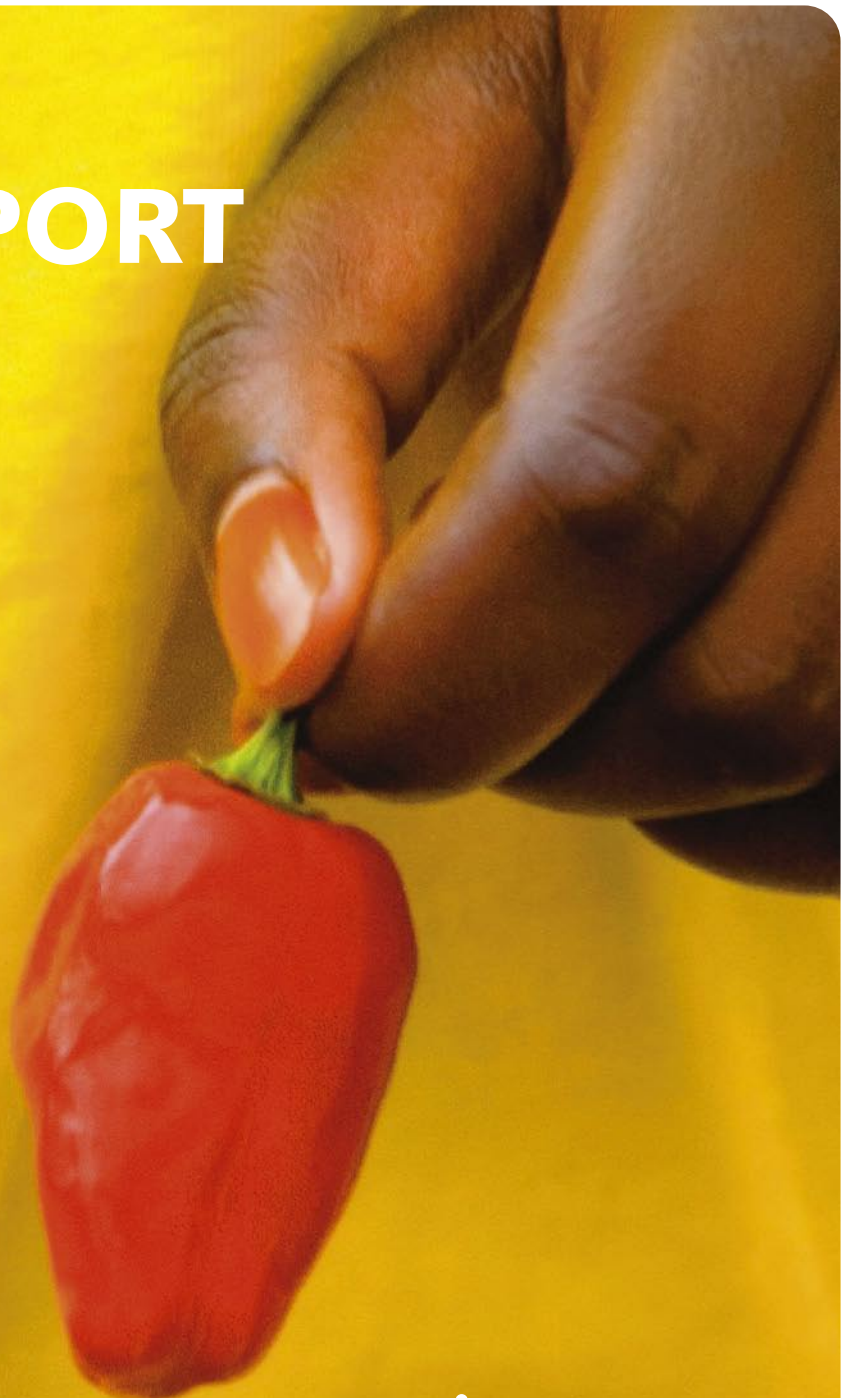


# HIVOS ANNUAL REPORT 2005



HIVOS *People unlimited*



**HIVOS  
ANNUAL REPORT  
2005**

# HIVOS IN BRIEF

## **Mission**

Hivos is a Dutch non-governmental organisation whose work is based on humanist values. Hivos wants to contribute to the creation of a free, fair and sustainable world. Hivos is committed to poor and marginalised people – and to the organisations that stand up for them – in countries in the South and Southeast Europe. A sustainable improvement in their situation is the ultimate criterion for the work and the efforts of Hivos. An important cornerstone in that respect is the strengthening of the position of women in society.

## **Core values**

- human dignity and self-determination
- rejection of dogmatism and authoritarian systems
- pluralism and democracy
- mutual solidarity
- responsible citizenship
- respect for cultural and social identity

## **Scope**

Hivos supports 784 partner organisations in 31 countries in Africa, Asia, Latin America and Southeast Europe. Part of its programme is carried out by the regional offices in Zimbabwe, India, Costa Rica and Indonesia. These offices are responsible for a great deal of the contacts with partner organisations, involving activities such as consulting and coaching.

## **Working method**

Hivos' most important activity is providing financial and political support to private local organisations.

In addition to its funding and consulting work, Hivos focuses on networking, lobbying, and knowledge sharing, both internationally and in the Netherlands. Civil society building and sustainable economic development are Hivos' central fields of policy.

## **Roles**

Hivos supports local organisations with funds, knowledge and contacts. Hivos itself takes on an active role lobbying at a Dutch, European and global level, and as a player in local civil society through its regional offices.

As a participant in coalitions and as a contact broker, Hivos is part of a large number of networks. Gaining and sharing knowledge is becoming increasingly important for the successful implementation of Hivos' work.

## **Themes**

Hivos' fields of activity include:

Sustainable Economic Development  
Democratisation, Rights, AIDS and Gender  
Culture, ICT and Media

## **Cooperation**

Hivos works with numerous non-governmental organisations (NGOs) and other civil society organisations, companies and governments in the Netherlands, Europe and in the South. Complementary expertise, fields of activity and roles, and the combining of forces with partner organisations in these areas, are crucial towards reaching its objectives.

In Europe, Hivos works actively with like-minded development organisations within the Alliance2015. Hivos prefers to carry out international lobbying on recognizable themes and in close cooperation with prominent Southern or international partner organisations, or in the context of the Eurostep network.

In the Netherlands, Hivos combines forces with social organisations that have expertise within one of its policy priorities. In addition, Hivos works together with related organisations such as MBN and Partos.

## **Accountability**

Hivos is a private organisation with a social objective and a public role.

The Dutch public (particularly the humanist following), the government, other financiers and cooperation partners as well as partner organisations in the South are the main interested parties.

Hivos is ISO-certified and has obtained the Dutch CBF hallmark.

# HIVOS KEY FIGURES 2005

in thousands of euros

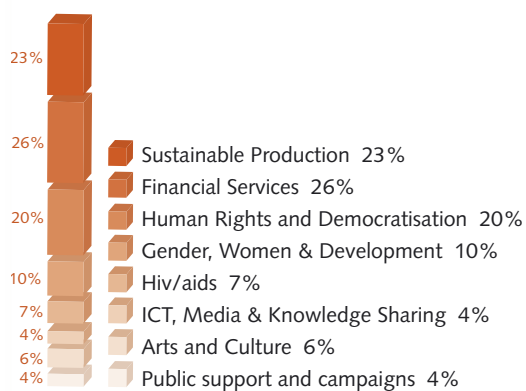
<b>PROGRAMME EXPENDITURE</b> <i>Programme transfers to partner organisations</i>	<b>2005</b>	<b>2004*</b>	<b>NEW PROGRAMME COMMITMENTS</b> <i>(multi-year)</i>	<b>2005</b>	<b>2004*</b>
Sustainable Production	17.183	} 32.333	Co-financing programme	71.489	61.020
Financial Services	19.854		EU funds	3.803	1.864
<i>of which new credit</i>	4.756	4.070	Government (on instruction)	2.322	1.341
Human Rights and Democratisation	14.931	11.679	Private funds	8.374	3.441
Gender, Women and Development	7.855	8.684	non co-financing	14.499	6.646
Hiv/aids	5.056	4.895	<b>Subtotal co-financing + non co-financing</b>	<b>85.988</b>	<b>67.666</b>
Arts and Culture	4.442	4.084	Other subsidies	9.464	3510
ICT, Media and Knowledge Sharing	3.061	962			
Public support and campaigns	2.752	3.462			
<b>Subtotal</b>	<b>75.134</b>	<b>66.099</b>			
<b>Programme support</b>	<b>928</b>	<b>935</b>			
<b>TOTAL</b>	<b>76.062</b>	<b>67.034</b>			
			<b>TOTAL</b>	<b>95.452</b>	<b>71.176</b>
			<b>PORTFOLIO</b>		
<b>PROGRAMME INCOME</b>			Outstanding commitments to partner organisations	65.964	53.573
Co-financing programme	86% 64.060	88% 60.781	Loans/participations Hivos Triodos Fund (HTF)	24.351	16.647
EU funds	2.942	3.411	Number of partner organisations	784	825
Government (on instruction)	982	3.293			
Private funds	6.110	1.859			
non co-financing	14% 10.034	12% 8.563	<b>ADMINISTRATIVE COSTS</b>		
<b>Subtotal co-financing + non co-financing</b>	<b>100% 74.094</b>	<b>100% 69.344</b>	Operating expenses	6.724	6.216
Reuse of co-financing funds	7.068	3.510	Result	262	291
Other subsidies	1.116	-	Equity capital	7.572	6.339
<b>Subtotal other funds</b>	<b>8.184</b>	<b>3.510</b>	Number of staff	(131,5 fte) 156	(116 fte) 137
<b>TOTAL</b>	<b>82.278</b>	<b>72.854</b>			

\* aangepast voor vergelijkingsdoeleinden

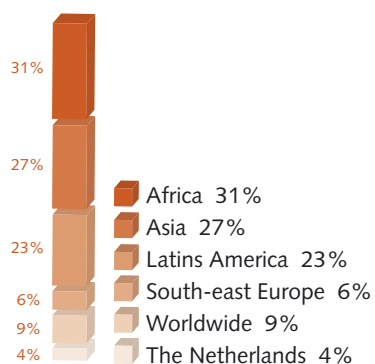
\*\* incl. niet-sector specifiek

## Expenditures

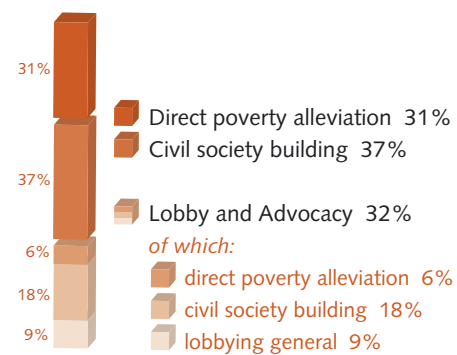
Expenditures by policy objectives



by region



by objectives of Co-Financing Programme



## HIVOS NETWORK

	relations 2004	relations terminations	new relations	relations 2005
Africa	277	52	33	258
Asia	222	51	38	209
Latin America	244	46	14	212
Southeast Europe	17	5	3	15
Worldwide	51	16	33	68
Netherlands	14	5	13	22
Total	825	175	134	784





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# 01

# REPORT OF THE BOARD OF DIRECTORS

## Political will

It has been a long time since the position of developing countries received so much attention on the world stage. For the first time since the launch of the millennium goals five years ago, the international community in New York looked back to see what has been achieved. The picture that emerged is neither black nor white, but dominated by shades of grey.

According to the *United Nations Development Programme (UNDP)* report of 2005, never before has such a great amount of progress in terms of *human development* been booked in such a relatively short time.

During the past thirty years poverty has been halved and the results in the fields of health, education and democratisation are unparalleled. This is the well-substantiated, factual conclusion of an authoritative institution which goes entirely against current beliefs on the subject of alleviating poverty! It puts cynicism aside and provides encouragement.

At the same time, UNDP reports that inequality in the world has reached record levels. Removing underlying causes – unequal opportunities in an increasingly competitive world economy – is crucial for real alleviation of poverty and for the achievement of the *Millennium Development Goals (MDGs)*, the conclusion reads.

Hivos agrees with this conclusion. It involves more than quantitative objectives and technocratic solutions. Ultimately, the causes of poverty are social and political in nature, rooted in unequal access to power and opportunities. This is the angle from which Hivos and its partners seek to help alleviate poverty. This does not detract from the importance of the MDGs and the political meaning of the objectives: there is an agenda now to which the international community is committed. That creates obligations.

The worldwide political pressure imposed through society on government leaders during the G8 summit in Gleneagles and the UN summit in New York to urge them to keep their promises has been significant and meaningful.

We at the same time know that promises made by rich countries are often without obligation and are not being fulfilled. The fact that these countries made agreements on remission of debts and committed themselves to a considerable increase of international aid is a bonus. However, things need to be put into perspective here: this increase still leaves the international contribution below the percentage of fifteen years ago! In that light it is mostly about reversing the cut-backs which were introduced in the nineties.

Worldwide civil society has every reason to closely monitor the progress and promises surrounding the MDGs. In the Netherlands, Hivos has played an active role in the activities of the Platform Millennium Goals and shall continue to do so in the future.

## World citizens on the move

Whether the times of shrinking budgets for aid and empty promises are really over shall increasingly depend on citizens in the North. During the last decade, the reduction in international aid flows went largely unnoticed, without public outcry. Western society was busy doing other things. Fortunately things are different now.

Through the Live8 concerts two billion people worldwide took notice of the millennium goals. Millions of people pressured politicians into committing themselves to realising the MDGs through SMS messages, petitions and white wristlets.

The Netherlands too has to a certain extent 'removed its blinkers'. International involvement – partly fed by the tsunami and the White Band campaigns – has increased considerably, manifesting itself in a growing movement of active enthusiasts and practical idealists who are prepared to role up their sleeves. Hivos welcomes this development. International cooperation is a government task, but it involves all of society. The dynamics caused by these new 'players' is crucial to increase public support for international cooperation. Equally important is the influence which such a wide movement can exert on the decision-making process regarding the scope, form and contents of aid. The power of numbers applies here too. 'Hold your governments accountable' the Hivos partners call out in the South. That is a task for the professional Development Cooperation sector, as well as a great challenge for practical idealists. World citizens together - that is what Hivos wants to dedicate itself to.

### **Co-financing, 'new style'**

Following some heated debates, the new Co-Financing System (MFS) was adopted by the Lower House with a small majority. With her advocacy for an individual contribution of 25%, Minister Van Ardenne has introduced a system based on market forces and competition, in which marketing and a large fundraising apparatus appear to be more important than the quality of the organisation applying for subsidy. Hivos regrets this development and announced its views on the new MFS loudly and clearly in the run-up to the political decision-making process. Hivos did find support when doing so, but ultimately it was not enough to change anything about the current political reality.

The concrete guidelines for applicants of MFS subsidies have now been published. It provides little reason for optimism. The documents breathe an air of methodology and feasibility which is in direct contrast with the harsh reality in the South (and the results of academic research). Development is not a linear process which can be forecasted in terms of input and output. Social change cannot be translated into management concepts. Issues such as sense of purpose, identity and vision – the forces within society at large – hardly receive any attention within this technocratic approach.

For Hivos, an organisation which focuses on emancipation and political empowerment, which cherishes the autonomy of its partners, and which considers innovation to be of paramount importance, the new assessment system feels like an uncomfortable corset.

### **Yet more quality**

Hivos does not have a large fundraising apparatus, but does have a long track record as a professional organisation which succeeds in delivering quality in an honest and innovative way without fail. The new MFS regulations are reason for Hivos to invest yet more in quality, knowledge and innovation. Hivos is confident that other (international) donors shall recognise and accept this quality.

To ensure this, in 2005 Hivos implemented some drastic policy-based and organisational measures by reorganising the operational organisation. Since 1 July 2005, the working company as a whole has been organised according to sectoral departments, and the directive and financial management are also organised along these lines. The entire operation took six months and was made possible thanks to an intensive process of internal participation, which the Board of Directors, the Employee Council and staff look back upon with satisfaction. With this 'shift', Hivos anticipates a greater development of expertise and a further substantiation of its relationship with partners in the South as a knowledge partnership.

Following the publication of the Wijffels Code for the charity sector, Hivos reopened the discussion on 'corporate governance'. Previously, Hivos had adopted the relevant parts of the Tabaksblat Code (which is aimed at the business sector). These issues, as well as many other stipulations focusing more specifically on the activities of fundraising organisations, are also included in the Wijffels Code. Although Hivos would sooner define itself as a semi-public organisation (rather than as a typical fundraiser), it was able to fully accept the code (see chapter internal organisation).

## Finances in broad outlines

It is with due optimism that we look back upon a positive financial year. The additional efforts of Hivos to increase the 'individual contribution – in MFS terms – have led to encouraging results. This applies to both income from private sources, which rose considerably, partly as a result of the tsunami, and income from the EU and other (international) donors. These two sources amounted to more than 10 million euros; leading to a total Hivos individual contribution of 14%. This increasing trend generates confidence and confirms the choices Hivos made with regard to the diversification of means.

A total of 82 million euros was spent on the realisation of the Hivos objectives; 76 million thereof was used for the support of 784 partners and their programmes.

In addition, more than 60 partners in the South received support from the Hivos-Triodos Fund (HTF). In 2005, HTF's portfolio of loans, guarantees and equity rose to 24.4 million euros, an increase of 46 per cent. This has been made possible thanks to growing public interest for the North-South Plan, a joint venture between Triodos Bank and Hivos. Savings within the programme rose from 17.2 to 18.7 million euros. This savings programme continues to be one of the main instruments for Hivos to generate public support for its activities.

As a result of the activities named above, Hivos and its partners reached an estimated 13.5 million people and their families.

The year was concluded with a positive result of 262,000 euros.

Summarising, the Hivos Board of Directors looks back upon an eventful year in which the operational organisation carried out its mission professionally and at the same time prepared for a new environment in a new era.

In this annual report we render account of our actions to our stakeholders – institutional corporate and private donors and partners – and we provide an overview of the activities of Hivos and its partners in 2005; all this to promote justice in a world with improved opportunities for all its citizens.

The Hague, April 2006

Manuela Monteiro, *General Director*

Allert van den Ham, *Director of Programmes and Projects*

Jaap Dijkstra, *Director of External Relations*



# 02

# REPORT OF THE SUPERVISORY BOARD

The year 2005 brought uncertainties along with great challenges and dynamics. The aftermath of the tsunami, changes in the development cooperation policies and the reorganisation of Hivos were key items on the agenda of the Supervisory Board.

## Composition of the Supervisory Board

The composition of the Supervisory Board, in accordance with the bye-laws, reflects the humanist roots of the organisation. Three members are nominated to the board by the Hivos founding organisations, the Humanistisch Verbond (HV), Humanitas and Vereniging Weezenkas. The other members come from the wider Hivos following and relevant social sectors such as the trade unions and the academic community. The requirements with regard to composition and expertise have been included in the profile of the board.

Early February 2005, Mr W.J. de Haan became a member of the board following nomination by Humanitas. There were no other changes to the Supervisory Board. Two members, Mrs A.M. Jongerius and Mrs H.M. Brouwers were reappointed. Further information regarding the composition and background of the members can be found in Appendix 2. The members are appointed in their personal capacity and are entitled to 70 euros compensation for each meeting they attend plus any travel expenses incurred. In 2005, the total operational costs of the Supervisory Board amounted to 6,805 euros.

Furthermore, the board found that the separate members do not hold any (ancillary) positions which may cause a conflict of interest with their positions as supervisors of Hivos.

## Reflection on performance

In 2005, the board discussed its performance, both as a collective and on an individual basis. This included checking attendance levels during meetings and the extent to which the board meets the desired profile. This reflection shall from now on take place on an annual basis, in accordance with the Wijffels Code.

## Supervisory role

In 2005, the Supervisory Board met seven times. The activities concerned first and foremost the execution of its supervisory role. The Supervisory Board also frequently acted as a sounding board for the management (Board of Directors under the bye-laws). As usual, the board assessed the performance of management and its individual members. In addition, the following subjects received special attention.

The reorganisation that Hivos went through in 2005 was a drastic change. The Supervisory Board extensively discussed the plans, the implications and the follow-up steps in this process. With a view to consequences for staff, a special consultation with the Employee Council was of primary importance. In broad outlines, the conversion as well as the definition of many new positions have been successful.

The introduction of the new co-financing system, which shall commence in 2007, implies that the financing of private development cooperation is carried out within a different framework.

The requirement to generate more external income and the intended competition between the organisations imply important consequences for the position of Hivos within the development cooperation sector. This was a recurring theme during the board's meetings.

Within this context the board also paid extensive attention to new alliances and alternative joint ventures. The board granted its approval to the plans for strategic cooperation with the National Association of World Shops (LVWW). In addition, interesting new initiatives were discussed, such as the cooperation with Bond, a platform of wealthy individuals and the participation of Hivos in the magazine *Onze Wereld* within a new set-up. This discussion will be continued in 2006.

The Supervisory Board also paid extensive attention to the consequences of the tsunami in those countries where Hivos is active in Asia. The involvement of Hivos by means of support through local partner organisations was reason for further discussion regarding the role Hivos wants to play in emergency relief and reconstruction activities. This formed the background for the request by Hivos for entry into the Cooperating Relief Organisations, from whom Hivos received a contribution in its capacity as guest participant in the tsunami campaign.

In 2005, the Wijffels Committee published its guidelines for due management of social organisations. The board decided to adopt the code.

With regard to the thematic fields of activity of Hivos, the Supervisory Board discussed the policy document on the new strategy of the Media, Information and Communication programme. Following the events surrounding the Hivos workshop there, the World Summit on the Information Society (WSIS) in Tunis was also discussed.

Furthermore, the board discussed the 2006 annual plan and adopted the budget for the same year. During the meeting of 4 April 2006, the Supervisory Board adopted the 2005 annual accounts and discharged the Board of Directors (including management) from the policy pursued in 2005.

The Hague, April 2005

On behalf of the Supervisory Board,

Francine Giskes

*Chairman*

# 03 POLICY DEVELOPMENTS

International cooperation requires more and more knowledge on a variety of themes and implies the necessity to constantly link up these themes. This forms an important background of the reorganisation Hivos carried out in 2005. International cooperation is also a case of more and more actors at a variety of levels. During the past year, Hivos worked hard to anticipate these developments and to improve its position. In practice this means investing in two closely linked matters: establishing a knowledge-intensive organisation, and developing a partner policy. Specialisation based on the needs of partner organisations.

## **Knowledge sharing**

Knowledge sharing is a collective name for a variety of activities. It involves academics and development professionals searching for a way to link up an increasing number of theoretic insights and practical knowledge, but also partner organisations exchanging their experiences on effective lobbying, or on how they can use the Internet to by-pass censorship. These activities were already occurring before the reorganisation, but through its knowledge sharing programme, Hivos has been aiming to imbed these forms of exchange in everyday practice as well as in the contact with partners and other interested parties since 2004. A joint venture agreement with the Institute of Social Studies (ISS) in The Hague forms the basis for the programme on knowledge sharing. Focal point therein is searching for possibilities for providing support in more effective ways in order to help build up a strong civil society.  
[www.iss.nl](http://www.iss.nl)

## *Building up society*

In 2005, Hivos and ISS – within the framework of the partnership – organised a seminar on the role of civil society in countries where the political circumstances for social organisations are unfavourable. How can they voice their opinion in Guatemala, Iran or Uganda and exert influence on government policy? More than 150 participants – Hivos staff, representatives from 10 partner organisations, ISS staff and students and foreign experts – tried to provide answers, from their own fields of expertise, for the varying countries and in a continental context. The final report can be found on the website of the programme, [www.civilsocietybuilding.net/seminar2005](http://www.civilsocietybuilding.net/seminar2005). The objective of this website is to stimulate knowledge exchange between Hivos partner organisations, academic researchers and practitioners.

Next year Hivos and ISS shall arrange for a number of research projects to be carried out by ISS students on the basis of the experiences of Hivos partners. In 2005 a study was conducted on the role of donors in enhancing the financial independency of local organisations in Uganda. The results were discussed both in Uganda and at a Hivos expert meeting.

These activities were included in the policy formulation process of the Hivos policy in the field of civil society building..



## Partner policy

The number of partner organisations decreased in comparison with 2004. This is in line with the 2003-2006 business plan objective of reaching a number of partners in 2006 which does not exceed 800. This limitation in growth means that Hivos can pay more attention to quality improvement per partner. This includes offering support to partners in order to operate in a more result-oriented manner. Hivos organised workshops on this subject in more than 11 countries, and this subject was also given a prominent place in separate contacts. Organisations do initially question the notion of “classifying” their activities in terms of “result”, certainly in the fields of raising awareness, knowledge transfer or lobby. By personally involving them when formulating the indicators which can be used as a measure of the success of projects, the use of these indicators in the own organisation has become much clearer.

In principle, partners can receive support from Hivos for a maximum period of 10 years. Since partners exit on an annual basis, many new partner organisations enter each year; in 2005, 17 per cent of the total portfolio concerned new entries. Relatively young and innovative organisations are given the chance to develop further with the support of Hivos and to subsequently continue independently. Exceptions, described in the so-called 10+ policy, are made for partners with regard to whom it is of exceptional strategic or thematic importance to continue cooperation after the 10-year period. In addition, the partner database consists, for a considerable part, of organisations which are strongly anchored in society. This includes membership organisations and basic movements which, in 2005, together represented 23 per cent of the total number of Hivos partner organisations.

Another spearhead is the improvement of quality in the field of gender: the extent to which women play a role within the organisation and the level of improvement for the position of women within the activities carried out by partner organisations. In 2005, Hivos carried out a large-scale baseline measurement survey across the entire partner database with regard to these matters (see 7.2).

This showed that 46 per cent of the partner organisations (except the sector Gender, Women and Development) scored “good” or “acceptable” on all questions. In the years to come, Hivos shall use this study as a ‘baseline measurement’ to determine what the objectives must be within each sector per year in order to raise gender quality. Another part of improving quality is the use of modern types of information and communication technologies (see 8.2).

## Making Civil Voices Heard

Based on an evaluation of the ICT and media programme in 2004, Hivos launched a new sector in 2005 which bundles activities in the fields of ICT and Media (see 8.2). Early 2005, the policy document *Making civil voices heard* was published. This document sets out the broad outlines in the fields of media, information and communication. Important points are the substantial expansion of activities in the field of (new) media, such as the use of citizen weblogs in countries that are subject to censorship. Furthermore, the ICT activities, in which Internet access and related themes used to be focal points, shall explicitly aim at strategic use of ICT. This means that partner organisations will fully integrate these techniques into all the ways in which they pursue their development objectives.



# 04 COOPERATION AND STAKEHOLDERS

## Partnerships

In addition to joint ventures within the sectors, Hivos entered into partnerships with a number of organisations at a strategic level. Within these alliances, both parties work complementarily on joint objectives.

### *Triodos Bank*

As early as 1994, Hivos and Triodos Bank started to work together on this basis through the Hivos-Triodos Fund (HTF), combining their expertise on banking and development cooperation to support microfinance in particular (see Sustainable Economic Development).

[www.triodos.nl](http://www.triodos.nl)

### *National Association of World Shops*

In 2005, Hivos and the National Association of World Shops (LVWW) have expressed their intention to enter into a strategic partnership. Through different backgrounds, both organisations are strongly involved in stimulating fair trade as an instrument to alleviate poverty in developing countries. The activities complement each other well. Hivos is particularly active in the field of certification of small-scale manufacturers in the South plus corresponding lobbying activities, whereas the 400 world shops (with 12,000 active volunteers) generate a turnover of over 20 million euros in 'honest' products through sales to the Dutch public. Closer cooperation offers good opportunities for both parties with a view to the expansion of fair trade.

[www.wereldwinkels.nl](http://www.wereldwinkels.nl)

### *NiZA*

In 2005, Hivos formalised its partnership with the Netherlands Institute for Southern Africa (NiZA). Hivos works together with NiZA in the field of democratisation in the Southern Africa region, where both are active.

This, among other things, includes the implementation of the Preconditions for Elections Programme in Southern Africa (PEPSA).

Hivos and NiZA have also established a fund for initiatives which enhance democracy.

In the Netherlands, joint public manifestations are organised to inform the public about specific countries or themes in the region.

[www.niza.nl](http://www.niza.nl)

### *NCDO*

In 2004, the Hivos-NCDO Culture fund was established with NCDO.

With this fund, Hivos and NCDO bundle their existing support to Dutch cultural organisations which stimulate productions from the South and make them accessible to the Dutch public. This is in addition to the activities which Hivos undertakes in the South itself.

(see Culture, ICT and Media)

[www.ncdo.nl](http://www.ncdo.nl)

### *IntEnt*

Hivos supports the IntEnt Foundation (Internationalisation of Entrepreneurship). This foundation offers support to foreign entrepreneurs in the Netherlands when setting up new companies in their country of origin.

IntEnt offers an extensive package of activities for the preparation and implementation of a business plan.



This concerns orientation towards entrepreneurship, guidance when preparing the business plan, support when carrying out market research, mediation when obtaining financing and guidance during the start-up of the company.

[www.ondernemenoverdegrems.nl](http://www.ondernemenoverdegrems.nl)

### *ISS*

Since 2004, Hivos has maintained a partnership with the Institute of Social Studies (ISS) in the field of knowledge sharing.

Within this framework, academics, Hivos employees and staff of partner organisations work together on the Civil Society Building programme (see Policy Developments).

[www.iss.nl](http://www.iss.nl)

## **Stakeholders**

### *Partner Organisations*

In 2005, Hivos organised three policy consultation sessions, in Belgrade, Quito and Jakarta. These gatherings of partner organisations, academics, representatives from social organisations, companies and governments from the region and own staff are a valuable source of insights.

The policy consultation sessions formed an important link between the continuous cooperation with partners and the formulation of the 2007-2010 Business Plan.

The outcome was, among other things, that Hivos should pay more attention to the increase of various forms of fundamentalism. In addition to religion, these trends also represent forms of nationalism and ethnic movements which refuse to recognise self-determination and individual responsibility and which reject the rights of women and (sexual) minorities. In the years to come, Hivos, as part of its activities in the field of gender, gay rights (GLBT), freedom of speech and artistic expression, shall discuss the theme of fundamentalism extensively.

In many countries there is a discussion surrounding the decentralisation of administrative power, involving governments transferring power to regional administrators. The local presence of strong social organisations can enhance the positive sides of decentralisation and counteract negative tendencies. In addition, partners appeared to be concerned about the reduced role of national governments as a result of the free trade treaties, which strengthen the position of multinational companies and economic superpowers.

### *Dutch public and donors*

In 2005, Hivos organised a number of public manifestations during which discussions were conducted on important themes within its policies.

In addition to policymakers, the meeting on Gender, Women and Development following the evaluation of the Beijing agreements drew hundreds of people. The same applied to the Hivos contribution to the manifestation Women Inc. in Amsterdam. In both instances, themes in the field of development cooperation and discussions on equality between men and women in the Netherlands were linked up successfully. The debate and the workshops during the tenth anniversary of the Hivos Culture Fund again offered visitors the opportunity to express their thoughts on the relevance of art and culture for development.

### *Government and politics*

As one of the co-financing organisations, Hivos is involved in the policy dialogue with the Minister of Development Cooperation. On a regular basis, consultation takes place and information is exchanged with departments within the Ministry of Foreign Affairs concerning current affairs, annual plans, annual reports and other reporting issues. The Hivos regional offices play an important role in the cooperation with the Dutch Embassy in countries where the bilateral programme is also implemented.

In 2005 the political agenda for development cooperation was dominated by the Millennium summit and the forthcoming new co-financing system. Hivos discussed the MFS with various members of parliament, other co-financing organisations and within Partos, the branch organisation for private development organisations.

### *Hivos staff*

Hivos regards its own employees as stakeholders. The employees have taken active part in the intensive process of the reorganisation. Working groups of varying composition discussed the various aspects of the new organisation and issued advice in that respect. In the latter part of 2005, working groups were set up within the framework of the formulation of the new 2007-2010 Business Plan.

Lunch lectures are held on issues concerning policy, following visits of partner organisations or within the framework of cooperation relations in the Netherlands. Sometimes employees spontaneously introduce current subjects for discussion, such as the referendum on the European Constitution. Exchange of information and discussions also take place on HoRoscope, the Hivos intranet. This facilitates the communication between employees at head office and the four regional offices.

An Open Knowledge Afternoon is organised on a regular basis as part of the knowledge sharing programme featuring a number of short presentations in 'Hivos countries', special projects or joint ventures or activities in the Netherlands. Despite the usual lack of time everyone can, to a certain extent, inform himself or herself of the latest change of power in Ecuador or Kyrgyzstan, public-private cooperation in the rice chain and the results of a study into fundamentalism in Indonesia, which were presented earlier at a regional policy consultation session.



*Manuela Monteiro and Peter Hermes (NiZA) sign the cooperation.*

# 05 EMERGENCY RELIEF AND RECONSTRUCTION

The tsunami of 26 December 2004 caused destruction and grief on an immense scale in countries including India, Sri Lanka and Indonesia. Hivos immediately allocated support to local partner organisations to start providing emergency relief and to implement reconstruction activities. In total, Hivos provided support to approximately 20 organisations and initiatives. This varied from emergency relief and rehabilitation carried out by local fishing organisations, to radio programmes (for awareness and provision of essential information); from counteracting corruption to expanding the capacity of local organisations. The Hivos regional office in Jakarta played a pivotal role in many of these activities. When determining whether and how to become involved in specific emergency situations, Hivos relies on the assessment made by local partner organisations. Hivos also emphasises the essential role of local civil-society organisations in providing aid and in bridging the gap from emergency activities to more structural development activities. Strengthening the capacity of civil society is therefore perceived as an important part of emergency relief.

At the end of 2005, the total financial commitments towards tsunami relief amounted to 8.5 million euros, with additionally more than 3 million in preparation. The pivotal role which Hivos and its partner organisations were able to play in the relevant regions was recognised by institutional donors. At the end of 2005, Hivos had obtained commitments of over 6.9 million euros from, among others, the Cooperating Relief Organisations (SHO, 3 million euros) and other donors (NGOs, businesses and Alliance2015 partners).

Thanks to this support, the enormous effort of the partner organisations and its own employees, Hivos contributed to, among other things, the provision of food to over 45,000 victims in India and Sri Lanka,

and the provision of medical care to 30,000 people in camps in Indonesia directly after the disaster. In addition, 100,000 people were given essential information through a radio programme in Indonesia, 7,000 children in Sri Lanka received new school books, and both emergency and permanent buildings were built. A number of important Hivos partners in the countries in question consist of fishermen's interest groups. Thanks to the emergency relief, many of their members were able to repair their boats and engines. The support by Hivos was also aimed at strengthening local organisations.

Emergency relief may also lead to unintended effects which do not help the affected population in the short to medium term. For example, the European Commission wanted to send old fishing boats from Europe to the areas hit by the tsunami. However, those boats were not suitable and would also mean competition for the local shipyards. Hence Hivos, together with Eurostep and the South Asia Alliance for Poverty Eradication (SAAPE), lobbied against this initiative and were successful in their efforts.

Outside of Asia, Hivos provided support for emergency relief and rehabilitation programmes to organisations in Central America and the Caribbean following the Stan and Dennis hurricanes. Maximum cooperation was sought here with Alliance2015 partners. A total of 865,000 euros was spent. With the support of Hivos, local organisations provided both emergency relief (including medical care and food aid) and continuing aid in terms of making a start with rehabilitation (including the reconstruction of the infrastructure).

The majority of the activities, both in the aforementioned countries and in Asia, shall continue until the end of 2006/2007.

In 2005, Hivos formally endorsed the Code of Conduct of the International Red Cross and NGOs in the field of emergency relief. The stipulations therein are practically equal to the basic principles of Hivos, partly because of the emphasis on the victims' needs and the expansion of local capacity. Hivos operates on the basis of the *Linking Relief to Rehabilitation and Development* (LRRD) and *Disaster Prevention and Preparedness* (DPP) concepts. An initial (mostly brief) phase during which the worst distress is relieved, is followed by a (longer) phase of reconstruction which must be in line with the core activity of Hivos, structural development cooperation.

Following the events of 2005, important conclusions have been drawn for policy and practice in the fields of emergency relief and reconstruction. Hivos shall further shape its policy in 2006 by generating more capacity for the support to partners when formulating aid issues, approaching potential funds, the local coordination of relief, formatting accountability to the Dutch public and other interested parties. Training and exchange with the Alliance2015 partners can further intensify the role of Hivos in this field.

During the post-tsunami emergency relief and reconstruction period, Hivos was involved with SHO as a guest participant. With a view to the current criteria, entry of Hivos to this alliance did not appear to be possible in 2005. The planned review of the SHO criteria in 2006 possibly does offer perspective.

#### EXPENDITURES 2005 within the framework of emergency relief

<b>Tsunami</b>		
India		1.843.365
Sri Lanka		1.659.511
Indonesia		1.883.743
	<b>Total</b>	<b>5.380.819</b>
<b>Hurricane Dennis</b>		
Central America/Caribbean region:		350.000
<b>Hurricane Stan</b>		
Central America region:		514.550
	<b>Total</b>	<b>6.245.369</b>







# 06 SUSTAINABLE ECONOMIC DEVELOPMENT

Enterprising people, also among poor and marginalised groups, can improve their own position and contribute to poverty alleviation. However, they must be given the opportunity to manufacture their products and to sell them at a reasonable price. A relatively modest starting capital, knowledge or network can help launch many manufacturers and small enterprises and as such make a contribution to alleviating poverty - a contribution which is carried by the people themselves. Access to quality markets – for (agricultural) products which meet social or environmental requirements – offers them significant opportunities, while it also stimulates the sustainability of production processes. Hence Hivos wants to stimulate economic activities which are environmentally-friendly, which improve the position of women and which take place in improved working conditions. Hivos works on Sustainable Economic Development within two sectors: Sustainable production (6.1) and Financial services (6.2).

## 6.1 Sustainable production

### *Coffee, rice and other products*

Quality markets, such as for organic products and fair trade, offer opportunities for small-scale producers of coffee, rice, fruit and other products. During the past year, there was, in particular, an increase in the amount of coffee sold under quality hallmarks – particularly that of Utz Kapeh. Hivos and other organisations within the coffee coalition lobbied intensively, and with success. Nearly all large supermarket chains now sell coffee which meets minimum social and environmental requirements, as do the major coffee companies.

Douwe Egberts/Sara Lee, which accounts for 60 per cent of the coffee trade in the Netherlands, issued a commitment to increase the percentage of Utz Kapeh coffee used, from 4 to 12% before October 2006. With regard to the supermarket chains, Hivos, among other things, campaigned to convince Aldi and Lidl to purchase certified coffee. [www.utzkapeh.org](http://www.utzkapeh.org) | [www.fairtrade.net](http://www.fairtrade.net) | [www.koffiecoalitie.nl](http://www.koffiecoalitie.nl)

A total of one-fifth of the Dutch market now meets the Utz Kapeh standard, increasing at a rate of 20% per year. It is a challenge for Utz Kapeh to satisfy this growing demand for certified coffee. An important part of the Sustainable Economic Development programme therefore consists of training producer groups (and training trainers) in order to implement the quality systems. In 2005, this enabled more than 18,000 new producers in 8 countries to participate within this quality process. A total of nearly 190,000 more bags of coffee (at 60 kilos a piece) were certified compared to 2004. In this process of promoting quality coffee, Hivos closely cooperates within the Coffee Support Network with Solidaridad, the Doen Foundation and the Douwe Egberts Foundation. Another important field of activity is bringing together the various systems. Certification is relatively expensive, but if farmers can qualify for organic product standards, fair trade and improved industrial relations at the same time, this will make a big difference.

[www.solidaridad.nl](http://www.solidaridad.nl) | [www.doen.nl](http://www.doen.nl)

During the past years, Hivos carried out studies looking into the possibilities of organic rice production as a means of guaranteeing small-scale farmers in Asia a better income. On the basis thereof, partner organisations started to introduce organic methods of agriculture and to develop markets.

Local demand for organic rice is increasing. In the large cities on the islands of Java and Sumatra in Indonesia, there is a considerable demand for organic rice, particularly among consumers from the upcoming middle class. On Sri Lanka, the number of farmers making use of organic production methods has doubled to 4,000.

The Movement for the Protection of Indigenous Seeds (MPIS) contributed to this by training farmers in these methods on a large scale and by supplying suitable sowing seed. The organisation has concluded the first contracts for the supply of organic rice to schools, hospitals, companies, government institutions and trade unions. With a view to the enormous importance of rice for the food supply in many Asian countries, the producer organisations supported by Hivos are aiming at this market first.

The growing demand for organic products for the local market can also be seen in Africa (see text box) and Latin America. Fruit grown through sustainable production methods from the tropical areas of Bolivia is sold, primarily in Brazil, by a partner organisation. Once all teething problems in the production process have been solved, the export to markets in the North can start to develop. Hivos has carried out feasibility studies with regard to other products (except wood) from the tropical rain forest, has supported local producers to develop their organisations and has brought them into contact with potential markets.

As a result, local producer groups have started talks with British and French buyers for nuts and Ungurahui oil used in cosmetics.

Other companies whom Hivos works with are Tradin Organic Agriculture BV and Twin Trading.

[www.tradinorganic.com](http://www.tradinorganic.com) | [www.twin.org.uk](http://www.twin.org.uk)

## Energy and the environment

Rising fuel prices, deforestation and the continuous threat of global warming are clear indications that sustainable energy production and consumption are important conditions for development. Hence Hivos has started a programme to make energy accessible for poor people and to introduce sustainable consumption methods at the same time. In Central America and Tanzania, Hivos partners are actively involved in seeking alternatives for the use of firewood. Small-scale projects for utilising hydropower offer an alternative. The use of solar energy offers perspectives for schools, hospitals and other services. Hivos is also studying possibilities of using environmentally-friendly technologies for production chains in which Hivos is already active. For example, wind and sun can play a role in the processing of coffee beans, whilst residual waste from coffee bean peelings is used for the production of organic compost.

At a global level, Hivos has worked to link local developments with measures to combat climate change. In the margins of the International Climate Conference in Montreal, Hivos organised a workshop on the role of small-scale initiatives in developing countries within the so-called Clean Development Mechanisms (regulations set up within the framework of the Kyoto treaty). This workshop focused on an attempt to introduce organic agriculture as a means to compensate the emission of carbon-monoxide, as well as the possibility to bundle small-scale projects within these regulations. This can yield important income for producers in developing countries from funds which compensate the emission in Europe on the basis of emission rights. In the Netherlands, Hivos is working to set up a Climate Fund for this objective, in cooperation with COS Noord Holland and Climate Partners.

[www.cosnoordholland.nl](http://www.cosnoordholland.nl) | [www.hartvoorklimaat.nl](http://www.hartvoorklimaat.nl)

## Gentech and biodiversity

Other environmental activities by Hivos partners are primarily related to the issue of genetically modified agricultural crops. Under pressure of social organisations, legal frameworks have been set up in many countries in order to regulate gentech. By means of a successful campaign, partner organisation Centro Humboldt convinced the government in Nicaragua to prepare a law in order to limit the risks of genetic modification.

This organisation was also active in Costa Rica (where this legislation has meanwhile been implemented) and Guatemala. In Honduras, however, the perspectives are less favourable. In India there are large differences between the various states with regard to this subject. Illegal imports of genetically modified sowing seed are hard to prevent, although partner organisations have had success in monitoring the introduction of cotton varieties. In addition, at the European Commission in Brussels the Navdanya Foundation successfully lobbied against the patent of Monsanto on Indian wheat.

[www.humboldt.org.ni](http://www.humboldt.org.ni) | [www.navdanya.org](http://www.navdanya.org)

## The Biodiversity Fund

In 2005, Hivos and NOVIB were awarded a tender from the Ministry of Foreign Affairs for the continuation of the Biodiversity Fund. During the past four years, this fund has financed projects all over the world, supporting organisations which fight for the preservation of diversity of life in tropical forests, the oceans and other environments. The first projects which are being supported in the new financing round are often follow-ups of previous initiatives. This concerns, for example, legislation to protect biodiversity in Africa, and support for organic agriculture (in e.g. Senegal and China). New projects, which shall be starting up in 2006, are aimed at preserving animal gene pools, among other things. In addition, the fund supports lobbying activities to ensure that native population groups benefit from the regulations surrounding biodiversity.

The budget of the fund, for which Hivos acts as secretary, amounts to 2 million euros per year.

## UGANDA, ORGANIC COUNTRY PAR EXCELLENCE

For many years Uganda was too poor to purchase fertilizer. Now Uganda is exploiting this disadvantage to become the organic country par excellence. The National Organic Agriculture Movement of Uganda (NOGAMU), a network of more than 35,000 mainly small-scale producers, trainers and buyers, is an important catalyst in this respect.

In addition to an organic shop, NOGAMU has a weekly vegetable basket for clients which email their orders on the basis of a list with available products. During the last three years, turnover has risen by 50% per year on average and the intention is to expand the number of shops. NOGAMU has an information point regarding the available amounts of organic export products such as fresh fruit and vegetables, sesame seeds, cotton, coffee, cacao, dried fruit and vanilla. In addition, it enables Ugandan exporters to be present at the annual exhibition of organic producers, the Biofach in Nuremberg. The activities of NOGAMU furthermore include training farmers in the fields of certification for organic quality systems, organic weed control, promotion of soil fertility, storage and processing of organic produce and programs for setting up a participation system for quality management.

NOGAMU plays an important role in the development of Ugandan organic standards and certifications. NOGAMU lobbies against the anticipated government use of DDT for combating malaria, which is a potential threat to organic cultivation methods. Finally, NOGAMU provides the government with important input in the development of an organic agriculture policy.

[[www.nogamu.org.ug](http://www.nogamu.org.ug)]

**In 2005, Hivos supported NOGAMU with 195,000 euros.**

## Activities in the field of Sustainable Economic Development 2005 *amounts in thousands of euros*

	Africa	Asia	Latin America	Southeast Europe	Worldwide	Total
Number of projects	134	114	160	6	35	449
Number of organisations	94	69	89	4	18	274
<b>Expenditures</b>	<b>11.294</b>	<b>10.617</b>	<b>9.837</b>	<b>2.030</b>	<b>3.259</b>	<b>37.037</b>
Of which reused	3.420	486	1.911	1.013	0	6.830
Balance of expenditures 2005	7.874	10.121	7.922	1.017	3.259	30.193
Expenditures chargeable to MFP	7.821	6.521	6.312	1.017	2.525	24.196
DEO as percentage of total regional expenditures	48%	53%	56%	46%	46%	49%

## Overview credit portfolio Hivos and HTF 2005 *amounts in thousands of euros*

	End of 2003		End of 2004		End of 2005	
	Number	Amount	Number	Amount	Number	Amount
Africa	13	3.313	15	5.181	25	8.682
Asia	5	2.473	8	3.086	7	4.696
Latin America	26	6.859	26	8.360	32	10.039
Southeast Europe	1	200	1	400	2	1.383
Worldwide	1	125	-	-	-	-
<b>TOTAL</b>	<b>46</b>	<b>12.970</b>	<b>50</b>	<b>17.027</b>	<b>66</b>	<b>* 24.800</b>
Loans	34	8.042	35	10.300	51	17.201
<i>of which trade financing</i>	8	1.102	13	1.027	10	1.405
Participations	9	4.664	10	5.201	10	5.492
Guarantees	2	225	4	1.488	3	925
Cumulative preference shares guaranteed by Hivos	1	39	1	38	1	42
Cumulative preference shares financed by Hivos					1	1.140
	46	12.970	50	17.027	66	24.800

\* This amount consists of 24.4 million euros within the framework of HTF and 0.4 million euros in direct management by Hivos

## 6.2 Financial Services and Business Development

### *Microfinance*

Microfinance, an umbrella term for financial services that includes microcredit, is an important tool for development. The year 2005 was the UN year of Microcredit. With Princess Maxima as ambassador, this type of small-scale support with a high potential received a lot of attention in the Netherlands. During the past years, microfinance institutions (MFIs) supported by Hivos have granted loans to millions of people in the South enabling them to set up their own small businesses. Hivos works with a 'growth model'. In addition to support for the set-up of their organisation, starting MFIs receive seed capital until they are stable enough in terms of organisation and finances in order to qualify for loans from the Hivos Triodos Fund (HTF). This fund, which was set up in 1994 in cooperation with the Triodos Bank and which is managed by Triodos International Fund Management B.V., helps to develop MFIs until they become interesting clients for commercial funds and banks which meanwhile have also entered the microfinance market. At the same time, Hivos focuses on supporting micro, small and medium-sized businesses able to create employment opportunities for impoverished population groups.

[www.triodos.nl](http://www.triodos.nl)

In 2005, 15 organisations received seed capital from Hivos, up from 11 in 2004. Of these MFIs, 6 are located in Africa, 7 in Asia and 2 in Latin America. These organisations together reached 120,000 clients.

In 2005, Hivos supported 46 microfinance institutions and producer organisations via the Hivos-Triodos Fund with 65 contracts for a total portfolio of 24.4 million euros. This is a rise of 46% compared to 2004. In total, the MFIs supported by the HTF reached 2.2 million people, compared to 1.6 million in 2004. Further information can be found in the separate HTF annual report.

The successful support of MFIs is also the result of the enormous appeal of entrepreneurship against poverty among the Dutch public. With their deposits, participants in the North-South savings plan contribute 18.7 million euros to small-scale entrepreneurs in the South: not just a single gift, but (often years of) continued commitment. The North-South Plan, set up within the framework of the strategic partnership with the Triodos Bank, forms the financial backbone of the Hivos Triodos Fund. Within HTF, the development and banking expertise of both parties are united in an effective instrument to alleviate poverty.

The Hivos-Triodos Fund also provides short-term capital to cooperative societies and businesses, often partner organisations in certified product chains for coffee and other products. Trade financing enables these partners to pay the direct producers upon delivery. This prevents them from having to sell their produce to middlemen who pay cash but offer a less favourable price.

### *Regional developments*

In India the new local financing fund Bellwether Fund Microfinance had a successful first year. Bellwether is an initiative of HTF in cooperation with Indian and American investors. Through this fund, microfinance institutions can continue to receive capital from HTF and other foreign financiers.

Local presence, however, offers more advantages as Bellwether can offer intensive guidance in order to help new MFIs as they get started. This is particularly important in regions where there is still very little possibility for entrepreneurs to obtain small-scale loans. In Indonesia, Hivos provided seed capital to new MFIs in North Sumatra and West Papua. Particularly in the latter region the partners involved are in need of a lot of continuous support in order to effectively operate in an environment in which the local population is disadvantaged and the average educational level is low. HTF has also started financing two very promising MFIs in Cambodia. Both operate in remote rural areas and have lots of female clients – in line with the priorities of Hivos.

[www.bellwetherfund.com](http://www.bellwetherfund.com)

Together with other members of the Netherlands Platform for Microfinance, Hivos arranged for a study to be carried out into the effects of microfinance in Mozambique. Three microfinance organisations were examined in order to be able to draw conclusions on the sector as a whole. An important conclusion was that the clients of the MFIs had become less vulnerable to the effects of natural disasters and other disturbances in the economy. In particular, loans for building houses and the purchase of durable domestic appliances appeared to contribute to a rise in the standard of living. With regard to productive activities it emerged that recipients of loans had to have the necessary entrepreneurial skills in advance in order to seize their opportunities. Partly for this reason the MFIs involved were still insufficiently able to reach the poorest groups. Even when the objectives of organisations explicitly focus on alleviating poverty, practice often is more unmanageable. This confirms Hivos' own conclusions based on experience: MFIs which aim to reach the poorest groups will require increased investment and will have a longer process to complete, prior to being able to continue independently.

[www.micro-finance.nl](http://www.micro-finance.nl)

### *Credit for sustainability*

Sustainability is an important criterion for the economic activities which Hivos supports. This sustainability manifests itself in an economic, ecologic and social component. Practice shows that integrating environmental criteria into the business operations of newly-begun, small-scale entrepreneurs is not always easy. Hence Hivos supported a study into the environmental effects of activities set up by means of microfinance. The starting point here was the Global Reporting Initiative (GRI) norm, a worldwide standard of reporting for socially responsible entrepreneurship. For 2 partners in Nicaragua this has already led to concrete follow-up steps.

## **GANESHA: LOANS FOR AND BY WOMEN**

In the second year following its establishment, the Indonesian microfinance institute Ganesha has grown into an important credit provider for poor women in rural areas. In the Tangerang district, west of Jakarta on Java, this organisation has already assisted 3,000 women in obtaining loans (of on average 60 dollars). That money was used for small-scale trade, the sale of food and snacks, stock breeding and growing vegetables. With the exception of its founder, Ganesha employs only women. Director Shafiq Dhanani is convinced that women are more involved and more suitable to do business with female clients. The villages have meanwhile grown accustomed to the image of young Ganesha employees driving along on motorcycles to collect the repayments.

The success of Ganesha has been made possible particularly by focusing on a predefined area, a strong emphasis on compliance with repayment obligations and the variation in the type of activities which are supported with microcredit. Fast growth and solid performances have set high expectations. The ambition to reach 11,000 clients at the end of 2006 can therefore be called realistic. Ganesha is currently working hard to further professionalise the organisation by exchanging information with other MFIs and by automating the methods of administration, among other things. Data on accommodation, property and loans shall be stored digitally. This creates a better overview of the effects that loans shall ultimately have on the clients.

**In 2005, Hivos supported Ganesha with 201,000 euros.**

Asociación Nicaraguense de Instituciones de Microfinanzas (ASOMIF), a network of organisations involved in microfinance in Nicaragua, organised workshops and training sessions on the environmental effects of both the urban and rural sectors. Fondo de Desarrollo Local (FDL), has stipulated environmental conditions in all its new loan contracts. In the year to come, the organisation is going to develop products in which environmental aspects are explicitly stated.

[www.globalreporting.org](http://www.globalreporting.org) | [www.asomif.org](http://www.asomif.org)

### *MicroNed*

Hivos, together with Cordaid, Icco and NOVIB, took the initiative to set up MicroNed. In 2006, Hivos acts as chairman of this joint venture. Thanks to the mutual cooperation the organisations can coordinate their activities better and operate more efficiently. In addition, MicroNed enables the scale of microfinance to be increased, whilst the participants are in a better position to learn from each other. The participants have entered into agreements to assign one participant per country as the leading organisation. It is anticipated that this coordination shall lead to increased efficiency.

MicroNed will pay a lot of attention to setting up and guiding national trade associations for MFIs. In due course, they will guide starters in their own countries and look after their interests in the relationships with local financial authorities and foreign donors. In the years to come, Hivos is going to invest in (supporting the set up of) trade organisations in Ecuador, India and Tanzania. In addition, the MicroNed members will continue to provide seed capital, training and advice to individual MFIs. With regard to gaining and sharing knowledge, Hivos shall focus on the relation between microfinance institutions and Hiv/aids and coordinate efforts in the field of impact measurement. The remaining members shall aim at the role of credit in emergency relief, insurance, credit in rural areas and transfers of donations from migrants to their countries of origin.

### *Business development*


Supporting the set-up of small and medium-sized companies has been given a prominent position within the new Hivos organisation. Business development goes a step further than microfinance. In addition to its primary aim of creating employment opportunities, it enables people to provide for their own income, and in this way alleviate poverty for larger groups of people. With regard to business development, the partnership of Hivos with the IntEnt foundation offers a suitable framework for knowledge development. The activities of IntEnt, aimed at migrants in the Netherlands who want to set up companies in their countries of origin, are supplementary to the Hivos programme, which often focuses on other countries. In 2005, Hivos financed the publication *A challenging future for enterprising migrants*.

[www.ondernemenoverdegrens.nl](http://www.ondernemenoverdegrens.nl)





**Manual**  
para facilitadores  
Dirección Nacional de Juventud

 *Cruz Roja Juventud*





**Reglamento de la  
Ley General sobre  
el VIH/SIDA**


**N° 27894-S**

**Costa Rica**



 Cruz Roja Costarricense

 Banco Central Hispano

 Cruz Roja Española



# 07

## DEMOCRATISATION, RIGHTS, AIDS AND GENDER

The activities in this field have been categorised within Hivos under the sectors Human Rights and Democratisation, Gender, Women and Development, and Hiv/aids.

### 7.1 Human Rights and Democratisation

Democratisation, the rights of poor and marginalised groups, and tackling the underlying causes of violations of human rights (such as impunity, corruption and lack of knowledge on human rights) are the focal points of Hivos' support to organisations engaged with human rights in a wider sense of the term.

#### *Human Rights Defenders Campaign*

Since 2003, Hivos and Amnesty International have been campaigning for the protection of human rights activists. In 2004, the European Union, partly as a result of the joint lobbying activities and recommendations by Hivos and Amnesty International, adopted a package of guidelines for the protection of human rights activists. Yet the EU could play a more active role, as indicated in a recent study by Amnesty. During the past year, Hivos distributed the guidelines among all partner organisations in the field of human rights. This enables them to appeal to the EU Embassies in their respective countries in the event of any threats. In Guatemala, together with partner organisations Centro de Acción Legal en Derechos Humanos (CALDH) and Centro por la Justicia y el Derecho Internacional (CEJIL), Hivos organised a conference on the subject. On that occasion Michael Matthiessen, the special EU human rights representative responsible for the European policy on human rights, also gave a lecture. More than 50 organisations from Latin America took part, as did a large delegation of the Inter-American Human Rights Commission. In Uganda and Sri Lanka,

Hivos partners also organised a conference on better protection of human rights activists. Together with the Irish organisation Frontline, Hivos also distributed a large number of software packages among NGOs; this software hampers the interception of information and the censorship measures carried out by authoritarian regimes ('NGO in a box': see 8.2). In the years to come, the emphasis shall be on human rights organisations (including activists in the field of gay rights) outside the large cities, which have less access to international networks and crisis centres.  
[www.amnesty.nl](http://www.amnesty.nl) | [www.caldh.org](http://www.caldh.org) | [www.cejil.org](http://www.cejil.org)

#### *Democratisation*

Social organisations are neither political parties, nor do they belong to the main groups of power. Yet they can play a role in mobilising the electorate or extra-parliamentary civil resistance in situations where the political system has failed or is not functioning properly. This was clearly the case last year in Ecuador, Kyrgyzstan and Bolivia. In all these countries, Hivos partner organisations played an important role in social protest which ultimately led to political changes. In Ecuador, the incumbent president met with public anger when he attempted to bring all state institutions, such as the national Supreme Court, under his control. Whereas the traditional political parties tried to maintain the status quo by introducing another president, a coalition of NGOs endeavoured to channel the spontaneous street protests and to bring about a fundamental change in the constitution. Following the resignation of the president, the political parties started discussions on a constitutional revision. During the so-called 'Tulip Revolution' in Kyrgyzstan, the leading elite were also sent home by protesting civilians in cooperation with opposition parties and human rights organisations. They all wanted an end to the

privileged position of politicians from a certain region of the country. In Bolivia, the surprise electoral victory of Indian leader Evo Morales was the closing event of a process of years of accumulated dissatisfaction among the politically excluded native population. Protests against the privatisation of the water and natural gas reserves had been the catalyst for this dissatisfaction. Yet, Indian federations supported by Hivos partner Centro de Estudios Jurídicos e Investigación (CEIJI), among others, were successful in creating wide support for their proposal of a constitutional meeting which is to scrutinise the political system.

[www.hri.ca/partners/cejis](http://www.hri.ca/partners/cejis)

On the other hand, in some cases room for social organisations became more limited. The election of the conservative hardliner Mahmoud Ahmadinejad in Iran was followed by a repression of social organisations fighting for human rights, freedom of the press and a better position for women. In Iraq, Hivos partners were active during the elections for a parliament and a president. This mainly concerned informing the electorate. The local women's organisation Al Amal organised thousands of living room meetings for women. The message was that women could use their formal right to vote and vote according to their personal preference, independently from their husbands or fathers.

In Indonesia, Hivos organised a meeting on the role of civil society in respecting human rights. More than thirty activists, media representatives, members of the National Human Rights Commission and scientists introduced proposals to take action in respect of lawlessness, violence, discrimination by the government and protection of human rights activists.

## CONSTITUTIONAL REVISION IN KENYA

With the support of Hivos, the NGOs CCCC and NCEC and the umbrella organisation CRECO have been fighting for more democracy in Kenya for years. During the 2002 elections, they stimulated opposition parties to act as one against the corrupt and undemocratic regime of Daniel arap Moi. This resulted in a victory for the 'Rainbow coalition'. Subsequently, the organisations lobbied and campaigned for a change in the constitution which dates back to colonial times. Not only nationally, but also in the districts they worked with the population in order to formulate a personal contribution. Many of the action items were included in a draft Act, such as the non-discrimination principle, periodic elections and the right to information. The government was shocked by this substantial civilian contribution and tried to call off the promised referendum. A coalition of NGOs went to the courts and it was determined that the referendum had to take place. In the final draft, both parliament and government gave the president more power and left less room for civilian initiatives. During the referendum in November 2005, many social organisations called to vote against this watered-down version. Various NGOs (also with the support of Hivos) supplied observers to monitor visiting numbers to the polls. As a result of the 'no' campaign the proposed constitution was rejected. Despite that, social organisations have increased the involvement of citizens, widened the public debate and demonstrated to be able to formulate concrete alternatives.

**In 2005, Hivos made a total of 346,000 euros available to CCCC, NCEC and CRECO.**

Last year, together with the Netherlands Institute for Southern Africa (NiZA), Hivos worked on the implementation of a long-term programme both organisations agreed upon. Activities included a study into the course of the election processes in Southern Africa. As in previous years, there was special attention for the situation in the Democratic Republic of Congo. Hivos is not active there, but did enable a Congolese journalist to participate in the World Summit on the Information Society (WSIS) in Tunis (see further under 8.2).

### *Sexual minorities*

Promoting equal rights for gays, lesbians, bisexuals and transsexuals – often abbreviated to GLBT – remains one of the main objectives of Hivos. In Botswana, Hivos organised an NGO conference on the position of minorities, varying from ethnic groups such as the San to organisations for gays and lesbians. The conclusion was that Hivos should aim at the latter groups in particular. Unfortunately, an attempt to unite organisations for sexual minorities in East and Southern Africa within a single network was unsuccessful. In Hivos' opinion, the organisational structure and the plans of the network were too weak to qualify for further support. The development of the African Lesbian Coalition – which unites women throughout Africa and which published a book on lesbian relationships in Africa (Saskia Wieringa & Ruth Morgan, Tommy Boys, Lesbian Men and Ancestral Wives) – is promising. A study which Hivos conducted together with the Ford Foundation shows that individual organisations by gay activists in East Africa are also still very weak. In 2006, Hivos and the Ford Foundation shall therefore start with the implementation of a systematic organisation development programme for these groups. This fits within Hivos' aim for more knowledge-intensive forms of support and for a better coordination with other donors.

### *'Stop Child Labour – School, the best workplace'*

The campaign 'Stop Child Labour – School, the best workplace', started in 2003, is the first significant joint lobbying and education project of Alliance2015. Whereas first only Concern (Ireland) and Deutsche Welthungerhilfe participated, as of 2006 the campaign is also being carried out by Alliance2015 partners Ibis (Denmark), Cesvi (Italy) and People in Need (Czech Republic). Hivos acts as the coordinator.

Within the Netherlands, Hivos campaigns together with the General Union of Educational Personnel, the Dutch Trade Union Federation (FNV) and the National India Working Group. Following the example of Southern partner organisations such as Hivos partner MVF in India, the campaign pursues a policy aimed at the complete abolishment of child labour and the provision of full-term education for children up to the age of 15. At the beginning of 2005 the European Parliament prepared a report on child labour. Following this, a large number of organisations and trade unions were called together by the 'Stop Child Labour' campaign in order to formulate joint recommendations to the European Parliament about its role in fighting child labour.

Hivos partner MV Foundation from India participated in the parliamentary hearing on the report and handed over the recommendations. The report resulted in a parliamentary resolution on child labour in developing countries. The report states, among other things, that all educational programmes financed by the EU must include a strategy in order to send working children to school.

**[www.schooldebestewerkplaats.nl](http://www.schooldebestewerkplaats.nl) | [www.mvfindia.org](http://www.mvfindia.org)**

Furthermore, representatives from the Dutch, Irish and German 'Stop Child Labour' campaigns handed over a total of 170,000 signatures to the European Commissioner for Development Cooperation, Louis Michel. In the Netherlands, the signatures were handed over to a representative of Minister Agnes van Ardenne in the National Education Museum in Rotterdam, where the photographic exhibition 'School, the best place to work' on child labour and education in Morocco was opened.

### *PRSPs: Civil society and alleviation of poverty*

Democratisation also means that social organisations can exert influence on government policy in the field of poverty alleviation. In order to qualify for debt-relief from the World Bank, governments in developing countries are obliged to work out a strategy for alleviating poverty. This is done through so-called Poverty Reduction Strategy Papers (PRSPs). The poverty alleviation policy is required to include civil society. Whether this always happens is a different matter. Hivos therefore supports social organisations which are or want to be involved in the PRSP process. To this end, Hivos works together with other Dutch MFOs. The PRSP process occupies an important position within the

policy of the Dutch government. Hence private organisations together regularly consult with staff at the local Dutch Embassy to coordinate support to the national government and the social organisations.

Hivos supports partner organisations in Nicaragua which monitor the spending of funds which the government receives from foreign governments and institutions within the framework of alleviating poverty (budget support and basket funding). In this country Hivos also coordinates the consultation of MFOs with the Dutch embassy. As in previous years, Hivos partners participate in discussions within the framework of the National Development plan. However, in Honduras, Hivos is the only Dutch organisation which is active in the field of PRSPs. A joint fund with Alliance2015 partner Ibis (Denmark) helps local organisations monitor the implementation of measures for alleviating poverty. The implementation of the PRSP in Bolivia has long been uncertain, due to the unstable political situation. With president Evo Morales taking up office in December 2005 and the announced revision of the constitution, the possibilities for participation by social organisations are likely to increase. This applies in particular to organisations of native peoples who now have a more favourable political position.

In Mozambique the emphasis is put on the participation of local municipalities in government programmes for alleviating poverty. The programme which Hivos implements in Nampula, together with NOVIB, has started to support rural people's organisations in strengthening their organisation and in the implementation of their plans. The objective is that these local NGOs are in a better position to formulate their demands for services from the local government and to have a voice in the planning at district level. The implementation of the PRSP process in Sri Lanka strongly depends on the political situation and the perspectives for peace. Here Hivos primarily supports local organisations which bring people from various parts of the country into contact with each other.

## 7.2 Gender, Women and Development

Hivos supports women's organisations which fight for women's rights and which want to increase the participation of women in the decision-making process. Hivos also supports gender equality within partner organisations and programmes, and the integration of gender equality in the policies of other Hivos sectors (mainstreaming). The UN Women's Treaty, the Cairo Action Programme and the Beijing Action Plan are important guidelines for the partner organisations.

### *Global attention to women's rights*

In 2005, a decade after the adoption of the international declaration of women's rights in Beijing, Hivos pursued reconfirmation of this declaration. This was met by a large response, as appeared from the 'Beijing +10' Conference in Utrecht (which was organised by Hivos, among others) which drew 650 participants. More than 30 organisations supported the initiative to renew international cooperation in the field of gender, women and development. During the conference, a critical report was presented on the performance of the Dutch government in the field of stimulating equality between men and women and putting women's issues on the agenda. Minister De Geus of Social Affairs and Employment declared on behalf of the government that the Beijing Action Plan still formed the basis for the policy. The report also provided important material for the commission which currently examines the performances of all Dutch ministries in the field of emancipation of women.

The year 2005 was also the year in which the United Nations took stock in respect of achieving the Millennium Development Goals (MDGs). Some Hivos partners, Development Alternatives with Women for a New Era (DAWN) and Association of Women's Rights in Development (AWID), successfully lobbied to increase attention for the position of women (under MDG 3) from education to more general principles of equal rights. Within the framework of 'Keep your promise', the Dutch NGO campaign regarding the Millennium Goals, Hivos was successful in putting this extensive interpretation on the agenda in the Netherlands also.

[www.awid.org](http://www.awid.org) | [www.dawnorg.org](http://www.dawnorg.org)





### Activities in the field of Human Rights and Democratisation 2005 *amounts in thousands of euros*

	Africa	Asia	Latin America	Southeast Europe	Worldwide	Total
Number of projects	69	100	50	4	13	236
Number of organisations	53	58	36	3	7	157
<b>Expenditures</b>	<b>4.426</b>	<b>5.288</b>	<b>3.173</b>	<b>1.220</b>	<b>824</b>	<b>14.931</b>
Of which chargeable to MFP	4.238	4.612	1.795	1.052	662	12.359
Human Rights and democratisation as a percentage of total regional expenditures	19%	26%	18%	28%	17%	20%

### Activities in the field of Gender, Women and Development 2005 *amounts in thousands of euros*

	Africa	Asia	Latin America	Southeast Europe	Worldwide	Total
Number of projects	46	52	49	4	9	160
Number of organisations	35	41	38	2	9	125
<b>Expenditures</b>	<b>2.610</b>	<b>2.165</b>	<b>1.987</b>	<b>329</b>	<b>764</b>	<b>7.855</b>
Of which chargeable to MFP	2.301	2.090	1.896	329	718	7.334
GVO as percentage of total regional expenditures	11%	11%	11%	8%	11%	10%

### Activities in the field of Hiv/aids 2005 *amounts in thousands of euros*

	Africa	Asia	Latin America	Southeast Europe	Worldwide	Total
Number of projects	48	15	24	4	5	96
Number of organisations	40	13	16	4	4	77
<b>Expenditures</b>	<b>2.811</b>	<b>528</b>	<b>1.207</b>	<b>352</b>	<b>159</b>	<b>5.057</b>
Of which chargeable to MFP	2.268	430	811	252	159	3.920
Hiv/aids as percentage of total regional expenditures	12%	3%	7%	8%	2%	7%

AWID, a worldwide network of women's organisations with which Hivos works together intensively, organised a large conference in Bangkok on women's rights and development. More than 1600 women from 120 countries talked about the necessity to reconfirm the recorded rights of woman and to offer a solution to new challenges. Those new issues include the shift in the international balance of power and the rise of fundamentalist movements. Hivos organised one of the workshops (on the role of the feminist movement in the North) and played an important role in the discussion on the funding of women's organisations. In 2006, Hivos will organise a donor conference on this subject.

### *Reproductive and sexual rights*

In most countries, the right of women to have control of their own bodies and to make their own decisions concerning sexuality and reproduction is still not a matter of course. Conservative tendencies against a free choice of using contraceptives, let alone abortion, are increasing on a worldwide level. That is the reason why Hivos partners in Latin America carried out a large-scale campaign on sexual and reproductive rights covering multiple countries. In Bolivia, the women's rights theme rose to a prominent position on the agenda thanks to a media campaign on better legislation. Following the change of power, the perspectives for actual change have improved substantially. In Argentina, the campaign of Hivos partner *Católicas por el Derecho a Decidir*, which united 250 organisations and 30,000 activists, led to a remarkable shift in public opinion. Within two years, the number of supporters for the right to abortion rose by 10 per cent, reaching a total of 50 per cent. *Católicas* also succeeded in recruiting supporters within the national government and the Catholic Church. Some bishops even publicly distanced themselves from the official conservative line. Two partner organisations in Peru brought an abortion case before the Inter-American Human Rights Commission on medical grounds, which led to a judgment against the Peruvian government.

[www.catolicaspoelderechoadecidir.org](http://www.catolicaspoelderechoadecidir.org)

Hivos partners in India campaigned against sex selective abortions (to prevent having a girl) and killing baby girls. Activists, physicians and scientists from 8 different states combined forces to campaign against these phenomena.

Based on their findings, Hivos has started a joint venture with the Campaign Against Sex Selective Abortions (CASSA) for a new and sustained campaign in the state of Tamil Nadu, where sex selective abortion and murdering baby girls is still widespread. This must lead to the implementation of legislation and increased social awareness.

### *Women's organisations in Iran*

In Iran, Hivos continued to be active in supporting independent organisations, especially within the feminist movement. The new conservative wind in politics and the threat of increasing isolation often makes it difficult to fight for women's rights. Hence the organising of exchanges between Iranian women activists and their colleagues elsewhere remains a priority. In the run-up to the tenth anniversary of the international women's treaty of Beijing, a meeting was organised in Iran itself. Eleven Iranian organisations were represented at the abovementioned AWID forum in Bangkok. Hivos also enabled a number of NGOs of Iranian women to participate in the *Commission on the status of women* meeting in New York. These international contacts help Iranian organisations to emerge from their isolation and provide valuable information for Iranian women activists and contacts in order to improve the performance of their own work. It further provides moral support for and increased awareness about Iranian civil society in the outside world.

### *Africa: women in politics*

Increasing the role of women in politics is an important tool to keep equal rights and women's issues on the political agenda and to structurally improve the position of women. In Southern Africa, Hivos partners are preparing for the elections in Zambia and Malawi. The elections in Malawi have been postponed to 2006. Female candidates receive training on addressing the public, media is encouraged to pay more attention to women's issues and female candidates, and organisations themselves are preparing their own radio programmes too. GenderLinks from South-Africa took the initiative to plead with 9 other organisations (5 of which are Hivos partners) with the heads of state of the SADC countries for the adoption of a policy to promote equality for women. Although unsuccessful, the heads of states did agree that in 2020 the number of women must be equal to that of men at all levels of decision-making.

[www.genderlinks.org.za](http://www.genderlinks.org.za)

### Gender in other sectors

Attention for gender issues is part of all Hivos programmes. In 2005, a systematic study was carried out to determine to what extent Hivos partners do take the position of women into account within their policies and activities, and within their own organisations. Questions included, for example, to what extent organisations aim at the specific needs and interests of women and how many female employees were employed by the partner itself. Within the Hivos partner database, 46 per cent scored good to reasonable. Also, considerable differences were identified. Within the other sectors, Hivos spent 5.3 million euros on activities aimed at women in particular.

The study shall serve as a 'baseline measurement' for the effectiveness of the endeavour to integrate gender within all sectors (gender mainstreaming). In the next Business Plan, objectives have been included per sector which must be achieved every two years. In 2007 and 2009, Hivos shall resubmit the same questions to the partners to find out whether these objectives have been achieved.

### 7.3 Hiv/aids

Hivos considers HIV/AIDS as a human rights and development issue and thus as a matter which extends beyond the field of the health services. Hivos supports organisations that fight for the rights of people with HIV/AIDS and that stimulate their full participation in society. This especially applies to organisations which lobby nationally and internationally for the best possible provision of information, prevention and access to medication and care in the South.

In 2005, Hivos supported many partner organisations which aim at both HIV/AIDS prevention among specific target audiences (such as youth, women, sexual minorities and sex workers) and lobbying.

This lobby is mainly focused on access to care and medication for people with HIV/AIDS and to respecting the rights of people with HIV/AIDS. Hivos also supported care programmes of a number of partner organisations.

## INDIA – SINGLE WOMEN TAKING JOINT ACTION

In large parts of India society is patriarchal. This manifests itself in strong discrimination and abuse of single or divorced women and widows. Most single women do not have access to means in order to obtain an income. It is therefore not surprising that most widows – who account for 8 per cent of the female population – are part of the lowest income groups. In the year 2000 in the Northern state of Rajasthan, a group of women decided to unite in the organisation HHSS/ENSS (Association of Strong Single Women). The group started with denouncing discriminatory practices on the grounds of caste or community and exerting pressure on the government to financially support single women in the lowest income brackets.

In 2004, HHSS/ENSS worked on expanding its scope within Rajasthan and at a national level. This had a tremendously positive effect. Similar organisations were set up in the states of Jharkhand, Himachal Pradesh and Gujarat. In Rajasthan, in 2005, HHSS/ENSS managed to grow to over 18,000 members who are active in most Rajasthan districts. As a result of their lobbying, the position of single women was also put on the political agenda. During the annual budget debate in the state parliament, the organisation managed to convince the government to prioritise single women within the aid programme against the consequences of drought. The government will also monitor the situation of these women more intensively, to ensure that these women actually receive the social provisions to which they are entitled (such as pensions). These are important steps in a tough battle.

**In 2005, Hivos supported HHSS/ENSS with 32,560 euros.**



## Information and prevention

### *Southern Africa*

In Namibia, Hivos carries out a programme in the province of Yelula together with its Danish Alliance2015 partner Ibis. Within this programme, local communities receive small amounts of money to set up information campaigns. Improving the position of people with HIV or AIDS is also part of these local activities. Fighting discrimination and the integration of people living with HIV/AIDS in society is much needed, especially in villages. Hivos and Ibis have also contributed to exchanging knowledge and experience between the regional committees of the government which are responsible for the coordination of the fight against AIDS. Within the project,

900 volunteers providing home care were supported through the establishment of a forum for information exchange.

In South Africa, the AIDS Law Project is the only African organisation to promote the interests and rights of people with HIV by legal means. The organisation succeeded in convincing four pharmaceutical companies to reduce their prices for AIDS inhibitors. They also took legal action against employers who unlawfully dismissed employees with HIV/AIDS or who refused to offer employment due to their illness. The AIDS Law Project was awarded a prize by the South African Ministry of Trade and Industry in recognition of their efforts.

Hivos works together with the Dutch organisation Pharm Access International (PAI) in the field of information on treatment and knowledge of use of medication (treatment literacy). This includes offering insurance to people with HIV, with the AIDS policy within the organisation of PAI itself serving as an example to generate interest by insurance companies. This year the joint activities of Hivos and PAI were funded by the National Postcode Lottery.

[www.alp.org.za](http://www.alp.org.za) | [www.pharmaccess.org](http://www.pharmaccess.org) | [www.ibis.dk](http://www.ibis.dk)

### *HIV/AIDS at the workplace*

Hivos carries out goal-oriented activities to stimulate partner organisations to set up a policy aimed at dealing with AIDS within their own organisation. On the basis of its own experience, the Hivos regional office in Zimbabwe has been active in this field for some years. In 2005, workplace policies were successfully introduced in a large number of organisations; 85 per cent of the Hivos partners in Zimbabwe have implemented such a policy. This amply exceeded the objective of 60 per cent which Hivos had set for the past year. In Malawi, however, the figure was 10 per cent below the planned 30 per cent.

In Mozambique, workplace policies have been recently introduced, and have not yet led to significant results. This difference appears to be mostly a matter of time. Hivos has also started cooperating with Stop AIDS Now! On the issue of workplace policies. In Uganda this approach was introduced within Hivos partner organisations and other organisations including businesses. In India too Hivos and SAN! have undertaken activities to stimulate partners to formulate an internal AIDS policy.

### *The Balkans and Central Asia*

Although the distribution of HIV/AIDS in Southeast Europe and Central Asia is less extensive than in Africa or Southern Asia, the disease has been advancing for years now. Hence last year Hivos expanded its activities in this region. Starting with the support of a single organisation in Serbia, this year the number of partner organisations has been expanded to 6. The programme now includes Kazakhstan and Kyrgyzstan.

The effectiveness of the AIDS programme rose particularly as a result of the strength of the local organisations. Hivos partners O-Jazas and Cazas were the main organisers of the World AIDS Day in Serbia and Montenegro. O-Jazas, which mainly focuses on young people, trained a group of 500 volunteers to inform their contemporaries on AIDS and how to avoid infection. O-Jazas also organised a regional conference on the position of AIDS within the context of reaching the Millennium Goals. Participants included government representatives and social organisations from all 10 Balkan countries.

[www.jazasorg.yu](http://www.jazasorg.yu) | [www.cazas.org](http://www.cazas.org)

### Access to treatment

One-third of the Hivos partner organisations in the field of HIV/AIDS are involved with lobbying activities. In South Africa, Treatment Action Campaign (TAC) continued its fight for access to medical care for people with HIV/AIDS. In cooperation with the Rural Doctors of Southern Africa, 42,000 people in the public sector were reached, compared to 27,000 in the previous year. Agua Buena is active in Latin America to reduce the price of medication. The organisation negotiates with pharmaceutical companies in order to reduce prices. This is often a lengthy process. Agua Buena further focuses on the provision of medication in the various Southern and Central American countries through the Global Fund (see below).

[www.tac.org.za](http://www.tac.org.za) | [www.aguabuena.org](http://www.aguabuena.org)

### Hivos and the Global Fund

In Costa Rica, the work of Hivos in the field of fighting AIDS has been recognised through its appointment as the local administrator of the Global Fund to Fight AIDS, Tuberculosis and Malaria in this country. The Global Fund is one of the main worldwide donors who support the fight against AIDS financially. In the years to come, a budget of 1.7 million dollars shall be made available to Hivos via its regional office in San José. This fund shall be used for awareness activities, for lobbying for an improved healthcare system in which the campaign against AIDS is given a prominent position, for the establishment and strengthening of organisations and for the provision of care.

[www.theglobalfund.org](http://www.theglobalfund.org)

### Insurance contracts

More than 50 representatives from the world of microfinance and the campaign against AIDS gathered during a regional conference which Hivos organised in the Ethiopian capital Addis Ababa. The objective of the meeting was to improve access to microfinance and particularly micro-insurance for people with HIV. The issues of poverty alleviation and prevention of AIDS share much common ground. The expansion of the epidemic has maintained the level of poverty throughout Africa, whereas an integration, within the activities of MFIs, of the campaigns with regard to AIDS and the prevention of poverty, can be an effective means to combat these interrelated problems.

## NAMIBIA: YOUTH ORGANISATIONS BREAK AIDS TABOOS

Fighting HIV/AIDS effectively is impossible if taboos about the illness and related subjects (often sexuality) remain in existence. Hivos partner Ombetja Yehinga (the Red Ribbon) therefore tries, successfully, to involve young people in Namibia in discussions on sex and sexuality, on the problem of stigmatising individuals (with AIDS) and on the emancipation of girls. Meanwhile the organisation has managed to reach 62 schools. Ombetja sets up AIDS Awareness Clubs in which young people organise themselves and become active in the field of fighting AIDS. Through this approach the scope of the information and discussion activities is growing substantially. Currently there are 86 such clubs with a total membership figure of 1260. They offer young people a platform to exchange ideas and form a steppingstone to set up joint activities.

Ombetja Yehinga uses different means to reach its target audience. For example, it publishes a magazine with a circulation of 7000, with each edition featuring a different subject with regard to HIV/AIDS. Another means is organising theatre performances, which in 2005 were viewed by more than ten thousand pupils, students and teachers. A performance especially created for detainees and police personnel in Omaruru was very special indeed. The members of the AIDS Awareness Clubs also use cultural expressions and activities such as music, poetry and video productions to reach young people. Ombetja further organised special events such as sports competitions and film showings. As a result, approximately 4,000 predominantly young people were reached. During these events condoms were handed out and the public could participate in a quiz with questions on the use of condoms.

**In 2005, Hivos supported Ombetja Yehinga with 100,000 euros.**

The results of the conference offer reference points for setting up insurance models which Hivos works on together with PSO, Sharenet and SAN!

[www.share-net.nl](http://www.share-net.nl) | [www.pso.nl](http://www.pso.nl)

### **Stop AIDS Now!**

Hivos works with other co-financing organisations and the SOA AIDS Fund Netherlands within Stop AIDS Now! This initiative combines forces for fighting AIDS in the South and the provision of information and fundraising in the Netherlands (see also chapter 9). The participating organisations each use their specialisations, ultimately creating the most effective strategies. Hivos particularly aims at gender and the position of women when fighting HIV/AIDS. The participating organisations have set up a programme on this subject with the objective of developing a coherent policy and effective strategies.

During World AIDS Day, Hivos organised a well-visited workshop on this subject in Amsterdam, in which both Dutch and foreign organisations participated.

Last year Hivos received more than 1 million euros from SAN! A total of 14 projects of Hivos were financed through SAN! funds: 5 in India, 4 in Latin America, 1 in Southeast Europe and 4 in Africa.

[www.stopaidsnow.nl](http://www.stopaidsnow.nl)





# 08

## CULTURE, ICT AND MEDIA

Freedom of speech and freedom of cultural and artistic expression; those are the key themes within CIM, which consists of the ICT, Media and Knowledge Sharing and Arts and Culture sectors.

### 8.1. Arts and Culture

Hivos supports cultural and artistic expressions that contribute to the improvement of democratisation and multiformity. This is done by promoting local productions in the fields of visual art, theatre, film, literature and media arts, setting up exchange projects and strengthening the cultural sector. Over the past year, Hivos has adjusted its culture policy by putting more emphasis on the strategic level. This includes an improved balance between donors, supporting regional initiatives and increased attention for the distribution and accessibility of productions.

#### *Film funds and film distribution*

Film can be an important tool to give cultural life an impulse and to bring up social themes for discussion. That is why Hivos supported the realisation of 50 independent film productions. In many countries cinematographic talent is not given a chance, because a local film industry is often lacking and cinemas predominantly show Hollywood products. In Central America and Southern Africa, Hivos therefore took the initiative of setting up film funds with a regional outreach. Cinergia, set up in 2004 for the Central American countries and Cuba, financed nearly 120 projects in its second year.

In the Southern African countries, the film fund Sithengi performs a similar role. All these film funds deliver productions that can also be seen at film festivals in Europe (such as the International Film Festival Rotterdam).

[www.cinergia.org](http://www.cinergia.org) | [www.sithengi.co.za](http://www.sithengi.co.za)

#### *'Freedom of Expression' Campaign*

The Freedom of Expression campaign was not as successful in 2005 as anticipated. Planned activities in cooperation with Hivos partners in the South have been moved to 2006, because the reorganisation and extensive activities in respect of the tenth anniversary of the Hivos Culture Fund left little room for realisation of the planned projects. Furthermore, the convention that forms the basis of the campaign, UNESCO's Convention for Cultural Diversity, was signed only in October 2005. As this convention is now in place, partners have more starting points with which to advocate the diversity of cultural and artistic expressions in their country.

#### *Ten years of Hivos Culture Fund*

In 2005, Hivos and numerous guests from the world of arts and culture celebrated the tenth anniversary of the Hivos Culture Fund. Artists, representatives of partner organisations and cultural institutions in the Netherlands met in the Westergasfabriek works (cultural centre) in Amsterdam to discuss culture as a theme within the framework of international cooperation (see further under 9.1).



### *Hivos-NCDO Culture Fund*

In addition to its own Hivos Culture Fund in respect of activities in the South, Hivos set up a fund together with NCDO in 2004. The Hivos-NCDO Culture Fund is a successful example of bundling expertise and improving efficiency. With this fund, Hivos and NCDO have bundled their existing support for Dutch cultural organisations which promote productions from the South and make them accessible to the Dutch audience, such as the Hubert Bals Fund (film) and Noorderlicht (photography). Both organisations contribute half to the fund which has assets worth approximately one million euros. In 2005 the fund, which is managed by Hivos, supported 20 projects. [www.hivosncdocultuurfonds.nl](http://www.hivosncdocultuurfonds.nl)

## **8.2. ICT, Media and Knowledge Sharing**

Information and Communication Technology (ICT) is an important tool for development. For that reason, Hivos has been promoting the use of ICT by its partner organisations for many years. The exchange of information and knowledge between NGOs in the North and South with donors, funds and scientists can increase their strength considerably. However, the global explosion of ICT does not automatically end any existing inequality, injustice and poverty. Hivos therefore lays down (human) rights in the virtual world by means of international lobbying activities in cooperation with the Dutch government, the business sector, the Open Society Institute and other NGOs.

Due to the increasing public interest for ICT for development, Hivos has considerably extended its activities in this field, and added the field of Media. The number of partner organisations in this area doubled in the course of 2005, with a renewed focus on quality. While access to ICT was the main issue in previous years, the 'strategic use' of this technology is the focus of the new strategy as from 2005. That means that Hivos partners use ICT as a tool to achieve their objectives in a more effective way.

### *World Summit on the Information Society (WSIS)*

Which rules apply in the virtual world? Who has access and what about the guarantee of (human) rights such as freedom of speech on the Internet? Delegations from all over the world met in Tunis at the second World Summit on the Information Society in order to discuss

## **FRENTE DE DANZA – FUTURO SÍ (SAY YES TO THE FUTURE...)**

Frente de Danza (the Dance Front) has been a significant driving force behind the development of contemporary dancing in Ecuador for more than 20 years now. This Hivos partner organisation mainly focuses on research, training and dance productions. The work of the members of Frente de Danza, including artistic leader Wilson Pico, has been seen on many international stages.

After having first offered its support for the construction of a dance room, Hivos now contributes to the Futuro Sí project. By means of this project, Frente de Danza offers underprivileged young people a future through contemporary dancing. Each year, following a strenuous selection procedure, 65 young people from the poorer districts of Quito can attend a three-year dance course. They attend lessons by prominent dancers, choreographers and artists in the fields of dancing, music, educational science and visual art. Of course, their own dance styles such as break dancing and capoeira are not forgotten.

After 3 years, the youngsters are trained to be dancers, choreographers and dancing instructors. This means they have a much greater chance of finding a job, whereas previously they hardly had any prospects at all. Many of them go back to their own communities in order to spread their knowledge. Dancing teaches the youngsters and their communities to look at themselves in a different light and to use their creative energy for a better existence.

**In 2005, Hivos provided Frente de Danza with 35,000 euros for the Futuro Sí project.**

these questions. Like during the first conference in Geneva (2003), Hivos was part of the Dutch delegation which was headed by Minister Bronkhorst of Economic Affairs. Under the heading Expression under repression, Hivos itself organised a meeting for NGOs, webloggers, policy makers and other interested parties. This title turned out to be more than apt. In an attempt to prevent too much criticism, Tunisian government officials tried to prevent the session. Thanks to effective actions by, among others, the Dutch ambassador, the meeting could be held as planned. Partly as a result of the incident, this contribution from Hivos received a lot of media attention from NRC Handelsblad, Radio1 and foreign media such as the BBC. The attempt by the Tunisian authorities to restrict freedom of speech highlighted precisely why it is so important to keep bringing this subject up for discussion.

### *The business sector and international funds*

Hivos has taken steps towards a more intensive cooperation with the business sector and international organisations. A joint venture agreement was concluded with KPN in order to pass on ICT knowledge to Hivos partners in 6 African countries. The past year already saw pilot projects in Namibia and Kenya, where organisations educate youngsters by means of SMS on issues such as HIV/AIDS.

Together with the Open Society Institute (OSI), Hivos entered into an agreement for structural cooperation. One of the joint initiatives is the development of digital tools that enable NGOs to keep their organisation going. By using a special version of this 'NGO-in-the-box' tool (presented for the first time during the workshop for NGOs in Tunis) organisations can respond to attempts by governments to censor or curtail their activities. It contains programmes to guarantee the safety of communication via e-mail and the Internet and to protect the identity of users. Over the next years, Hivos and OSI shall also cooperate in the fields of culture and media.

[www.soros.org](http://www.soros.org) | [www.ngoinabox.org](http://www.ngoinabox.org)

### *Content on the Internet*

In 2005, the majority of Hivos partners provided Internet content via their own websites. The setup, with active support from Hivos, of separate OneWorld centres in Africa, Asia, Latin America and South-East Europe made a significant contribution to this. Hivos also continued to support

other networks aimed at specific themes or countries. In Indonesia, Hivos launched the Satu Dunia network in cooperation with OneWorld. This is an Internet platform for 35 partner organisations in the fields of agriculture, the environment and HIV/AIDS. Following intensive training, a group of 9 partners took the lead to make the Satu Dunia portal operational in the next year. The Kubatana network is a successful initiative in Zimbabwe. Kubatana enables the affiliated NGOs to exchange information about current developments and each other's experiences fast and effectively. Within the current political context this is of great importance to their functioning.

[www.kubatana.net](http://www.kubatana.net)

An ongoing activity is increasing the ICT knowledge and skills of partner organisations by means of targeted training and capacity building. This often happens in cooperation with strategic partners such as OneWorld and the International Institute for Communication and Development (IICD).

Two projects with IICD in Ecuador, aimed at processing cocoa and the protection of mangrove forests, had a successful initial phase and shall be continued into 2006.

The ICT activities of Hivos and IICD in Zambia have run into some delays. Women's organisations were to exchange information and make it accessible to women in the country by means of ICT. Local organisations there often are not strong enough to carry the project. Nevertheless, together with the Organic Producers and Processors of Zambia (OPPAZ), a proposal was drawn up which shall be implemented early 2006.

[www.oneworld.net](http://www.oneworld.net) | [www.iicd.org](http://www.iicd.org)

### *Quality control: do it yourself*

Over the past year, Hivos has contributed to the development of software which helps consumers in tracing the origin of products by themselves (track and trace). This is especially useful if you want to find out what the quality marks for biological and fair trade products mean.

So if you enter the packaging code of, for instance, fruit of the Nature and More label into the website of this organisation, you will get an overview of the producer and of how production is rated in terms of sustainability, nutritious quality and social aspects.

[www.natureandmore.org](http://www.natureandmore.org)

### Activities in the field of Arts and Culture 2005 *amounts in thousands of euros*

	Africa	Asia	Latin America	Southeast Europe	Worldwide Netherlands	Total
Number of projects	31	34	34	1	20	120
Number of organisations	23	22	26	1	14	86
<b>Expenditures</b>	<b>1.526</b>	<b>908</b>	<b>935</b>	<b>120</b>	<b>953</b>	<b>4.442</b>
Of which chargeable to MFP	1.433	908	935	120	473	3.869
of which NCDO				480		
Art and culture as percentage of regional expenditures	7%	5%	5%	3%	13%	6%

### Activities in the field of ICT, Media and Knowledge Sharing 2005 *amounts in thousands of euros*

	Africa	Asia	Latin America	Southeast Europe	Worldwide	Total
Number of projects	17	12	10	4	18	61
Number of organisations	13	4	7	3	13	40
<b>Expenditures</b>	<b>657</b>	<b>608</b>	<b>360</b>	<b>317</b>	<b>1.119</b>	<b>3.061</b>
of which chargeable to MFP	657	557	341	278	1.119	2.952
IMK as percentage of total regional expenditures	3%	3%	2%	7%	16%	4%
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

### *Dgroup web platform*

Hivos and its partner organisations use Dgroups (Development through Dialogue) on an increasing basis; this is a platform which facilitates digital workplaces for themed or working groups. Through their own (open or closed) Dgroup, participants can send e-mails, organise debates, exchange documents and pursue a joint agenda. Since 2004, Hivos has been a member of the international group that manages the Dgroups. The other members are Bellanet, DFID, ICA, IICD, OneWorld, UNAIDS and the World Bank. Hivos itself uses 20 Dgroups. Thirty groups were made operational for Hivos partners.

[www.dgroups.org](http://www.dgroups.org)

### *Media*

Independent media are indispensable for a properly functioning democracy and for societies on their way to democracy. That is why Hivos paid a lot of attention to this subject in its policy document Making Civil Voices Heard. Within the new organisational setup too, Media is a special area of attention within the sector (ICT, Media and Knowledge Sharing). In 2005, Hivos and Internews submitted a proposal to an invitation to tender from the Ministry of Foreign Affairs to support independent media in Iran. This proposal was honoured, which means that both organisations shall work out the project in 2006.

In Iran, Hivos has also been actively supporting civilians who have their own Internet page with observations and opinions about politics and society, the so-called weblogs. It is remarkable to see that the most common language in Iran, Farsi, is one of the languages bloggers use most internationally. With a view to the difficult situation for organised activities in today's Iran, this form of communication offers one of the best ways of making civil society's voice heard.

## **ACCESSIBLE SOFTWARE IN INDIA**

Open source software (OSS) is available for free and as such is of interest for development projects of NGOs and authorities in the South. In the Indian state of Kerala, SOMA/SPACE (Society for Promotion of Alternative Computing and Employment) is developing this software in cooperation with local engineering academies. The organisation also helps to start up so-called virtual micro companies. These are companies where software developers work on a certain project from different locations. SOMA/SPACE acts as a catalyst for this type of small-scale businesses and as a middleman to the larger ICT industry.

The initiatives with virtual micro companies led to two successful projects this year. On contract from the state's government, a website was set up to help the unemployed and businesses come into contact with each other. This site ([www.keralashree.org](http://www.keralashree.org)) is part of the regional programme for alleviation of poverty. As a result of this approach, the development costs were extremely low. A second project relates to the development of a monitoring model for available budgets in respect of the repair of homes in the state of Tamil Nadu which were destroyed by the tsunami. The executing party of this reconstruction project is the South India Federation of Fishermen Societies (SIFFS), one of the most significant Hivos partners in the field of post-tsunami recovery. In the next year, SOMA/SPACE shall build on these successes in its strategy to promote open source software on a broader basis, to train people and organisations and to launch new initiatives in the field of employment. Cooperation with academic institutions, the government and the business sector has proven to be an important factor in this respect.

**In 2005, Hivos supported SOMA/SPACE with 55,000 euros.**  
[www.space-kerala.org](http://www.space-kerala.org)

# KEY FIGURES PER CONTINENT



# AFRICA

Hivos supports partner organisations in more than thirty countries in Africa, Latin America, Asia and Southeast Europe. In Africa, Hivos focuses on activities in eastern and Southern Africa. In 2005, expenditures amounted to more than 23 million euros. This amount was made available to 258 organisations, including 33 new partners.

## Key figures Africa *amounts in thousands of euros*

	2004	2005
Expenditures	20.000	23.234
of which chargeable to MFP	18.480	22.138
Number of partner organisations	277	258
Number of projects	303	347

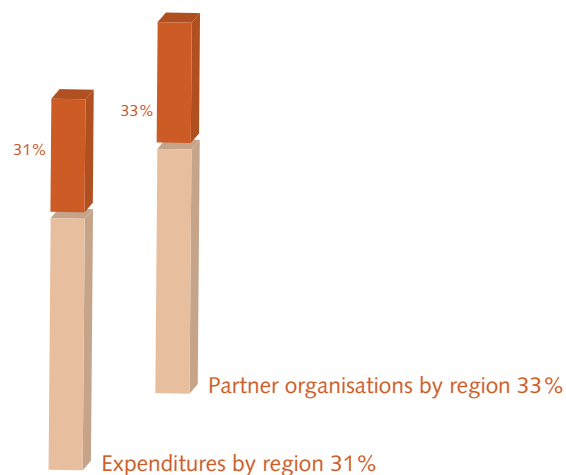
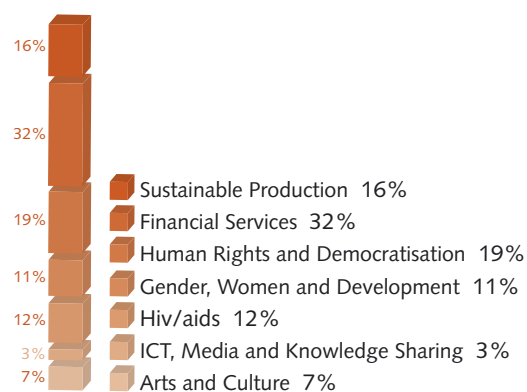
## Hivos supports organisations in:

*East Africa* Kenya | Tanzania | Uganda

*Southern Africa* Botswana | Malawi | Mozambique | Namibia

Zambia | Zimbabwe | South Africa

## Expenditures Africa by policy spearhead



# LATIN AMERICA

In Latin America, Hivos primarily supports activities aimed at Sustainable Economic Development, democratisation and the rights of marginalized groups such as the native peoples. In 2005, Hivos spent nearly 17.5 million euros on the activities of 212 partner organisations, including 14 new ones. Both expenditures and the number of partners dropped, by 1 million euros and 32 partners respectively. Of the funds, 56% went to activities in the field of Sustainable Economic Development.

Of the total expenditures in Latin America, 864,550 euros was spent on emergency relief and reconstruction.

## Key figures Latin America amounts in thousands of euros

	2004	2005
Expenditures	18.531	17.498
of which chargeable to MFP	16.807	14.653
Number of partner organisations	244	212
Number of projects	305	328

## Hivos supports organisations in:

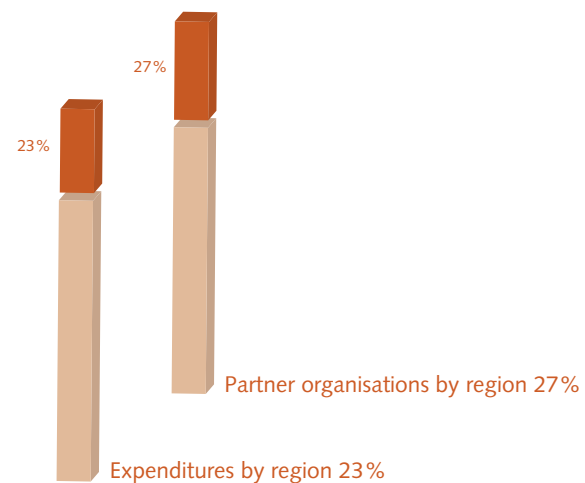
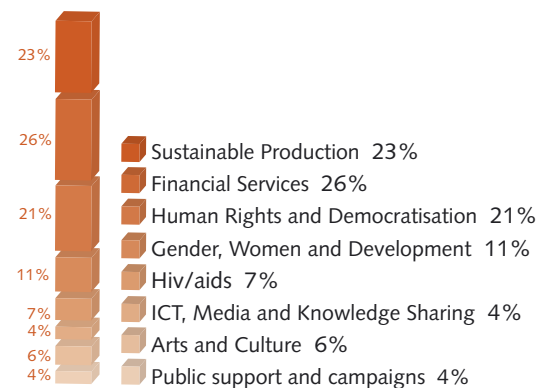
Central America Belize | Costa Rica | El Salvador

Guatemala Honduras | Nicaragua

the Caribbean Cuba

South America Bolivia | Chile | Ecuador | Peru | Surinam

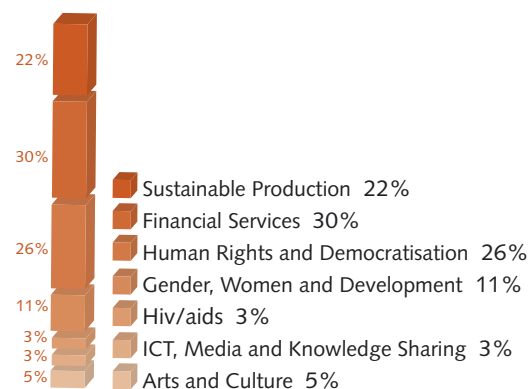
## Expenditures Latin America by policy spearhead



# ASIA

The Hivos programme in Asia has strong regional differences. In India, the rights of specific groups such as the Dalits are at the forefront. In the poorer areas in Indonesia and Sri Lanka, the emphasis is on Sustainable Economic Development. In 2005, 5.4 million euros were spent in these three countries on emergency relief following the tsunami. In Central Asia, Hivos is mainly working on strengthening social organisations and democratisation. The programme in Iran, where Hivos supports the new critical progressive civil society, was continued. The programme in Asia amounted to a total of 20.1 million euros (for 209 partners), a considerable rise compared to 2004, when 15.6 million was spent. There were 38 new partners.

Expenditures Asia by policy spearhead



Key figures Asia amounts in thousands of euros

	2004	2005
Expenditures	15.627	20.115
of which chargeable to MFP	14.257	15.616
Number of partner organisations	222	209
Number of projects	266	327

## Hivos supports organisations in:

India | Kazakhstan | Kyrgyzstan | Sri Lanka | Indonesia | East Timor  
Cambodia | Iran



# SOUTHEAST EUROPE

Expenditures in Southeast Europe rose from 3.1 million euros in 2004 to 4.3 million in 2005. The means were made available to 15 organisations, two less than the previous year. There were three new partners. Together with IKV Hivos realises a five-year regional programme for the reconstruction of society in Southeast Europe.

## Key figures Southeast Europe amounts in thousands of euros

	2004	2005
Expenditures	3.142	4.368
of which chargeable to MFP	2.674	3.879
Number of partner organisations	17	15
Number of projects	18	21

## Hivos supports organisations in:

Albanië | Bosnië-Herzegovina | Kosovo | Macedonië | Montenegro  
Moldavië | Servië

## Expenditures Southeast Europe by policy spearhead



# WORLDWIDE

In addition to regional programmes and projects, Hivos spent 9% of its budget on worldwide activities in 2005, nearly as much as in 2004. It concerned a total of 65 partners, including 33 new ones, compared to 51 in 2004.

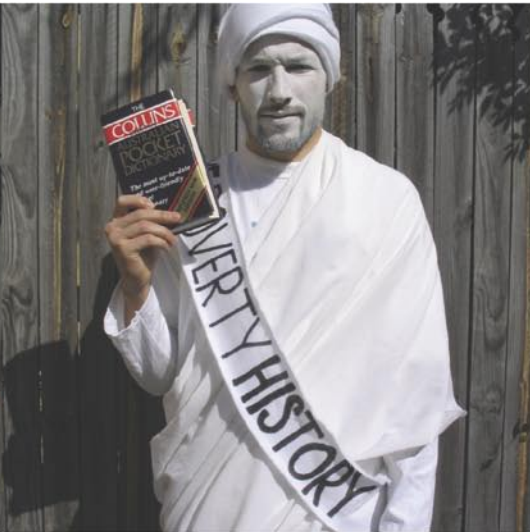
## Key figures Worldwide amounts in thousands of euros

	2004	2005
Expenditures	6.768	7.077
of which chargeable to MFP	3.528	5.569
Number of partner organisations	51	65
Number of projects	71	100

## Expenditures worldwide by policy spearhead







Make  
Poverty  
History



# 09 HIVOS IN THE NORTH

In order to increase the effectiveness of the work in the South, Hivos cooperates with fellow development organisations and with other social organisations in the Netherlands and Europe. In the opinion of Hivos, international cooperation is more than development cooperation alone. That is why it opts to cooperate with others whose expertise or position makes a significant contribution to its work.

These joint ventures contribute to a broader basis in the own country and strengthen education and lobbying activities and with that make them more effective.

## 9.1 Cooperation in the Netherlands

### EXPENDITURE IN THE NETHERLANDS *amounts in thousands of euros*

	Information	Campaign & Lobbying	KMA desk	Total
Total expenditures	1.098.713	984.514	668.559	2.751.786
Of which chargeable to MF	1.098.713	772.890	668.559	2.540.162
Number of projects	36	35	79	150

### Campaigns and lobbying

In line with the policy document Civil Voices on a Global Stage, Hivos has been focusing on lobbying activities in the Netherlands and Europe on an increasing basis over the past years. Themes are chosen based on Hivos objectives and requests from partner organisations in the South. In the Netherlands, Hivos worked on the following campaigns in 2005.

### Keep your promise

The Millennium Development Goals (MDGs) were ever-present in 2005. Under the heading 'Global call for action against poverty' (GCAP), social organisations around the world organised a large number of events and demonstrations at the time of the 3 summits – the G8 in July, the UN summit about the MDGs in September and the meeting of the World Trade Organisation (WTO) in December. During each summit, one day was chosen as White Band Day. In the Netherlands the Dutch Millennium Goals Platform, with regard to which Hivos was one of the initiators (and co-financers), organised various demonstrations, debates and meetings under the header 'Keep your promise... banish poverty!' to focus attention on the 8 millennium goals. As a result of all these activities, the MDGs became more widely-known. However, as demonstrated by the MDG Watch from Alliance2015 (see 9.2), a lot still needs to be done in order to achieve the ultimate objectives in 2015.

[www.unmillenniumproject.org](http://www.unmillenniumproject.org)

### Coffee campaign

Hivos participates in the coffee campaign as a member of the Dutch Coffee Coalition, a joint venture including among others the South-North Federation, the trade unions, the National Association of World Shops and NOVIB. The aim is fairer pricing and improved social circumstances for coffee farmers. In 2005, Douwe Egberts/Sara Lee promised to increase its own percentage of certified coffee from 4 to 12 per cent.

The setup of the new supermarket campaign, specifically aimed at the stragglers, was reason for Laurus (Drie Mollen coffee-roasting house) to finally commit to selling certified coffee. Hivos contributed to the design and implementation of the supermarket campaign, with media attention, flyers and posters. As a result of this campaign, Aldi and Lidl also indicated to take the Coffee Coalition lobby seriously.

#### *HIV/AIDS campaign: Act now, or pay later*

At the end of 2005 it was announced that the European Union approved the proposal for a European HIV/AIDS campaign. The campaign, which Hivos executes together with its European partners within Alliance2015, shall also include activities in the Netherlands (see further under 9.2).

#### *Gentech coalition*

The year 2005 saw the launch of the website [www.gentech.nl](http://www.gentech.nl). The site offers news and background information about genetic manipulation of farm crops and food, focussing on the consequences for man, environment and development around the world. The site attracts a large number of visitors each month (4,000 site visitors per month). Together, Hivos, the Dutch Platform on Gentechnology and XminY keep the contents of the site up to date.

[www.platformgentechnologie.nl](http://www.platformgentechnologie.nl) | [www.xminy.nl](http://www.xminy.nl)

#### *Fill the Gap!*

For the third time, Hivos together with IICD and OneWorld organised the discussion meeting Fill the Gap! Through this recurring event, the initiators wish to promote the discussion in the Netherlands about the role of ICT for development. This time the focus was on human rights in the information society. A debate with stimulating propositions such as "Is the right to information truly a human right?", and an information market were part of this day. Fill the Gap! preceded the World Summit on the Information Society (WSIS) in Tunis, with items on the agenda such as Internet access for all, and privacy on the web (see further under Culture, ICT and Media).

## 10 YEARS OF HIVOS CULTURE FUND

In 2005 the Hivos Culture Fund celebrated its tenth anniversary. Nearly three hundred national and international guests attended the celebrations on 2 June. The theme of the day was culture and development and was titled 'Beyond Diversity, Moving towards MDG no. 9'. Is there any tension between art as a contribution to development and as an autonomous process? Is equal cooperation at all possible between the North and the South?

And should art and culture not be included in the Millennium Goals? There were no easy answers, although the discussions, led by Felix Rottenberg and Stephan Sanders among others, were very lively. During the plenary session, the South African writer Breyten Breytenbach spoke of culture as 'making being'.

Furthermore, the best Hivos partner entries were awarded. During the evening, the participants were able to attend the premiere of the Black Moon show.

This joint production of the Indonesian Payung Hitam and the Dutch group The Lunatics was a showpiece, with large installations and a storyline that referred to the tsunami disaster among other things. After the performance in Amsterdam, Black Moon could also be seen at the Oerol Festival on Terschelling and in Leidsche Rijn near Utrecht. The show attracted an audience totalling more than 6,000.

#### *Human Rights Defenders*

Since 2003, Hivos and Amnesty International have been campaigning together for the protection of human right activists. Initially, the campaign focused on the European Union which by now has formulated a policy on this subject (see further under 7.1).



### Small-scale development initiatives from the Dutch public (Linkis)

The joint virtual Linkis information counter of the Dutch co-financing organisations and NCDO became operational in 2004 and was developed further in 2005. The goal of Linkis is to develop the site into a digital information centre in the field of international cooperation. Through this joint information counter, the initiators wish to improve their support to accessible and relatively small-scale private initiatives and debates in the field of development cooperation, and, in this way, increase public support for international cooperation. Linkis is in line with the social trend of citizens wishing to start activities in the field of international cooperation by themselves.

Hivos supports private initiatives by means of four funds, with a focus on the self-reliance of the applicants and minimum interference on the part of Hivos. Hivos' Linkis programme is relatively easily accessible, and with an average of 10,000 euros per activity, it has relatively many small-scale and innovative projects. This concerns both activities in the South and awareness activities in the Netherlands. The evaluation of the Linkis programme carried out in 2005 by order of the Ministry demonstrates that Hivos' choice for this approach is a clear one which fits in well with the organisation's profile. Linkis users are served with multiformity and a distinction between funds, and Hivos takes up a very clear position in this respect.

[www.linkis.nl](http://www.linkis.nl) [www.hivos.org](http://www.hivos.org)

In 2005, nearly 350 persons or organisations made use of these funds. Seventy-eight projects were approved and thirty-two were still being processed during the New Year.

#### HIVOS GRANTS TO SMALL-SCALE DEVELOPMENT INITIATIVES FROM THE DUTCH PUBLIC

	Number of applications	Number of approvals	%
2003	211	48	23%
2004	325	76	23%
2005	350	78	22%

## LINKIS: SUPPORTS SMALL-SCALE DEVELOPMENT INITIATIVES FROM THE DUTCH PUBLIC

Hivos supports private initiatives in the field of international cooperation via the "information counter" of small-scale social activities. This information counter, which is accessible through the virtual office ([www.hivos.org](http://www.hivos.org)) has four funds: World Citizen Fund, Diversity Fund, Ideology and International Cooperation Fund, and the Experiments Fund.

Through the World Citizen Fund, Hivos supports the Young in Prison volunteer foundation (YiP). This organisation offers social, emotional and educational support to detainees aged 10 to 18 in countries with abominable prison conditions. For instance, YiP supports the South African Youlsa project. It stimulates detainees to express themselves and to think about their life experiences by means of poetry and visual art. Then, nine months prior to the end of their prison term, they are actively prepared for their release. Young detainees for instance are given the opportunity of creating their own radio programme which shall be broadcast on the local radio station.

The Sabanapeti Foundation dedicates itself to improving the position of women within the traditional community of the Marron people in Surinam. This mainly concerns economic projects. Financed by the Hivos Diversity Fund, the foundation supported a project for the mechanisation of shelling peanuts. This means products can be sold outside their own region too, creating numerous jobs for women. The Sabanapeti Foundation shall supervise the project for a maximum of one year, after which a local women's organisation shall continue the activities by itself.

In 2005, the Experiments Fund financed a project on the subject of trauma processing. The initiator has years of experience in treating trauma victims. With her ICTEP institute she has developed a method of using visual expression therapy as a form of psychotherapy. Traumatized people can express their feelings, experiences and fantasies non-verbally by means of drawing, painting or clay modelling. Her method, which has been successfully applied in various locations around the world, can be continued by the local supervisors themselves following translation into English. Hivos made a financial contribution to their training.

Through the Ideology and International Cooperation Fund, Hivos supported the artists' initiative 'Paraplufabriek'. Once started by Nijmegen artists from the squatters scene, this initiative has now grown into a location where both national and international young artists can experiment and exhibit their work. With the support of Hivos, the 'Paraplufabriek' set up the Hidden Rhythms project, an exhibition in Museum Het Valkhof and other locations in the city. It focuses on rituals and ritualising behaviour. Rituals can provoke feelings of mutual solidarity, but they can also exclude people. The project contributes to the discussion about the way in which we deal with the modern-day heterogeneous and globalised society and how mechanisms of exclusion of 'the Other Person' play a role in this. Hidden Rhythms therefore deliberately opted for an international selection of artists and for works that visualise this ritualising behaviour. Hivos supported the exhibition of the work of the South African artist Robin Rhode.

## Information and Education

### *Humanist movement*

Together with the Humanist Alliance, Hivos organised the World Humanism Day on 18 June. This year the themes were the Millennium Goals and the Keep Your Promise Campaign. The slogan 'World Citizen? Keep your Promise!' confronted those present with their own role in achieving those goals. During the plenary meeting, Hivos director Manuela Monteiro discussed the importance of the Millennium Goals in more detail.

The role of Socially Responsible Entrepreneurship in relation to the MDGs was also discussed. More than 200 visitors and participants from the Netherlands and abroad attended the event.

Kosmopolis, the humanist international institute for human rights and global citizenship, organised a summer school, as it did in 2004. Participants from India, Africa and the Netherlands attended lectures and exchanged experiences. The intercultural North-South and South-South dialogues were particular favourites among the participants. Kosmopolis is an initiative of Hivos and the University for Humanist Studies.

[www.human.nl](http://www.human.nl) | [www.uvh.nl](http://www.uvh.nl) | [www.humanitas.nl](http://www.humanitas.nl)

### *Migrants and refugees*

Migrants and refugees can form a bridge with their countries of origin. This year, Hivos focused its attention especially on the countries of the Middle East. In that light, Hivos last year organised the Bazaar, together with Stichting Duurzame Solidariteit and IKV. During this festival democratisation and human rights in the Middle East took centre stage. Through introductions and discussions the organisers wanted to contribute to finding alternative ways of promoting democracy from within society itself. The other objective was to increase public attention in the Netherlands in respect of the discussion about democratisation and human rights. Although there have been many discussions about democratisation in the Middle East, the voices of those involved are often still not heard. This Bazaar shall be continued in 2006.

In January, Iraq saw its first free elections. A parliament and president were elected, whose duty it was to draft a new constitution. In order to let as many Iraqis as possible participate in this historic process, the numerous Iraqis in the diaspora in 15 countries were able to vote outside Iraq. In the Netherlands, Hivos was the only Dutch organisation - in addition to a number of Iraqi organisations - to organise a team of observers at the polling stations in Amsterdam, Rotterdam and Utrecht. There were no incidents and voting took place in an optimistic atmosphere.



### Young people

More than previous years, Hivos turned its attention to young people (aged 18 to 30) in 2005. The Hivos youth policy does not only relate to its own organisation; it also relates to increasing acceptance among Dutch young people and the ambition to involve them in the work of Hivos on an increasing basis. One way of doing this is offering some young people the opportunity of being seconded to partner organisations. To this end, financing has been requested from PSO. In 2006 the first youngsters shall be seconded.

[www.pso.nl](http://www.pso.nl)

Furthermore, Hivos shall start working with trainees and volunteers more than ever before. Young employees are posted at festivals, debates and conferences in the capacity of Hivos ambassadors. Also, Hivos youngsters and others set up a network of young women (V-mania).

V-mania arranged a youth programme during the Women.Inc festival.

[www.V-mania.nl](http://www.V-mania.nl)

Through its partner Coolpolitics, Hivos already supported a number of initiatives aimed at increasing awareness about and support for development cooperation among young people. In 2005, this organisation also organised a number of successful debates at festivals attended by youngsters, such as Lowlands and Supernatural. These debates were broadcast on MTV, enabling them to reach a large and often new audience. In addition, Hivos – again in cooperation with Coolpolitics – was a prominent party at the Utrecht festival 'De Beschaving', with a HIV/AIDS-related-debate between a catholic nun, a Dutch HIV carrier and a journalist who denies the existence of AIDS.

[www.coolpolitics.nl](http://www.coolpolitics.nl)

Together with partner Oneworld, the largest Dutch web information centre for international cooperation, Hivos was able to involve more young people in the discussion about the use of the Internet and the freedom of speech in developing countries. Weblogs about the World Social Forum, web discussions and news exchanges were jointly set up.

[www.oneworld.nl](http://www.oneworld.nl)

### Fundraising

#### *Institutional fundraising*

A significant share of the private funds raised by Hivos comes from gifts from other private organisations. In 2005 this institutional fundraising contributed more than eight million euros to the financing of specific Hivos partner activities (nearly three million euros last year).

The involvement of Hivos partners in India, Sri Lanka and Indonesia after the tsunami disaster and thus Hivos' active involvement as a so-called guest participant in the Foundation for Cooperating Relief Organisations (SHO) largely explains the increase. In total, Hivos received more than 4.5 million euros for post-tsunami reconstruction. Alliance2015 member organisations DWHH and Concern also made considerable contributions (more than 1.5 million euros in total).

## STOP AIDS NOW!

Stop AIDS Now! is an initiative of the Aids Fund in cooperation with Cordaid, ICCO, Hivos and NOVIB, aimed at the (preventive and curative) fight against AIDS in developing countries.

In 2005, Hivos supported 13 organisations with the means obtained through SAN!

Regional distribution: Africa 54%, Latin America 20%, Asia 13% and Southeast Europe 13%.

A special item of Hivos' institutional fundraising is Stop AIDS Now! (SAN!).

This is a joint venture between the Aids Fund and four development organisations, including Hivos.

From SAN!, Hivos received more than 1.1 million euros for its partner organisations.

### North-South Plan

To Hivos, the cooperation with Triodos Bank is a classic example of public-private cooperation. By opening a North-South Savings account, private savers enable the Hivos-Triodos Fund to issue credit for economic activities in the South. The successful 2004 campaign 'Send your savings on a trip' was repeated in 2005 and brought the North-South Plan to the attention of a broad public again. Potential savers were able to enter a competition, the first prize being a trip to India, including a visit to a microfinance institution. The campaign yielded more than 500 enthusiastic replies. In 2005 the North-South savers provided almost 18.7 million euros, compared to 17.2 million euros in 2004.

The total amount of North-South Guarantees also increased, from 1.5 million euros to more than 1.7 million euros. Guarantees are used as compensation for any losses incurred by the HTF. They were not needed in 2005.

[www.triodos.nl](http://www.triodos.nl)

### Private donations

In 2005, Hivos received 944,400 euros in donations from private donors and groups of (humanist) supporters. Of this amount, 95,795 euros consisted of designated interest from savers at the Triodos Bank.

ABN-AMRO furnished 474,000 euros within the framework of the tsunami for fishing cooperative SIFFS in India.

Many donors opted for 'Targeted Donations' to specific Hivos partners in the South. This involved a total of more than 138,000 euros. Of this, 8,000 euros was intended for the Hivos Culture Fund.

Also noteworthy is the contribution of the band Boh Foi Toch from the Achterhoek region, together with the Haaksbergen Lions Club.

As in previous years, they made a considerable contribution of 25,000 euros in 2005 for the juvenile court organisation Kuleana in Tanzania.

'Samen Verder' in Eindhoven raised 15,000 euros for this and the Hivos committee in Barneveld raised more than 5,000 euros.

Humanitas Abal Deventer also deserves a special mention. They raised 10,000 euros for the human rights organisation Conic from Guatemala.

[www.bohfoitoch.nl](http://www.bohfoitoch.nl)

### Private fundraising

Donation resources (x 1,000 euros)	2005	2004
Private parties (incl. specific legacies)	425	443
Businesses	519	124
<b>Total donations</b>	<b>944</b>	<b>567</b>
Stop Aids Now!	1.131	956
Alliance2015	1.599	208
MFOs/SHO	1.621	-
SHO	3.078	-
Others	633	1.711
<b>Total institutional funds</b>	<b>8.062</b>	<b>2.875</b>
<b>TOTAL</b>	<b>9.006</b>	<b>3.442</b>
<b>Savings resources (x 1,000 euros)</b>		
Designated interest accounts Triodos Bank	988	1.036
North-South Savings Account Triodos Bank	18.739	17.200
<b>Total savings resources</b>	<b>19.727</b>	<b>18.236</b>

### MBN, Partos and ZNF

#### Broad Co-Financing Network

Like the former Joint Consultation Co-financing (GOM), MBN forms the platform for consultations of co-financing organisations (MFOs) in respect of joint themes and potential cooperation. MBN organisations are also jointly responsible for programme evaluations (see chapter 10).

Together, the MBN organisations aim to improve the quality of their activities and their organisation. To that end they set up a so-called 'quality house' in 2003. Significant features are that each organisation is ISO-certified, and the joint programme evaluations, in which accountability and learning are the focal points. In addition, each year the participating MFOs organise one or two rounds of exchange visits focusing on a certain theme, with the aim of learning from each other's approach.

In 2005, the MBN organisations organised a round of exchange visits focusing on the subject of innovation. Innovation is important to Hivos and this was evident during these exchanges. Hivos emerged as an organisation with a relatively informal culture, which places a high value on innovation, and thus promotes this value accordingly. This means that there is a lot of room for individual initiatives, even if they were not anticipated in the annual plan beforehand.

Other organisations opted for a more systematic approach. According to the exchange visit committee, the downside of this approach was that it may take quite a while before the final decision is made about whether innovative initiatives are promising enough.

In 2005 the MBN quality house itself was evaluated too. The evaluation was conservatively positive about the results, but it also made it clear that the returns generated by the quality house could be much greater. Profits can be gained in particular by approaching learning in a more structural manner. Hivos would like to see the MBN organisations working together on quality in the future as well. The programme evaluations and a structured approach of mutual learning are vital in that respect.

### *Partos*

Partos was founded in 2004 as a trade association for private international cooperation in the Netherlands. The member organisations (74 by now) are active in one or more of the fields of poverty alleviation, humanitarian assistance, human rights and sustainable development.

In 2005, Partos developed rapidly, partly under pressure of political and social developments but also from a growing need of the member organisations for consultation about subjects such as the autonomy of society at large, the co-financing system, a common collective agreement and branch of industry-specific training. Hivos actively participated in the activities to promote quality control within the affiliated organisations.

[www.partos.nl](http://www.partos.nl)

### *South-North Federation*

The South-North Federation (ZNF) is a coalition of 14 social organisations working on international cooperation, fair trade, human rights, healthcare and international economic research.

ZNF accommodates the secretarial office of the Coffee Coalition and acts as a coordinator of the Coalition for Fair Trade. In 2005, this Coalition, which Hivos also actively (substantially and financially) contributes to, coordinated a lobby at the time of the World Trade Organisation (WTO) summit in Hong Kong. The Dutch WTO delegation, government and parliament were asked to pay attention to the interests of the poorest countries and to maintain their commitment to sustainable development, including improved market access for small-scale producers in developing countries. Among other things, ZNF pleaded for the abolition of the European export subsidies as from 2010, for the right of developing countries to protect their agricultural markets, and for resistance to the liberalisation of the basic provision of fundamental facilities such as water, healthcare and education.

[www.coalitievooreerlijkehandel.nl](http://www.coalitievooreerlijkehandel.nl)

## **9.2 Cooperation in Europe**

### **Alliance2015**

Alliance2015 is a network of European organisations which derived its name from the UN Millennium Goals, whose target date is 2015.

Alliance2015 was founded in November 2000 by Concern (Ireland), Deutsche Welthungerhilfe (DWHH, Germany), Ibis (Denmark) and Hivos (the Netherlands). In 2002 and 2003, Cesvi (Italy) and People In Need (PIN, the Czech Republic) also joined. The member organisations are active in a total of 84 countries.

For Hivos, Alliance2015 is the most important strategic joint venture with fellow organisations in Europe. The cooperation focuses on both the coordination of activities in Europe and cooperation in the South. In the South, the organisations of Alliance2015 are active both in the field of structural relief and that

of humanitarian assistance. Although the member organisations share the same (structural) basic principles and values, their strong points and strategies do differ. The aim of Alliance2015 therefore particularly focuses on complementing each other from the strength of diversity.

[www.alliance2015.org](http://www.alliance2015.org) | [www.concern.ie](http://www.concern.ie) | [www.welthungerhilfe.de](http://www.welthungerhilfe.de)  
[www.ibis.dk](http://www.ibis.dk) | [www.peopleinneed.cz](http://www.peopleinneed.cz) | [www.cesvi.org](http://www.cesvi.org)

### *Alliance2015 cooperation in the South*

From the end of 2004, the tsunami disaster in Asia highlighted the additional value of intensive cooperation between the affiliated organisations active in the disaster area. In addition, 2005 saw 42 current or planned large-scale cooperation projects in the South. In addition to emergency relief, the Alliance2015 members jointly realised projects with external financing from the European Union. In a number of countries joint field offices were set up and meetings with partner organisations were organised.

### *Alliance2015 MDG Watch Report*

The year 2005 was also the year during which the governments had to take stock of their aim to meet the objectives for international poverty alleviation. The attitude of the European Union is of overriding importance for the realisation of the Millennium Goals. Against this background Alliance2015 published its MDG Watch Report in June, comparing the results of the efforts of various European countries and the European Commission in the field of poverty alleviation. The writers concluded that the different European countries must increase their efforts considerably if they are to fulfil the promises they made. Although the Netherlands is ahead in some fields, it is in danger of losing its front position as a result of poor execution and evaluation. Parliamentary party specialists Diederik Samson (PvdA) and Kathleen Ferrier (CDA) accepted the report in June. The Minister of Development Cooperation responded to the criticism by pointing out the fact that consideration for the MDGs will be included when evaluating Dutch foreign policy.

### *Alliance2015 campaign 'Stop Child Labour – School, the best place to work'*

The campaign 'Stop Child Labour – School, the best place to work', started in 2003, is the first significant joint lobbying and education project of Alliance2015. At the end of 2005, 170,000 Stop Child Labour petitions were presented to the Commissioner for Development Cooperation, Louis Michel. He promised to do everything in his power to fight child labour (see 7.1).

## **ALLIANCE2015**

Alliance2015 is a partnership of six like-minded non-governmental organisations: Concern (Ireland), Ibis (Denmark), Deutsche Welthungerhilfe (Germany), Cesvi (Italy), People in Need (Czech Republic) and Hivos.

Total programme expenditures in 2004: 277 million euros of which 57% was spent on the MDG's, 30% on emergency relief and 13% on non-MDG's.

Expenditures per continent: Africa 50%, Asia 22%, Latin America 15%, Europe 4% and remaining countries 9%.

Total revenues: 63% from public funds and 37% from private funds.

### *Alliance2015 campaign 'Act Now or Pay Later'*

The Alliance2015 campaign 'Act Now or Pay Later' is a new awareness and lobbying campaign in the field of HIV and AIDS, executed by four Alliance2015 members led by Hivos. At the end of 2005, the European Union decided to finance the project for a period of three years. The campaign, which officially starts in 2006, focuses on global prevention and global access to treatment. In the run-up to this new campaign, Hivos organised a lobby visit by a partner delegation to Brussels and the Netherlands. The invited Hivos partners are campaigning for access to treatment in their own countries. More than 6 million people in developing countries urgently need AIDS inhibitors, while only 1 million people have access to them. In the Netherlands, the Hivos delegation held talks with members of the House of Representatives and ministerial officers. They also participated in the national AIDS conference of Stop AIDS Now!

### **Eurostep**

Eurostep is a network of European development organisations with a secular background. Hivos and NOVIB are the Dutch member organisations. The network mainly focuses on influencing the European policy for development cooperation and its related themes. Among other things, Eurostep lobbied successfully for the appointment of a Commissioner for Development Cooperation and a clear focus on

poverty and the MDGs in the European policy. Eurostep also campaigned for an independent budget for the European Union in respect of development cooperation.

[www.eurostep.org](http://www.eurostep.org)

### Saape

The South Asian Alliance for Poverty Eradication (SAAPE) is a network focusing on monitoring the poverty situation in the region and influencing the policies of governments and international institutions. Within Eurostep, Hivos is the initiator of the EU-Asia lobby project, which is carried out together with SAAPE.

For the SAAPE network, the year 2005 was dominated by the reconstruction of areas hit by the tsunami. In July, SAAPE visited the European Parliament and the European Commission to discuss the aid policy for the affected areas.

SAAPE managed to avoid European fishing boats being sent to the area (see chapter 5).

A major point of interest for the network was the deteriorating human rights situation in Nepal. This ultimately led to political support from the EU for the improvement of the human rights situation.

[www.saape.org](http://www.saape.org)

### Other Networks

#### NGO EU Network

Hivos is a member of the Board of Directors of the NGO EU Network, in which approximately forty Dutch development organisations participate. The NGO EU Network forms the Dutch branch of the Confederation for Co-operation of Relief and Development NGOs (Concord), which represents 1600 development organisations throughout Europe during talks with the European institutions.

In 2005 the new Financial Prospects of the European Union and the plans to review the mechanisms for international cooperation by the European Commission were particular reasons for activities. The network made an effort to secure the role of civil society as a channel of development cooperation within the context of these plans. After all, the organisations in the network have an obvious added value of expertise on the basis of quality partnerships with organisations from the South.

To this end, the network contributed to a Europe-wide consultation and a vision document addressed to the Commission and member states. Within the Netherlands, the NGO EU Network devoted most of its attention to an intended merger (as from 01/01/2007) with the Partos trade association. As from that date, the network shall form a working group within Partos and the organisation as a whole shall pay more attention to European affairs.

[www.partos.nl](http://www.partos.nl) | [www.europaindewereld.nl](http://www.europaindewereld.nl) | [www.concordeurope.org](http://www.concordeurope.org)

### Eurodad

Hivos is a board member and active member organisation of the European Network on Debt and Development (Eurodad). Fifty development organisations participate in this European network. In the Netherlands, Eurodad has ten member organisations that are organising campaigns for debt relief among other things. Eurodad is extensively involved in financing for development. Both aid flows and debt relief, for instance, are themes for analyses and lobbying. That is why Eurodad is monitoring the realisation of the Poverty Reduction Strategy Papers (PRSPs, see 7.1) and has started an analysis in 2005 into the effect of the different poverty alleviation programmes. In 2005 the network also carried out lobbying activities, its focus being the World Bank, the International Monetary Fund and the European Union.

[www.eurodad.org](http://www.eurodad.org)





# 10 MONITORING, EVALUATION AND INSPECTION

## **Result measuring**

Following on from the regional partner meetings - held in 2004 - in respect of result measuring, Hivos last year organised a similar meeting in Bangkok for women's organisations that operate around the world. During this workshop, these partner organisations exchanged their ideas on the procedure for result-oriented planning and monitoring which Hivos has been following since 2004. In this procedure, Hivos and the partner - upon conclusion of a contract - make concrete agreements about the results anticipated by the organisation and the way in which these shall be determined. With this set-up, partner organisations themselves propose the indicators they wish to use.

Again, the partners appreciate the fact that Hivos does not impose a uniform result measuring model from above, and that the approach leaves room for diversity and flexibility. By sharing and working out practical examples during the workshop, organisations now have a better grip on the concept of result measuring.

## **Improvement of staff's expertise**

The reorganisation at Hivos and the arrangement of employees in new bureaus and teams has had a positive effect on the communication of methods for result-oriented working. During the first meeting of the international sector teams in September, staff built on the result measuring training sessions they had attended earlier. In the following months, the teams were able to use this knowledge when working out the Business Plan for the years 2007-2010.

## **Capacity building at partner organisations**

For many partner organisations, measuring results is not an easy task. This is very much due to the nature of the activities: social transformation processes are difficult to capture in quantifiable units. Instead, result-oriented working often demands a different set-up of the monitoring and evaluation systems of the partner organisation. It is therefore not surprising that many partner organisations feel the need for support in this field. In 2005 a number of training sessions were held for these organisations, and this shall happen in the years to come as well. Additionally, Hivos has made individual agreements with a number of organisations about the (financial) support required by these organisations in order to set up an adequate system for result measuring.

## **Programme evaluations**

In the period 2003-2006 Hivos organised a number of programme evaluations, some of which in cooperation with other co-financing organisations. These evaluations provide a judgement on the effectiveness of the MFOs' policies, based on the results they and their partner organisations achieved in a certain sector or region. Programme evaluations usually cover a 5 to 10-year period. All evaluations are carried out by external inspectors. The quality of the evaluations is judged by an external reference group, consisting of prominent inspectors and scientists. The Policy and Operations Evaluation Department (IOB) of the Ministry of Foreign Affairs also assesses the quality of these studies. Furthermore, the IOB itself carries out a number of programme evaluations.

On the basis of the recommendations made by the reference group and the IOB and from their own experience with the programme evaluations, the MBN members tightened the quality criteria to be met by programme evaluations and evaluators.

### **MBN programme evaluations**

Halfway through, the MBN programme evaluation on HIV/AIDS was taken over from the originally appointed inspectors partly on the advice of the external reference group. The quality of the interim report was unsatisfactory, dashing hopes for adequate improvements. The new inspection team was able to conclude the field inspection with a partly adjusted inspection set-up, but there was no time left for a final report. This shall be published in 2006.

The MBN programme evaluation on Civil Society Participation, of which Hivos was the coordinator, was concluded in 2005. The inspectors pointed out a large number of examples of local organisations that were able to effectively increase and use the room for participation by poor and marginalised groups in decision-making processes. Apart from that, the societies of the countries inspected were often torn apart by long-term conflicts and violence, often hampering the possibilities of participation. Hivos will use the examples from the country studies (for Hivos: Uganda, Sri Lanka and Guatemala) in the result measuring exchange programme still to be set up.

The inspectors also pointed out the importance of vertical networks for an effective lobbying programme. Hivos was assessed positively due to its active role in the realisation of such networks. This study therefore is an incentive to continue. The inspectors also concluded that the partners still have a great need for capacity building (institutional and organisational). Hivos shall meet this need on an increasing basis.

### **Hivos programme evaluations**

The planned evaluation in respect of Hivos' policy in the field of sexual minorities (Gays, Lesbians, Bisexuals and Transsexuals, GLBT) has been postponed until 2006. The reason for this postponement is the fact that the MBN evaluation HIV/AIDS took longer than anticipated. The focus of both studies lies in Southern Africa and sometimes relates to the same partner organisations as well. Simultaneous execution would be too much of a burden for these partners.

### **Inspections and financial account**

In addition to a substantive report, Hivos asks its partners to send a sound financial account (audited by an external auditor) as well. Only partners with a non-recurring, short-term contract or those receiving a contribution from Hivos of less than 25,000 euros do not have to submit an auditor's report. The annual accounts must give an insight into the financial situation of the entire organisation and cannot be limited to the contribution of Hivos. This not only gives Hivos an insight into the lawfulness of the money spent, but also into the quality of the partners' financial management. Among other things, Hivos assesses the reasonableness of the financial reserves, the extent to which expenditures are in line with the budget and whether partners derive income from other sources.

The year 2005 saw a number of inspections at 12 partner organisations in Peru, Cuba, Nicaragua, Belize and Namibia. In Peru, 3 of the organisations visited had an adequate financial administration and an adequate internal control and supervision system. In one case liquidity management was poor, partly due to the large number of projects. The organisation has by now taken measures to improve the situation. As a result of the legal and organisational set-up of most partners in Cuba it is often not possible to obtain a comprehensive account of the financial management of the entire organisation. However, the reports on a project level are adequate and meticulous; in the case of Cuba, Hivos generally only asks for project accounts. A great need for training in financial management has been observed among the partners. Hivos has responded by organising a training session in 2006.

One of the organisations inspected in Namibia had insufficient guarantees for internal auditing and supervision, and a relatively poor budget management. Hivos has made arrangements with this partner to improve the situation. In the meantime, another organisation had taken measures to improve the quality of internal supervision.

Nevertheless, the organisation's capacity to allow the board and donors to inspect the financial administration remains a point of concern.

The inspection in Nicaragua related to a partner organisation with a very large programme. The conclusion was that financial management is meticulous and functions well. Donor coordination must improve however. Hivos shall take the initiative in that respect.

Two inspections were carried out at the regional offices in Jakarta and Bangalore. Shortly after the Jakarta office opened, the tsunami hit, so that management of the programme was transferred at a later date than planned. The teething problems have not yet been conquered, a reason for the head office to again send temporary support staff in 2006.

The quality of the financial administration and project management in the Indian regional office has remained high. As a result of formal changes to the legal status of the office, the annual accounts were submitted somewhat later.





# 11

# INTERNAL ORGANISATION

## Administrative and advisory bodies

The current administrative organisation of Hivos has been in operation since 1997. In a legal sense, the Board of Directors manages the foundation and consists of the General Director, the Director of Programmes and Projects and the Director of External Relations. The board members are employed for an indefinite period of time. In 2005, joint remuneration amounted to 257,988 euros gross, including pension and employer's costs. More details about the members of the board can be found in the Annual Accounts (chapter 12). The Supervisory Board (see chapter 2) supervises the actions of the Board of Directors and the functioning of Hivos as an organisation. A board of (individual) advisors, consisting of expert committees in the field of the Hivos sectors, fulfils the social advisory role. In addition, Hivos asks for advice from and consults with the most important stakeholders with regard to its activities. The partner consultations in the South and the consultations with (strategic) partners in the Netherlands and Europe are the main channels for this.

## Operational organisation

Day-to-day management of Hivos is the responsibility of the statutory Board of Directors under the bye-laws. Management further consists of the four heads of the programme bureaus and the heads of the bureaus for Internal Affairs and Monitoring, Evaluation and Inspection. The four directors of the regional offices are also part of management – albeit from a distance. Currently, Hivos has four regional offices which are responsible for the execution of the programmes in Southern Africa, Central America, India and Indonesia and East Timor.

## Reorganisation

In 2005, Hivos underwent a change of its administrative structure. Whereas the organisation used to be concentrated around the three continental bureaus, in the new set-up the thematic activities within so-called sectors are the focus of attention. The choice for this change mainly arises from the changed needs of the partner organisations. They have generally become stronger from an organisational point of view and are also better able to combine the expertise in respect of their area of activity. That is why they expect more thematic knowledge from Hivos, plus a role as sparring partner and knowledge-intensive support. The reorganisation also concerns the financing of the Dutch private development cooperation after 2007. A new system shall be implemented at that time, with development organisations having to obtain a considerable share (25 per cent) of their income from sources other than the Dutch government. With more thematic knowledge and its partner portfolio, Hivos expects to qualify more readily for financing from other institutional donors.

Hivos currently consists of four bureaus responsible for the execution of the programmes: Sustainable Economic Development; Democratisation, Rights, AIDS and Gender; Culture, ICT and Media; and External Relations. The latter comprises the former departments for Communication and International Relations and it is responsible for communication, European lobbying and networking, and fundraising and marketing in the Netherlands.



The division into sectors has led to the creation of 'virtual teams', with employees in The Hague and the four regional offices working together. To that end the seven teams use Internet facilities. The sector employees meet once a year in order to meet each other in the flesh as well. The first sector meetings in September 2005 were a great success. Plans were made within the framework of the Business Plan 2007-2010, activities were geared towards each other and discussions were held about the main developments faced by Hivos in the relevant regions. Apart from an improved planning, execution and monitoring of the programmes, the division into sector teams also leads to an improved 'learning organisation'.

In order to improve access to private and institutional funds, Hivos set up an Office for Donor Relations (ODR). This supports sector teams and regional offices during fundraising. ODR also coordinates the activities of Hivos in the field of emergency aid and reconstruction.

Hivos is fully ISO-certified and in 2005 the approval mark from the Central Bureau for Fundraising was extended for the coming year as well.  
[www.cbf.nl](http://www.cbf.nl)

## Staff

At the end of 2005, Hivos employed a total of 156 staff members (2004: 137), 99 of whom work at head office (2004: 94) and 57 at the regional offices (2004: 43). The rise particularly concerns the regional office in Indonesia, where new staff has been employed on a project basis within the framework of post-tsunami activities. As a result of this rise, staff numbers came to 131.5 fte (2004: 116 fte). Staff at the regional offices – with the exception of the expatriate directors – is employed subject to local terms of employment and are local citizens. In total, nearly 40 per cent of employees are not Dutch by birth.

The male/female ratio among Hivos staff at the head office was 40/60 per cent. In respect of management positions, the share of women came to 50 per cent (including the directors at the regional offices). In 2005, absenteeism stood at 4.7 per cent.

Within the framework of the Hivos youth policy, the new position of Junior Programme Officer (jPO) took shape in 2005. In this position - with an initial term of two years - the jPO follows an individual learning process and shall be given the opportunity of going on an official business trip at least once. The new organisation of Hivos also offers junior staff members more opportunities to specialise thematically. In 2005 Hivos employed 25 young people (under the age of 35), 9 of whom were employed as jPO.

Head office has an Employee Council (OR) under Dutch law. The regional offices all have their own employees' council. In 2005, the OR met 13 times, 7 times with the Board of Directors and twice with the Supervisory Board. A lot of attention was paid to the reorganisation process. In addition, 2 supporters meetings were held. The OR publishes its own annual report.

## Corporate social responsibility

Hivos aims to apply the principles it uses in the sphere of action within its own organisation as well. That is why the canteen has been offering Fair Trade products for a number of years now. Coffee and tea are also purchased on a fair trade basis. Paper waste is separated and collected for recycling. Copies and prints are made on recycled paper. The premises are cleaned with biodegradable cleaning agents.

### **Sound management: the 'Wijffels Code'**

Like the business sector, non-profit organisations aim to improve management methods and make them more transparent for their interested parties (including the Dutch public). In 2005, the Sound Management for Good Causes Committee (under chairmanship of Herman Wijffels) drew up relevant guidelines. In the opinion of the committee, sound management particularly means effective and transparent spending of means obtained from private donations.

Hivos has adopted the Wijffels Code. However, Hivos is not a typical fundraising institution and feels that other existing guidelines, such as the Global Reporting Initiative (mainly aimed at the business sector) are relevant to its operations too. Also, for most of its spending Hivos is already bound to account in accordance with the conditions applied by the Dutch government and the European Commission, being the main fund providers. Whenever this leads to a different implementation of the requirements, Hivos shall give an explanation in line with the Wijffels Code.

The Code requires a clear distinction between managing directors and supervisors, the reporting of main and ancillary positions, transparent procedures and (self) evaluation, and a socially representative composition of the Supervisory Board. Hivos meets these requirements (see Appendix 2).

The Supervisory Board has delegated the adoption of the annual plan and the decision-making process in respect of the allocation of means to the Board of Directors, this in derogation of the Code. The reason for this is that the annual plan arises from the multi-year business plan which was approved by the Supervisory Board earlier. Also, the Ministry of Foreign Affairs assesses every annual plan, while it is externally monitored by virtue of the ISO and CBF regulations for internal processes.

The Wijffels Code also requires an extensive account to all interested parties. The need for information of for instance international donors however, differs greatly from that of partners or the general public. For that reason Hivos aims to make the annual report, annual plan, annual accounts and the activities of the Supervisory Board available both in detailed format and as a summary. For instance, in addition to this public annual report there shall be a more detailed account for the Ministry of Foreign Affairs. The main items of the annual report are also summarised in an accessible brochure.

# 2005 ANNUAL ACCOUNTS

- 12.1 Financial Board report
- 12.2 Balance sheet as at 31 December 2005
- 12.3 2005 income and expenditures account
- 12.4 2005 cash flow statement according to the indirect method
- 12.5 General explanatory notes
- 12.6 Explanatory notes to the balance sheet
- 12.7 Overview of the programme funds
- 12.8 Explanatory notes to the 2005 income and expenditures account

## 12.1 Financial Board report

From a financial point of view, 2005 was a year of cautious optimism. As demonstrated by the annual accounts, income from fundraising has risen considerably compared to last year. That applied to both the own fundraising activities among Dutch donors and companies, and the attraction of means within the framework of our share in (joint) campaigns such as SHO, Stop AIDS Now! and Alliance2015 partners. Thus, a total of approx. 8.9 million euros was made available from private sources, an extremely significant rise compared to 2004 (3.3 million). This is in line with the policy that was initiated to attract extra means in addition to the subsidy received from the Minister for Development Cooperation. Within this framework, Hivos has been endeavouring, in a more active manner, to obtain financing from EU budgets. These efforts have led to a number of new approvals. More good news was the fact that the savings attracted in the North-South Plan of Hivos and the Triodos Bank rose again, from 17.2 million to 18.7 million euros.

A total of 96.3 million euros was made available for the Hivos objectives. Spending amounted to more than 95.1 million euros. This meant an increase of 34% and 33% respectively compared to 2004. In accordance with the Hivos objectives, all spending relates to the support of (activities of) Hivos partners, organising campaigns to influence policies and informing supporters and the public about poverty alleviation. Programme-related spending for 784 partners amounted to 88.5 million euros, amounting to 93% of total spending. The other 7% related to the operating expenses (with the exception of fundraising costs).

In 2005, operations achieved a positive result before result appropriation of 1.22 million euros. Of this result, 0.96 million euros were added to the appropriated reserves. Following allocation, the positive operating result was 262,000 euros.

Following allocation to the appropriated reserves, discretionary capital rose to 6.51 million euros. This is nearly equal to the annual burden in respect of operating expenses.

The positive operating result has been added to the general reserve which, after years of being in the red, was in a modest positive position at the end of 2005.

Hivos pursues a conservative policy where investments are concerned. Its own business premises are the only risk-bearing investments; risk-bearing share investments are not maintained. Hivos ties up its (temporary) excess cash balance in special interest accounts

The Board of Directors concludes that the financial results were satisfactory in all respects. The future prospects are encouraging, a future in which Hivos wishes to continue to dedicate itself to a better world.

The Hague, 23 March 2006,

*M. Monteiro, General Director*

*A. van den Ham, Director of Programmes and Projects*

*J. Dijkstra, Director of External Relations*

## 12.2 BALANCE SHEET AS AT 31 DECEMBER 2005 *amounts in thousands of euros*

<b>ASSETS</b>	<b>31-12-2005</b>	<b>31-12-2004*</b>
<b>Tangible fixed assets</b>		
Fixed assets/buildings	532	536
Same, immediately used for the objective	61	62
Fixed assets/equipment	469	462
	<b>1.062</b>	<b>1.060</b>
<b>Long-term investments</b>		
Reserved cash	17.665	17.576
Participations/subordinated loans	0	0
	<b>17.665</b>	<b>17.576</b>
<b>Long-term receivables grants</b>		
Government, co-financing	20.559	18.269
EU funds	3.312	2.434
Other funds	4.698	1.898
	<b>28.569</b>	<b>22.601</b>
<b>Short-term receivables grants</b>		
Government, co-financing	38.213	31.038
EU funds	2.687	3.438
Other funds	798	3.235
	<b>41.698</b>	<b>37.711</b>
<b>Other receivables</b>		
Current account reserved cash	5.623	2.209
Prepayments and accrued income	1.546	1.383
	<b>7.169</b>	<b>3.592</b>
<b>Liquid assets</b>		
Deposits	38	37
Bank, giro	829	577
Bank in respect of renewed spending released assets	875	950
Bank in respect of co-financing	280	-257
Bank in respect of other public funds	50	-1.710
Bank in respect of EU funds	-2.364	-2.176
	<b>-292</b>	<b>-2.579</b>
	<b>95.871</b>	<b>79.961</b>

\* Classification adjusted for reference purposes



<b>LIABILITIES</b>	<b>31-12-2005</b>	<b>31-12-2004 *</b>
<b>Equity capital</b>		
<i>Discretionary capital</i>		
General reserve	52	-208
Appropriated reserves business operations	562	385
Appropriated reserves AKV	5.896	5.102
	6.510	5.279
<i>Fixed capital</i>		
Fund assets objective	61	62
Fund assets business operations	1.001	998
	1.062	1.060
	<b>7.572</b>	<b>6.339</b>
<b>Medium-term liabilities</b>		
General loan fund immovable property	87	87
North-South Plan participation	736	733
Guarantees	19.995	14.999
	<b>20.818</b>	<b>15.819</b>
<b>Long-term project commitments</b>		
Government, co-financing	20.559	19.104
EU projects	3.312	2.434
Other funds	5.624	1.298
	<b>29.495</b>	<b>22.836</b>
<b>Short-term project commitments</b>		
Government, co-financing	32.710	27.382
EU projects	1.515	1.581
Other funds	2.244	1.774
	<b>36.469</b>	<b>30.737</b>
<b>Short-term liabilities</b>		
Disposable from released assets	-734	1.146
Current account for regional offices	57	21
Accrued liabilities	2.194	3.063
	<b>1.517</b>	<b>4.230</b>
	<b>95.871</b>	<b>79.961</b>

\* Classification adjusted for reference purposes

## 12.3 2005 income and expenditures account *amounts in thousands of euros*

<b>INCOME</b>	<b>2005</b>	<b>2004*</b>	<b>Budget 2005</b>	<b>Budget 2006</b>
<b>Income from own fundraising</b>				
- in respect of gifts and donations	922	545	463	700
- estates	22	22	50	50
<b>A</b>	<b>944</b>	<b>567</b>	<b>513</b>	<b>750</b>
<b>Costs own fundraising</b>				
- (in)direct acquisition costs	48	63	100	125
- execution costs own organisation	61	58	25	62
	<b>109</b>	<b>121</b>	<b>125</b>	<b>187</b>
<b>In % of income from own fundraising</b>	<b>11,5%</b>	<b>21,3%</b>	<b>24,4%</b>	<b>24,9%</b>
<b>Net income own fundraising</b>	<b>835</b>	<b>446</b>	<b>388</b>	<b>563</b>
Share in joint campaigns	B 5.829	956	} 1.000	} 8.300
Share in third-party campaigns	C 2.233	1.919		
<b>Available from fundraising</b>	<b>8.897</b>	<b>3.321</b>	<b>1.388</b>	<b>8.863</b>
<b>Governmental and other grants</b>				
Government, co-financing	71.490	61.020	63.017	68.774
EU funds	3.803	1.864	4.113	5.400
Other public funds	4.085	1.341	5.011	3.793
<b>Governmental contributions</b>	<b>79.378</b>	<b>64.225</b>	<b>72.141</b>	<b>77.967</b>
Released assets for renewed spending	7.068	3.510	3.600	3.600
<b>Total governmental and other grants</b>	<b>D 86.446</b>	<b>67.735</b>	<b>75.741</b>	<b>81.567</b>
<b>Subtotal programme income (= A+B+C+D)</b>	<b>93.219</b>	<b>69.258</b>	<b>77.254</b>	<b>90.617</b>
Other income	946	788	650	750
<b>Total available for objective</b>	<b>96.289</b>	<b>71.844</b>	<b>77.779</b>	<b>91.180</b>

\* Classification adjusted for reference purposes

## 12.3 2005 income and expenditures account *amounts in thousands of euros*

<b>EXPENDITURES</b>	<b>2005</b>	<b>2004*</b>	<b>Budget 2005</b>	<b>Budget 2006</b>
<b>Overheads central</b>	<b>1.601</b>	<b>1.311</b>	<b>1.630</b>	<b>1.588</b>
<b>Information</b>				
- (in)direct costs	338	312	200	375
- execution costs own organisation	165	298	500	195
	<b>503</b>	<b>610</b>	<b>700</b>	<b>570</b>
<b>Organisational change</b>	<b>202</b>	<b>128</b>	<b>216</b>	<b>194</b>
<b>Programme expenditures</b>				
Programme commitments	87.526	64.414	70.140	82.252
Programme support	928	935	876	1.140
<b>Sub total programme expenditures</b>	<b>88.454</b>	<b>65.349</b>	<b>71.016</b>	<b>83.392</b>
<b>In % of total spending</b>	<b>93,0%</b>	<b>91,5%</b>	<b>91,4%</b>	<b>92,0%</b>
<b>Programme management</b>	<b>4.308</b>	<b>4.046</b>	<b>4.108</b>	<b>4.899</b>
<b>Total spent on the objective</b>	<b>95.068</b>	<b>71.444</b>	<b>77.670</b>	<b>90.643</b>
<b>Result before result appropriation</b>	<b>1.221</b>	<b>400</b>	<b>109</b>	<b>537</b>
<b>Added to/withdrawn from:</b>				
- Appropriated reserve AKV	-782	-8	-274	-503
- Appropriated reserve business operations	-177	-101	50	94
	<b>-959</b>	<b>-109</b>	<b>-224</b>	<b>-409</b>
<b>Operating result</b>	<b>262</b>	<b>291</b>	<b>-115</b>	<b>128</b>

\* Classification adjusted for reference purposes

## 12.4 2005 cash flow statement according to the indirect method *amounts in thousands of euros*

	2005		2004	
<b>Cash flow from operational activities</b>				
Result before discretionary capital	1.221		400	
Adjustment addition to appropriated reserve AKV	12			
Depreciations	208		216	
Net change in receivables re grants	-9.955		2.138	
Net change in other receivables	-3.577		-650	
Net change in provisions			-50	
Net change in medium-term liabilities	4.999		2.402	
Net change in project commitments	12.390		-2.047	
Net change in short-term liabilities	-2.712		589	
<b>Cash flow from operational activities</b>		<b>2.586</b>		<b>2.998</b>
<b>Cash flow from investment activities</b>				
Investments tangible fixed assets	-210		-256	
Investments long-term assets	-89		-4.194	
<b>Cash flow from investment activities</b>		<b>-299</b>		<b>-4.450</b>
<b>Cash flow from financing activities</b>				
Income from long-term liabilities	0		0	
Redemption of long-term liabilities	0		0	
<b>Cash flow from financing activities</b>		<b>0</b>		<b>0</b>
<b>Net change in liquid assets</b>		<b>2.287</b>		<b>-1.452</b>
<b>Summary</b>				
Liquid assets end of financial year	-292		-2.579	
Liquid assets start of financial year	2.579		1.127	
<b>Net change in liquid assets</b>		<b>2.287</b>		<b>-1.452</b>

## 12.5 General explanatory notes

These annual accounts relate to the Hivos foundation in The Hague. The annual accounts have been prepared in accordance with the Fundraising Institutions Accounting Guidelines and with due observance of the Financial Regulations MFP of the Ministry of Foreign Affairs/ Development Cooperation.

The annual accounts have been prepared after allocation of the result in accordance with profit appropriation. All amounts in the explanatory notes are in euros, unless stated otherwise.

The accounting principles have not changed compared to the previous financial year.

### 1. Objective of the Hivos foundation and the nature of the business operations

The Foundation's objective, prescribed by the Bye-laws, is to provide assistance in the broadest sense of the word to developing countries on a humanitarian basis.

### 2. Accounting principles for the valuation and presentation of assets and liabilities

Projects that are approved during the year under review are accounted for as expenditures. The corresponding grants are accounted for as income, including the operating expenses allowance (AKV), on the basis of approved project amounts. As yet unrealised AKV is included in the Appropriated Reserves AKV.

*Tangible fixed assets* are valued at actual cost, less the straight-line depreciations, based on economic life.

*Long-term investments* Reserved cash relates to cash that guarantees commitments in accordance with the guidelines of the Ministry of Foreign Affairs/Development Cooperation in respect of loans and guarantees. Equity participations are valued at 1 euro.

*Receivables grants* relate to the receivables from government and other authorities, arising from commitments entered into by the Foundation within the framework of its programme in accordance with agreements to that effect. Including the corresponding operating expenses allowance.

*Other liabilities and liquid assets* are, insofar not stated otherwise, included in euros at nominal value. Assets in foreign currency are converted at the latest exchange rates as at the balance sheet date.

Any exchange rate differences are incorporated in the income and expenditures account.

*Provisions* are created for commitments and risks relating to business operations. They do not relate to specific assets.

*Liabilities* are, insofar not stated otherwise, included in euros at nominal value. Liabilities in foreign currency are converted at the latest exchange rates as at the balance sheet date. Any exchange rate differences are incorporated in the income and expenditures account.

*Project commitments* relate to all commitments undertaken by the Foundation in the context of finance agreements concluded with partner organisations.

### 3. Accounting principles for the determination and presentation of results

*Income and expenditures* are accounted for in the year to which they relate.

*Estates* are accounted for in the year in which their scope can be reliably ascertained.

*Subsidy revenues*, including the operating expenses allowance, are accounted for in the year in which the claim becomes definitive.

*Altered subsidy amounts* are deducted from the subsidy revenues in the year in which the right to subsidy expires.

*Project expenditures* are accounted for in the year in which the commitment becomes definitive.

*All expenses*, with the exception of extraordinary expenses, are allocated to the various activities in accordance with commercial criteria as follows:

- *The direct costs* of organisational changes, fundraising, and of information, training and lobbying are allocated in full.
- *Management and operational costs of the own organisation* are allocated in proportion to staff deployment for programme support, programme management and central overheads.

## 12.6 Explanatory notes to the balance sheet *amounts in thousands of euros*

### ASSETS

#### Tangible fixed assets

The accumulated actual costs and depreciations of the fixed assets as of 31 December are:

	ACTUAL COSTS		DEPRECIATIONS		BOOK VALUES	
	2005	2004	2005	2004	2005	2004
Business operations: 1) buildings (10 - 50 years)	859	830	327	294	532	536
2) equipment (3 - 10 years)	2.188	2.007	1.718	1.545	469	462
Objective: 3) buildings Harare (50 years)	106	106	45	43	61	62
	<b>3.153</b>	<b>2.943</b>	<b>2.090</b>	<b>1.882</b>	<b>1.062</b>	<b>1.060</b>

Total movements:	2005	2004
<b>Book value as of 1 January</b>	<b>1.060</b>	<b>1.020</b>
Investments:		
- renovation	29	
- equipment	181	
	<b>210</b>	<b>256</b>
	1.270	1.276
Depreciations	-208	-216
<b>Book value as of 31 December</b>	<b>1.062</b>	<b>1.060</b>

#### Buildings

The offices with land and garden in The Hague at Raamweg nos. 15 and 16, recorded in the land register as municipality of The Hague, section X, number 472, measuring 5 ares and 55 centiares, and number 522 measuring 5 ares and 55 centiares, were purchased in 1987 for 635,292 euros. For the period 2005-2006, the value for purposes of the Valuation of Immovable Property Act amounts to 1,800,000 euros.

The office in Harare, stand 2956 Salisbury Township, measuring 2855 centiares, was purchased at the end 1994 for 76,245 euros. Upon the sale of this office, the book profit shall accrue to the programme in Southern Africa; losses are chargeable to the Foundation.



**Long-term investments** as of 31 December:

	2005	2004
<b>Reserved cash</b>		
North-South Plan accounts Hivos	754	740
Cash discretionary capital co-financing <sup>1)</sup>	22.535	19.045
<b>Total of reserved cash in hand</b>	<b>23.289</b>	<b>19.785</b>
To be settled as from 31 December	-5.624	-2.209
<b>Total of reserved cash</b>	<b>17.665</b>	<b>17.576</b>

These assets guarantee the portfolio of the Hivos-Triodos Fund, the Fair Share Fund and the Solar Investment Fund.

- 1) Based on the guidelines of the Ministry of Foreign Affairs/Development Cooperation, a cash security is maintained in respect of these risks. The interest received on this cash security (296,926 euros in 2005) is used to cover the costs for the programme for loans and guarantees.

<b>Participations/subordinated loans</b>	<b>0</b>	<b>0</b>
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This concerns equity investments from the Hivos Triodos Fund (HTF) in local credit institutions in the South at 7,289,378 euros (2004: 6,269,329 euros), 6,846,496 euros of which by means of a subordinated loan to the HTF and 442,882 euros in Federation Thrift and Credit Cooperative Societies (FTCCS) in Sri Lanka. They have been valued at 1 euro.

## 12.6 Explanatory notes to the balance sheet *amounts in thousands of euros*

### LIABILITIES

#### Equity capital

##### Discretionary capital

This capital guarantees the continuity of business operations in the short to medium term.

	General	Appropriated reserve	Appropriation <sup>1)</sup>	Total available
<b>Balance as of 1 January 2005</b>	<b>-208</b>	<b>385</b>	<b>5.102</b>	<b>5.279</b>
Allocations	262	77	7.010 <sup>*) 3)</sup>	7.449
Withdrawals	2 <sup>2)</sup>	0	6.216 <sup>4)</sup>	6.218
Total net change	260	177	794	1.231
<b>Situation as of 31 December 2005</b>	<b>52</b>	<b>562</b>	<b>5.896</b>	<b>6.510</b>

1) AKV = operating expenses allowance

2) Net change in fixed capital

3) Approved AKV (related to commitments)

4) Realised AKV (related to cash expenditures)

\*) In addition to the usual addition AKV on the basis of the new and changed commitment at € 6,998,000, an extra addition was made in 2005 (outside the income and expenditures account) at € 12,000, as an adjustment in respect of too low an allocation in 2004. Thus, the total amount of allocations for 2005 is € 7,010,000.

In 2005, € 88.4 million was spent on new commitments. In relation to this, € 7.0 million of AKV was added to the appropriated reserves AKV. In 2005, € 76.1 million was transferred to programmes; in relation to this, € 6.2 million AKV was withdrawn from the reserve and accounted for in the income and expenditures account as income.

### Appropriated reserves business operations

	2005	Allocation chargeable to result	Withdrawal credited to result	2004
AKV on MF overspending 2005	177	177	0	0
External mobility	100	0	0	100
Continental bureaus	94	0	0	94
Maintenance of buildings	75	0	0	75
Reorganisation	50	0	0	50
Automation	40	0	0	40
Training	26	0	0	26
<b>Balance as of 31 December</b>	<b>562</b>	<b>177</b>	<b>0</b>	<b>385</b>

### Fixed capital

	Fund assets objective	Fund assets business operations	Total frozen
<b>Situation as of 1 January 2005</b>	<b>62</b>	<b>998</b>	<b>1.060</b>
Allocation	0	210	210
Withdrawal	1	207	208
Total net change:	-1	3	2
<b>Situation as of 31 December 2005</b>	<b>61</b>	<b>1.001</b>	<b>1.062</b>

## 12.7 Overview of the programme funds amounts in thousands of euros

Programme funds 2005	Project commitments	receivables subsidies	subsidies received	project transfer	
Government, co-financing	65.270	71.490	62.025	58.487	
European Union	3.566	3.803	3.677	2.753	
Other funds	12.550	13.091	12.727	7.992	
Renewed spending from released assets	7.068	7.068	5.189	6.830	
	<b>88.454</b>	<b>95.452</b>	<b>83.618</b>	<b>76.062<sup>*)</sup></b>	

\*) This amount includes 928 in programme support. Without this item, the transfers amount to 75,134.

This is the amount that has been transferred to partner organisations.

Programme funds	Total funds	Co-financing	European Union subsidies	Other funds	Renewed spending
<b>Project commitments</b>					
<b>Situation as of 1 January 2005</b>	<b>53.573</b>	<b>46.486</b>	<b>4.015</b>	<b>3.072</b>	<b>0</b>
In: project commitments 2005	88.454	65.270	3.566	12.550	7.068
Out: project transfers 2005	76.062	58.487	2.753	7.992	6.830
<b>Situation as of 31 December 2005</b>	<b>65.964</b>	<b>53.269</b>	<b>4.827</b>	<b>7.630</b>	<b>238</b>
<b>Subsidies</b>					
<b>Situation as of 1 January 2005</b>	<b>59.166</b>	<b>49.307</b>	<b>5.872</b>	<b>5.133</b>	<b>-1.146</b>
In: receivables subsidies 2005	95.452	71.490	3.803	13.091	7.068
Out: subsidies received 2005	83.618	62.025	3.677	12.727	5.189
<b>Situation as of 31 December 2005</b>	<b>71.001</b>	<b>58.772</b>	<b>5.999</b>	<b>5.496</b>	<b>734</b>

## 12.8 Explanatory notes to the 2005 income and expenditures account *amounts in thousands of euros*

### Overview of the allocation of execution costs own organisation/programme management

The overview below shows the scope and composition of the management and execution costs of the own organisation, in accordance with the CBF guidelines. The cost allocation was made on the basis of staff deployment for the main activities within the framework of the objective.

Execution costs per activity	Programme management	Central overheads	Information	Fundraising		Total 2005	Budget 2005	Total 2004
Salary/soc. sec.+ pension	2.401	933	165	61		<b>3.560</b>	3.648	3.263
Other staff costs	380	148				<b>528</b>	350	420
Travel/accom. expenses	226	13				<b>239</b>	245	273
Accommodation costs	135	53				<b>188</b>	182	99
Office expenses	108	42				<b>150</b>	125	137
Automation costs	100	39				<b>139</b>	71	7
Organisation costs	200	78				<b>278</b>	481	294
Exp. regional offices	599	233				<b>832</b>	928	934
Depreciation costs	159	62				<b>221</b>	233	216
<b>Total execution costs</b>	<b>4.308</b>	<b>1.601</b>	<b>165</b>	<b>61</b>		<b>6.135</b>	<b>6.263</b>	<b>5.713</b>
<i>Budget 2005</i>	<i>4.108</i>	<i>1.630</i>	<i>500</i>	<i>25</i>		<b>6.263</b>		
<i>Total 2004</i>	<i>4.046</i>	<i>1.311</i>	<i>298</i>	<i>58</i>		<b>5.713</b>		
	<i>4.046</i>	<i>1.311</i>				<b>5.713</b>		

### Overview of the allocation of total operating expenses

The overview below shows the scope and composition of the total operating expenses of the own organisation. The cost allocation was made on the basis of staff deployment for the main activities within the framework of the objective.

Operating exp. by activity	Programme	Central management overheads	Information	Organisational changes		Total 2005	Budget 2005	Total 2004
Exec. costs (see above)	4.308	1.601	165	61		<b>6.135</b>	6.263	5.713
Fundraising				48		<b>48</b>	100	63
Inform. costs			338			<b>338</b>	200	312
Org. changes				202		<b>202</b>	216	128
<b>Total operating expenses</b>	<b>4.308</b>	<b>1.601</b>	<b>503</b>	<b>109</b>	<b>202</b>	<b>6.724</b>	<b>6.779</b>	<b>6.216</b>
<i>Budget 2005</i>	<i>4.108</i>	<i>1.630</i>	<i>700</i>	<i>125</i>	<i>216</i>	<b>6.779</b>		
<i>Total 2004</i>	<i>4.046</i>	<i>1.311</i>	<i>610</i>	<i>121</i>	<i>128</i>	<b>6.216</b>		



### Overview of the operating result

The operating result is the result of the realised operating expenses allowance (AKV) on the programme transfers, plus other income and minus the operating expenses.

The overview below shows the composition of the operating result and is in line with the income and expenditures account.

2005 income & expenditure account	Total 2005	Budget 2005	Total 2004
<b>INCOME</b>			
AKV programme commitments	6.998	6.238	5.828
Appropriated reserves AKV	-782	-274	-8
AKV programme transfers	6.216	5.964	5.820
Financial income/expenditures	682	450	614
Other income/expenditures	264	200	174
<b>TOTAL INCOME</b>	<b>7.162</b>	<b>6.614</b>	<b>6.608</b>
<b>OPERATING EXPENSES</b> (see previous overview)	<b>6.724</b>	<b>6.779</b>	<b>6.216</b>
<b>RESULT</b> before discretionary capital	<b>439</b>	<b>-165</b>	<b>392</b>
Appropriated reserves business operations	-177	50	-101
<b>OPERATING RESULT</b>	<b>262</b>	<b>-115</b>	<b>291</b>

## Income

Compared to 2004, the income available for the objective of Hivos has risen sharply in 2005.

The total income for 2005 amounted to 96.3 million compared to 71.8 million in 2004. That is a rise of 34%. Compared to the estimated income for 2005 (77.8 million), the actual income is 24% higher.

From Hivos' own fundraising, 0.84 million became available, more than 87% more than last year. The rise is the result of gifts from businesses (ABN-AMRO Foundation, Intervet, NIB) for the post-tsunami reconstruction. As such, the rise can be regarded as a one-off.

The costs of Hivos' own fundraising amounted to 11.5% of the own fundraising income.

Hivos' share in joint campaigns and third-party campaigns amounted to 8.1 million compared to 2.9 million last year. That is a rise of 145%. The rise is mainly caused by the tsunami funds (including Cooperating Relief Organisations (SHO)).

The distribution of the 8.1 million can be explained as follows:

Share in joint campaigns: tsunami/SHO: 4.7 million; Stop AIDS Now! (SAN!): 1.2 million. Share in third-party campaigns: Alliance2015: 1million; others: 0.6 million.

The income from public and other subsidies are higher than last year and higher than estimated for 2005. In total, this income amounted to 86.4 million, which is 27% higher than in 2004 and 14% higher than estimated for 2005.

The most significant income for Hivos is the subsidy from the Co-financing Programme (MF) of the Ministry of Foreign Affairs (Development Cooperation). The income is accounted for on the basis of the projects and programmes of partner organisations approved by Hivos during the year under review. Hivos has approved more for this programme in 2005 than estimated. As a result, the MF income was 13% more than estimated.

This must be compensated in 2006 in order to remain within the MF 2003-2006 business plan budget.

The other income for 2005 amounted to 0.95 million. This is 20% more than last year and 45% more than estimated.

On the one hand, interest income for 2005 was higher as a result of improved treasury management. On the other, Hivos employees have carried out a larger number of direct programme activities.

These costs are passed on to the programmes.

## Expenditures

The expenditures within the framework of the Hivos objective amounted to a total of 95.1 million. Of this 95.1 million, 88.5 million (93%) was spent on assistance programmes and direct programme support to developing countries. In 2004, the spending percentage in respect of programmes was 91.5%. The estimate for 2005 was 91.4%.

In 2005, the number of supported partner organisations dropped from 825 to 784.

Programme expenditures at 88.5 million constitutes a rise of 35% compared to 2004. Compared to the 2005 budget, spending went up by 25%. This higher spending is a direct result of the extra available income as explained under income.

The volume of financial services (loans, guarantees and participations) provided via the Hivos Triodos Fund (HTF) rose by 7.7 million to 24.4 million.

The execution costs for 2005 amounted to 6.13 million. That is a rise of 7% compared to 2004 ( 5.71 million). The estimate for 2005 was 6.26 million. As a result, the realisation is virtually equal to the estimate, despite the sharp increase of programme expenditures.

The total operation expenses for 2005 amounted to 6.72 million. The total programme expenses for 2005 amounted to 76.06 million. Together this amounts to 82.78 million. Thus, 91.9% of this was spent on programmes. In 2004, the programme expenses share was 91.5%.

In line with the 2005 annual plan, a gross operating expenses allowance of 8.7% (2004: 8.6%) from the co-financing resources was allocated to cover operating expenses.

## Financial result

On balance, 2005 saw a positive result before discretionary capital of € 1.22 million, compared to a € 0.40 million result in 2004 and an estimated € 0.11 million result for 2005.

Of this result, € 0.72 million was added to the appropriated reserves for AKV.

Another € 0.18 million was added to the appropriated reserves for business operations. This concerns the additional 2005 AKV which was realised as a result of the over-commitment in respect of the Co-financing programme approvals. This additional 2005 AKV must be compensated in 2006 and shall lead to a loss of income in 2006.

This loss shall be covered by means of the appropriated reserve.

Following allocations to appropriated reserves, 2005 sees a positive operating result of € 0.26 million, which has been added to the general reserve.

## Management costs

The remuneration of the three directors (2.5 fte), also management, amounted to € 257,988 (2004: € 246,071). This amount is composed of the gross salaries at € 203,812 (2004: € 197,688), plus the employer's charges including pension charges at € 54,176 (2004: € 48,383).

The distribution of the total remuneration can be explained as follows:

General Director (1 fte) € 108,964 (2004: € 104,552); Director of Programmes and Projects (1 fte) € 89,118 (2004: € 83,831); Director of External Relations (0.5 fte) € 59,906 (2004: € 57,688).

In 2005, the costs for the Supervisory Board amounted to € 6,805 (2004: € 1,687). The costs for 2005 are composed of attendance fees and travel expenses relating to foreign business trips made by the chairman.

In 2004 the costs consisted of attendance fees only.

## Internal organisation

In 2005, Hivos changed its organisation. Hivos currently consists of four bureaus responsible for the execution of the programmes: Sustainable Economic Development; Democratisation, Rights, AIDS and Gender; Culture, ICT and Media; and External Relations. The latter bureau is responsible for communication, European lobbying and networks, and fundraising and marketing in the Netherlands.

In 2005, Hivos employed a total of 156 members of staff (2004: 137), 99 of whom work at head office (2004: 94) and 57 at the regional offices (2004: 43). The rise particularly concerns the regional office in Indonesia, where new staff has been employed on a project basis within the framework of post-tsunami activities. As a result of this rise, staff establishment came to 131.5 fte (2004: 116 fte).

To the Board of the  
Hivos Foundation  
The Netherlands

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## AUDITOR'S REPORT

### *Introduction*

In accordance with your instructions we have audited the financial statements of Hivos Foundation, The Hague, The Netherlands, for the year 2005, as incorporate in this report. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

### *Scope*

We conducted our audit in accordance with auditing standards generally accepted in the Netherlands. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The points of particular interest as mentioned in the financial regulations by the subsidy agreement 'Medefinancieringsprogramma' are part of our audit. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

### *Opinion*

In our opinion, the financial statements give a true and fair view of the financial position of the foundation as at 31 December 2005 and of the result for the year then ended, in accordance with accounting principles generally accepted in the Netherlands and complies with the financial reporting requirements included in 'Richtlijn Verslaggeving Fondsenwervende Instellingen' and Part 9 of Book 2 of the Netherlands Civil Code and comply with the financial regulations by the subsidy agreement 'Medefinancieringsprogramma'.

Furthermore, we have to the extent of our competence, established that the annual report is consistent with the company financial statements.

The Hague, 23 March 2006  
PricewaterhouseCoopers Accountants N.V.



H.A. Wink RA

HAW-0067b/pg/114579/ek

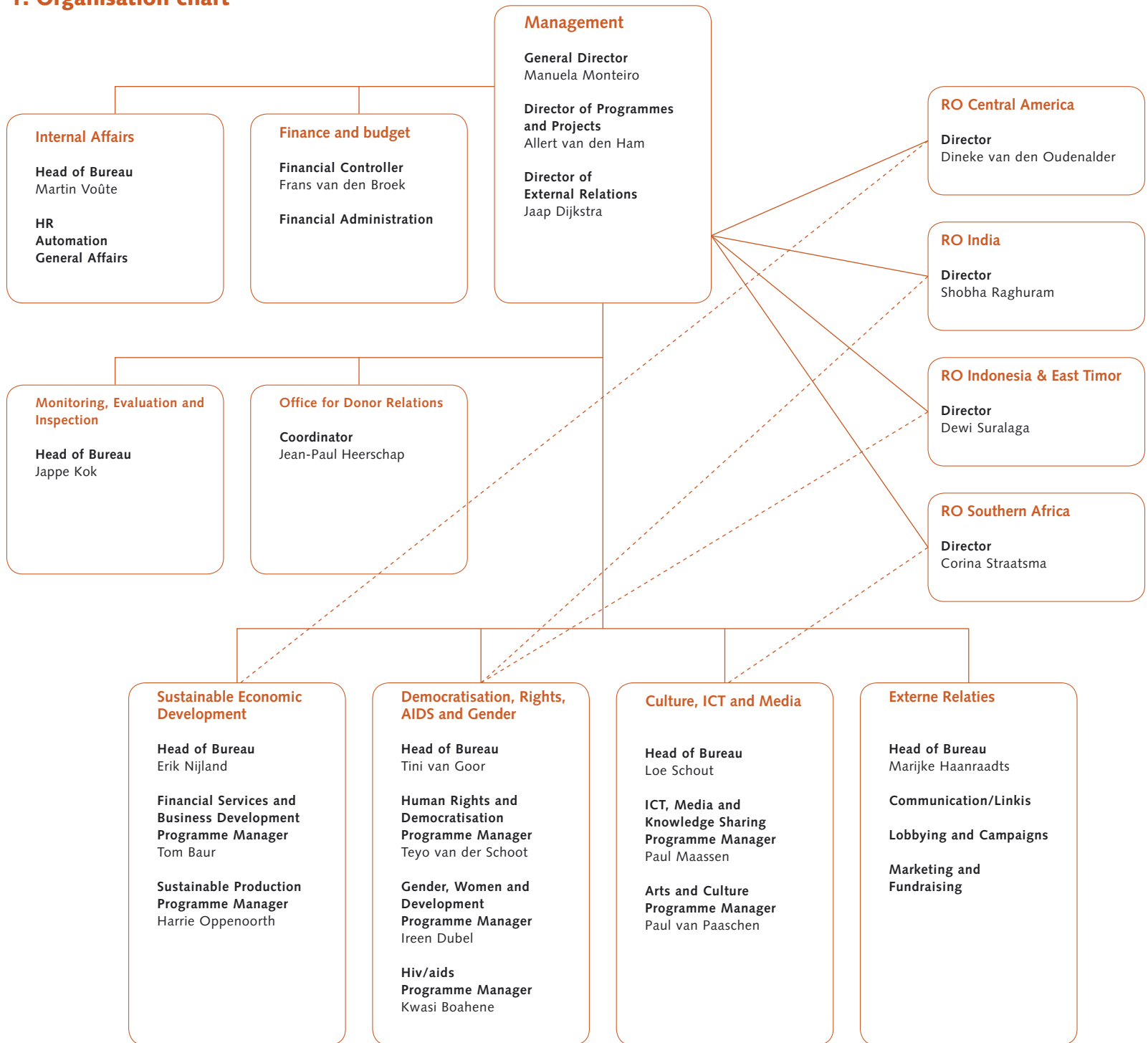
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# APPENDICES

1. Organisation chart
2. Hivos Administrative organisation
3. List of common abbreviations
4. Networks and strategic cooperation relationship 2005
5. Expenditures per country 2005
6. Other statistics
7. External evaluations 2005



# 1. Organisation chart



## 2. Hivos Administrative organisation

Overview of administrative bodies of the Hivos Foundation and the background and specialisms of its members

### Supervisory Board

Mw. F.Ch. Giskes *chair*

H.F. Hoekzema *vice chair Unicef*

H.J. Schoenmaker *finance portfolio manager*

Mw. H.M. Brouwers

W.J. de Haan

J.P. de Jong

Mw. A.M. Jongerius

C. Vogel

Mw. M.R. Winter

Mw. M.H.A. Kortekaas

*Former MP for D66*

*Director Euformation, project management*

*Former head of financial and general affairs KPMG*

*Senior lecturer at the Institute of Social Studies [ISS]*

*Managing director Team Building bv (healthcare)*

*Independent advisor in the fields of strategy and organisation development*

*Chairman FNV*

*Advisor Podiumkunsten, former director Festival Oude Muziek Utrecht*

*Weezenkas board*

*Official Secretary*

### Board of Directors (under the bye-laws)

Mw. M.M. Monteiro (*chair*)

A.P. van den Ham

J.J. Dijkstra

*General Director*

*Director of Programmes and Projects*

*Director of External Relations*

### Hivos Triodos Fund Supervisory Board

P.G.A. van den Kerkhoff (*chair*)

Mw. P.J.E. Bieringa

Ph. R. de Haan

Mw. M.M. Monteiro

H.J. Schoenmaker

M.J. Woltering

*Accountant Higher Commodity Board for Arable Farming*

*Board member NV Bank Nederlandse Gemeenten*

*Coordinator Nature and Environmental Education urban district Amsterdam-Zuidoost*

*General Director Hivos*

*Former head of financial and general affairs KPMG*

*Online publishing and content management/project management*

### Advisory Board

Mw. G. Hesseling (*chair*)

*Sustainable Economic Development*

Mw. G. Crijns

M.J.A. Nypels

W.P. Wiertsema

*Chair Scientific Research Council within the framework of Development Cooperation (RAWOO)*

*University of Nijenrode, director Institute for Responsible Business*

*Project leader INES Mainport*

*Policy development Both Ends*

### *Gender, Women and Development*

Mrs M. Botman  
Mrs A. Chhachhi  
Mrs N. Tabbers

*Doctoral candidate Women's Studies University of Utrecht  
Teacher at the Institute of Social Studies [ISS]  
Amnesty International employee*

### *Human Rights and Democratisation*

R. Buitenweg  
J. Handmaker  
Mrs G. Hesseling (*chair*)

*Senior lecturer at the University for Humanist Studies  
Freelance advisor/SIM, University of Utrecht  
Chair Scientific Research Council within the framework of  
Development Cooperation (RAWOO),  
Director Africa Study Centre University of Leiden*

### *Hiv/aids*

P.L. Janssen  
R. Kerkhoven  
Mrs M. Nicolai

*Physician, HIV/AIDS and public health consultant  
Head of PSO Knowledge Centre  
Doctors without Frontiers, director of Operational Affairs*

### *Arts and Culture*

P. Faber  
Mw. C. Habbema  
Mw. A. Laan

*KIT, curator Africa  
Advisor theatre world, former director of Stadsschouwburg Amsterdam  
Independent documentary maker*

### *Communication and Lobbying*

H.C. Morel  
K. Veefkind  
Mw. I. de Zaaijer

*Chairman World Shop Foundation Abal Amsterdam  
Account manager Capgemini  
Consultant Adviesgroep Communicatie, Berenschot*

### *ICT, Media and Knowledge Sharing*

Mw. S. Cummings  
  
Mw. V. Frissen

*KIT, employee Information Services Learning and Evaluation  
Programme  
Erasmus University, extraordinary professor ICT and Social Change*

### 3. List of common abbreviations

AKV	Operating expenses allowance	NCDO	National Committee for international cooperation and Sustainable Development
CBF	Central Bureau for Fundraising	NIZA	Dutch Institute for Southern Africa
CDM	Clean Development Mechanism	NGO	Non-governmental organisation
Cesvi	Cooperazione I Sviluppo	NOVIB	Dutch Organisation for International Development Cooperation
DAC	Development Assistance Committee	OR	Works Council
DWHH	Deutsche Welthungerhilfe	OS	Development cooperation
ECF	European Cultural Foundation	OSI	Open Society Institute
EU	European Union	PIN	People in Need
Eurodad	European Network on Debt and Development	PRSP	Poverty Reduction Strategy Paper
Eurostep	European Solidarity Towards Equal Participation of People	PSO	Association for Personnel Services Overseas
FNV	Federation of Netherlands Trade Unions	SAN!	Stop AIDS Now!
GLBT	Gays, Lesbians, Bisexuals and Transsexuals	SMS	Short Message Service
GRI	Global Reporting Initiative	UNAIDS	Joint United Nations Programme on HIV/AIDS
GOM	Joint Consultative Body for Co-Financing Organisations	UNDP	United Nations Development Programme
GV&O	Gender, Women and Development	UNESCO	United Nations Educational, Scientific and Cultural Organisation
HCF	Hivos Culture Fund	UvH	University for Humanist Studies
Hivos	Humanist Institute for Cooperation with Developing Countries	VN	United Nations
HOM	Humanistic Human Rights Consultation	WSIS	World Summit on the Information Society
HTF	Hivos Triodos Fund	WTO	World Trade Organisation
HV	Dutch Humanist League	ZNF	South-North Federation
ICCO	Interchurch Organisation for Development Cooperation		
IICD	International Institute for Communication and Development		
ICT	Information and Communication Technology		
IHEU	International Humanist and Ethical Union		
IKV	Interchurch Peace Council		
ILO	International Labour Organisation		
IOB	Policy and Operations Evaluation Department		
ISO	International Organisation for Standardisation		
ISS	Institute of Social Studies		
KMA	Small-scale social activities		
LVWW	National Association of World Shops		
MBN	Broad Co-Financing Network		
MDGs	Millennium Development Goals		
MFI	Microfinance institution		
MFO	Co-financing organisation		
MFP	Co-financing programme		
MFS	Co-financing system		

The abbreviations for Hivos' partner organisations can be found in the survey published at the same time as this annual report and entitled 'Partner Organisations 2005' (on CD-rom).

## 4. Networks and strategic cooperation relationship 2005

Type of cooperation relationship	Name of Organisation
<b>Alliance</b>	Alliance2015 (Cesvi, Concern, DWHH, IBIS, PIN)   Humanist Alliance   IntEnt   Institute of Social Studies (ISS)   National Association of World Shops (LVWW)   NCDO   Netherlands Institute for Southern Africa (NiZA)   Triodos Bank
<b>Thematic cooperation</b>	Amnesty International Nederland   International Institute for Communication and Development (IICD)   IKV   KPN   Mama Cash   Friends of the Earth Netherlands   OneWorld.nl   Stichting Natuur en Milieu   Stop AIDS Now!   Utz Kapeh
<b>Relationships with humanitarian supporters</b>	Humanist Alliance   Humanist Broadcasting Organisation (HUMAN)   Humanistic Human Rights Consultation (HOM)   Humanistisch Vormingsonderwijs   Humanitas   Humanistisch Verbond   International Humanist and Ethical Union (IHEU)   University for Humanist Studies   Weezenkas
<b>Trade associations, networks and theme-transcending joint ventures in the Netherlands</b>	Breed Overleg Mensenrechten   Coffee Coalition   MFP Broad Network   MVO Platform   Netherlands Platform Microfinance   Netherlands Platform Millennium Goals   PSO   Partos   Solidaridad / Coffee Support   Network   Oeganda Platform   Zimbabwe Watch   South-North Federation
<b>European Networks</b>	Alliance2015 (Cesvi, Concern, DWHH, IBIS, PIN)   Concord   Copenhagen Initiative for Central America (Cifca)   Eurodad   Eurostep   NGO-EU network   Women in Development Europe (WIDE)
<b>Thematic financing (the Netherlands + worldwide)</b>	Avalon   Association for Progressive Communications (APC)   Association for Women's Rights in Development (AWID)   Both Ends   COC Nederland   Development Alternatives with Women for a New era (DAWN)   Fair Trade Assistance   Fair Trade Labelling Organisation (FLO)   Friends of the Earth International (FoEI)   Gender at Work (GAW)   Global Network of People living with hiv/aids (GNP+)   International Association for the Study of Sexuality, Culture and Society (IASSCS)   International Federation For Alternative Trade (IFAT)   International Federation of Organic Agriculture Movements (IFOAM)   International Film Festival Rotterdam/Hubert Bals Fund   International Freedom of Expression Exchange (IFEX)   International Gender and Trade Network (IGTN)   International Information Centre and Archives for the Women's Movement (IIAV)   International Lesbian and Gay Association (ILGA)   International Social and Environmental Accreditation and Labelling Alliance (ISEAL)   Milieukontakt Oost-Europa   Nabuur   Netherlands Centre for Native Peoples (NCIV)   Pesticides Action Network (PAN)   Poetry International   Schorerstichting   Share-net   Stichting Onderzoek Multinationale Ondernemingen (SOMO)   Third World Network (TWN)   Urgent Action Fund (UAF)   Wereld Muziektheater Festival   Women's Global Network for Reproductive Rights (WGNRR)   Women on Waves   World Organisation against Torture (OMCT)   World Wide Video Festival

## 5. Expenditures by country 2005 *amounts in thousands of euros*

Country	MF means	other funds*	non-MF means	Total
<b>Africa</b>				
Africa-wide*	1.583.642	-	50.000	1.633.642
Botswana	332.555			332.555
Kenya	2.611.819	982.500	481	3.594.800
Malawi	743.207		100.000	843.207
Mozambique	1.260.089		146.966	1.407.055
Namibia	710.000		200.000	910.000
East Africa*	822.500	-	12.500	835.000
South Africa	2.708.659		101.776	2.810.435
Tanzania	1.301.606	1.280.500	308.905	2.891.011
Uganda	1.939.742	1.157.345	411	3.097.498
Zambia	643.524			643.524
Zimbabwe	1.715.400			1.715.400
Regional Southern Africa*	2.345.301	40.500	223.948	2.609.749
<b>Total</b>	<b>18.718.044</b>	<b>3.460.845</b>	<b>1.144.987</b>	<b>23.323.876</b>
<b>Asia</b>				
Cambodia	462.918	238.710		701.628
India	6.697.553		1.278.956	7.976.509
Indonesia	2.393.119		1.627.769	4.020.888
Iran	651.321			651.321
Kazakhstan	453.613	259.665		713.278
Kyrgyzstan	815.800	6.638		822.438
Regional Asia*	1.840.744	24.572		1.865.316
Sri Lanka	1.250.101		1.548.849	2.798.950
East Timor	565.120			565.120
<b>Total</b>	<b>15.130.289</b>	<b>529.584</b>	<b>4.455.573</b>	<b>20.115.447</b>

\* Including reused means



Country	MF means	other funds	non-MF means	Total
<b>Latin America</b>				
Belize	262.000			262.000
Bolivia	791.625	90.000	1.356.035	2.237.660
Caribbean	-		90.000	90.000
Chile	259.500	91.000		350.500
Costa Rica	645.000			645.000
Cuba	521.498		350.000	871.498
Ecuador	1.329.062		310.000	1.639.062
El Salvador	717.500	148.392	10.000	875.892
Guatemala	1.657.746		37.554	1.695.300
Honduras	993.750		35.000	1.028.750
Regional Central America*	1.151.252	18.500	30.624	1.200.376
Nicaragua	1.985.436	476.300	442.375	2.904.111
Peru	1.095.051	1.195.974	30.432	2.321.457
Surinam	8.000			8.000
Regional South America*	1.325.117	18.500	25.000	1.368.617
<b>Total</b>	<b>12.742.537</b>	<b>2.038.666</b>	<b>2.717.020</b>	<b>17.498.223</b>
<b>Southeast Europe</b>	<b>2.865.964</b>	<b>1.363.000</b>	<b>138.715</b>	<b>4.367.679</b>
<b>Worldwide</b>	<b>5.569.226</b>	<b>748.386</b>	<b>759.818</b>	<b>7.077.430</b>
<b>The Netherlands</b>	<b>2.532.890</b>	<b>-</b>	<b>218.896</b>	<b>2.751.786</b>
<b>HIVOS TOTAL</b>	<b>57.558.950</b>	<b>8.140.481</b>	<b>9.435.009</b>	<b>75.134.441</b>
* Including funds for evaluations, consultations, workshops and micro funds				

## 6. Other statistics

Partners by type of organisation and region (in percentage)	Africa	Asia	Latin America	Southeast Europe	Worldwide	Total
Basic organisation	5	4	10	6	0	6
Membership organisation	23	11	12	11	11	15
Social movement	6	17	2	0	5	8
Intermediary development organisation	11	17	17	11	3	14
Service organisation (non-profit)	36	30	35	56	43	34
Service organisation (for profit)	8	6	13	11	3	8
Network organisation	9	12	9	5	23	11
Other	3	3	2	0	12	4
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

### Average expenditures from co-financing per project

	Number of projects	Average in euros
1999	878	46.286
2000	995	47.057
2001	936	51.884
2002	960	51.404
2003	1120	55.012
2004	910	63.249
2005	1042	54.211

### Reasons to reject applications

	Africa	Asia and Southeast Europe	Latin America	Worldwide	Total 2005
Geographic limitation	209	203	78	1	491
Thematic policy limitation	232	360	120	2	714
Mandate limitation	76	34	24		134
Financial limitation	206	240	49	3	498
Other	54	38	64	3	159
<b>Total 2005</b>	<b>777</b>	<b>875</b>	<b>335</b>	<b>9</b>	<b>1996</b>

## 7. External evaluations 2005

organisation	sector name	sector	
<b>Africa</b>			
MZ04601	ORAM-GEREN	DP	
MZ03701	OLIPA	DP	
MZ04901	Women and Law in Southern Africa – Mozambique	GVO	
ZM00604	FH, Family Health Trust	Hiv/aids	
ZM026011	WFC, Women for Change	GVO	
ZI071011	PAD, Pro Africa Development Trust	DP	
ZI023041	ZWW, Zimbabwe Women Writers	GVO	
NA01401	NSHR, National Society for Human Rights	MR&D	
SA057H	OUT	MR&D	
MW005031	YNC, Youth Net and Counselling	Hiv/aids	
RB001H	EASUN, Eastern African Support Unit for NGOs	MR&D	
RC012C	ABC	K&C	
KE023F	KDA, K-REP Development Agency	FD	
TA044	ZIFF	K&C	
MW00801	NABW, National Association of Business Women	FD	
UG023S07	KRC, Kabarole research and Resource Center	FD	
UG038G	FOWODE, Forum for women in Democracy	GVO	
<b>Asia</b>			
ID049G02	LP3A, Advocacy and empowerment of women	GVO	
TL003G03	FOKUPERS	GVO	
ID062S01	FIELD, Development of ecological base	DP	
TL003G	WCFT, Women's Communication Forum Timor	GVO	
ID054F01	ASPPUK	FD	
IN174C 01	UNNATI	K&C	
IN034C 05	MAJLIS	K&C	
IN162F 01	SAMUHA	FD	
IN046F 07	SIFFS	FD	
IN114F 01	SSP, Investing in Communities	FD	
IN018G 03	RWDS- Comprehensive Community Development 2004-2005	GVO	
IN177G 01	SIRD/ CASSA, Campaign Against Sex Selective Abortion	GVO	
IN036G 05	CWDS	GVO	
IN106G 02	VISHAKA	GVO	
IN106G 03	VISHAKA	GVO	
IN033A 06	SIAAP	Hiv/aids	
IN133H 02	GKVP	MR&D	
IN047H 06	MAHITI: Strengthening and supporting Women's & Youth Organisations	MR&D	
IN077H 04	SLIC	MR&D	
IN085H 03	BT	MR&D	
IN131H 02	WORD: Strategic Need Based Development	MR&D	
IN130H 02	PARIVARTTAN	MR&D	
IN105H 03	MDS	MR&D	
IN119H 02	SANGAMA	MR&D	
			Sector: DP Sustainable Production FD Financial Services MR&D Human Rights and Democratisation GVO Gender, Women and Development Hiv/aids IMK ICT, Media and Knowledge Sharing K&C Arts and Culture

organisation	sector name	sector	
IN122S 01	CFDA/PRAVAH	DP	
LK026A	CONAJ, Companions on a journey	Hiv/aids	
KI010G	ALGA	GVO	
KZ028G	PODRUGI	GVO	
LK037S	EFL, Environmental Foundation Ltd.	MR&D	
RZ021H	AFAD, Asian Federarion Against Involuntary Disa	MR&D	
RZ022S	PAN, Asia Pacific	DP	
RZ028C	KHOJ	K&C	
RZ027C	THEERTA	K&C	
<b>Latin America</b>			
BO026A	CDSR, Centro para Derechos Sexuales y Reproducción	Hiv/aids	
BO010S03	AOPEB, Asociación de organizaciones de productor	GVO	
BZ013G	TMWC, Toledo Maya Women's Council	GVO	
RL023G	CDD, Católicas por el derecho a decir	GVO	
EC021G	FODIMUF, Foro de desarrollo intergral de la mujer y la familia	GVO	
HN037G	AHMC, Asociación Hondureña de Mujeres Campesina	GVO	
SV025G	CMCS, Central de Mujeres Campesinas Salvadoreña	GVO	
PE005G	PRODEMU, Promoción y desarrollo de la mujer	GVO	
RL033G	SEM, Servicio de Noticias de la Mujer - Corresponsalía Cuba	GVO	
RL005H	CCA, Copenhague initiative for Central America	MR&D	
SV040	FESPAD, Fundacion de Estudios para la Aplicación de Derechos	MR&D	
RM040H	RRL, Red Regional Lésbicas	MR&D	
PE002S04	CEDISA, Centro de desarrollo e investigación de la Selva Alta	MR&D	
RL007I	ALAI		
<b>WW</b>			
WW091	Stop Child Labour Campaign	MR&D	
			Sector:
			DP Sustainable Production
			FD Financial Services
			MR&D Human Rights and Democratisation
			GVO Gender, Women and Development
			Hiv/aids
			IMK ICT, Media and Knowledge Sharing
			K&C Arts and Culture



## Colophon

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