



**Annual Report of the
Southern Boundary Restoration and Enhancement Fund and the
Northern Boundary and Transboundary Rivers Restoration and Enhancement Fund
for the year 2016.**

Introduction

In June of 1999, the United States and Canada reached a comprehensive new agreement (the “1999 Agreement”) under the 1985 Pacific Salmon Treaty. Among other provisions, the 1999 Agreement established two bilateral funds: the Northern Boundary and Transboundary Rivers Restoration and Enhancement Fund (Northern Fund); and the Southern Boundary Restoration and Enhancement Fund (Southern Fund). The purpose of the two funds is to support activities in both countries that develop improved information for fishery resource management, rehabilitate and restore marine and freshwater habitat, and enhance wild stock production through low technology techniques. The United States agreed to capitalize the Northern and Southern Funds in the amounts of \$75 million U.S. and U.S. \$65 million respectively. Canada also contributed CAN \$500,000. The 1999 Agreement also established a Northern Fund Committee and a Southern Fund Committee, each comprised of three nationals from each country, to oversee investment of the Funds’ assets and make decisions about expenditures on projects. Only the earnings from investments can be spent on projects.

Committee Members

Northern Fund Committee

Canada:

Steve Gotch
Carmel Lowe
John McCulloch

United States:

Doug Mecum
Bill Auger
Charlie Swanton

Southern Fund Committee

Canada:

Andrew Thomson
Don Hall
Mike Griswold

United States:

Larry Peck
Peter Dygert
Joe Oatman

Executive Summary

- Total contributed capital (nominal) was U.S. \$140,065,000 (the equivalent of CDN \$209,796,000 using the exchange rate at the time the last installment was made). Actual fund asset value at December 31st, 2016 was U.S. \$199,048,000 or CDN \$267,262,000.
- 2016 could be characterized as a year of uncertainty. The year began badly with concerns over the Chinese economy and low oil prices. Further volatility resulted when the U.K. surprisingly voted to leave the European Union. However, political uncertainty across the globe was shrugged off by investors after the U.S. election and through the end of the year as investors bid up stocks in anticipation of deregulation, lower taxes, inflation and infrastructure spending.
- In 2016 the Southern Fund Committee supported a total of 32 projects for U.S. \$2.83 million including U.S. \$800,000 provided to the Salish Sea Marine Survival Program.
- In 2016 the Northern Fund Committee supported a total of 81 projects for U.S. \$4.76 million.
- Responding to guidance provided by the Commission, U.S. \$956,152 was contributed to support five very high priority chinook projects in 2016. The Northern Fund contributed U.S. \$454,590 and the Southern Fund contributed U.S. \$501,563.
- Combined project spending by the Northern and Southern Funds was U.S. \$7.59 million in 2016.
- Total Northern and Southern Fund project expenditures to date are U.S. \$68.5 million, including U.S. \$2.05 million to the very high priority chinook projects, in support of 996 projects. In addition, the Funds have contributed U.S. \$10 million to the Sentinel Stocks Program. The Southern Fund has contributed U.S. \$3.4 million to the Salish Sea Marine Survival Program.
- The Northern and Southern Fund Committee members met in person jointly on three occasions, first in February 2016, then again in April 2016 and again in November 2016. In addition in 2016, the Northern Fund Committee met three times in separate session and the Southern Fund Committee met separately on three occasions and made one field trip.
- A global equities manger search sub-committee met by conference call in March 2016 and in person in April 2016. A conference call with the full joint Fund Committees was held at the end of June to recommend and select a new global equities manager.
- On the Northern Fund Canadian section Dr. Carmel Lowe replaced Mr. Tom Protheroe.
- Fund staff provided administrative services for the Yukon River Panel's annual U.S. \$1.2 million Restoration and Enhancement Fund for a sixth year in 2016.

Investment Review

Global equities got off to a rocky start in 2016 as renewed concerns over subdued Chinese economic growth, a weaker Chinese yuan, deteriorating economic data globally, and falling commodity prices spooked equity market investors. After raising interest rates for the first time last year, the U.S. Federal Reserve (Fed) turned more dovish late in the quarter signaling that further rate hikes would be delayed lending support to the U.S. equity market. In the first quarter the joint Fund's net return of +2.77% in US dollar terms (USD) trailed the Benchmark return of +3.19% in USD. The underperformance was primarily due to poor performance by the Infrastructure manager (RARE) versus its benchmark and the underweight allocation to Universe Bonds.

In the second quarter, after falling sharply on the news of the UK's surprise referendum vote to leave the EU (Brexit), and the increased risk of political and economic stability in the wider European region Global equities rebounded somewhat after a volatile first quarter. Japanese equities also fell as the stronger yen posed a threat to exporter profits. U.S. equity returns were less volatile than elsewhere globally as expectations over the timing of the next interest rate increase by the Fed got pushed back. Over the second quarter, the Total Fund's net return of +0.68% in USD trailed the Benchmark return of +1.36% in USD. The underperformance was primarily due to poor performance by the international equity manager (LSV) versus its benchmark.

A global equity manager search was completed in Q2 with a decision to replace the previous global equity manager, Brandes with the Morgan Stanley Global Franchise Fund. As a temporary allocation, assets were transferred from Brandes to BlackRock in December 2015 and will stay there until the transition to the Morgan Stanley Fund has been completed. This transition from BlackRock to Morgan Stanley got underway at the end of the second quarter with the intention of being completed in the second half of 2016.

Markets absorbed the unexpected UK decision to leave the European Union with global equities continuing on an upward path after the Brexit decision in the third quarter. Economic data pointed to a resilient economic environment. Weakness in the Canadian dollar continued over the quarter, increasing returns in Canadian dollar terms. Over the past quarter, the Total Fund's net return of +3.73% in USD exceeded the Benchmark return of +3.40% in USD. The outperformance was primarily due to strong performance by LSV, the international equity manager versus its benchmark. The outperformance was primarily due to strong stock selection across multiple sectors and an underweight allocation to the Health Care and Consumer Staples sectors.

Global Equities rallied in the fourth quarter of 2016 boosted by better than expected economic data from U.S., Europe and China; improving company earnings across many regions; expectations of greater fiscal stimulus; and the election of Donald Trump in November's U.S. election. Political uncertainty across the globe was shrugged off as investors bid up stocks in anticipation of deregulation, lower taxes, inflation and infrastructure spending.

In October 2016, the transfer of the Global Equity mandate from BlackRock (temporary manager after the termination of Brandes) to Morgan Stanley was initiated and completed in January 2017.

Total contributed capital (nominal) was U.S. \$140,065,000 (the equivalent of CDN \$209,796,000 using the exchange rate at the time the last installment was made). Actual fund asset value at December 31st, 2016 was U.S. \$199,048,000 or CDN \$267,262,000.

Contributed capital and asset value of the individual Funds as of December 31st, 2016 stood as follows:

	Contributed Capital	Asset Value
Northern:	U.S. \$75,000,000 CDN \$112,388,000	U.S. \$109,178,000 CDN \$114,095,000
Southern:	U.S. \$65,000,000 CDN \$97,408,000	U.S. \$89,870,000 CDN \$94,334,000

Note #1:

In 2003 a rescission of 0.65% applied to the FY 2003 appropriations reduced the final contribution to the Northern Fund by U.S.\$162,500 and to the Southern Fund by U.S.\$97,500. Thus the actual Contributed Capital is:

Northern: U.S. \$74,837,500
 Southern: U.S. \$64,902,500

Note #2:

U.S. Dollar Exchange (noon) rate: per Royal Trust, December 31, 2016	1.3427	0.74477
U.S. Dollar Exchange (noon) rate: per Royal Trust, November 30, 2016	1.3426	0.74482
U.S. Dollar Exchange (noon) rate: per Royal Trust, December 31, 2015	1.3840	0.72254
U.S. Dollar Exchange (noon) rate: per Royal Trust, December 31, 2014	1.1601	0.86199

Note #3:

Cash withdrawals performed in June 2016 to a total of U.S. \$6,660,000

2016 Project Funding

In 2016 the Southern Fund Committee supported a total of 34 projects for U.S. \$2.83 million. The list included projects addressing (i) specific priorities identified by the Pacific Salmon Commission’s Fraser River and Southern Panels for U.S. \$1.53 million, (ii) four very high priority chinook projects for U.S. \$501,710, and, (iii) the Salish Sea Marine Survival Program for U.S. \$800,000. Of the U.S. \$1.53 million projects directed towards specific priorities identified by the Pacific Salmon Commission’s Fraser River and Southern Panels U.S. \$1.29 million was directed to projects that also met the Southern Fund Committee’s goal to “improve the management of fisheries relevant to the Pacific Salmon Treaty”. U.S. \$125,000 was invested in the goal to “address priority stocks of interest”. And, U.S. \$118,000 was invested in two projects under the goal of “gaining a better understanding and incorporating ecosystem factors into underlying science and management processes”.

In 2016 the Northern Fund Committee supported a total of 81 projects for U.S. \$4.76 million. Of these, eight projects with a total value of U.S. \$292,000 were in the Enhancement envelope with the majority dealing with sockeye enhancement in the Transboundary region and Lakelse Lake in northern BC. U.S. \$171,000 was invested in Habitat Restoration works in northern BC and also access improvement projects in the Transboundary region. U.S. \$3.85 million was directed to 67 Improved Information-type projects across South East Alaska, the Transboundary and Northern

BC. In addition, the Northern Fund provided U.S. \$454,590 in total to four very high priority chinook projects.

In the thirteen years between 2004 and 2016 the Northern Fund has granted U.S. \$37.6 million to 543 projects. Similarly, between 2004 and 2016 the Southern Fund has granted U.S. \$30.9 million to 453 projects. Total Fund project expenditures to date are U.S. \$68.5 million in support of 996 projects. Included in this total is a sum of U.S. \$2.07 million in very high priority chinook projects and U.S. \$3.4 million from the Southern Fund to the Salish Sea Marine Survival Program. In addition to these amounts, the Sentinel Stocks Program was funded jointly by the Northern and Southern Funds between 2009 and 2014 in the amount of U.S. \$10 million.

Joint Funding Initiatives

(i) Very high priority Chinook projects

Grants were awarded in 2016 to the following projects:

	Very high priority chinook projects 2016	Agency	Cost	
			CAD	USD
	Title			
1	Canadian Mark Recovery program CWT Sampling and Coordination and Mark Recovery Program Head Lab	DFO	\$484,844	
2	Terminal Abundance of WCVI Chinook salmon	DFO	\$257,000	
3	Increased Chinook salmon stock coded-wire tagging to improve the quality of Chinook indicator stock analyses	DFO	\$239,170	
4	Genetic-based abundance estimates for Snohomish River chinook salmon	WDFW		\$231,424
5	Abundance estimates for Stillaguamish River chinook salmon using trans-generational genetic mark recapture	WDFW		\$17,809

During the latter part of 2016, the process for undertaking technical reviews of all very high priority chinook projects for the Fund Committees ahead of funding decisions in 2017 and beyond was re-examined.

(ii) Fund communications.

For a second year in February 2016 the Joint Fund Committees sponsored an evening of brief presentations followed by a networking opportunity for attendees at the Pacific Salmon Commission's annual meeting at the Hyatt Regency Hotel in Vancouver, BC. The purpose of the event was to create an Endowment Fund communications opportunity. This year the February event was planned to draw the attention of the already

assembled PSC delegates to the upcoming launch of the recently redesigned PSC website which had been funded by the Joint Fund Committees. Fund Manager Angus Mackay followed this by giving an informational presentation on Fund investments and spending patterns that have emerged over the last decade. The evening was completed with the inaugural presentation of the Annual Larry Rutter Award for Pacific Salmon Conservation to Lorraine Loomis.

Joint Fund Committee Meetings

The Northern and Southern Fund Committees have agreed that given the congruent nature of their agendas, their decision to combine the funds into a single master account for investment management purposes, and the efficiencies involved with respect to interaction with the Fund managers, it was appropriate to meet together as a Joint Fund Committee at least once a year, preferably twice, for Fund financial reviews and investment manager interviews. The Fund Committees have also determined that it is beneficial to meet jointly early in the year during their annual project selection meetings to discuss and determine co-funding arrangements for very high priority chinook projects. Thus the Joint Fund Committees met in person three times during 2016. On February 16th, 2016; again on April 27th, 2016 and finally, on November 15th and 16th, 2016.

In February the two Fund Committees met separately to select their projects for funding support in 2016. A crucial element of these discussions was the suite of very high priority chinook projects being brought to the attention of the Committees by the Commission for funding consideration. Three of these projects concerned operations or stocks of interest that spanned the geographical areas covered by both the Northern and Southern Funds. Two others up for consideration were more obviously regional in their significance. At the meeting the Committees agreed to share the cost of three of the very high priority chinook projects. In addition, the Northern Fund Committee would fund a fourth on their own and the Southern Fund Committee would fund a fifth. Following these decisions Executive Secretary Mr. John Field presented a memo detailing the Commissioners understanding of the very high priority chinook project review and selection process that had been developed a week earlier at the PSC's annual meeting in Vancouver. Some discussion followed in which Committee members gave consideration to a potential meeting with the Commissioners to discuss the role of the Funds in supporting long-running agency-led projects that were facing core funding shortfalls due to budgetary constraints in both national capitals. Mr. Field provided a second memo concerning the Annual Larry Rutter Award for Pacific Salmon Conservation. Although the idea had initially been proposed as a Fund Committee initiative, the consensus now was that the Award should henceforward become Commission business. The global manager search sub-committee members reported on progress towards the selection of a new global equities investment manager to replace Brandes. Finally the Fund Committees set a date for their forthcoming April meeting.

The Spring meeting of the joint Northern and Southern Fund Committees was held in Vancouver on the morning of April 27th. Ms. Kamila Geisbrecht of Aon Hewitt opened the meeting by updating Committee members on the activities of the global manager search sub-committee who had held one conference call and who planned to hold in-person interviews with a short-list of selected candidature managers the following day. She recapped the closing out of the Brandes account and the temporary transfer of those assets to a BlackRock account pending selection of a new global equities manager. Ms. Geisbrecht then presented the 2015 Q4 investment performance

report and gave a preview of Q1 2016 which she described as having been markedly volatile. Responding to a question raised by Committee members on the performance of the Fund's fixed income (bonds) portfolio, Ms. Geisbrecht described strategies for active fixed income management. Following the Aon presentations, Mr. Mackay made a request for additional administrative funding in the amount of \$30,000 U.S. p.a. for a permanent part-time clerical assistant to the Fund to allow existing staff to devote more time to program enhancements and upgrades that would keep the Fund improving its service delivery standards. The request was approved. Next, PSC Secretariat Controller Ms. Ilinca Manisali presented the Fund's 2016/17 administration budget for Committee consideration. A motion to accept the budget as presented was moved and seconded. Executive Secretary Mr. John Field then recapped the very high priority chinook project process and a discussion ensued on the twin topics of ever-increasing core agency funding requests and the consequential reduction in discretionary funding opportunities for the Fund Committees. This led to a frank exchange on the advisability of supporting essential Treaty implementation activities on stock market returns. Mr. Field helped Committee members explore avenues for conveying the Fund Committees concerns on these issues to the Commissioners.

The joint Northern and Southern Fund Committees met together for the third and final time in 2016 in Vancouver on the afternoon of November 15th and all day on November 16th. The afternoon of the 15th opened with Mr. Mackay summarizing the very high priority chinook project proposal selection processes applied by the Northern and Southern Fund Committees and a review of the lists of very high priority chinook proposals selected to move to the second round of reviews. There was also a discussion on the Northern Fund's technical review process and confirmation that the Northern Fund's technical reviewers would also review the Southern Fund's very high priority chinook proposals. In the next agenda item Executive Secretary John Field reported back on his presentation at the PSC's October Executive Session of the Northern Fund Committee's update memo to the Commissioners concerning the 2017 Northern Fund process with respect to very high priority chinook projects. He reported that the Commissioners had no objection to the Northern Fund technical review process. The Commissioners agreed that the Chinook Technical Committee (CTC) were too busy to undertake a technical review of the 2017 proposals. The Chinook Interface Group (CIG) would contemplate the CTC's role going forward and develop a position for the Commissioners as to what the CTC's role in the process might be in 2018. After this agenda item the Northern and Southern Fund Committees took the opportunity to arrange to meet together in person in February 2017 to finalize very high priority chinook project funding and or shared funding as required.

Mr. Field next reported on his presentation to the Commissioners of the Northern Fund's memo on core agency funding which emphasized (i) the burgeoning annual growth of core agency funding requests being made on the Fund and, (ii) the risks associated with becoming financially dependent on support for Treaty related obligations from interest earned on unpredictable stock market investments. Mr. Field said the Commissioners noted the memo, but they had no further comment.

On the third agenda item Mr. Field reminded the Fund Committees that they had agreed, each at their separate September first round project proposal review meetings, to fund a comprehensive economic impact analysis of Pacific Salmon Treaty fisheries with grants of \$50,000 U.S. respectively North and South. The project was deemed by the Committees to be significant enough to be implemented immediately without waiting for the final conclusion of the second round 2017 project selection process in February. Mr. Field reported that a contract for the project had been

issued to Canadian and U.S. consulting experts; a progress report would be completed in February 2017; and, the final report would be delivered in May 2017.

The next agenda item concerned the honoraria paid to non-agency members of the Fund Committees, specifically the disparity between the amount paid to U.S. and Canadian Committee members. A lengthy discussion followed covering the original basis for setting national honoraria levels; the extent of the imbalance since inception; the equity principal; and, implications for other PSC related honorarium payments. Unable to reach resolution on the matter, the Committees agreed to return to the issue the following day.

Mr. Field provided an update report to the Fund Committee members on the implementation of SharePoint including hardware installation and portal development which the Funds had supported financially in 2013 and again in 2014.

Mr. Mackay asked the Committees about their interest in financially supporting a third informative evening seminar at the PSC's post-season meeting in Vancouver in January 2017. Having sponsoring successful and well attended events in 2015 and 2016, the Committees decided to waive this opportunity for 2017.

The following day, on November 16th the Committees met again in joint session for their annual financial meeting, investment manager performance review, and manager interviews. Ms. Kamila Geisbrecht of Aon Hewitt opened the meeting by describing the final transition of Fund assets to Morgan Stanley, the new global equities manager. She thanked the global manager search sub-committee for their work on the changeover. In their turn the sub-committee commended Ms. Geisbrecht to the joint Fund Committee members for her perseverance in negotiating the fee structure with Morgan Stanley. In follow up discussions the issue of fixed income assets arose again and the Committee again expressed an interest in exploring opportunities to optimize this element of the portfolio. This led to a direction from the Committee to Aon to review the current asset mix as a whole and identify opportunities to improve the risk-reward profile of the master trust by investigating the inclusion of additional asset classes and or changing the mix between fixed income and variable income asset classes. A sub-committee was struck to implement this action item.

Ms. Geisbrecht then presented the third Quarter report for 2016 (summarized in the investment review above).

The Committee then returned to the issue of non-agency member honoraria. U.S. committee members were generally of the opinion that the issue was a Canadian domestic one. Canadian Committee members accepted the need for further input on the subject at the Canadian federal level and agreed to postpone further Committee discussion on the topic until the February 2017 Fund Committee meeting.

The Committee then received the in-person presentations from the Fund managers: LSV (international equities manager), RARE (infrastructure manager), Invesco (real estate manager) and Morgan Stanley (global equity manager). The Committee was generally satisfied with the managers' reports and were interested to hear in-person from their new global manager Morgan Stanley for the first time.

Northern Fund Committee Meetings

The Northern Fund Committee met in separate session on three occasions during 2016.

February 15th to 17th, 2016

- Final selection of Northern Fund projects for funding in 2016.
- Discussions with Southern Fund on funding strategies and co-funding for the very high priority chinook projects.

April 26th (p.m. only) and 27th (p.m. only), 2016

- Performance criteria for two Northern Fund supported Canadian very high priority chinook projects as proposed by the Committee's bilateral technical support personnel.
- Potential for a Call for Proposals for 2017.
- Fund financial obligations in 2017.
- Consideration of Year 3 very high priority Chapter 3 chinook projects.
- Timetable.

September 13th to 15th, 2016 (held at the Listel Hotel in Vancouver).

- First round selection of 2017 Northern Fund project concepts to be invited to proceed to Stage Two detailed proposals.
- Review of audited financial statements.
- Consideration of proposed Fund Committee communications with the Commissioners at the Commissioner's October Executive Session.
- 2016 exchange rate report.

Southern Fund Committee Meetings

The Southern Fund Committee met in separate session four times during 2016.

February 15th and 16th 2016

- Final selection of Southern Fund projects for funding in 2016.
- Discussions with Northern Fund on funding strategies and co-funding for the very high priority chinook projects.

April 26th (p.m. only) and 27th (p.m. only), 2016.

- Annual report on Year 2 of the Salish Sea Marine Survival Program from U.S. and Canadian partners Long Live the Kings & the Pacific Salmon Foundation.
- Potential for a Call for Proposals for 2017.
- Fund financial obligations in 2017.
- Consideration of Year 3 very high priority Chapter 3 chinook projects.
- Timetable.

September 27th, 2016.

- First round selection of 2017 Southern Fund project concepts to be invited to proceed to Stage Two detailed proposals.

- Review of audited financial statements.
- Consideration of proposed Northern Fund Committee communications with the Commissioners at the Commissioner's October Executive Session.

September 28th and 29th, 2016.

- Three members of the Southern Fund Committee with Fund staff undertook a field trip to Washington State in September 2016. Driving from Port Townsend the group were met by WDFW and Olympic National Park staff in Port Angeles for a fact finding and educational tour of a number of significant sites along the Elwha River now in a state of rehabilitation following the removal of two dams on the river – possibly the largest fish habitat restoration project in the region. The following day the group were the guests of the Stillaguamish Tribe and received updates from their fisheries staff on current projects in the watershed. The group also toured the tribal hatchery site near Arlington.

Global Manager Selection Sub-Committee Meetings

The Sub-Committee met three times during 2016.

March 4th, 2016

- Conference call with Aon Hewitt staff to review the results of their research and analysis of selected global managers. Five managers were profiled and four were selected by the sub-committee to be invited to in-person interviews in Vancouver.

April 28th, 2016

- Members of the sub-committee with Fund staff and consultants from Aon Hewitt interviewed representatives from Carnegie Asset Management, Fiera Capital Corporation, Morgan Stanley Investment Management and Walter Scott & Partners Limited. Morgan Stanley were selected to be recommended to the full Joint Fund Committee as the new global assets manager for the master trust.

June 29th, 2016

- Conference call with the full Joint Fund Committee at which the global manager search sub-committee recommended hiring Morgan Stanley as the new global assets manager for the master trust. The recommendation was approved.

2016 Call for Proposals for projects in 2017/18

Both Fund Committees issued Calls for Proposals in mid-2016 for projects starting in 2017 including once again soliciting proposals for very high priority chinook projects. In the Calls, both Committees included a list of six very high priority chinook themes for projects to support the implementation of Annex IV, Chapter 3. The list of themes was recommended to the Fund Committees by the Pacific Salmon Commission in consultation with the Chinook Technical Committee (CTC).

The Northern Fund Committee received a total of 105 proposals requesting U.S. \$7.9 million. At the first round review meeting in September 2016, 76 of the proposals were selected to move to the second round detailed proposal stage having a total value of U.S. \$5.6 million. Bilateral technical reviews of the detailed proposals took place in January 2017 and a final decision on 2017 funding will be made at a meeting of the Northern Fund Committee in mid-February 2017.

The Southern Fund Committee focused its 2017 Call for Proposals on specific priorities identified by the Pacific Salmon Commission's Fraser River and Southern Panels as well as the very high priority chinook themes recommended by the Commission. The Fund Committee accepted 54 proposals requesting U.S. \$4.21 million. During the first round review meeting in September the Southern Fund Committee approved 12 multi-year, on-going proposals and 23 new proposals that together were in total requesting U.S. \$2.6 million to move to the second stage. The final decisions on 2017 funding will be made at a meeting of the Southern Fund Committee in mid-February 2017.

Committee Appointments

On the Northern Fund Committee's Canadian section, Dr. Carmel Lowe replaced Mr. Tom Protheroe who had served on the Committee for three years.

Yukon River Panel Restoration and Enhancement Fund

In March 2011, PSC Fund staff took over responsibility for the administration of the Yukon River Panel's Restoration and Enhancement Fund (R&E Fund). 2016 was the sixth year in which PSC Secretariat Fund staff have administered the R&E Fund.

The Yukon River Panel continued to place emphasis on Chinook Restoration priorities in their R&E Fund selection of projects to be funded in 2016; this in response to the decline of Yukon River Chinook salmon stocks experienced in recent years.

In 2016, a total of 31 projects were selected for R&E funding, of which, 21 were on-going multi-year projects and 10 were new. In U.S. dollar terms 69% of the funds were directed towards Conservation projects; 16% to Restoration; 10% towards Stewardship; and 5% towards Communications.

Funds in the amount of U.S. \$1,672,890 were allocated to projects. This sum was comprised of the annual U.S. \$1.2 million disbursement supplemented by unspent funds held by the Panel from previous years.