

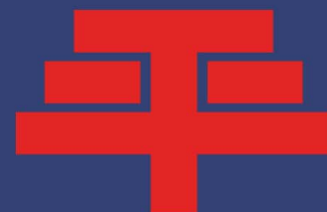
# IIRR



2007 ANNUAL REPORT

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BUILDING COMMUNITY CAPACITY  
TO OVERCOME POVERTY



## Our History, Our Work

The International Institute of Rural Reconstruction (IIRR) was established in 1960 to bring about integrated community-based development and to generate models for reducing poverty that are based on participatory approaches to development. The *Credo* at the center of IIRR's existence was written by Dr. Y. C. James Yen in the 1920s focusing on two tenets of development long before they became established as fundamental ideas in the field of development management: *participatory development* and *sustainable development*.

**Participatory Development.** IIRR works directly with and through community organizations to carry out needs-based program activities with the view that it is only through the participation of local people that true and lasting development is possible. The participation of local people starts with the "ownership of the problem" through to the "ownership of the solution". This includes the assessment of community assets, the identification of needs and the determination of priorities that make sense for the community's development and well-being. Program activities are designed to solve locally-identified problems associated with poverty.

**Sustainable Development.** A key IIRR policy is not to provide relief but to work with communities to build their own solutions (e.g. release their hidden potential). This is the essence of capacity-building. Thus, the measure of success in IIRR's work is leaving behind robust, strong and independent rural organizations that can manage their own affairs and address their own concerns without external intervention. This is not to say that they can exist without external assistance; what it does mean is that they have the know-how to deal with other sectors towards being able to secure their own futures on their own terms. In today's democratizing world, this must also translate into an ability to deal with government at various levels – local, regional and national – and as constituents with legitimate needs and demands.

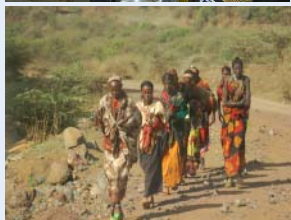
IIRR is a "learning organization" capturing new and traditional knowledge from the field and rethinking how these can become possible models for replication in other settings and through other development organizations. IIRR shares this "learning community" work through training and publications.

The work program is organized around two program themes:

**Economic and Social Well-Being** involves:

- (a) Building the capacities of the rural poor in learning communities to analyze their changing situation, identify needs and address their development demands for increased economic and political participation.
- (b) Building the capacities of the rural poor in learning communities to address the multiple causes and consequences of poverty that have an impact on their lives and constrain their agency, with a focus on the following action areas:
  - Rural livelihood and enterprise, including appropriate agricultural production technologies and cooperative development
  - Environmental protection and natural resource management
  - Health, education and social well-being of families, women, young people, children and the elderly, emphasizing nutrition, clean water, sanitation, gender equity and reproductive health, including family planning

**Institutional Development** which involves strengthening the capacities of different kinds of institutions that have a role to play in support of the development process of the rural poor, including local, national and international nongovernmental organizations (NGOs) and governmental agencies at all levels – local, provincial and national.



### Cover photographs:

1. Management bureau staff visiting the local Tibetan community in the Meili Snow Mountain Scenic Area.
2. Women on the road in south Ethiopia.
3. The children of Teramesa, south Ethiopia.
4. The village elder, Yaa Gaara in the Hurri Hills, north Kenya.
5. Laojun Mountain Management Committee staff interviewing local minority community for better understanding of their situations.

# The Chair and President's Joint Letter

Dear Friends,

Our mission – *Building community capacity to overcome poverty* – is difficult to measure for two reasons. First, increased capacity is not wholly evident on surface. Capacity is measured by outcomes. Second, poverty reduction – the outcome we strive for – does not occur overnight. Yet there must be a way to measure what we do in order for us and our supporters to know that we are in fact doing the right things in development.

The true measure of our success in capacity-building must lie with community organizations we can leave behind that are robust, self-directing and able to deliver on projects and programs. In short, organized and empowered communities.

In 2007, we had the opportunity to visit our partners in the field in Asia and East Africa, from the Bicol region of the Philippines to the pastoralist regions of north Kenya and south Ethiopia. Throughout our travels, we were accompanied by representatives of various community groups with whom we work. In East Africa alone, we work with nearly 100 different groups, from nation-wide organizations such as the Family Guidance Association of Ethiopia to regional development partners – like the Pastoralist Integrated Support Programme – to local community-based organizations that run the Rage Primary School and other education alternatives and social ventures.

You should see the synergy that exist between IIRR and our local partners with their strong knowledge of local conditions and traditional approaches to meeting challenges, to understand the true meaning of capacity-building. This participatory, integrated approach to community development builds on the foundation laid by Dr. Y. C. James Yen (IIRR founder) in 1923 when he began his life's work in mass education.

Among the most important things about our work over the years have been the models IIRR has developed (and continues to develop) with regards to capacity-building in different contexts in Africa and Asia. The "community conversations" we have witnessed in such rural towns as Durame, Teramesa, Farekore, Logologo, Yaa Gaara, Kalacha, Rage, Oas, Polangui, Tabaco and elsewhere, speak of a new effort to bring about change in the lives of women, farmers, pastoralists and others.

When communities speak out against harmful traditional practices that go against the well-being of women and children in their villages or work together to solve the effects of prolonged droughts and the lack of water, this is what capacity-building is all about and the true measure of the work that we do in IIRR. We would do well to help build such community capacity and make ourselves irrelevant in the process. That would be the true measure of success in development.



Our visit to Africa brought us face-to-face with the Kalacha Women's Group in north Kenya. Tony Gooch (*extreme right*) and Mike Luz (*extreme left with the child*) listened to how the group set up and managed the Rage Primary School for agro-pastoralists.

Anthony C. Gooch  
*Chair*

Juan Miguel Luz  
*President*

## Vision

**A world of equity, justice and peace where all people can lead lives of quality and dignity.**

## Mission

**Building the capacity of the poor and their organizations to overcome poverty.**

# Our Work in Africa

## Pastoralist Education – Expansion in Kenya, Replication in Ethiopia

**A**cross northern Kenya from the border of Uganda to the southern region of Ethiopia, pastoralists move livestock and camels in a year-round search for water and grazing lands. The lifestyle makes it difficult for pastoralist children to attend schools and get a formal education. The Pastoralist Education Project (PEP) in Kenya is an attempt to provide an alternative mode of education that can give basic lifelong learning skills to children which can be recognized and accredited by the Government's Ministry of Education.

In Kenya, the program is in three districts in the Eastern Province (Isiolo, Marsabit, Moyale) and a fourth district (Samburu) in the Rift Valley Province. Pastoralism is the primary means of livelihood and lifestyle in the entire region with the exception of a few communities that have additional potential for agriculture and practice agro-pastoralism.

The area is arid with low and unreliable rainfall patterns and is prone to frequent droughts which can decimate livestock when at its worst. During such periods, pastoralist communities are extremely vulnerable with many dependent on relief programs provided by government and the international community. Pastoralist areas lag in terms of development, basic infrastructure and essential social services, including education, water and health.

In 2003, the Kenya Government introduced Free Primary Education through formal primary schools. Despite this free service, enrolment among pastoralist communities did not rise. This is attributed to the incompatibility of the pastoralist way of life with the mode of formal schooling provided. Therefore, the key to addressing this situation is to identify a more innovative and alternative mode of basic education provision. To address this need, IIRR, with funding from a donor, established the Pastoralist Education Program in partnership with nine local organizations working in the region. Among these partners are five local NGOs and four smaller community-based organizations (CBOs).

Currently, the program is being implemented in 19 *Learning Centers (LC)* and 11 *Functional Adult Learning* sites in north Kenya. The LCs have a total enrolment of 810 children (415 boys, 395 girls) and 144 toddlers in *Early Childhood development (ECD)* classes (74 boys, 70 girls). 466 adults (98 men, 368 women) attend the FAL classes. There are 40 teachers running the centers (31 male, 9 female). All the teachers are high school graduates with few professionally trained.<sup>1</sup>

In 2007, IIRR expanded the project to the south and southwest regions of Ethiopia bordering Kenya. The replication aims to facilitate cross-border learning and coordination of efforts among NGOs and local governments in the border districts of the two countries.

In Ethiopia, IIRR is working with two large NGOs that have the capacity to mentor and coach three smaller CBOs with no or little capacity and experience. IIRR is responsible for the overall capacity-building of partners at both levels.

The Ethiopia project is initially focused on the pastoralist communities of Bale, Guji and Borena zones in the south. These are hard-to-reach areas with hostile weather and poor infrastructure. The area has very few NGOs operating in these zones. In a short four month period, 23 LCs were set up with 1677 children enrolled (905 boys, 772 girls). The enrolment of adults, however, has been encouraging. 1588 are enrolled in FAL classes (965 men, 632 women).

As observed from the previous interventions in basic education north Kenya, it is hoped that the basic education centers will play a cohesive role and promote dialogue and coordination among communities to address their problems through discussion and negotiation.

*"The enrolment at (my) shepherd school is overwhelming; we now have 78 learners at three different levels in this small classroom (6 x 5 meters). I am doing my best to teach them single handedly, but it is a real challenge. But the determination of our young shepherds to get an education is heartwarming."*

**Martha Lekasula**

*Lone teacher at the Noositet Learning Center, Maralal, Samburu*

<sup>1</sup> There are few pastoralists who have the education attainment necessary to be licensed by the Government. The problem of finding licensed teachers who are prepared to live a pastoralist lifestyle is at the heart of the problem of finding good teachers. Thus, the Government has relaxed the requirements for this mode of education service.

## Our Strategies

A participatory approach to development that

- Improves health and education conditions,
- Provides sustainable livelihood,
- Realizes gender equity,
- Supports a clean environment,
- Increases civic engagement, and
- Builds strong rural organizations as vehicles of change from within.



## Ethiopian Women in Peace-Building and Conflict Resolution

Ethiopian women have long played a role in peace-keeping and conflict prevention in the country. For example, Oromo women use their *sinke* sticks given to them when they are married as a “stick of justice” to stop fighting among clans. Similarly, Sidama women mobilize themselves to fight any form of justice or violence committed against members of the society, in general, and women, in particular.

These traditions are being documented under a new program involving Ethiopian women in peace-building and conflict resolution funded by the Royal Netherlands Embassy.

The project will offer women the opportunity to play a significant role in the shaping and rebuilding of institutional mechanisms to guarantee civil, political, economic and social rights, and hopefully, the development of a tradition for the rule of law. This is a prerequisite to promoting a culture of tolerance, accommodation, peaceful co-existence and gender equality which in turn should bring about sustainable peace, security and economic development in the country. This is the underlying goal of the program which places women at the center of change.

The grant is the largest single grant received by IIRR in recent years and will allow us to work throughout the country and integrate peace-building work with previous work done in Ethiopia on gender and leadership. This new program starts in early 2008.

*“There cannot be any development without peace and stability and there cannot be peace and stability without development.”*

**H. E. Ambassador Alphons Hennekens**  
The Royal Netherlands Embassy, Ethiopia

*“Everyone has an important role to play in the success of the nation. Poverty disempowers economically, intellectually, politically. But when a people decide to rise above their situation and embark on an agenda with dedication, they are bound to succeed, Our women are up to this task...”*

*“In recognition of the paramount role women play in society, the Government of Ethiopia has taken legal and institutional measures: Defining gender policy, creating institutional mechanism from the federal to the district level, mainstreaming gender issues in major development activities, and designing women’s package for development and building the capacity for women’s organizations. Supporting them in their efforts is a clear demonstration of the political commitment of the Government.”*

**H. E. Teshome Toga**  
Speaker of the National Assembly and  
House of the People’s Representatives

## Zeyneba Mohamed – Beneficiary of IIRR’s Gender in Leadership and Decision-Making project, Ethiopia

Before IIRR’s local partner, the Rift Valley Children and Women’s Development Association (RCWDA), approached 28-year old Zeyneba Mohamed in her village, just 17 kilometers from Arsi Negelle town, she was a very shy woman. And just like other women in the neighborhood, she had no say in her family’s affairs.

*Only four years ago, I knew nothing about my rights or my potential to do things. Things began to change after RCWDA staff came to our Wuijo (village association) and taught us about women’s human rights and the roles they should play in leadership and decision making. Those lessons opened the eyes of many women in our Wuijo as well as mine. Thanks to the gender trainings I received from them, I am now able to lead a meeting of 200 people where I*

*share the knowledge I have gained from different trainings. And besides my responsibility as a mother of five children, I am now the chairperson of my Wuijo, which has thirty members. I am also a member of the Kebele (jury), secretary of my Idir (self help group) and a facilitator of family planning in my community.*

Zeyneba believes women should become economically self-reliant if gender equality is to become a reality. In this regard, she praises RCWDA for introducing a credit and savings scheme into her Wuijo.

*I did not have a single cent of my own before I borrowed 420 birr from my Wuijo, which RCWDA helped set up. I spent some of the money on seeds and started a business which had previously been reserved for men only. The business was lucrative and I was able to pay my debts soon and I took out another loan. I have now built a big house in Negelle town which I have rented out to other people. Though I was the subject of talk in my village for being the first woman in our community to engage in cattle trade, I encouraged other women in my Wuijo to do the same. Those who listened to my advice improved their lives.... Women can make a difference if given the chance, our success in our economic activities will reduce, if not eliminate, the negative pressure from our husbands.*



## HIV/AIDS in the Workplace

**T**hrough training, workshops and meetings, 19 partner NGOs in Ethiopia are involved in IIRR's project on HIV/AIDS internal mainstreaming in the workplace. The project is aimed at improving the way organizations in the public, private and non-government sectors address HIV/AIDS in the workplace and among their workers.

The project is supported by ICCO / *Kerk in Actie* from the Netherlands. 15 of the NGOs are new to the project while four are old partners. Initially, some partner NGOs were reluctant to join the project because of the feeling that relatively well-educated staff would know enough about the transmission of the disease to avoid it. In addition, there is the common misperception that married people do not get HIV/AIDS and that the impact of HIV/AIDS is only seen at the community level.

In October 2007, directors and/or higher management received information about the project. Partner organizations are those that have embraced the project and signed on and are now developing an HIV/AIDS workplace policy, coupled with efforts to educate staff on prevention and living positively, if infected.



## Values that guide our work

We live our Credo, the basis of our work.

We strive for excellence, competence, commitment and creativity.

We value and respect one another, coming from diverse cultures.

We work as teams, believing in mutual knowledge, mutual trust, mutual respect and mutual help.

We represent many disciplines, working together in an interdisciplinary mode.

We work hard and value clear, open lines of communication among ourselves and with others.

We are committed and caring human beings.

## Kenya Micro-Fund Program

**M**ore than 60% of the population in Western Kenya is considered poor, living on less than \$1 a day. Relatively high population density, small landholdings of poor farmers, high levels of unemployment among the youth, a high prevalence of HIV/AIDS and other diseases – malaria, typhoid and TB – in a region with overstretched or low quality health facilities, are among the problems that plague the region.

In 2004, IIRR began work with 13 community-based organizations (CBOs) in Western Kenya in what is called the Kenya MicroFund Program (KMFP). These CBOs are involved in production (fish-farming, vegetable growing), livestock raising (goats and poultry), food processing (pasteurization of milk, honey) or some form of small-scale manufacturing (cooking oil from sunflower seeds).

With funding support from a European donor in 2004, IIRR invested this as seed capital within the CBOs that would be revolved and used to finance a variety of agro-based micro-enterprise activities aimed at ensuring food security and reducing poverty. To build the capacity of these CBOs to manage such enterprises, the project provided training, study visits to other projects, mentoring and coaching. Training included the following topics:

- Leadership and governance
- Enterprise development and marketing
- Participatory monitoring and evaluation
- Financial management
- Technical information related to the specific type of enterprise of the CBO

In 2005, funding support for the KMFP ended. IIRR, however, has continued to provide capacity-building, mentoring and coaching support to further strengthen the CBOs by drawing on the unrestricted resources of IIRR which are minimal. This is a reflection of the level of capacity reached by these CBOs who continue to use their revolving funds with prudence.

In 2007, in the aftermath of the disastrous national elections outcome in Kenya, all but one of the 13 microfund projects continues. The one project that shut down was a victim of ethnic conflict in region. Members of the CBO had to leave the area for their own safety.

IIRR continues to look for additional program support for the KMFP but will continue to provide mentoring and technical assistance as needed to any of the 12 remaining CBOs in the region.

## Uganda Farmer Field Schools

In 2007, the Uganda country program started two learning community centers in the northern and northwestern districts of Amuro and Kaberamaido respectively in partnership with the Food and Agriculture Organization (FAO) of the United Nations. In those communities, IIRR is working with internally-displaced people (IDP) and returnees from the protracted war between the Lord Resistance Army (LRA) and the Uganda Government. The aim is to establish an alternative, sustainable livelihood system for IDPs instead of them depending on relief handouts that deprive them of their basic human dignity. The Farmer Field School (FFS) approach is being adapted to ensure lasting food security. An offshoot of the FFS is the Junior Farmer Field and Life Schools (JFFLS) pilot project.

From June to December 2007, IIRR has implemented 20 Farmer Field Schools and 20 Junior Farmer Field and Life Schools. The JFFLS project assists orphans and other vulnerable

children (OVC's) between the ages of 12-17 years to acquire modern agricultural skills for sustainable development, improve livelihoods, and food security. 592 children have benefited from the project since its implementation (320 boys, 272 girls).

With an initial grant of 416,250 Uganda shillings (US\$250), each group of children is provided 14 hoes, vegetable seeds and a trained facilitator. With this assistance, the children have been able to grow vegetables (tomatoes, cabbages, egg plant, onions, okrah, carrots) while learning life skills that include how to prevent and guard against HIV/AIDS, nutrition, hygiene, the role of gender in development, responsible behavior and learning to save money for other investments. The integrated nature of the project is consistent with the IIRR philosophy of making development wholistic rather than sectoral.

One initial outcome of the program is return to formal schooling of over 60 children because of the links established between the JFFLS project, formal schools and the community.

## HIV/AIDS Advocacy in Uganda

IIRR and the Uganda Network of AIDS Service Organizations (UNASO) have entered into a partnership to implement a 27-month advocacy project called "Linking HIV/AIDS Policies to people through Capacity-Building", a program funded by HIVOS-Netherlands. The project which started in October 2007, aims to strengthen the capacity and coordination of the HIV/AIDS service organizations in the target districts of Kabarole and Kasese districts by 2010.

The project has three key phases:

- Capacity-building for AIDS service organizations in policy development and monitoring
- Developing evidence-based recommendations for policy development, review and implementation
- Developing and implementing a common HIV/AIDS advocacy

The first phase of the project started with multi-stakeholder consultations and baseline surveys in the two districts. This was followed by the formation of a joint progress review group in each district and orientation training for data collectors in preparation for the baseline survey. The orientation meeting attracted over 50 participants, comprised of representatives of HIV/AIDS service organizations, district heads, and key leaders of various civil society organizations. Among the results of the meeting was the realization of all participants of the relative lack of skill and knowledge of their organizations with reference to policy engagement and the process of policy-making.

The goal of the advocacy project is to provide a platform to facilitate and enhance the participation of various stakeholders in decision-making related to policy and effective quality service delivery by HIV/AIDS support organizations.





## Our Work in Asia

### Natural Resources as assets for the rural poor

The Bicol region in the Philippines is home to nearly 5 million people and ranks among the three poorest regions in the country. Poverty incidence (the percent of households living below the established government poverty line based on income) is 63% with the rural areas higher at 68%. The region continues to have the lowest per capita consumption of cereals, protein and iron in the country. Malnutrition among children is pervasive with 36.5% of children under 5 years old underweight.

The watershed is an ecosystem of shared resources centered around water. When managed properly and conserved, it is a natural resource asset for rural communities that live within the resource and for urban communities that benefit from the water generated by the watershed. In the competition for immediate resources and economic gain, however, forest stands within watersheds are being cut and depleted doing damage to the aquifer and the ability of the land to regenerate properly.

In the Bicol region, the majority of the population depend on land for their livelihood. As forests in the watershed get cut for farming, however, soil erosion directly impacts agricultural productivity due to flooding and sedimentation of irrigation systems. In the coastal reaches of two watersheds, fish catch has been in decline due to a continuing destruction of breeding areas and other human pressures. Overall, the pressure on land in the watersheds, together with non-sustainable land and resource management practices, compounded by an unfavorable climate have led to low productivity, poverty and ill health.

In 2000, IIRR embarked on work with the local community on Ticao Island, Masbate province on health-led poverty reduction program. In 2006, the project expanded to include two (of seven) watershed areas in Bicol with an integrated approach on watershed management, health and well-being, rural enterprise and organization-building.

The goal of the Bicol program is to improve the lives of disadvantaged rural communities living within the three watersheds by alleviating poverty by strengthening the capacities of partners to implement their own poverty-alleviation projects

that would lead to a) improved health and nutrition; b) greater food security; c) increased income; and d) a natural resource base that would be a continuing asset for their livelihood.

The key is to build strong community-level organizations that can work for their own well-being and with local governments. In all three watersheds, there is either a multi-stakeholder organization taking root (*Salud san Diwata* in Ticao Island) or a federation of self-help and other community-based organizations (*Maquiwasa* in the Mount Masaraga-Quinale Watershed and *Lagosanwasa* in the Lagonoy Watershed).

In December 2006, the Bicol region was hit by a supertyphoon which led to widespread damage and loss of lives. The Mount Masaraga-Quinale and Lagonoy watersheds were among the areas in the direct path of the supertyphoon. As a result, the natural resource management work there was enhanced by work on disaster risk reduction and the focus of interventions adjusted to the local conditions and needs.

In August 2007, the three communities reviewed their needs in the aftermath of the supertyphoon and restated their development objectives. The Diwata watershed's new focus is on food security for an island that does not grow enough food for its people's consumption. Here, the watershed resource is intended to be protected in order that it can support areas of bio-intensive gardens for food production and health & nutrition.

The Mt. Masaraga-Quinale watershed focus is on the conservation of the upland portions of the watershed to support agri-based rural enterprise within the watershed area. In the Lagonoy watershed, the focus is on productive and sustainable agro-forestry within the watershed as forest products is at present the only alternative livelihood available to communities living within the watershed area.

IIRR has prepared a second three-year program plan to continue work with the three watersheds and the community-based organizations set up there and is currently sourcing new funding support for the new phase that would run through 2011.



## Building the capacity of local organizations to manage development in China

Fifty years after first setting up the Ding Xian experiment and over thirty years after leaving China, Dr. Y. C. James Yen, IIRR's founder, was invited back in 1985 and 1987 by the National People's Congress. The two visits of Dr. Yen established contacts with Chinese development agencies and officials through international training courses offered at the Y. C. James Yen Center in the Philippines. In addition, IIRR did a number of community development education projects as well as technical assistance projects, including support to the Yunnan Upland Management (YUM) Project, the PRA Network in Yunnan and participatory watershed management training with Oxfam-America.

In September 2004, a China Program office was established in Kunming, Yunnan Province of China. Around the same time, an organization called the Yan Yangchu Rural Reconstruction Institute (YIRR) was founded in Ding Xian by a Chinese academic, with the aim of continuing the work of Dr Yen.

Since the establishment of the office, the program has focused on promoting better governance and participatory development at the local level (i.e. county government) through the integration of participatory approaches in government development planning processes. IIRR has conducted a number of customized participatory workshops under different development themes (e.g. natural resource management, gender and development, sustainable development) for local development organizations and practitioners.

The strength of the new China Program lies in training on participatory approaches to development that can contribute to poverty reduction. The program targets local science and social science-based institutions, university-based research and training centers that work as development intermediaries, as well as local government agency officials working at the county, township and village levels and local development organizations.

In 2007, the China Program carried out two programs with local and international partners:

- *County-level Participatory Development Planning in Yunnan Province with a local development institute and the county government.* A program with the Regional Development Research Center of Yunnan University and the Yimen County local government to develop a "County-level Participatory Development Planning" methodology to be used in country planning as per the directives of the new Five-Year Development Plan advocated by the National People's Congress.
- *Community Outreach and Capacity Development of Local Development Organizations for Environmental Health Research in Southwest China.* Working closely with Western Kentucky University and the China Environment Forum, IIRR is involved with the community outreach component of this USAID-funded project. The work involves training Chinese development partners in ways of handling issues with reference to water accessibility and quality due to the natural karst<sup>1</sup> geological characteristics of the region.

In addition, the China Program conducted a series of workshops for local Chinese development professionals and practitioners in case-writing, multi-stakeholder processes, gender mainstreaming and community mobilization.



Elementary school students in the rural region of China participating in an environment-related class conducted by a volunteer.

<sup>1</sup> Karst – an area of limestone terrain characterized by sink holes, ravines and underground chambers.

## Enhancing Effectiveness of Environmental Education in China's Rural Schools

**F**riends of Nature (FON) is one of the first Chinese NGOs to have been registered (1994). Its mission is to engage the public in environmental protection and promote grassroots work in addressing environmental issues and challenges in China. With over a decade of experience, FON has increasingly been concerned about its ability to sustain projects, monitor outputs, and evaluate and document outcomes for organizational learning to ensure that successful models can be piloted and replicated widely under the current pace of China's development.



Elementary school students in the rural region of China participating in an environmental-related class conducted by volunteer.

The Green Hope Action (GHA) Project was set up to educate Chinese youth on the environment. For six years, the GHA has been a collaboration with the Chinese Government to provide short-term environment-related classes in elementary schools across the country using teacher-volunteers recruited, organized and coordinated by FON.

Though the project has had positive results and gained recognition among various partners, the outcomes and

impacts of the project have yet to be objectively analyzed and presented. To this end, IIRR and FON carried out the evaluation of the Green Hope Project to assess project outcomes and early impacts and bring out lessons learned for future efforts.

Data for evaluation was collected from the project's multiple stakeholders, including staff, teacher-volunteers, school management, teachers, students, local government representatives, community partners and experts providing technical support for the program. Site visits to schools participating in the project were undertaken to conduct focus group discussions and key informant interviews and to administer surveys.

In a participatory workshop, the findings were summarized and analyzed. Actual versus expected project outcomes were scrutinized and project performance assessed in terms of effectiveness, efficiency, relevance, and sustainability. The assessment has guided the redesign of the next phase of the program.

*"The most valuable lesson,"* reported one FON staff, *"is that a systematic and participatory process of evaluating the program school-by-school is the best way to analyze results and to plan for future activities."*

Aside from being able to assess their efforts in a more objective manner, the evaluation provided FON with insights on the importance of engaging stakeholders from the beginning of the project to enhance project effectiveness.

## Disaster Risk Reduction in Indonesia

**I**n 2007, IIRR re-entered Indonesia through a technical assistance partnership with the Catholic Dioceses of Sibolga and Medan in the disaster-ravaged areas of North Sumatra. Medan is at the southern part of Aceh which was the most heavily damaged center by the killer tsunami that hit the day after Christmas in December 2004. Five months after the tsunami hit, an earthquake of giant proportion hit Sibolga and the island of Nias, which were two areas that were fortunately shielded from the tsunami.

Aceh continues to be a major hub of development intervention by international agencies and NGOs (there are over 400 that are working in that part of the country). Nias Island is also a hub for development work with over 90 agencies giving assistance to the local community and local government. Four years after the twin disasters, both areas are being primed for the start of a phase-out from the relief and rehabilitation phases. The international community will begin pulling out in 2008 and transferring their projects and infrastructure to

local organizations.

In 2005, as a response to the disasters, the Catholic Church through the Dioceses of Medan and Sibolga established *Cordia Medan* and *Caritas Sibolga* respectively to serve as the social action organizations. In 2007, IIRR partnered with CRS (Catholic Relief Services) to work with Caritas Sibolga to strengthen their capacity in disaster risk reduction. The work there was expanded to Cordia Medan. Later, IIRR entered into similar technical assistance projects for Caritas Indonesia (known by its local name, *Carina Indonesia*) and in Timor Leste with support from *Trocaire* (Caritas of Ireland).

As the capacity-building work evolves, there is the opportunity for the Caritas network in north Sumatra to take on the health delivery network that has been built by the relief and rehabilitation agencies but which lack medical professionals and staff. Building a health infrastructure "where there are no doctors" will be a major challenge for the Caritas network and an opportunity for IIRR to do direct *learning community* work in Indonesia.

## Sustainable Development in Bio-diversified Communities in Northwest Yunnan Province, China

Northwest Yunnan Province in China maintains a significant biological and cultural diversity. Three parallel rivers running through this region create diverse landscapes and unique flora and fauna groups. Funded by UNDP-China and the EU-China Biodiversity Program (ECBP), the “*Innovative Model for Biodiversity Conservation and Sustainable Development in Northwest Yunnan Project (BCSD Project)*” aims to work with provincial, prefecture and county governments, and local people in the upper reaches of the Mekong and Yangtze Rivers of Northwest Yunnan to develop a conservation-community model that will satisfy the needs for local development through tourism activities while safeguarding the area’s biodiversity resources.

The project involves a partnership between the Yunnan Provincial Government, the Meili Snow Mountain Scenic Area Management Bureau of the Deqin Tibetan Autonomous Prefecture (ML), and the Laojun Mountain Conservation and Management Committee of the Yulong Naxi Autonomous County. The Nature Conservancy Yunnan Representative Office commissioned IIRR to provide assistance

in designing and conducting the organizational capacity assessment of the two management bureaus located in the Laojunshan and Meili Nature Reserves and developing the capacity-building program for both.

The IIRR team reviewed the relevant documents and literature, visited the field areas, and conducted participatory assessment exercises with the staff of the management organizations and the local communities at the two sites. As outputs of these assessments, implications of the findings related to the organization’s performance were analyzed and key capacity needs of the organizations were identified. Recommendations on capacity development priorities were formulated and proposed to TNC to be implemented in the subsequent project efforts towards sustainable development.



One of Tibet’s Sacred Mountains, the Meili Snow Mountain with its highest peak at approximately 6500m, in Northwest Yunnan.



Staff of the Meili Scenic Area Management Bureau discussed about their organizational strengths and weaknesses.

## PROLINNOVA in Cambodia: Teaching People to tell their Stories

In July of 2007, IIRR went to Cambodia for a backstopping mission for PROLINNOVA Cambodia Country Program (CP). Part of IIRR’s task as member of the PROLINNOVA International Support Team or IST, is to provide technical and capacity support to the Cambodia CP through a backstopping mission done once a year. The Cambodia PROLINNOVA CP is coordinated by CEDAC (Centre d’ Etudes et de Development Agricole Cambodgien).

Among the capacity needs of the Cambodia CP as found out by the mission is the lack of capacity of farmer innovators to tell their innovations on agriculture. According to Sam Vitou, CEDAC’s coordinator for the CP: “*There are hundreds of happenings, creativities,*

*innovation-innovations and changes, both at the community as well as other stakeholders, but documentation and sharing of those stories are extremely inadequate. The inadequate sharing of stories surely lessens the momentum of learning and change at community and institutions. We must find out ways of story documentation and sharing towards fostering social learning and institutional change*”.

Storytelling then became the focus of the backstopping mission team to Cambodia. The CP partners went to visit farmer innovators in the Samrong District of Takeo Province and they met with nine (9) farmer innovators and listened to their stories after which the members of the CP National Steering Council coached the farmers to write simple stories of their innovations.

## Sharing Our Work

### 2007 Publications

IIRR publications are the products of *writeshops*, an intensive, participatory workshop, that aims to produce some kind of written output from the learning gained in the field. Participants may include scientists, researchers, government personnel, teachers, NGO staff, extension agents, farmers and other local people; anyone who has, in one way or another, been involved in the experiences to be documented. A team of facilitators, editors, layout designers, artists and logistics staff assist participants in “co-authoring” and laying out the publication within the one to two weeks of intensive writeshop.

IIRR publications are copyright-free and are in the public domain. The real authors of our publications are the many partners who contribute to the writing of the text through their participation in writeshops. IIRR publications may be freely copied and shared with others provided proper acknowledgement is given.

In December 2007, IIRR and the Royal Tropical Institute (KIT) of the Netherlands signed a long-term strategic partnership to build on their existing good relationship in value chain development. Both organizations recognize the crucial role of the private sector in achieving pro-poor growth and compliance with the Millennium Development Goals. The challenge is to integrate public objectives within private business operations through innovative modes of cooperation between value chain actors, NGOs and public agencies.

The collaboration which produced the book “**Chain Empowerment: Supporting African Farmers to Develop Markets**” in 2006, will produce three more titles in the series.

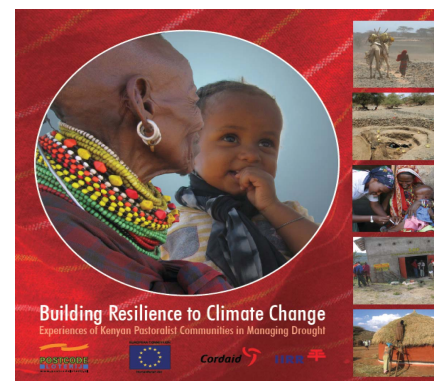
- “**Trading Up: Building in cooperation between farmers and traders in Africa**” for release in June 2008.
- **Financing the value chain in Africa** planned for 2009
- **Cross-border trade in Africa** planned for 2010

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### **Building Resilience to Climate Change: Experiences of Kenyan Pastoralist Communities in Managing Drought. 2007**

This publication shares the experiences and lessons learned from two years of having managed the Drought Cycle Management (DCM) Program in Kenya. This short book features 12 cases or impact stories as narrated by communities, individuals and groups whose lives have been touched positively through the Program.

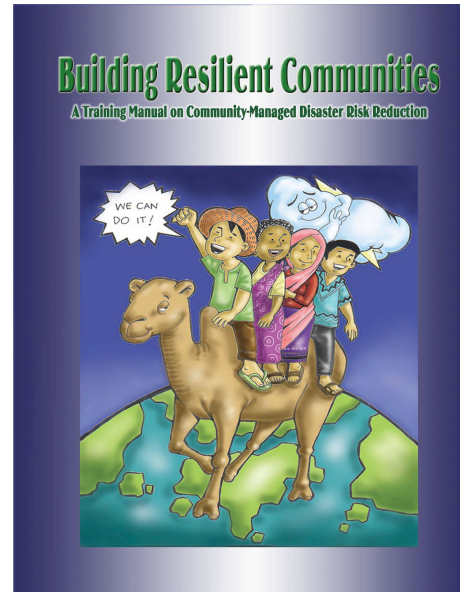
The purpose of this publication is to promote the positive aspects of the DCM approach that promotes linkages between emergency and development through risk-conscious programming and the adoption of an integrated approach to disaster risk reduction. The publication is a joint undertaking between IIRR and Cordaid (the Catholic Organization for Relief and Development Aid; Netherlands).



## Building Resilient Communities. A Training Manual on Community-Managed Disaster Risk Reduction. 2007

A training manual and resource book for trainers and practitioners of Community-Managed Disaster Risk Reduction (CMDRR). The manual is the core document of a two-week basic training course offered by IIRR. The manual presents a CMDRR framework and methodology and provides a wide array of participatory and interactive tools for undertaking the various processes in disaster risk reduction. Each session guide has a set of procedures consisting of structured learning exercises and activities designed according to the purpose and objectives of the topic of the session. It also contains useful and practical reference materials and hand-outs, including case studies and caselets, as attachments to the session guides. The attachments have been formatted such that they can be photocopied and distributed as handouts or tools for the exercises. Some of the attachments can be used as flipcharts or meta-cards for the various games and exercises in the sessions.

The manual was produced with assistance from Cordaid and has been translated into *Bahasa Indonesia* and Spanish.

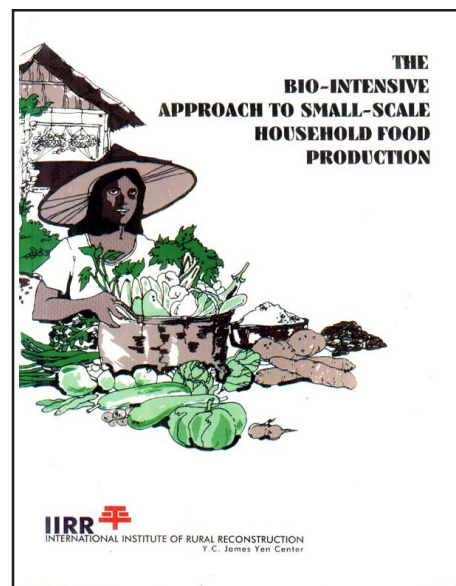


## The Bio-Intensive Approach to Small-Scale Household Food Production. Reprinted 2007

A reprint of the original community-level manual on bio-intensive gardening (BIG) with revisions. The manual is used for training school groups on BIG. The bio-intensive approach is a biological (as opposed to chemical) form of agriculture in which a small area of land is intensively cultivated using nature's own ingredients to rebuild and then maintain the soil's productivity.

Chapters include the basic philosophy behind BIG (biological rather than chemical approach to food production and security), land use planning, land layout design, soil preparation, composting, seed production, planting techniques, vegetable bed maintenance, and the like. In 2008, a school-based manual will be developed that would be outlined in syllabus form so that teachers can better plan a course around the topic.

The reprint was made available through a grant from the W. SyCip Family Foundation.



# 2007 Donors

IIRR gratefully acknowledges the following individuals and institutions for their commitment to the rural poor. Your generosity and support help us enable the poor and their organizations to achieve their full potential and implement lasting solutions for overcoming poverty.

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Foundation for Advanced Studies on International Development (FASID)

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Inter Cooperation – Pakistan

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Western Kentucky University Research Foundation

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### The Jimmy Yen Society

The Jimmy Yen Society is an honorary organization that recognizes friends who have designated IIRR as a beneficiary in their estate plans. These planned giving donors create lasting legacies through deferred gifts such as bequests, charitable trusts, endowments and life income arrangements. We would like to acknowledge the following members of the Jimmy Yen Society, named after the visionary founder of the International Institute of Rural Reconstruction, to thank them for their support of IIRR.

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The 2007 sources of financial support identified above are consistent with the 2007 Financial Summary included in the annual report and with the audited financial statement of IIRR for 2007. For US reporting purposes, IIRR is required to recognize revenues in the year in which funds are received or formally committed, even though committed funds may be received or used over several years.

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# Financial Summary

INTERNATIONAL INSTITUTE OF RURAL RECONSTRUCTION  
(A Nonprofit, Nonstock Organization)

## STATEMENTS OF FINANCIAL POSITION (In U.S. Dollars)

	As of December 31	
	2007	2006
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 482,793	\$ 761,856
Investments	796,102	804,365
Contributions Receivable	2,304,673	1,510,578
Other Receivables	406,054	336,998
Property and Equipment - net	270,291	310,398
Prepayments and Other Assets	37,118	45,876
<b>TOTAL ASSETS</b>	<b>\$4,297,031</b>	<b>\$3,770,071</b>
<b>LIABILITIES AND NET ASSETS</b>		
Accounts Payable and Other Current Liabilities	\$ 330,251	\$ 342,815
Funds Held in Trust	4,264	4,264
<b>TOTAL LIABILITIES</b>	<b>334,515</b>	<b>347,079</b>
Net Assets		
Unrestricted	743,143	1,105,056
Temporarily restricted	2,501,391	1,599,954
Permanently restricted	717,982	717,982
<b>TOTAL NET ASSETS</b>	<b>3,962,516</b>	<b>3,422,992</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$4,297,031</b>	<b>\$3,770,071</b>

1. Data extracted from the audited financial statements of IIRR for the year ended 2007. The audited financial statements for 2007 and prior years are available by writing to IIRR.
2. Latest annual report filed with the Attorney General of the State of New York is available from IIRR or from the offices of the Attorney General of the State of New York, Department of Law, Charities Bureau, 120 Broadway, New York, NY 10271.
3. The Institute is exempt from Federal income taxes under Section 501 (c) (3) of the U.S. Internal Revenue Code and has been classified as an organization which is not a private foundation under Section 509 (a). The Institute qualifies as an organization to which contributions are subject to special limitation provisions under Section 170 (b) (1) (a) of the Code.



INTERNATIONAL INSTITUTE OF RURAL RECONSTRUCTION  
(A Nonprofit, Nonstock Organization)

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS  
(In U.S. Dollars)

	Years Ended December 31				
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total 2007	Total 2006
<b>REVENUES, GAINS AND OTHER SUPPORT</b>					
Contributions/Grants:					
Foundations	\$ 34,585	\$1,056,439	\$ -	\$ 1,091,024	\$ 893,390
Governments	-	1,153,860	-	1,153,860	734,493
Individuals	217,751	60,411	-	278,162	176,370
Corporations	43,452	42,614	-	86,066	3,340
Training Courses	341,512	-	-	341,512	647,406
Technical Assistance	444,889	-	-	444,889	343,202
Workshops	83,335	-	-	83,335	172,407
Study Programs	83,865	-	-	83,865	44,454
Use of Campus Facilities	95,039	-	-	95,039	87,482
Publication Sales	32,865	-	-	32,865	20,693
Others	209,823	-	-	209,823	141,458
Net assets released from restrictions:					
Satisfaction of program restrictions	1,236,887	(1,236,887)	-	-	-
Expiration of time restrictions	175,000	(175,000)	-	-	-
	2,999,003	901,437	-	3,900,440	3,264,695
<b>EXPENSES</b>					
Program Services:					
Learning Community	1,645,963	-	-	1,645,963	1,566,318
Education and Training	992,134	-	-	992,134	908,824
Publication and Communication	338,336	-	-	338,336	243,908
	2,976,433	-	-	2,976,433	2,719,050
Supporting Services:					
Management and General	361,168	-	-	361,168	413,241
Fund Raising	124,626	-	-	124,626	119,623
	485,794	-	-	485,794	532,864
	3,462,227	-	-	3,462,227	3,251,914
<b>EXCESS (DEFICIENCY) OF REVENUES, GAINS AND OTHER SUPPORT OVER EXPENSES OF CONTINUING OPERATIONS</b>					
	(463,224)	901,437	-	438,213	12,781
<b>DEFICIENCY OF REVENUES, GAINS AND OTHER SUPPORT OVER EXPENSES OF DISCONTINUED OPERATIONS</b>					
	-	-	-	-	(10,715)
Translation Gain (Loss)	101,311	-	-	101,311	(238,235)
<b>NET ASSETS AT BEGINNING OF YEAR</b>	1,105,056	1,599,954	717,982	3,422,992	3,659,161
<b>NET ASSETS AT END OF YEAR</b>	\$ 743,143	\$2,501,391	\$ 717,982	\$3,962,516	\$3,422,992

**Learning Community Program**

This Program aims to: (1) enable people and their communities to effect meaningful change in their lives through research and learning processes; and, (2) generate knowledge about participatory human development through practical experience. Capacity building of people and their institutions is achieved at the community level through this program.

**Education and Training Program**

This Program aims to share knowledge to strengthen the capacities of learning communities, development practitioners and the international development community to promote participatory human development through training courses, workshops, study programs, conferences and other educational fora.

**Publication and Communication Program**

This Program aims to share knowledge to strengthen the capacities of learning communities, development practitioners and the international development community to promote participatory human development through the production, distribution and use of publication and communication materials produced and shared using participatory approaches.

## REVIEW OF FINANCIAL PERFORMANCE IN 2007

### OVERVIEW

In accordance with generally accepted accounting principles as applied to not-for-profit corporations, IIRR showed a surplus of \$438,213 in 2007 before currency translation gain, as compared with a surplus of \$2,066 in 2006. This improvement was mainly attributable to IIRR's receipt of multi-year grants during 2007 for use in that year and subsequent years. On an operating basis, IIRR recorded a surplus of \$40,527 in 2007, as compared with a surplus of \$118,491 in 2006. Above-budget performance in IIRR's Africa region and its U.S. office more than offset disappointing results in its Asia region.

Of total revenues, gains and other support (\$3,900,440) in 2007, \$2,609,112 (67%) consisted of contributions and grants, and \$1,291,328 (33%) consisted of earned income from training courses, technical assistance, workshops, study programs, use of campus facilities, publication sales and other earned income. This represented a shift from 2006, in which 55% of total revenues came from contributions and grants.

### REVENUES, GAINS AND OTHER SUPPORT

#### Contributions and Grants

Total contributions and grants in 2007 were \$2,609,112, an increase of \$801,519 (44%) from 2006. All categories of giving showed increases, in varying degrees. Foundation giving increased by 22%, government giving increased by 57%, individual giving increased by 58%, and corporate giving increased from \$3,340 to \$86,066. Particularly notable was a grant from The Royal Netherlands Embassy, Addis Ababa, Ethiopia (\$1,251,540) for a National Study on the Role of Ethiopian Women in Peace-building and Conflict Resolution, which is scheduled to run from September 1, 2007 to August 31, 2010.

#### Training Courses, Workshops, Technical Assistance, Study Programs, Use of Campus Facilities, Publication Sales and Other Earned Income

Aggregate income in these categories was \$1,291,328, a decrease of \$165,774 (11%) from

2006. Substantial decreases in earned revenue from training courses and from workshops were partially offset by increases in earned revenue from technical assistance and customized study programs, use of IIRR campus facilities by development organizations, publication sales and from other income.

### EXPENSES

#### Program Services

Program service expenses are classified in accordance with IIRR's current program components: the learning community program, the education and training program, and the publication and communication program. Aggregate expenses of program services were \$2,976,433 in 2007, an increase of 9% over 2006. Expenses of the learning community program increased by \$79,645 (5%), expenses for the education and training program increased by \$83,310 (9%), and expenses for the publication and communication program increased by \$94,428 (39%).

#### Supporting Services

Aggregate expenses for supporting services were \$485,794, or 14% of total expenditures, in 2007, as compared with \$532,864 (16%) in 2006.

### LIQUIDITY AND CAPITAL RESOURCES

Cash at year-end was lower in 2007 as compared with 2006. The decrease was largely attributable to increases in contributions receivable and other receivables. Total net assets were higher on December 31, 2007 as compared with the prior year, by 16%. Of total net assets at December 31, 2007, \$743,143 (19%) were unrestricted, \$2,501,391 (63%) were temporarily restricted, and \$717,982 (18%) were permanently restricted endowment funds. The temporarily restricted funds will become available for use in 2008 and subsequent years, upon compliance with donor restrictions and agreements.

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Live among them  
Learn from them  
Plan with them  
Work with them  
Start with what they know  
Build on what they have  
Teach by showing  
Learn by doing  
Not a showcase  
but a pattern  
Not odds and ends  
but a system  
Not piecemeal  
but an integrated approach  
Not to conform  
but to transform  
Not relief but release**

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