



SAVING OUR GLOBAL HERITAGE



5 YEAR ANNIVERSARY
Global Heritage Fund
ANNUAL REPORT 2006

CONSERVATION | COMMUNITY | PEOPLE

SAVING OUR GLOBAL HERITAGE

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Mission:

Saving humankind's most important and endangered world heritage sites.
Building new economic opportunities with local communities in developing countries.



Letter from the **Executive Director**

Global Heritage Fund Celebrates Our First Five Years

Global Heritage Fund (GHF) celebrates five years leading a global campaign to save the most important and endangered world heritage sites located in developing countries. I hope that the progress at each of our twelve Global Heritage Projects will inspire you to join us in this movement to save these priceless treasures and lead responsible site development.

Working with Local Communities

Global Heritage provides training and start-up investment to support these future stewards of heritage site preservation and sustainable economic development. Our conservation campaign generates thousands of new jobs and trains hundreds of local conservation and community leaders in GHF's *Preservation by Design* methodology in the most impoverished regions of the world.

Securing Catalyst Funding from public and private sector donors and partners funded over \$5.2 million toward world heritage conservation and sustainable development in 2006 for twelve Global Heritage Projects in seven developing countries. Global Heritage raised \$3.18 million and secured over \$2 million in in-country matching funding from businesses, individuals and local and national governments. Partnerships with private and public supporters are essential for long-term successful and sustainable conservation.

Delivering Excellence in Conservation

With the support of our Global Heritage Network (GHN), our esteemed Board of Trustees and Senior Advisory Board, we are strengthening our conservation science, planning and economic development capabilities, led by our new Head of Conservation, John Hurd.

Recent milestones include the approval of two new Global Heritage sites in 2006 - Ani Ancient City in Eastern Anatolia, Turkey, and PingYao Ancient City, in Shanxi, China - two of the most spectacular, and highly endangered, world heritage sites with high potential for long-term protection and sustainable development. At Mirador in Guatemala, Global Heritage Fund and the U.S. Department of the Interior signed historic agreements to assist the Guatemalan Government in saving the last intact tropical forests and wildlife habitat of the Maya Biosphere through responsible development of the Mirador Archaeological and Wildlife Area - *the Cradle of Maya Civilization*.

Thank you to all of our Global Heritage Contributors and other friends who have made our extraordinary progress possible. It is your ideas, global experience and critical funding which have been so valuable to Global Heritage in our first five years. With your ongoing support, we can continue this critical work.

Sincerely,

A handwritten signature in blue ink, which appears to read 'J. Morgan'. The signature is fluid and cursive, with a long, sweeping tail.

Jeff Morgan
Executive Director

Celebrating Five Years of **Global Heritage Conservation**

Thank you for your support of the Global Heritage Fund over the last five years. We are proud of what we have accomplished together. Although only a small start-up, we are now operating at 12 sites in 7 countries on 4 continents. This year, we have reemphasized our role in stimulating sustainable tourism in developing countries. We assist local communities to protect and preserve their unheralded national heritage treasures, through responsible stewardship, conservation training and self-sustaining endowments.

As an organization, our growth has continued to reach some significant milestones. Financially, our 2006 revenues grew to \$3.18 million. Revenues increased by 30% and project funding increased by 48% over 2005. This notable growth was due to the generous support of our sponsors and funding partners.

This year, Global Heritage's Board of Trustees has taken an increasingly active role in establishing the management systems necessary for continued program and financial development. We have also made a special effort to visit a number of our projects. I, for example, was able to go to both of our spectacular sites in Southeast Asia last year - Wat Phu in Champasak, Laos, and My Son, in Quang Nam, Vietnam - both endangered UNESCO World Heritage sites. GHF Project Directors are doing a superb job at these sites: training local staff and laying the groundwork for a sustainable tourism-based economy.

This brings me to an open invitation to visit the sites that you are supporting. Global Heritage is conducting exotic site tours every year, and I encourage you to explore exciting new territory. Our next trip back to Vietnam and Laos is set for March of 2008. These are troubled times for the world and for America's place in it - what better way to make a positive difference than to support the valued cultural sites of other countries?

Many thanks for your continued help. Our work and your part in it are of vital importance.

Sincerely,



Bonnie R. Cohen
Chair, Board of Trustees

WHERE WE WORK

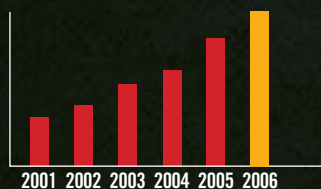
CONTRIBUTIONS AND SUPPORT

Global Heritage is currently investing in 12 Global Heritage projects, using master conservation planning and scientific conservation practices to save these critically important and endangered heritage sites.

Summary of Contributions and Support:

Year	Contributions	# of Sites
2002	\$ 302,181	4
2003	\$ 928,165	6
2004	\$1,864,913	10
2005	\$2,455,291	14
2006	\$3,183,744	12

Increase in US\$ Invested

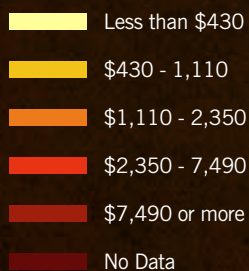


1. Mirador, Guatemala
2. Chavín de Huántar, Peru

POVERTY MAPPING

Global Heritage Projects are located in some of the most impoverished regions of the world.

GNI per capita (US\$)

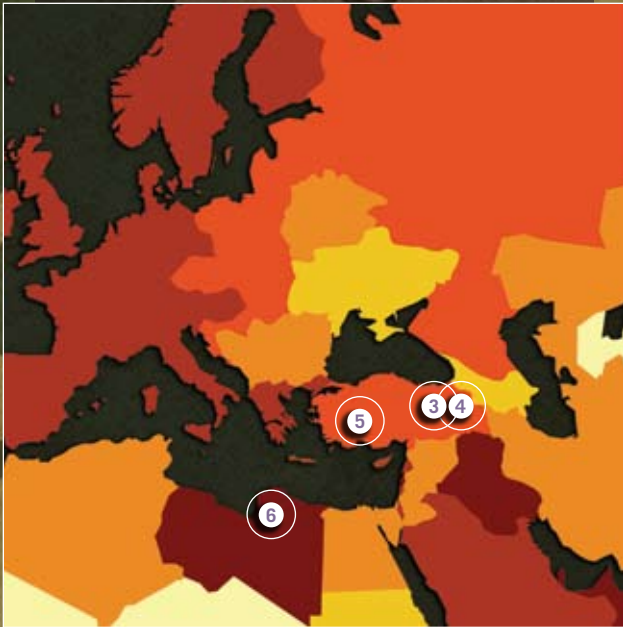


Source: World Bank

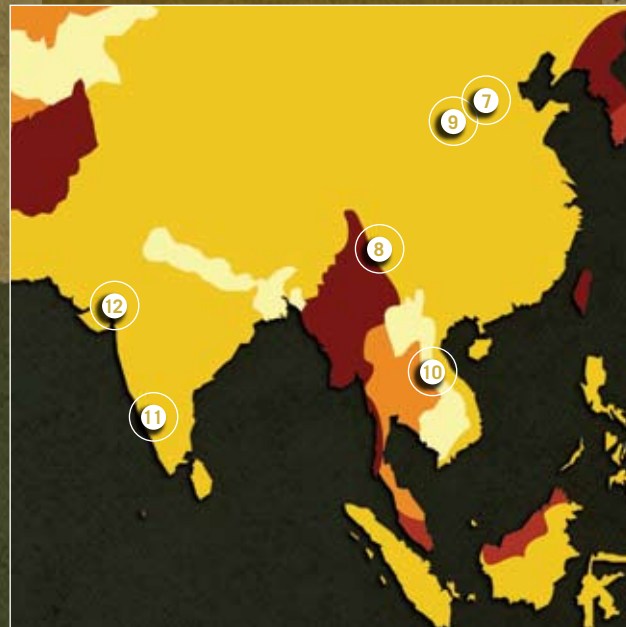


Americas

- 3. Kars Ancient City, Turkey
- 4. Ani, Turkey
- 5. Çatalhöyük, Turkey
- 6. Cyrene, Libya



- 7. Foguang Temple, China
- 8. Lijiang Ancient Town, China
- 9. Ping Yao, China
- 10. Wat Phu, Laos
- 11. Hampi, India
- 12. Indus Heritage Centre, India



Europe,
Middle East + Africa

Asia + Pacific

WHAT WE DO

Perserving Humankind's Cultural Heritage for Future Generations

Global Heritage Fund

Preserves and protects humankind's most important archaeological and cultural heritage sites in developing countries.

We believe these cultural assets offer not only significant cultural value, but also one of the few sustainable paths to economic development for impoverished regions.

A Unique Approach

Global Heritage Projects are major archaeological sites and ancient townscapes selected by the Advisory Board, based on thorough due diligence and close working relationships with on-site conservation teams and international experts in conservation science. We invest at critical junctures to save sites threatened by neglect, destruction, mass tourism, and unplanned urban sprawl, by providing assistance in the early stages of cultural asset project development, and addressing many of the coordinating and funding challenges.



Global Heritage Milestones - 5 Year Anniversary

2002

- Jeff Morgan and Dr. Ian Hodder, Professor of Anthropology, Stanford University, co-found Global Heritage Fund in Palo Alto, California.
- Makes first investments in master planning and restorations in Lijiang Ancient Town, Yunnan, China.

2003

- Introduces the Preservation Incentive Fund, a new model for private-public heritage conservation and sustainable development in China.

- Executive Director Jeff Morgan receives the Draper Fellowship for Leadership in Social Entrepreneurship, a 3-year operating grant to enable growth of Global Heritage.
- Receives major grant from the Richard and Rhoda Goldman Fund for Mirador Conservation and Sustainable Development Project.

2004

- With co-funding from The World Bank, hosts the first Iraq Heritage Congress in Petra, Jordan for master conservation planning, mapping and GIS for ten major archaeological sites in Iraq.

- Awards funding to the 7,000-year-old city of Catalhoyuk, Turkey for a 4-year program on conservation, community training and development.
- Signs historic agreement with the Kars Municipality for the restoration of the Kars Heritage district in Eastern Anatolia for master planning, conservation and sustainable tourism development.

2005

- Completes the restoration of historic gate at Izborsk Fortress in Pskov, Russia, one of the country's oldest forts which protected the

Western Frontier for over 1,200 years.

- Completes conservation of two major temple complexes of the My Son Sanctuary in Vietnam.
- Enters partnership with Shanxi Cultural Relics Bureau in China to co-fund the restoration and sustainable development of Foguang Temple in the sacred Wutai Mountains.
- Leads Chinese delegation from Shanxi Province and PingYao Ancient City to Historic Williamsburg, Quebec Historic City and Washington DC to open partnership with the U.S. Park Service.

Working closely with local NGO partners, Global Heritage implements our *Preservation by Design* methodology, a hands-on approach to conservation with integrated development planning. At the end of our multi-year cycle, each project has a Master Conservation Plan that focuses on authentic conservation, maximizing economic benefits and broadly disseminating them to the local community. Each plan entails significant stakeholder consultation, ideas, involvement, and accountability.

Global Heritage Fund enables local communities to build a foundation for sustainable success by starting projects with conservation training, capacity building, and authentic preservation practice. This process empowers local professionals to

manage the site, local entrepreneurs to receive and generate funds, and local governments to continue with site development and maintenance. The strong foundation of stakeholder involvement and site governance lends itself to the long-term economic viability of the region.

Opening Doors

During the past decade, international tourism, particularly cultural tourism, has experienced significant growth in developing countries. World-renowned cultural heritage sites that generate a substantial income for their host countries include Angkor (Cambodia), the Historic Sanctuary of Machu Picchu (Peru),



2006

- Opens the first Mirador Community Visitors Center and water system in Carmelita, gateway village to the Mirador Basin, with FARES and APANAC.
- Completes Master Conservation Plan and begins restoration of Chandramauleswar Temple at Hampi in Karnataka, India.
- GHF signs landmark agreement with six (6) prominent Guatemalan industrial families to jointly match \$2 million in funding for Mirador, Guatemala over the next 3 years.
- Completes intervention and

restoration of over 160 ancient historic residences in Lijiang Ancient Town, Yunnan, China.

- Signs agreement with the U.S. Department of Interior for the protection, conservation and sustainable development of the Mirador Archaeological and Wildlife Preserve.
- Establishes partnership with Maharaja Sayajirao University in Gujarat, India to develop the Indus Heritage Centre.
- Completes master planning and Stage 1 restoration of Kars Historic District and adaptive-reuse of the

Namik Kemal Community Center in, Eastern Anatolia, Turkey.

- Completes intervention at Chavin de Huantar in central Peru, conserving the main Circular Plaza and restoring the Pre-Incan drainage canals.
- Reaches \$3.18 million annual budget and secures over \$3 million in annual in-country co-funding for conservation and sustainable development projects.



and Tikal National Park (Guatemala). In some cases, such as Cambodia, the income generated by the tourism sector can account for as much as half of the country's economy.

Cultural tourism has the potential to offer many benefits to communities, such as increasing levels of employment, personal income, government revenue, and foreign exchange. However, challenges must be considered when developing a cultural heritage site. A wide range of social, political, and indirect obstacles may exist. One of the primary challenges is to develop sites responsibly and take the necessary steps to confront limited existing infrastructure, human capital, and competing demands for sparse resources. Global Heritage provides critical expertise for the careful planning, coordination, and execution of these sites, especially in the early stages of conservation and economic development.



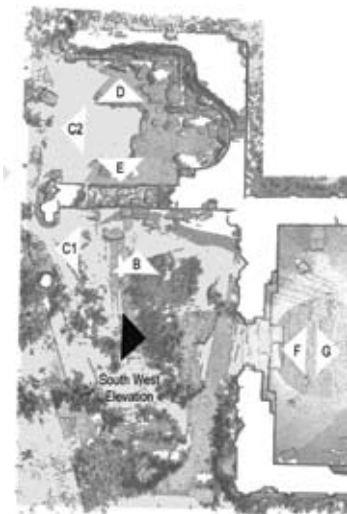
Working For Change

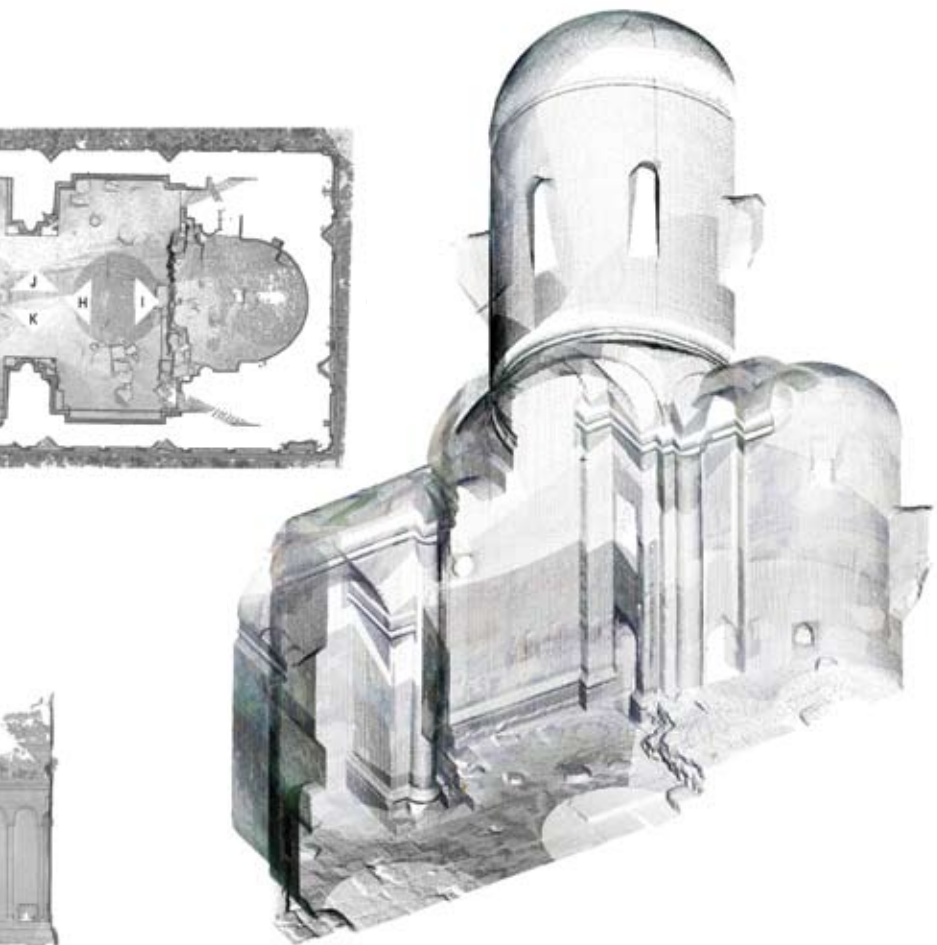
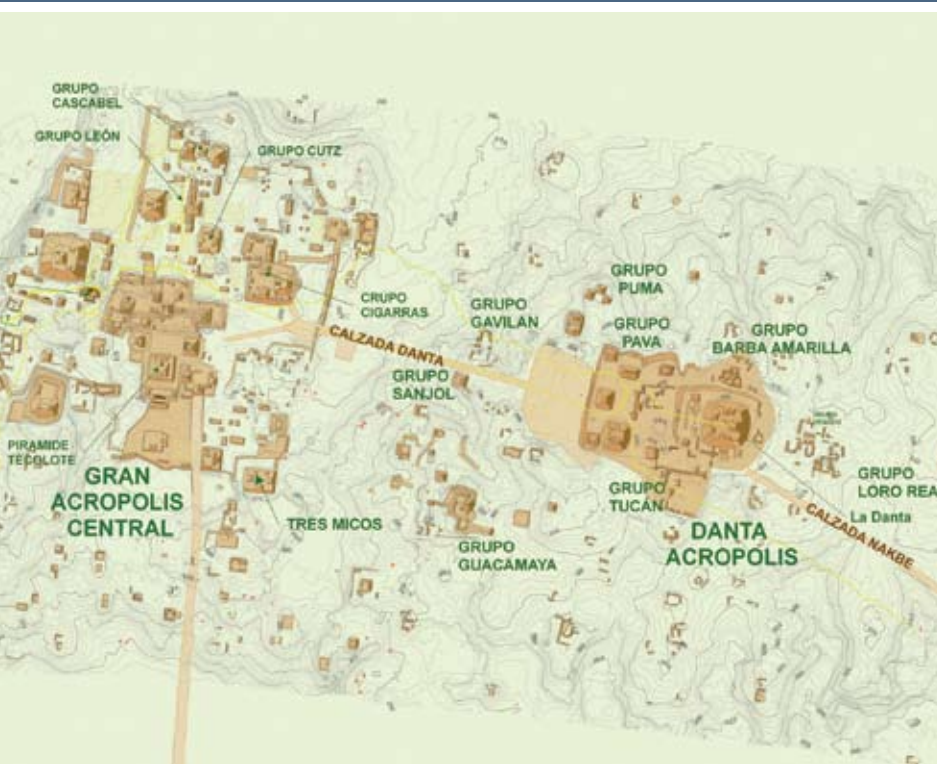
Global Heritage works in developing regions with limited resources that are abundant historic and cultural heritage sites. Many of these sites are deteriorating from years of neglect, exposure to the elements, and the pressing needs of growing populations.

This erosion can be stopped with appropriate funding, conservation training and education. By preserving the cultural assets, we believe we can inspire stewardship of our valuable cultural heritage, create the basis for sustainable economic development in countries that will greatly benefit the local populations and protect a world heritage asset for future generations.



GLOBAL HERITAGE NETWORK





Delivering Expertise

Global Heritage Network (GHN) is a technical assistance program that enables the best experts around the world to work with the site conservation leaders at Global Heritage project sites in developing countries.

An international community of professional conservators, archaeologists, historic architects and planners collaborate in real-time with the best mapping technology Internet 3D visualization, Web conferencing and on-line whiteboard and sharing of plans, data and mapping to save some of the most endangered cultural heritage sites in the world. Thanks to our technology partners like Google, ESRI, Autodesk, Leica and Cisco, GHN is able to provide a cost-effective, common platform for collaboration, site documentation, mapping and knowledge-sharing.

Mirador, Guatemala

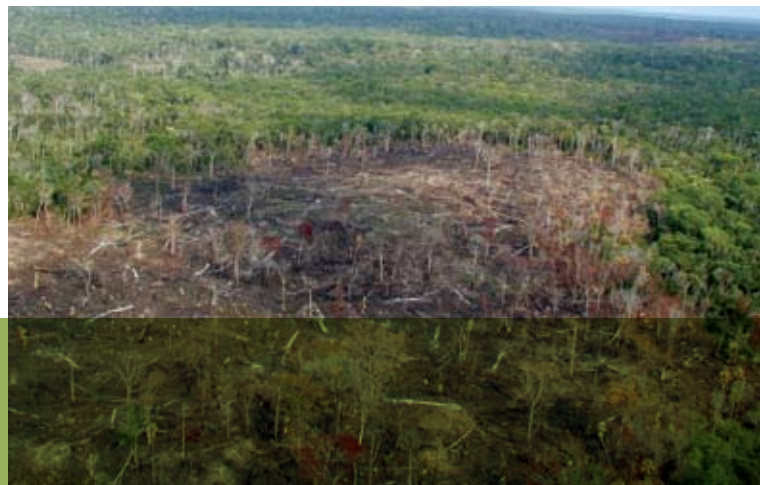
Establishing a New National Park in the Heart of the Maya Biosphere

Located deep in the heart of the Maya Biosphere, the Mirador Archaeological and Wildlife Preserve is a proposed 525,100 acre protected area in northern Guatemala. This *Cradle of Maya Civilization* is home to the earliest and largest Preclassic Maya archeological sites in Mesoamerica, including 29 Mayan cities. The site features virgin rain forest, critically endangered wildlife and *La Danta* - the biggest pyramid in the world.

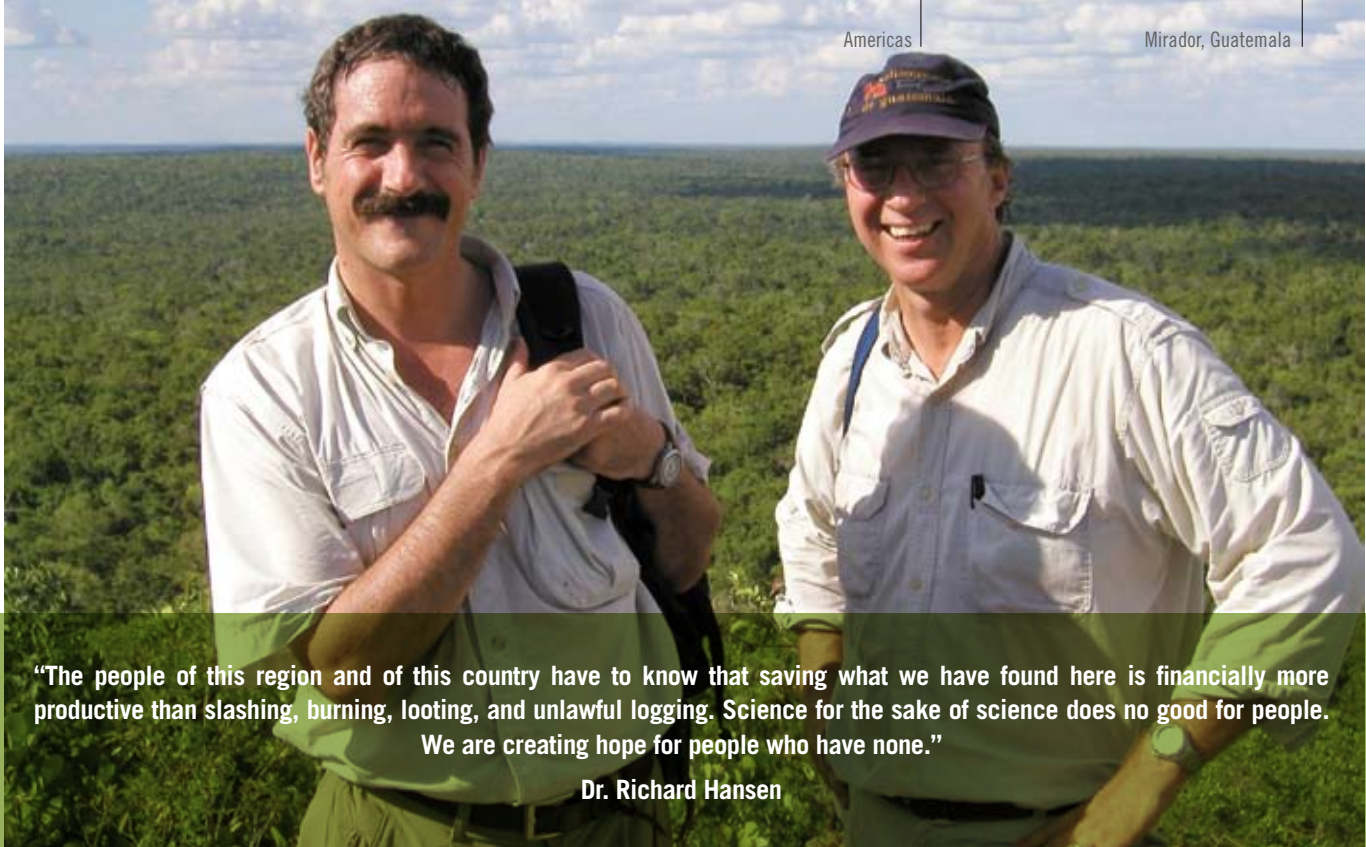
The Maya Biosphere has lost an estimated 70% of its forests in the last ten years. Global Heritage is working with the Guatemalan government, community leaders, the Foundation for Anthropological Research and Environmental Studies (FARES) and the U.S. Department of the Interior to create a heritage park based on the successful model of nearby Tikal National Park. The development could stop the destruction of local forests by providing an economic alternative to burning, logging, looting and drug trafficking. With new education and training initiatives, and responsible development of the Mirador Archaeological and Wildlife Preserve, Global Heritage is assisting local communities to save their own forests and ancient cultural sites.

Mirador, Guatemala Projects Partners

Foundation for Anthropological
Research and Environmental
Studies (FARES)
APANAC and ACTUNAC Community
Associations
PACUNAM



Massive clearing of forests and deliberately set fires have virtually destroyed the remaining wildlife habitats of the Maya Biosphere.



“The people of this region and of this country have to know that saving what we have found here is financially more productive than slashing, burning, looting, and unlawful logging. Science for the sake of science does no good for people. We are creating hope for people who have none.”

Dr. Richard Hansen

Three primary conservation goals for Mirador

1. Establish a 525,100 acre archaeological and wildlife preserve

The Global Heritage-sponsored Master Conservation Plan for Mirador was formally presented to President Oscar Berger of Guatemala, mid-June, 2006, by the Ministry of Culture and the National Council of Protected Areas. GHF signed a 10-year agreement with the Department of the Interior, International Affairs Division for planning, training and park development of Mirador. Twelve U.S. Department of the Interior managers and experts will work with GHF in Mirador with support of the U.S. government for salaries, with GHF covering travel costs. A GHF-U.S. Department of the Interior mission visited Mirador to plan work for the next 5 years.

The U.S. Drug Enforcement Agency (DEA) destroyed 86 clandestine runways and found hundreds of abandoned planes in the areas west of Mirador. One was called the ‘international airport’ with 5 landing strips larger than the Flores ‘Mundo Maya’ airport! Drug-running and massive cattle ranching (to launder money) are the two most devastating reasons for the current environmental catastrophe. The new U.S. Ambassador James Derham visited Mirador with President Oscar Berger in March 2006 and committed his support for the project. Also on the visit were key staff from Senator Leahy’s office, who sits on the Foreign Relations Committee, Latin America.

2. Secure UNESCO World Heritage designation

Mirador has become the number one nomination of Guatemala for UNESCO World Heritage. Forty delegates will meet in August, 2006 from around the world in Guatemala to review and prepare the Mirador nomination to the World Heritage Committee.

3. Become a sustainable protected area within 10 years

GHF-APANAC Community Visitor Center – the new center was completed in 2006 and the opening was attended by President Oscar Berger and over 400 local leaders and community members from the ‘gateway’ villages to Mirador.

New Growth in Mirador Tourism - Visitors are expected to grow from 3,000 to 10,000 in the next five years and to 30-40,000 visitors annually within ten years, generating over \$20 million in revenues. With improved access on bikes, horses, hiking trails and a small narrow gauge train, Mirador will be the most important new tourism destination in Central America.

Training and Education of Mirador Communities - We have equipped and trained 60 guides in the community association and funded Mirador’s 30 park rangers who have been instrumental in stopping burning, looting, poaching and illegal logging. We opened the first water system in Carmelita critical



SUCCESS STORY: Enrique Casteneda began his career in conservation as a simple laborer in Tikal National Park, later learning to be a mason, then foreman. By the age of fifty, he was leading conservation of the largest temples and pyramids of Tikal. Now nearly eighty-four, Enrique has taken on another great challenge- restoration of the largest pyramid in Mesoamerica- La Danta, and trained his son to follow in his career. In 2006, Enrique Casteneda received the Presidential Medal of Honor for his work saving Guatemala's world heritage.



Mirador "is a world wonder – and needs to be protected. We may be talking about the single most ambitious conservation and development project related to protected areas proposed in the Americas."

Roan McNab, Wildlife Conservation Society



to visitors and the locals for the park to be successful. Forty-five computers are operational with custom-designed courses for students and adults on conservation, nature, wildlife, archaeology, history, guiding and park ranger training.

Securing Long-Term Support and Funding -

Mirador will be the primary beneficiary of future planned Inter-American Development Bank (IDB) and World Bank funding in the Maya Biosphere. While these long-term government loans bode well for the project, it is critical that international planning and scientific conservation from Global Heritage and our partners be involved in the first five years of the project's development.

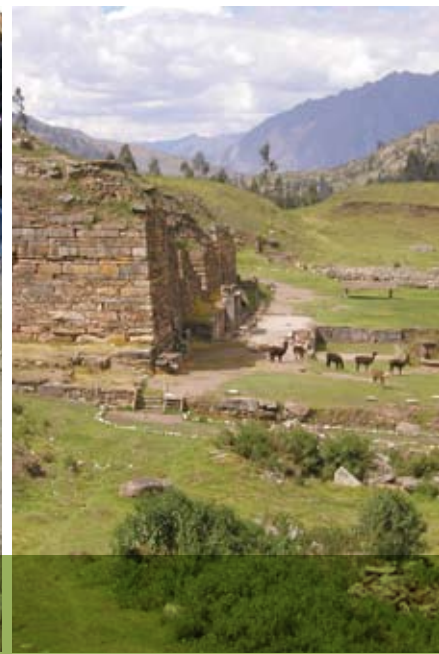
Our early and direct private-sector support for planning, scientific conservation and responsible development gives the needed long-term vision and thoughtful plan for guiding Mirador's development and to ensure the highest quality implementation within a sustainable model.



Mirador Case Study: Leveraging In-Country Funding

One of the most important roles of Global Heritage is to build long-term sustainability for conservation and development project by building a strong foundation for projects in the countries we work. In Guatemala, Global Heritage has secured over \$2 million in in-country matching funding from private families and businesses who are actively supporting the establishment of the Mirador Archaeological and Wildlife Preserve. By convincing Guatemalan business leaders of the importance of Mirador, a major new force in conservation and sustainable development was established in 2006- PACUNAM, comprising six of the ten largest companies in Guatemala including Cementos Progreso, Banco Industrial, Cervezaria, Wal-Mart Centro America, Pantaleon, Telgua and others. The PACUNAM Board of Directors and sponsors now provides a powerful new force in Guatemala for the long-term guidance and success of Mirador as equal partners with Global Heritage.





Chavín de Huántar, Peru

A Pre-Columbian World Heritage Treasure

Thousands of years before the Inca ruled Peru, the ancient Chavin civilization dominated the region. Located high in the Andes, Chavín de Huántar is the oldest and most endangered archaeological UNESCO World Heritage Site in Peru. GHF is working in concert with the Instituto Nacional de Cultura (IINC) and Stanford University to integrate conservation and sustainable community development.

The conservation team continued to progress in stabilizing primary monuments, cataloguing artefacts, and improving site interpretation facilities. Vital to the success of these endeavours is the involvement of the local community through conservation training, employment and tourism entrepreneurship.

Global Heritage Partners

Stanford University
 Instituto Nacional de
 Cultura (INC)
 Town of Chavín de Huántar

Ping Yao Ancient City Shanxi, China

China's First Banking Capital

Considered to be the first banking capital of China, Ping Yao was the central bank for much of the Silk Road trade during the Ming and Qing dynasties. The city of Ping Yao is one of only two Chinese ancient cities with UNESCO World Heritage status. With over 40,000 low-income residents living within its ancient walls, Ping Yao is facing unprecedented pressures and deterioration of its core historic Qing Dynasty district and last remaining temples, towers, palaces, banks, and ancient residences.

The city has remained remarkably intact, but this may not continue for long. Money has been supplied to carry out some restoration work, but what has been completed has not consistently followed standard guidelines and incorporate traditional techniques. When cracked pillars needed sealing, layers of cloth, horsehair and lacquer should have been used. Instead, workers have been covering cracks with a coat of paint. This paint is now beginning to peel. The city is becoming unliveable for its inhabitants, and it is in danger of losing its vibrant character as a traditional Chinese town.

Global Heritage Partners

Shanghai Tongji University, Department of
Urban Heritage and Planning

Tsinghua University, Department
of Architecture

Shanxi Institute of Historic Preservation





Global Heritage is co-funding the master planning and restorations of the best examples of Qing Dynasty hutongs with local families. In addition, we are aiming to establish new artisan complexes with the ancient city's communities. Following our Preservation by Design methodology used in Lijiang Ancient Town in Yunnan, Ping Yao and Global Heritage are developing a comprehensive Master Conservation Plan with new legal and regulatory protection, and innovative private-public conservation and development.



Lijiang Ancient Town Yunnan, China

Saving China's Last 'Living' Ancient Town

The conservation of UNESCO World Heritage site of Lijiang Ancient Town has been severely affected by disasters, including earthquakes and fires, and more recently by an unprecedented onslaught of mass tourism.

Due to unplanned modern construction and the exodus of native Naxi families from the ancient town, UNESCO Asia Pacific asked GHF to undertake a systematic process of planning and model conservation, hoping to maintain the historical integrity of China's last 'living' ancient town.

We have worked over the past five years to restore over 174 traditional Naxi homes in partnership with 12 community wards and the Lijiang Ancient Town Management Committee. Lijiang's unique canals and waterways, which had been compromised by pollution, have been reclaimed with new sewers and water systems. Over 1,200 low-income and poverty-level households have benefited from the introduction of these systems.

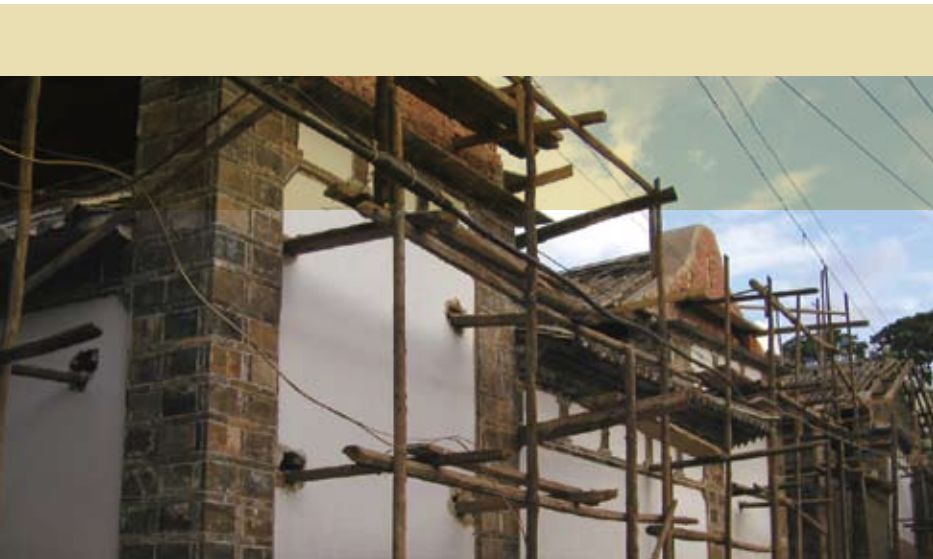
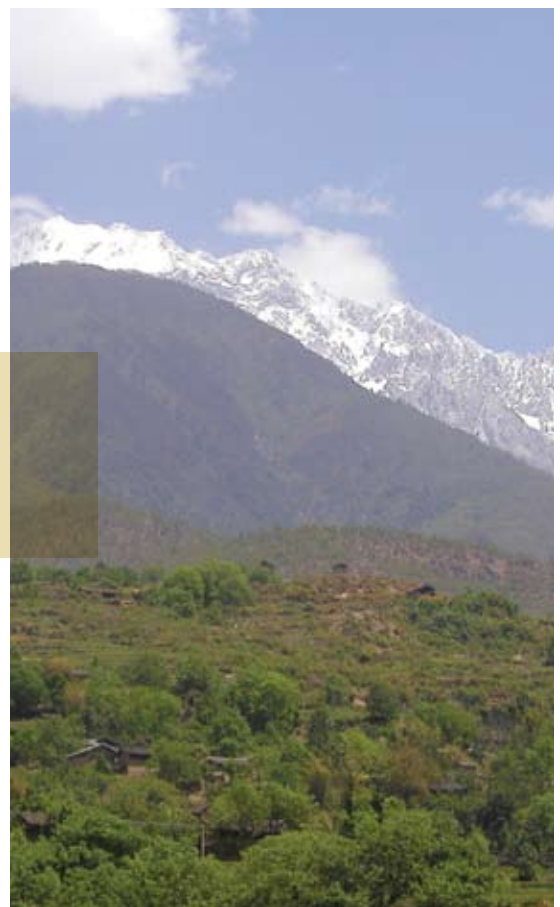
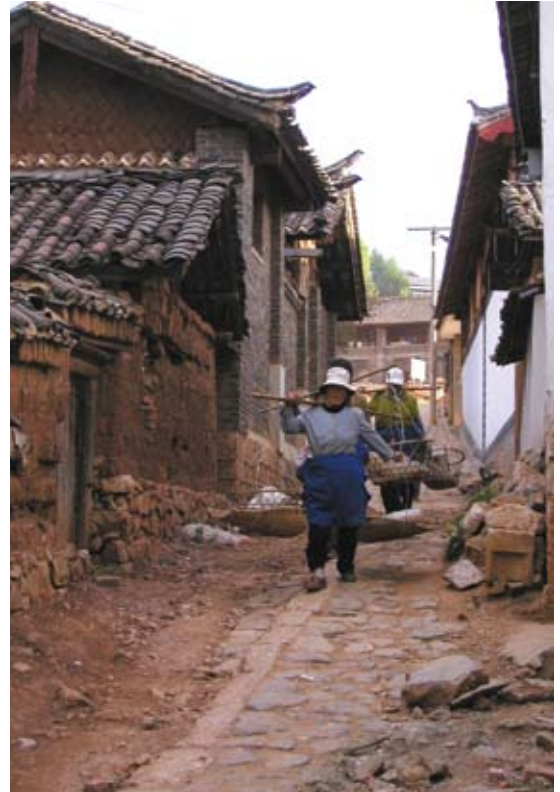
Global Heritage Partners

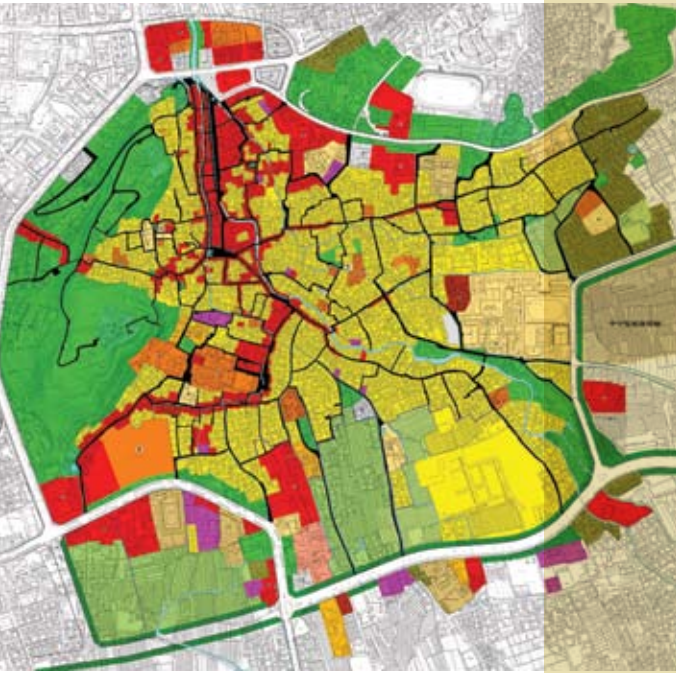
Lijiang Ancient Town Management Committee

UNESCO Asia Pacific

Shanghai Tongji University, Urban

Design Institute





We co-sponsored the Lijiang Master Conservation Plan (MCP), which resulted in a new vision for the ancient town, and demolition of over 240 modern structures in the core conservation area. The MCP provides current and future land use planning, detailed guidelines for zoning, construction regulations, preservation techniques, and authentic restoration of Lijiang's architecture.

A one kilometre "buffer zone" was established to protect the ancient town from encroachment. We published a Guidebook for Authentic Restoration in Lijiang Ancient Town for all residents and restoration companies to ensure strict adherence to historic preservation design principles. We continue to restore the remaining historic residential compounds for low-income and poor residents, while promoting the Lijiang model of conservation, restoration and subsidy system as a model for the preservation of other historic towns in China.



Foguang Temple, Shanxi, China

A Tang Dynasty Treasure

Foguang is an architectural jewel of Chinese civilization. One of the only two remaining significant wooden buildings from the Tang Dynasty, the temple is a tribute to the peak of Buddhist art and architecture from the 9th century A.D. The complex has not been repaired or conserved since the 17th century. Extensive structural damage from falling rocks and rotting roofing, beams, and pillars is threatening the existence of this rare structure.

We are supporting master planning and conservation of the famous Grand East Hall, the last major Tang Dynasty temple complex in China. The Shanxi Cultural Relics Bureau has completed a detailed Master Conservation Plan and engineering studies for the Foguang Temple. We are securing resources for site restoration and conservation, utilizing private and government matching funding initiatives. We will also undertake a training program for local communities to promote responsible development, and encourage the protection and preservation of this unique national treasure.

Global Heritage Partners

Shanxi Institute of Architectural
Preservation

Shanxi Cultural Relics Bureau
Tsinghua University, Beijing







Wat Phu, Laos

Sacred Temple Complex of Khmer Kings

In 2006, Global Heritage funded the conservation of the Nandin Temple and Ceremonial Road of Wat Phu, Lao's only UNESCO World Heritage archaeological site. One of the most important pilgrimage sites for Khmer Kings from modern-day Cambodia, Wat Phu is connected to Angkor and other major Khmer sites by a ceremonial roads hundreds of miles away. Global Heritage, Leric Institute and UNESCO Asia Pacific are completing restoration of the primary temples and ceremonial roads of Wat Phu, while helping train local villagers in conservation and tourism businesses. Global Heritage funding has equipped the site museum with new exhibits. After a trip by GHF's Board of Directors, the group is working together to restore a historic library for the local community.

Global Heritage Partners

The Leric Institute

UNESCO Asia Pacific



Indus Heritage Centre, India

World-class Indus Museum and Research Institute

The first GHF Indus Heritage Summit was held in New Delhi in January 2005 and gave rise to the idea for an Indus Heritage Centre to promote the study of ancient Indus and Harappan civilizations.

A leading group of Indus archaeologists and supporters formed an Indus Heritage Trust in India, and a Global Indus Advisory Council led by honorary chair Ambassador Frank Wisner. The Indus Heritage project has developed a powerful new vision for undertaking comprehensive research, excavation and conservation of Indus and Harappan archaeological sites and artifacts.

In 2006, the Indus Heritage Trust supported the archaeological program for South Asia at the University of Wisconsin and funded conservation of the spectacular collection of Indus artifacts at M.S. University Department of Archaeology - establishing a computer-based cataloguing system and training for bronze, ceramic and other artifacts in preparation for museum exhibition and research publishing.



GHF Partners

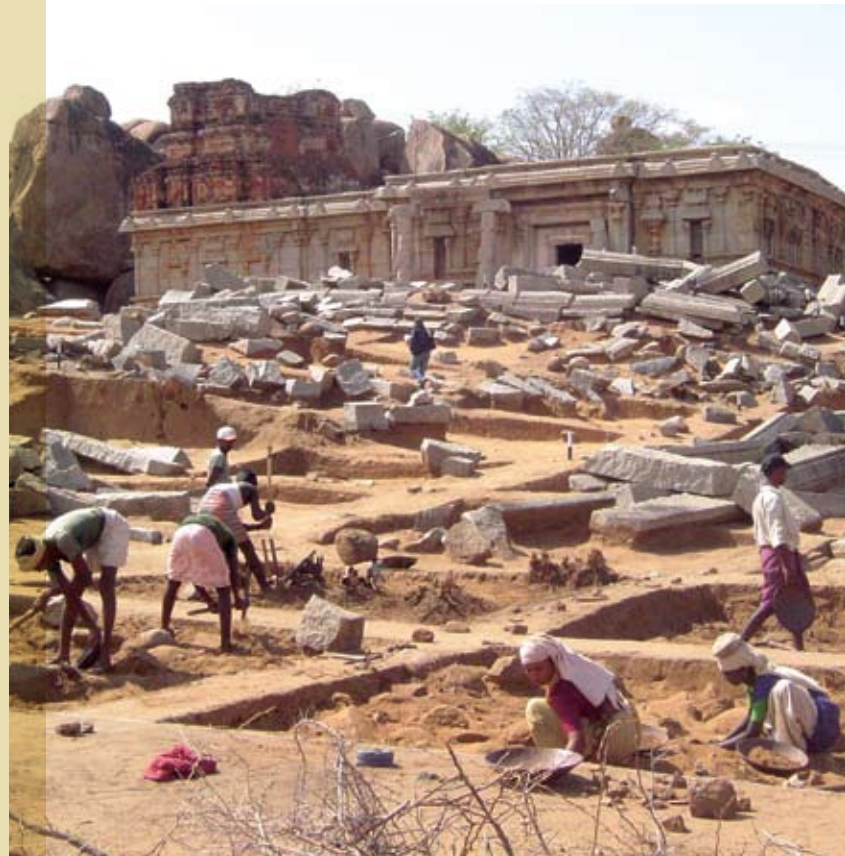
M.S. University, Baroda
University of Wisconsin,
Smithsonian Institution

Hampi, India

Ancient City of the Vijayanagara Hindu Kingdom

Placed on the UNESCO World Heritage In Danger list in 2002, Hampi was the capital of the last great Hindu Kingdom of Vijayanagar. In a spectacular natural setting, fabulously rich princes built Dravidian temples and palaces in tribute to a glorious period of Indian history. In 2006, Global Heritage began restoration of the Chandramauleswar Shiva Temple, one of the finest and most centrally-located in Hampi.

Global Heritage is one of the first international NGOs to receive national and state government approvals for our Master Conservation Plan and the endorsements to work in a conservation of a UNESCO World Heritage site in India. Archaeological excavation, threats assessment and structural engineering analyses were completed and GHF employed and trained more than 80 people from the local Anagundi community in conservation work.



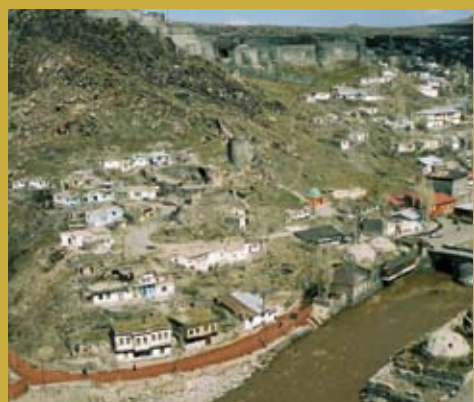
Global Heritage Partners

Hampi Foundation
Cornell University
State of Karnataka

Kars Case Study:

A New Model for Sustainable Conservation and Development

The people of Kars, an ancient city in Eastern Anatolia Turkey, have always considered the Kaleci District a backwater for squatters and dumping refuse. With over 2,000 years of history at the base of one of Turkey's largest fortress castles, the Kars Heritage Program was born to revitalize this priceless historic district, long forgotten within the walls of the ancient city. Global Heritage completed a comprehensive master conservation plan and secured municipal matching co-funding, a partnership with has enabled restoration of key monuments, building of new community center within the historic Namik Kemal House and training of a new generation of tourism and conservation professionals. Now becoming a popular destination for tens of thousands of travelers to nearby Ani Ancient City, Kars Historic District has gained national treasure status and become a new model for dynamic private-public partnerships for saving endangered heritage in Turkey.

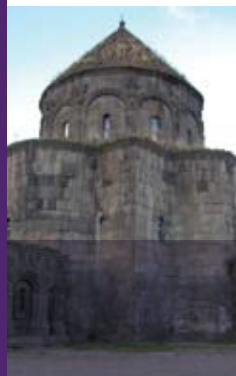


Kars, Turkey

Turkey's Ottoman Heritage of Eastern Anatolia

The Southern Caucasus, specifically the shared border region of Turkey, Armenia and Georgia, has perhaps the greatest density and diversity of cultural heritage assets in the world. Historical conflicts in the region, the Cold War, and political division have left much of this rich legacy stranded in remote and under-developed areas. The Kars Historic District was viewed primarily a poor squatter settlement, a backwater and dumping ground without provisions of city services, such as sewage, waste management utilities. However, this cultural asset offers great potential for tourism and infrastructure development and investment.

Global Heritage Fund, Kars Municipality, and the Turkish Ministry of Culture and Tourism are collaborating to restore and revitalize the historic Ottoman core of Kars. This district is defined as an area within the vicinity of the Kars Kaleiçi (Castle) that retains much of the historic architecture and street patterns of the Ottoman Period (1580- 1879). In 2005, the Kars Master Conservation Plan and Architectural Plans were completed for the Core Historic Area. The master plan focuses on community and economic development, expansion of tourism, and the restoration of Ottoman buildings of the 16th- 19th century. Through restoration, cultural and economic initiatives, Kars' historic Ottoman district will become the epicenter of



GHF Partners

Ministry of Culture and
Tourism, Republic of Turkey
Kars Municipality
Anadolu Kultur

With average incomes of only \$823, Kars is among the country's poorest and most neglected provinces. Yet before the cold war Kars was among the young republic's most progressive places. Naif Alibeyuoglu, mayor of Kars now sees a chance to reverse his city's decline Kars could even become a regional hub in the Caucasus.

The Economist, June 17th 2006



increased tourism and economic stimulation that will benefit the city and surrounding region of Kars. Our revitalization efforts not only include the rehabilitation of historic buildings and public spaces, but also a range of socio-economic development initiatives including training conferences for regional businesses and community-based organizations, support of local entrepreneurship, natural resource conservation training, and new community housing.



Ani, Turkey

Ancient Civilizations of the Caucasus

The sacred city of Ani, once known as “the city of a 1001 churches”, has long been threatened by geographic and political turmoil. Located in a Turkish military zone on the Turkey-Armenia border, this site has been continuously damaged by earthquakes, neglect, and vandalism. However, recent changes in conservation policy have improved the situation. Global Heritage began work in the summer of 2006 to comprehensively map and conduct GIS surveys of the city to support the Turkish Ministry of Tourism and Culture’s future application for the inscription of Ani on the UNESCO World Heritage List. During the 2006 field season, GHF’s survey team, in partnership with our Turkish counterparts, documented large areas of Ani including the ancient walls, gates and monuments with 3D Lidar Scanning and high definition (HDD) photography. Global Heritage hopes to complete the archaeological topographic survey over the next two years.

Global Heritage Partners

Ministry of Culture and
Tourism, Republic of Turkey
Leica Geosystems
Ani Community



“Piecemeal restoration is no substitute for a master plan for Ani as a whole”

*Stefaan Poortman of the Global Heritage Fund
The Economist, June 17, 2006*





Çatalhöyük, Turkey

The Oldest City in the World

Dating from 7400 BC, the ancient town of Çatalhöyük is one of Turkey's most important archaeological sites. Global Heritage is supporting conservation of this UNESCO – nominated treasure and developing site visitor facilities, including construction of a new site interpretation centre.

Global Heritage Partners

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Cyrene, Libya

Africa's Largest Ancient Greek Site

Cyrene is one of the most neglected and endangered UNESCO World Heritage sites in the Mediterranean. Global Heritage Fund completed a comprehensive Master Conservation Plan for the Sanctuary of Apollo in Cyrene. We are negotiating to prepare a Management Plan for the entire World Heritage Site. Emergency conservation intervention, GIS site mapping, and conservator training continued in 2006. Cyrene is in a desperate state and urgently needs international and increased Libyan support for conservation.

Global Heritage Partners

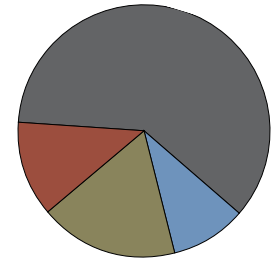
University of Naples



2006 Audited Financial Statements

INCOME STATEMENT

	Audited 2005	Unaudited 2006
Revenues		
Restricted Donations	1,112,200	1,660,511
Unrestricted Donations	1,372,345	1,502,113
Other Revenue	(29,254)	21,120
Total Revenues	\$ 2,455,291	\$ 3,183,744
Expenses		
Conservation Project Funding		
Americas	675,023	1,362,066
Asia & Pacific	237,265	238,864
Europe, Middle East & Africa	461,648	440,163
Total Project Funding	1,373,936	2,041,093
Field Support	190,835	408,633
Total Program Expenses	1,564,771	2,449,726
Program Expenses % of Total Expenses	68.4%	73.2%
Development		
Infrastructure & Operations	562,364	612,763
	161,963	282,267
Total Expenses	2,289,098	3,344,756
Surplus / (Deficit)	166,193	(161,012)



GHF USE OF PROCEEDS FOR 2005
Executive Summary Chart

Field Support	\$280,484
Support Services	\$412,485
Advocacy and Education	\$222,193
Field Programs	\$1,373,936

BALANCE SHEET

	Audited 31-Dec-05 2005	Unaudited 31-Dec-06 2006
Assets		
Cash & Equivalents	429,820	296,410
Pledges Receivable	255,300	102,500
Investments	15,010	16,894
Total Current Assets	700,130	415,804
Gross Fixed Assets	24,512	49,955
Accumulated Depreciation	(11,808)	(11,808)
Net Fixed Assets	12,704	38,147
Other Assets	1,000	1,000
Total Assets	713,834	454,951
Liabilities and Fund Balances		
Accounts Payable	101,176	20,159
Other Current Liabilities	5,226	(11,629)
Total Current Liabilities	106,402	8,530
Long Term Liabilities	0	0
Total Liabilities	106,402	8,530
Beginning Balance Restricted Funds	848,588	732,697
Beginning Balance Unrestricted Funds	(407,349)	(125,265)
Current Year Change Restricted Funds	(115,891)	(307,840)
Current Year Change Unrestricted Funds	282,084	146,829
Total Fund Balances	607,432	446,421
Total Liabilities and Fund Balances	713,834	454,951
Memo:		
Ending Restricted Funds Balance	732,697	424,857
Ending Unrestricted Funds Balance	(125,265)	21,564
Net Assets / Total Funds Balance	607,432	446,421

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