

Annual Report 2011

The Hunger Project Switzerland



THE HUNGER PROJECT SWITZERLAND

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Pascal Köppel



Alexandra Koch

Dear Members
Dear Partners
Dear Friends of the Hunger Project Switzerland

We are pleased to report that the incoming funds of 2011 showed a 27% increase versus 2010 resulting in a total of CHF 452'627. Once more, with their great commitment, the investors have contributed to help overcome chronic hunger and extreme poverty.

We can also point to some highlights from the year 2011:

- In both spring events, the Country Director of the Hunger Project Mozambique, Ofélia Santos Simão, presented the results of the three epicenters in Mozambique illustrated with stunning photographs.
- The Hunger Project participated with an information stand at the Klosterberg street festival in Basel and at the Christmas market in Turgi.
- Andreas Ragaz was elected to the Board of Trustees. He still ensures ZEW-compliant project implementation. In 2011 he followed the project in Burkina Faso on-site. Please read his report on page 6.

The following annual financial statements have been drawn up in compliance with Swiss GAAP FER 21 specifications.

As always, this result would not have been possible without your extraordinary commitment and financial support. We are deeply grateful to you for this and for your future support.

Zurich, April 2012

Pascal Köppel
President

Alexandra Koch
Managing Director

1. Purpose

On the basis of the three-pillar strategy of the Global Hunger Project for a sustainable end to chronic hunger and extreme poverty comprising:

- Grassroots-level mobilisation of people to build self-reliance;
- empowering women as key change agents;
- working in partnership with local government.

The association pursues the following purpose:

- The association collects funds in order to provide financial support for the programmes and activities of the Hunger Project in Africa, Latin America and South Asia.
- The bulk of the funds go towards projects planned, implemented, monitored and evaluated by the association from Switzerland, in close cooperation with the local Hunger Project concerned and the Global Hunger Project.

Through events, publications and media work, the association promotes broader awareness of the Hunger Project and attracts new donors who identify with the purpose of the association.

The association may also forge partnerships with other non-governmental organisations in order to derive optimum benefit from synergies in respect of its resources.

2. The governing bodies and the corresponding terms of office

Board of Trustees	Dr. sc. techn. Pascal Koeppel Head Investment Management President	Since 2007, elected as President 2009 for 3 years
	Dr. phil. Claude Heini Leadership Consultant Vice-President	since 1999, re-elected 2009 for 3 years
	Dr. iur. Daniel Heini Attorney-at-Law	since 2001, re-elected 2009 for 3 years
	Max J. Koch Former Vice-Director	since 2006, re-elected 2009 for 3 years
	Andreas Ragaz Federal Diploma in Banking	elected 2011 for 3 years
	Ursula Willimann Executive Assistant	since 2007, re-elected 2010 for 3 years
	Dr. iur. Fred Zellweger Independent Asset Manager	since 2004, re-elected 2009 for 3 years
Management	Alexandra Koch lic. rer. pol., MBA	since 2011, for an indefinite duration

3. Persons responsible for management

Alexandra Koch, Managing Director.

4. Links to similar organisations where such information is not provided in the Annex

The Hunger Project Switzerland is an independent association with headquarters in Switzerland. It supports the Global Hunger Project (The Hunger Project), which is headquartered in New York, NY/USA, with member contributions and voluntary contributions from partners as well as other receipts, pursuant to its Bylaws. The Global Hunger Project was established on 25 October 1977 under "Part 1, Division 2, Corporation Code" in the State of California as a "not-for-profit corporation" and, on the basis of its charitable purpose pursuant to "Section 501 (c) (3)" of the "Internal Revenue Code", is tax-exempt.

The rights and duties of the Hunger Project Switzerland and of the Global Hunger Project are regulated by a cooperation agreement.

With a view to the ZEW0 certification the Hunger Project Switzerland concluded an agreement of indefinite duration with the Global Hunger Project on 25 April 2009.

5. The targets set and a description of actual accomplishments in relation to the utilisation of the available funds

Even though the incoming funds were CHF 452'627, the budgetary target for 2011 fell short by CHF 17'373.

From the restricted funds in 2009 and 2010 CHF 246'592 were invested in 2011. According to their purpose they were invested in the following programs:

- India: Tamil Nadu (CHF 60'000), Uttarakhand (CHF 18'050)
- Burkina Faso: Water & Sanitation (CHF 67'000), HIV/Aids (CHF 70'373)
- Mozambique: Epicenters (CHF 31'169)

The reserves in restricted funds amount to CHF 253'700 and are destined for the funding of the following programs:

- Food security in Burkina Faso (CHF 62'000)
- Education and literacy in Burkina Faso (CHF 48'500)
- Support of epicentres in Mozambique (CHF 57'000)
- Food security program in Mozambique (CHF 10'500)
- Strengthening the position of India's women local councillors in Tamil Nadu State (CHF 55'700)
- Women empowerment in India (CHF 20'000)

In 2011 there were not any "non-restricted funds" transferred.

Hereunder is a comparison of 2010 and 2011 figures:

Review of contributions 2010 / 2011			
2010	2011	Change	
CHF	CHF	CHF	%
355'934	452'626	96'692	27.2

Source of contributions	2010		2011	
	CHF	%	CHF	%
Individuals / companies	290'934	81.8	279'426	61.7
Public bodies	45'000	12.6	135'700	30.0
Stiftungen	20'000	5.6	37'500	8.3
Foundations	355'934	100.0	452'626	100.0

Use of contributions	2010		2011	
	CHF	%	CHF	%
Project expenditure	166'984	46.9	302'292	66.8
Allocation to restricted funds	216'372	60.8	253'700	56.1
Fundraising expenditure	95'371	26.8	125'136	27.6
Use of designated funds	- 86'774	- 24.4	- 302'292	- 66.8
Annual result	- 36'019	- 10.1	73'790	16.3
Total	355'934	100.0	452'626	100.0

6. Restricted funds

6.1 Report about the support of Epicenters in Burkina Faso

The Board of Trustees tasked Andreas Ragaz with visiting the Hunger Project Burkina Faso (THP BF) from 7 to 14 February 2011, to initiate implementation of the project jointly with the local Country Director, Evariste Yaogho, and his team, following a "bottom-up approach". Here his report:

THP BF includes 15 epicenters with a total of 192 villages and a population of totally 216'473 people (status June 2011). Eleven of these epicenters will benefit from funds of THP CH (129 villages/156'062 people). As an example, the epicenter of Vowogdo, Kouritenga province, about 130 km east of Ouagadougou on the main road to Niger, was visited in order to gain insight into the project activities of THP BF, understand operations as well as to learn about achievements and further needs.

*The **Vowogdo Epicenter** includes 10 villages with 11'010 people. The epicenter started its activities 3 years ago (i.e. beginning 2008) after 4 years of preparation. The soil is sandy and contains a little amount of humus, which is not sufficient for agriculture. Therefore, fertilizing is vital, specially compost of leaves from trees. A serious problem is that most men leave the countryside in order to work in cities or abroad. This results in a lack of labor force during harvest. Another problem is that the amount of polygamous marriages has increased over the past years, which facilitates the spread of HIV. Therefore, it is absolutely necessary that everybody concerned knows his/her status. (The literacy classes are done in Mori, local language) in the morning and French in the evening (compare to Mozambique, where tuition is in Portuguese only). Micro loans amount to CFA 25'000 till 50'000 (\$50 / \$ 100) and are extended to women only for the beginning because of lack of funds (men will be served later).*



The epicenter is in phase 3 according to the THP concept. A meeting was held in February 9th, 2011 with 11 representatives of the community (7 women und 4 men), at the epicenter building.

The representatives mentioned the following achievements of their epicenter:

- Education = people know more*
- Cooperation between the villages = more power for solving problems*
- Transfer of technology in agriculture, e.g. applying micro doses of fertilizer = less pollution + better harvest*
- Common fields provide revenues for the epicenter*
- Health: family planning, reducing malaria, care of small children*
- Micro loans = harvest can be sold later, when the prices are higher*



The following specific needs and problems were mentioned:

- More funds for micro credits, there is not enough space for storing collateral (harvested agricultural products)*
- Health: education concerning hygiene, building latrines, training midwives*
- Planting trees in order to stop and reverse degradation of the environment*
- Proper fertilization; exploitation of soil leads to bad harvests*



Despite the difficult conditions, the people show high motivation. They appear to be properly organized and to take on the responsibility for solving their problems.

THP Switzerland finances and controls the following Projects in Burkina Faso:

- 1. Reducing the Spread of HIV/AIDS in the amount of CHF 100'000.*
- 2. Community Water and Sanitation Initiatives in the amount of CHF 67'000.*
- 3. Epicenter support in the amount of USD 10'000.*

For each project a final detailed budget was made by THP BF and approved by THP Global Office in June 2011. THP Switzerland plans to carry out an evaluation of the present projects within the 1st quarter of the year 2013.

6.2 Food Security Program in Burkina Faso

The financial contribution of CHF 62'000 was collected in order to implement a successful Food Security Program in Burkina Faso. The program is comprised of three components, designed to maximize leverage with minimum cost and to reach a maximum output.

- THP Farmers have access to improved seeds, fertilizers and other agricultural needs on credit from the epicenter, thereby increasing food production.
- THP staff and government experts train small farmers in innovative agricultural methods to build a lasting knowledge base in the community. This includes methods to increase yield, and ways to add value and generate more income such as food processing.



- THP trains villagers to build and maintain community food banks, which insure against drought, inclement weather, and surges in food prices. Additionally, food banks enable farmers to sell their surplus during the lean season when prices are highest, rather than at harvest when prices are lowest. Farmers can also store food as collateral, borrowing seed capital or agricultural inputs from the epicenter.

The program is part of the Epicenter Strategy and will be supported with the micro finance program.

6.3 Literacy and Education in Burkina Faso

Education is the best way to fight hunger and poverty. The amount of CHF 48'000 will benefit the Epicenter in Burkina Faso. The target is that every THP-Burkina Faso epicenter provides primary education for girls and boys and functional literacy for adults, especially women.



In the process of building the epicenters, villagers gain the influence to successfully convince government to provide and pay for teachers, literacy trainers and materials for their classrooms. With increased family

income through acquiring income-generating skills and financial tools, more girls and boys are able to stay in school. The preschool frees women's time for more education, training and participation as leaders. Animators reach out to remote villages to build more classrooms. Men as well as women begin participating in adult literacy classes.

THP-Burkina Faso's Literacy & Education program expects to meet or surpass the following outcomes:

- train over 3,000 women and men in functional adult literacy.
- train over 30 women and men as literacy facilitator training of trainers (TOTs), enabling epicenter TOTs to spread functional adult literacy throughout the surrounding villages. TOTs sensitize and train other community members in literacy and its importance in lifting themselves out of poverty.
- enroll over 1,300 girls and boys in the nursery school program, where they receive a balanced meal every day they attend morning classes.

6.4 Support of Epicenter Programs in Mozambique

With the amount of CHF 57'000 the mobilization of villagers will be supported. The increase of the number of partners involved in project activities by using variety of strategies such as: community radio, more visits to the epicenter villages and suburbs, by organizing meetings at epicenters, and using local government to assist with mobilization. Should also be more involvement of animators in mobilization.

6.5 Food Security Program in Mosambique

So far, CHF 10'500 have been collected for the Food Security Program in Mozambique 2012 (budget: CHF 27'000). The Program is comprised of the same components as mentioned and described under item 6.2.



6.6 Strengthening the position of India's women local councillors in overcoming hunger and poverty in Tamil Nadu State

The 73rd state constitutional amendment was decreed in Tamil Nadu on 22 April 1994. On that basis the first local elections took place in October 1996. THP India works with three partner organisations in the four districts of Nilgiris, Erode, Coimbatore, and Tirupur with 10 associations and 700 elected women. The next elections are set for October 2011. After most women run for election for the first time, their understanding of the electoral process must be awakened and nurtured. A pre-electoral campaign is therefore planned for 2011 with the theme "Strengthening women candidates in the electoral process".

Experience shows that women are most likely in a position to carry out political changes that benefit the people: Women look after the family and children and know exactly what shortcomings need to be remedied, in particular as pertains to food, education, primary health care, clean drinking water, school attendance for girls too, infrastructure, etc. Once elected, they ascertain precisely whether the promised government funds are really reaching them and how they are being used. Anything that helps boost women's self-confidence is therefore important.



The objective is therefore to carry out free and, for women, fair and non-violent elections in October 2011 and to create the appropriate conditions by means of a pre-electoral campaign. The campaign will thus focus on the following goals:

- Make possible a village candidacy for potential female candidates with limited funding and encourage them to stand for election.
- Strengthen the presence of women through participation in elections, on the one hand as candidates and voters, and on the other as vote counters.
- Create an electoral environment favourable to women, in which violence against them is punished and brought to the attention of public authorities.
- Train women who wish to challenge elections, launch a debate on violence against them, reduce the number of sham candidacies, and increase the number of voting women.

We had donations of CHF 60'000 in 2010 and CHF 55'700 in 2011 (2011 from Republic and Canton Geneva). The overall project funding is CHF 112'700. The project was carried out in 2011 and the final report is expected in the first quarter of 2012. Andreas Ragaz visited India in January 2012 to see how the projects had been implemented. His report should also be presented in the first quarter of 2012.

6.7 Women Empowerment in India

For the Women Empowerment in India CHF 20'000 were donated. The program will be defined in 2012.



7. Moves in the Board of Trustees and in the Advisory Committee

In the general assembly on 14 May 2011 Andreas Ragaz was voted in as a board member. He has been active in the Confederation's economic development cooperation work since 1996 (two years with the small loan program for small businesses in Moldova, one year in the Ukraine, management of the Seco Start-up Fund since 1999). Andreas Ragaz monitors locally the use of project-related funds (ZEWO requirement). He invoices only his travel expenses, but not his time. We are very grateful for Andreas Ragaz's deep commitment.

We regret that Ron Popper, Head of the "Corporate Responsibility"-Department in ABB has retreated from the board for professional reasons. We thank him for his valuable contribution.

Alice M. Arnold, who has resigned from her position as Managing Director for health reasons, joined the Advisory Committee in May 2011. We are very grateful that she continues to share her knowledge and make dynamic inputs.

8. Spring events 11th and 12th May 2011 in Zurich and Basel

In both spring events held in Zürich and Basel on May 11th and 12th, the Country Director of the Hunger Project in Mozambique, Ofélia Santos Simão, presented the results of the three epicenters in Mozambique illustrated with stunning photographs.



9. Participation at the Markets on August 26th-28th and on November 27th 2012

The participation of THP Switzerland at markets was successful. The results were very positive, because we won new members, investors and volunteers during these events.

From August 26th to 28th The Hunger Project had its own stand at the Klosterberg street festival, and it was located in the midst of African stands. To the accompaniment of distant bush drum concerts, hundreds of visitors could be informed through banners and flyers about the measures with which The Hunger Project is striving to achieve the UN Millennium Development Goals.



On November 25th THP Switzerland participated at the Christmas Market in Turgi, the new home of the THP Switzerland office. In both events, the echo was very positive.

10. Highlights 2011 of The Global Hunger Project

- **London, GB:** The legendary singer, Dionne Warwick, performed on the newly introduced **World Hunger Day - Empowering People Ending Hunger** on January 9th, 2011, giving a stunning concert in front of 2,000 people in order to raise funds and raise awareness for The Hunger Project. She said: "Through my role as Goodwill Ambassador to the United Nations Food and Agriculture Organization, I know that while emergency famine relief is a necessity in times of crisis, helping mobilize communities to create their own food security and meet their basic needs is vital in securing a sustainable end to hunger." She is proud to be working in close partnership with The Hunger Project on this event and stands shoulder to shoulder with us all to bring about an end to global hunger and poverty.
- **Ghana:** In May 2011, the President of The Hunger Project, Mary Ellen McNish, together with her colleagues had the unique opportunity to meet with the President of Ghana, H. E. Professor John Evans Atta Mills. This is a key step toward a potential partnership with the government to have THP's Epicenter Strategy implemented nationally as an appropriate and effective method for sustainable development across all of rural Ghana.
- **Africa:** A Microfinance Program Conference for Anglophone Microfinance Program Officers from Ghana, Ethiopia, Malawi, Mozambique and Uganda was held in July 2011 to discuss best practices, approve programmatic changes and share lessons learned
- **India:** In July 2011, Melanne Vermeer, US Ambassador-at Large for Global Women's Issues and Hillary Clinton's close aide, visited and praised the work of nearly 100 THP-trained elected women representatives in the state of Rajasthan in India. This type of recognition not only makes us proud of all that has been accomplished by our village partners, but will continue to play an increasingly significant role as we advocate to get gender-focused, bottom-up development strategies adopted by the world community.



- **India:** THP India's 11th annual Sarojini Naidu Prize (SNP) for Best Reporting on Women and Panchayati Raj (women in local government) were announced by the SNP jury in August. The SNP is awarded annually with the aim of encouraging the press to report on the breakthroughs and success stories of women in leadership in India.

- **Bangladesh:** In late August, heavy monsoon rains burst the banks of several major rivers in Bangladesh – destroying homes, villages and farm land throughout southern-Bangladesh. It was estimated that over 1.5 million were affected. Trained THP-animators were at the ready to join government efforts and launch small-scale local activities to ensure their communities had food, clothing and water purification tablets.
- **Latin America:** Lorena Vázquez Ordaz, Country Director of The Hunger Project-Mexico, was sworn in as a member of the Technical Advisory Board of the Commission to Foster Civil Society Organizations Activities in Mexico, a consultative body which seeks to promote the Federal Administration's support of Civil Society Organizations.
- **Latin America:** Tarcila Rivera, Founder and Executive Director of CHIRAPAQ, THP's partner organization in Peru, was one of 12 extraordinary leaders around the world honored with the Ford Foundation Visionaries Award for her work empowering indigenous peoples.
- **Global Office:** During the autumn Gala held in New York on October 22th, 2011, Dr. Florence Chenoweth, Liberia's Minister of Agriculture was recognized with The Africa Prize for Leadership for the Sustainable End of Hunger, because of her many years of public service devoted to improving the lives of women farmers in Africa. In accepting the award, Dr. Chenoweth announced that she would use her prize money to start a foundation that will train women farmers in Liberia to increase their food production and improve their livelihoods.



11. 2011 Annual Statement of Accounts and PricewaterhouseCoopers SA, Geneva, Auditor's Report

The Annual Statement of Accounts 2011 established in accordance with Swiss GAAP FER 21 including the Report of the Auditors is available for download from www.hungerprojekt.ch or may be requested from Alexandra Koch.

The Hunger Project Switzerland

BALANCE AS OF 31 DECEMBER 2011

(with figures from the previous year)

Designation	31.12.2011	31.12.2010
	CHF	CHF
ASSETS		
<u>CURRENT ASSETS</u>		
Postal Account	168.64	9'398.38
Bank Account	327'840.29	292'751.21
Receivables	2'050.34	158.50
<i>Total current assets</i>	<i>330'059.27</i>	<i>302'308.09</i>
Total Assets	330'059.27	302'308.09
LIABILITIES		
<u>CURRENT LIABILITIES</u>		
Accounts Payable	3'156.45	603.75
Accrued expenses	2'004.00	2'004.00
<i>Total current liabilities</i>	<i>5'160.45</i>	<i>2'607.75</i>
<u>RESTRICTED FUNDS</u>		
Funds Mozambique	69'556.65	33'226.00
Funds India	20'000.00	78'050.00
Funds Burkina Faso	149'749.93	176'622.40
<i>Total restricted funds</i>	<i>239'306.58</i>	<i>287'898.40</i>
<u>EQUITY</u>		
Profit		
- Beginning of the year	11'801.94	47'821.28
- Result of the year	73'790.30	(36'019.34)
<i>Total Equity</i>	<i>85'592.24</i>	<i>11'801.94</i>
Total Liabilities	330'059.27	302'308.09

The Hunger Project Switzerland

PROFIT AND LOSS ACCOUNT 2011

(with figures from the previous year)

Designation	2011	2010
	CHF	CHF
REVENUES		
Individual Members	28'850.00	26'300.00
Coorporate Members	400.00	800.00
Project Burkina Faso, Epicenter	0,00	9'622.40
Project Burkina Faso, Water & Sanitation	0,00	67'000.00
Project Burkina Faso, HIV/AIDS	0,00	61'700.00
Project Burkina Faso, Food Security	62'000.00	0.00
Project Burkina Faso, Literacy & Education	48'500.00	0.00
Project Mozambique, Program & Epicenter	57'000.00	0.00
Project Mozambique, Food Security	10'500.00	0.00
Project India, Uttarakhand	0,00	18'050.00
Project India, Tamil Nadu	55'700.00	60'000.00
Project India, Women Empowerment	20'000.00	0.00
Contributions Individuals/Corporates	166'341.40	107'891.40
Other Contributions	3'335.30	4'570.20
Total Revenues	452'626.70	355'934.00
EXPENSES		
Project Costs		
To program New York	0,00	(80'238.05)
Payment direct Burkina Faso, Water & Sanitation	(67'000.00)	0.00
Payment direct Burkina Faso, HIV/AIDS	(70'372.47)	0.00
Payment direct India, Uttarakhand	(18'050.00)	0.00
Payment direct India, Tamil Nadu	(115'700.00)	0.00
Payment direct India, Women Empowerment	0,00	(19'972.40)
Payment direct Mozambique, Supporting 3 Epicenters	(31'169.35)	(66'774.00)
	(302'291.82)	(166'984.45)
Fundraising Costs		
Personnel	(66'213.70)	0.00
Office	(7'397.60)	(2'561.35)
Corporate and Exchange loss	(913.86)	(7'584.50)
Telephone	(1'172.15)	(1'238.90)
Shipping	(1'307.84)	(1'926.24)
Travel	(7'438.30)	0.00
Data Processing	(7'757.60)	(7'350.75)
Consultants and Services	(15'104.00)	(34'228.00)
Conference	(7'090.50)	(7'662.75)
Production/Design/Translations	(6'960.90)	(8'697.80)
Advertising and Promotion	(1'393.35)	(18'793.70)
Project Controlling	(2'386.60)	(5'326.50)
	(125'136.40)	(95'370.49)
Total Expenses	(427'428.22)	(262'354.94)
Results prior to changes in funds	25'198.48	93'579.06
Allocation to Funds	(253'700.00)	(216'372.40)
Withdrawal from Funds	302'291.82	86'774.00
Changes in funds	48'591.82	(129'598.40)
Results after to changes in funds	73'790.30	(36'019.34)