacksmith Institute would like to thank the following individuals and organizations for their generous support:

Asian Development Bank
Communities and Small-Scale Mining
Conservation, Food and Health Foundation
The Dudley T. Dougherty Foundation
ERM Foundation
Great Forest Inc.
Ohrstrom Foundation
The Sigrid Rausing Trust
The Vincent Mulford Foundation
Whole Systems Foundation
The William T. Hillman Foundation
World Bank

Alex and Marie Berenstein
Steve Doyle
Richard Fuller
Joshua Ginsberg
Joshua Mailman
Ron Reede
Paul Roux
Hume Steyer
Charlotte Triefus
Barbara Zuckerberg
Lloyd Zuckerberg

In addition, we wish to thank the numerous companies and individuals whose unfailing generosity gives Blacksmith the opportunity to continue its vital work around the globe. Your crucial gifts help us consistently expand and save lives daily.

Blacksmith Institute 2 Park Avenue, 29th Floor New York , New York 10016 Telephone: 646 742-0200 Fax: 212 779-8044

www.blacksmithinstitute.org

Copyright 2005 Blacksmith Institute