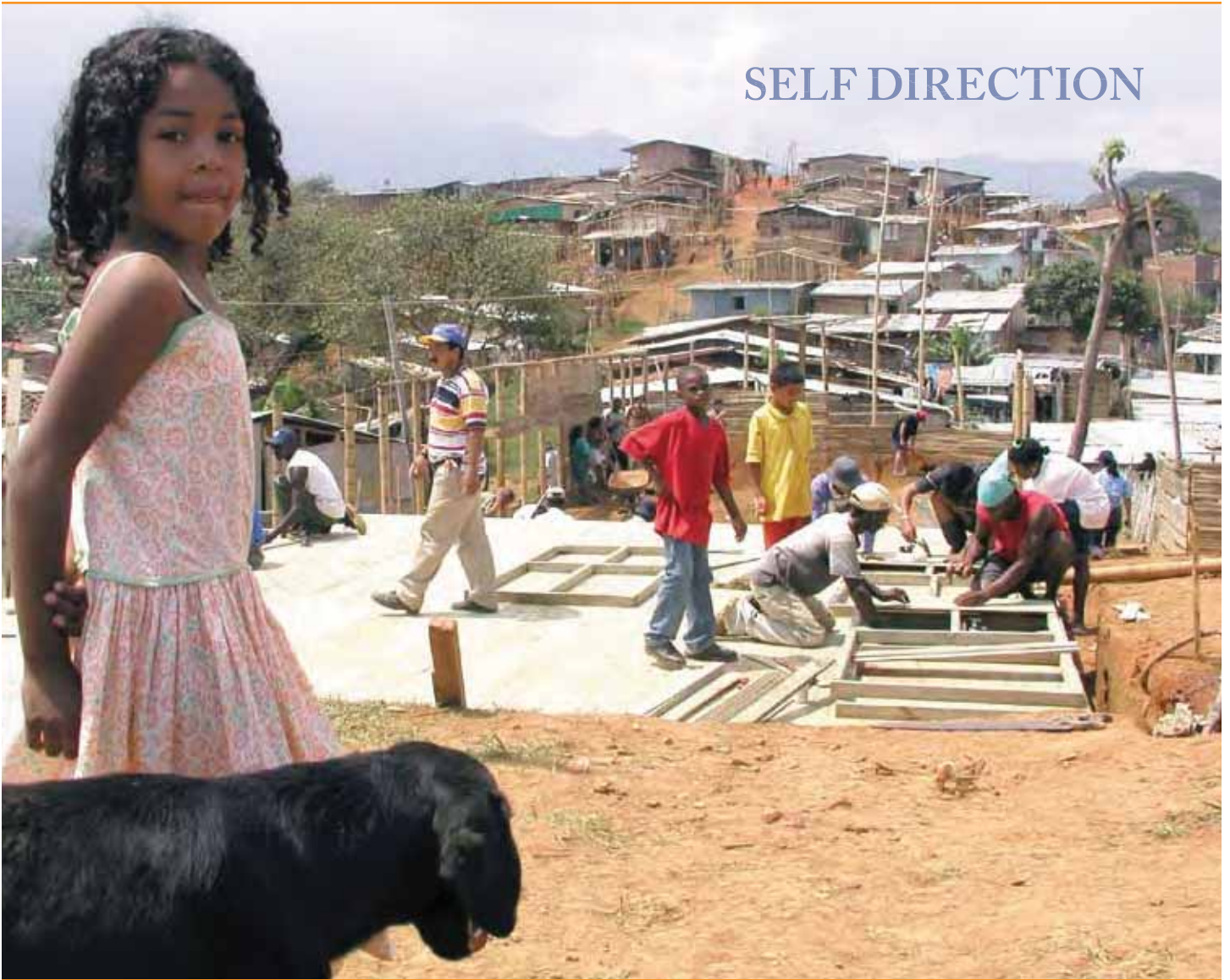


BUILDING A BETTER WORLD

CHF INTERNATIONAL PROGRAM REPORT 2008

SELF DIRECTION



CHF
International

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THE CHF INTERNATIONAL APPROACH



Who is CHF International?

Founded in 1952, CHF International is an international development and humanitarian assistance organization that has worked in over 100 countries worldwide and currently works in over 30 countries and territories. Our mission is to be a catalyst for long-lasting positive change in low- and moderate-income communities around the world, helping them improve their social, economic and environmental conditions.

CHF International – a Catalyst for Self Direction

Almost sixty years of operations has taught CHF this: that the people best qualified to decide what help is needed to improve the quality of life in a community is the people who are going to benefit from the help – the community itself. This informs every aspect of CHF International's work.

- **WE FOLLOW COMMUNITY PRIORITIES**

CHF actively seeks out the needs of the communities where we work through a unique participatory method. We listen to those needs, and undertake our work on the basis of those needs.

- **WE ARE DEMAND-LED**

CHF only undertakes projects that the community states as a priority. Once the demand is no longer there, CHF passes on the completed projects into the capable hands of the community and local authorities.

- **WE WORK LOCALLY**

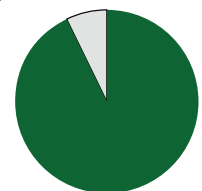
CHF employs local labor, uses local materials, and creates solutions that are appropriate to the region where they are implemented. Over 95% of our staff is from the countries where they work.

- **WE BUILD SELF-SUFFICIENCY**

The aim of all CHF's work is to build the capacity of local partners, governments and the private sector to create communities who are economically, socially and environmentally self-sufficient.

- **WE FORM PRODUCTIVE PARTNERSHIPS**

CHF International partners with communities, government, the private sector and other international and local organizations in order to ensure that our projects have the greatest positive impact possible for the communities with whom we work.



95% OF OUR INCOME
IS SPENT ON PROGRAMS

LETTER FROM THE CHAIRMAN



As the new Chairman of the Board of Trustees, this is the first year I have the pleasure of welcoming you to *Building A Better World*. As you “tour” CHF’s programs through this report, you will see that “self-direction” is this year’s theme. Since joining the Board of Trustees in 2003, many things have impressed me about CHF International, but none more than its core philosophy of enabling people to direct their own lives by empowering communities to create more sustainable livelihoods and environments. As an organization, we can provide resources, assistance and guidance, but we understand that economic development is most successful when the communities themselves determine what their needs are and work with us to meet those needs.

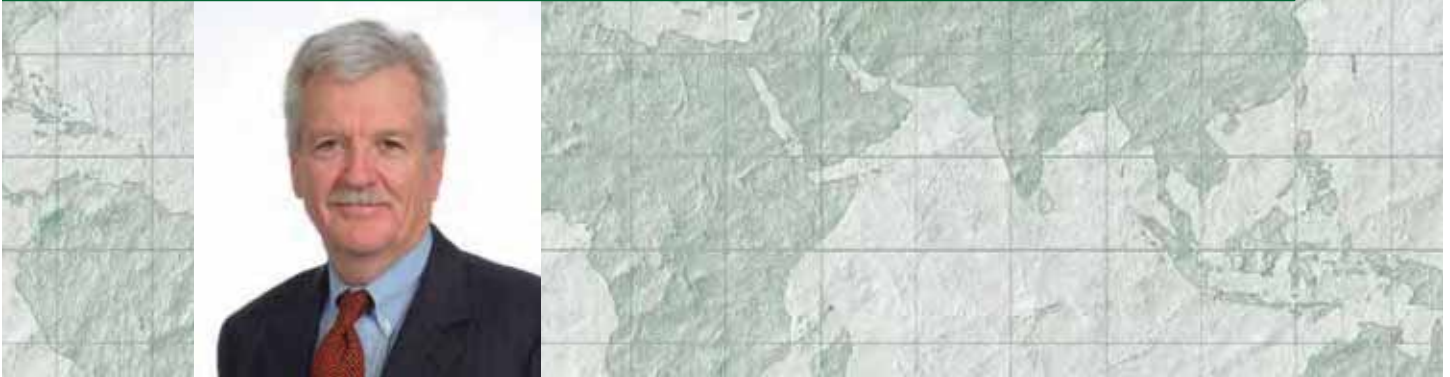
Having grown up in a number of less developed countries, and lived in the developing world as an adult, I have witnessed many organizations, government and private, non-profit and for-profit, working in the development community. Those experiences have highlighted for me another key factor that I believe makes CHF International particularly effective: management that emphasizes a business-like, results-oriented approach, implemented by the highest quality staff who achieve objectives on time and within budget. It is the combination of this community-driven, self-directed approach to development, along with this results-oriented business model that I believe works so well around the world. In the following pages, you will see the broad range of activities that CHF International has undertaken around the world, from microlending, to infrastructure construction, and HIV/AIDS programs, to name just a few.

While CHF International works with complex situations in challenging environments, it is sometimes the simplest moments that are the most poignant reminders of our mission. Earlier this year, the Board of Trustees traveled to the West Bank. In commemorating the opening of a newly-completed playground and park near Ramallah, we listened to speeches by local leaders, funders, and the Prime Minister of the Palestinian Authority. But it was a 12 year old Palestinian girl, speaking on behalf of the town’s children, who brought tears to our eyes as she thanked everyone for providing an outdoor environment away from their homes that have become smoke-filled centers of political debate. At the new playground, she said, children would be free to breathe fresh air, play among friends, and dream of a better future. For that girl, we had already built a better world.

The number of people and institutions who are supporting our efforts to enable families and communities to grasp opportunity and become self-sufficient is growing all the time, and in these economically uncertain times, this continued support is now more important than ever. I encourage you to read this report to learn more about CHF International’s most recent efforts to empower people around the world to improve their lives, and to share in helping to build a better world.

David A. Weiss
Chairman

LETTER FROM THE PRESIDENT



In these dramatic economic times, the importance of access to credit is clearer than ever. In countries where loans have suddenly become harder to get, the economy has slowed tremendously. Yet, credit – affordably structured and closely monitored – is key to improving an individual, a family, a business – a whole country's – economic prospects.

Nowhere, perhaps, is this more obvious or important than in Iraq, where a primary objective of our programs is to foster stability by creating economic opportunity. Since 2003, CHF International has been lending to Iraqi business owners through our Access to Credit Services Initiative (ACSI). ACSI was the first microfinance institution in Iraq and is now the largest. ACSI has more than 300 Iraqi staff members and makes over half of all small loans made in the country; this is a tremendous impact in a country where 90% of businesses are small enterprises that in the past had little chance of getting a loan. By the end of 2008, CHF had made more than 59,000 loans worth more than \$130 million. Thanks to responsible lending practices that ensure that loans are affordable to the borrowers, ACSI enjoys an exceptional repayment rate better than 99%. And, the businesses supported by ACSI have created thousands of jobs. This sort of success is not often highlighted in the news, yet it offers reason to believe that the Iraqi people can overcome the challenges that face them in developing a peaceful and prosperous country.

Credit is just one "tool" that CHF uses to help people and communities realize their own ambitions in a way that benefits the larger society. CHF believes that our programs are successful because, rather than imposing our own fixes on what we see as problems, we help our clients define and prioritize their needs, then offer the basic tools, ideas and training they need to reach their goals. The philosophy that people know best what they need but just require some support along the way is not new – but it is *true*. This approach has been behind CHF International's successes for 56 years in communities in over 100 countries around the world and continues to guide us today and into the future. This edition of *Building a Better World* gives some examples of how CHF International is applying this philosophy around the world, today.

Michael E. Doyle
President and CEO

PERSPECTIVE FROM THE SENIOR VICE PRESIDENT



Judith A. Hermanson PhD
Senior Vice President

For the first time in history, more than half of the world's population lives in urban areas. Urbanization is strongly related to economic growth and productivity; however, at the same time, rapid urban population growth has outpaced the capacity of many cities around the world to meet the needs of its citizens. The evidence is the sprawling peri-urban areas around most of the major capitals in the developing world and in many of their dense over-populated inner cities.

Last year, as I traveled from India to Ghana to Indonesia to Kenya, I was constantly reminded of this fact by the proliferating shantytowns I saw. We know all too well that problems today are seldom confined to a certain area of town, or to a single city within a country, or to only a few countries. Globalization and ease of movement and communication mean that these problems can travel, too. Whether it is disease, trafficking, production of counterfeit goods, environmental degradation and related climate change, or dissemination of radical ideas, the historical sense of boundaries no longer applies.

Tens of millions of urban poor live without the most basic services – no clean water supply, over-burdened and unhealthy communal sanitary facilities, large accumulations of solid waste. They also live without access to health care, education and, often, employment in the formal sector. And perhaps most acutely felt, they have no real voice in how they live and how they are governed. Their plight is an indictment of the world community. It is also a potential threat to it.

Concentrations of urban poverty can breed disease, extreme alienation, crime and instability. That is the dark side. And yet, there is a brighter side, too. That is the spirit and determination of the people who live in the cities. Among the urban poor there is immense energy, amazing entrepreneurship, and enormous untapped human capital. The challenge for the world is to find practical ways to unleash this great urban potential.

CHF International is deeply engaged in helping to find solutions by drawing upon its core values and strengths: *enabling people to be heard and to begin a journey towards the realization of their own highest aspirations*. To do so, we work in a participatory manner with slum dwellers in their communities, in partnership with local organizations and municipal governments, and in consultation and collaboration with national governments and international donors. Together we are finding solutions that empower people and address the almost intolerable circumstances in which so many must now live.

So what can be done? We acknowledge the complexity and the many ways in which cities need to be "fixed." There is no silver bullet. Approaches will and must be varied. But the best of these will be multi-faceted and people-focused, addressing economic and physical conditions together. Hearing the voices of those most affected is central to their effectiveness.



In July, for just such a purpose, CHF convened an Urban Forum in Bangalore, India, to which we invited decision makers from the non-profit, government and private sectors. In doing so, we wanted to see if, together, we could respond to the initiative, drive and aspirations of the people who inhabit the cities of the world to find effective new ways to address some of the challenges of urban life in the 21st century.

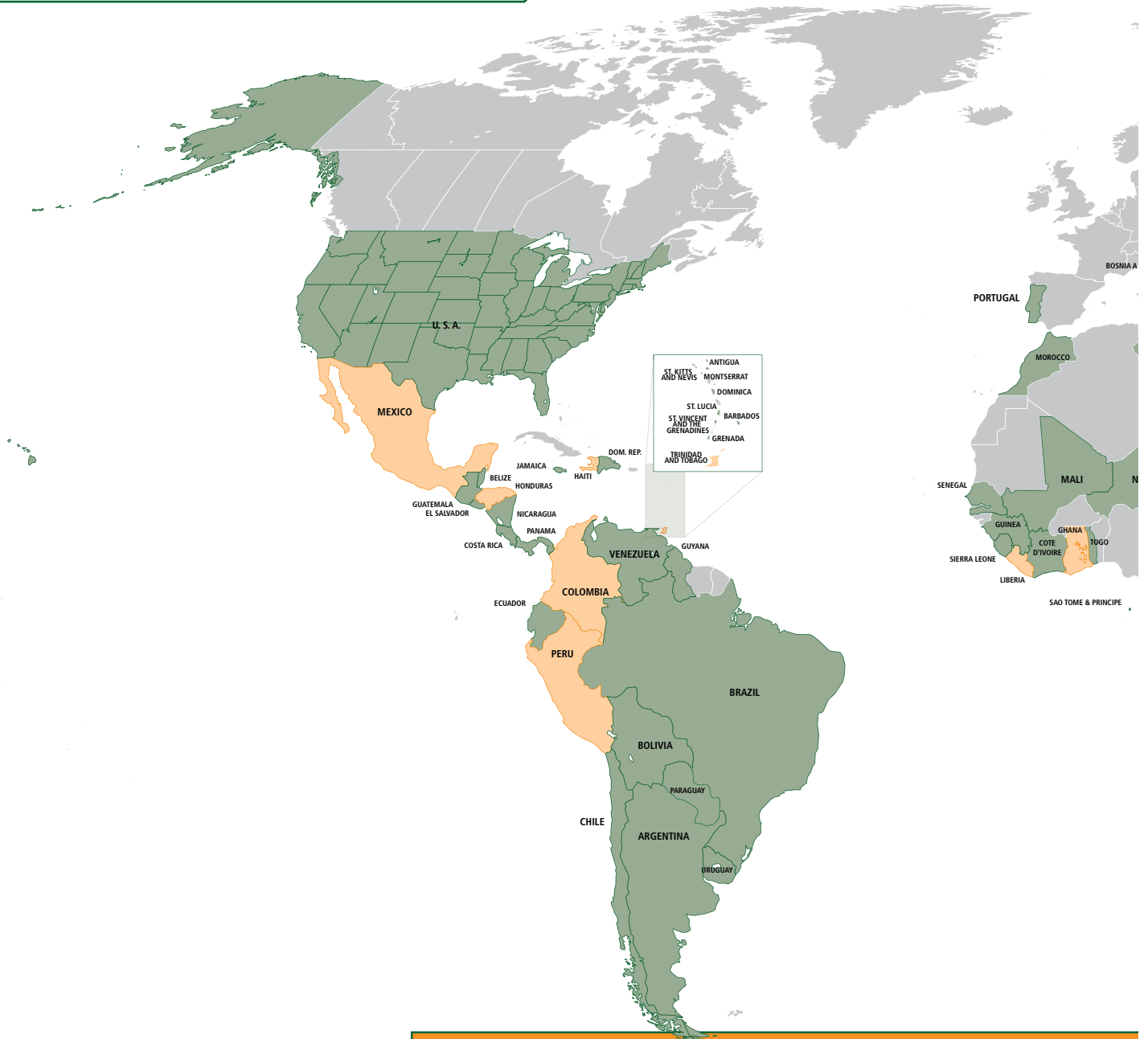
At the CHF Urban Forum, many exciting ideas were advanced – but one that caught my attention particularly is the idea that there are some business models that can harness the energies of the urban poor and enable them to realize their dreams. An organization called LabourNet is one such example. LabourNet has found a market niche in Bangalore (and aims over the next five years to expand to seven more cities) by linking employers in the formal sector with potential employees through the use of the internet and mobile phone technology. This virtual marketplace enables those without a voice and without connection to express and market their skills efficiently.

The LabourNet business model embodies that which lies at the heart of CHF's development philosophy – the importance of responding to people's own wishes and priorities and so to an existing demand. It does so in a conventional "market" sense of matching supply of labor with demand for skills. And it does so in the developmental sense of investing in people, who in turn invest in the local economy and society. And it is precisely because of the "demand driven" nature of this model that it is such a powerful propellant. I am certain that there are many more places where such a model can work and that there are many other business models that can perform similarly to address urban poverty.

This edition of *Building a Better World* describes CHF's program activities around the world during the last year and, as it does so, it describes the many different ways in which CHF manifests its commitment to helping people realize their own aspirations for a better life. Applying this philosophy and finding new ways to do so in the urban arena, as it does in rural areas, is in CHF's DNA. As different as our programs might look on the surface, the underlying principles of self-reliance and inclusion are the same. For CHF International, recognizing and responding to authentic demand is the bedrock of sustainability.

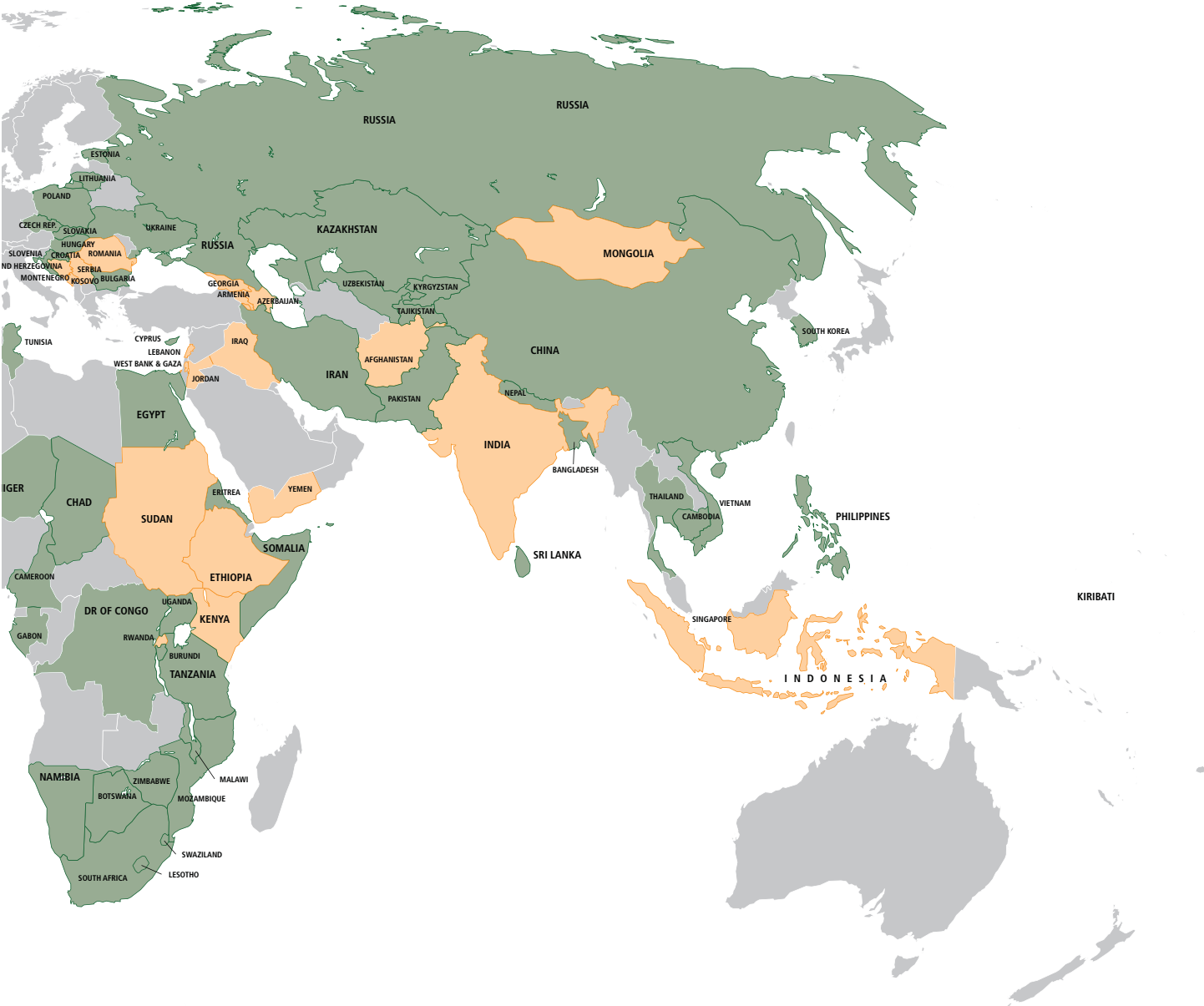


WHERE WE WORK



WHERE WE WORKED IN 2008

Afghanistan	Haiti	Liberia	Sudan
Armenia	Honduras	Mexico	Trinidad and Tobago
Azerbaijan	India	Mongolia	West Bank and Gaza
Bosnia	Indonesia	Montenegro	Yemen
Colombia	Iraq	Peru	
Ethiopia	Jordan	Romania	
Georgia	Kenya	Rwanda	
Ghana	Lebanon	Serbia	



WHERE WE'VE WORKED SINCE 1952

Afghanistan	Cambodia	Ecuador	Hungary	Lithuania	Paraguay	São Tomé and Príncipe	Tanzania
Antigua	Cameroon	Egypt	India	Mali	Peru	Senegal	Thailand
Argentina	Chad	El Salvador	Indonesia	Malawi	Philippines	Serbia	Togo
Armenia	Chile	Eritrea	Iran	Mexico	Poland	Sierra Leone	Trinidad and Tobago
Azerbaijan	China	Estonia	Iraq	Mongolia	Portugal	Sri Lanka	Tunisia
Bangladesh	Colombia	Ethiopia	Jamaica	Montenegro	Republic of Congo	Slovakia	Uganda
Barbados	Costa Rica	Gabon	Jordan	Montserrat	Romania	Slovenia	Ukraine
Belize	Côte d'Ivoire	Georgia	Kazakhstan	Morocco	Russia	Somalia	United States
Bolivia	Croatia	Ghana	Kenya	Mozambique	Rwanda	South Africa	Uruguay
Bosnia and Herzegovina	Cyprus	Grenada	Kiribati	Namibia	St. Kitts and Nevis	South Korea	Uzbekistan
Burundi	Czech Republic	Guatemala	Kosovo	Nicaragua	St. Lucia	Sri Lanka	Venezuela
	DR of Congo	Guinea	Kyrgyzstan	Niger	St. Vincent and the Grenadines	Sudan	Vietnam
	Dominican Republic	Haiti	Lebanon	Pakistan		Swaziland	West Bank & Gaza
		Honduras	Lesotho	Panama		Tajikistan	Zimbabwe

HOW WE WORK



If you were to walk in to any CHF office or program around the world you would hear the terms: 'grassroots,' 'bottom-up' and 'community participation' repeated. You might hear them in English or in dozens of other languages, accents and dialects. But you would hear them every day, everywhere.

These words are at the core of CHF and, however they might be said, they mean the same thing: giving the people we help control over their lives and livelihoods.

At CHF, we put the communities and individuals we work with at the center of decision-making and project-direction.

The Community

HOW WE ENGAGE WITH COMMUNITIES

We engage with communities and individuals in many ways, but one of the most effective is through the Participatory Action for Community Enhancement (PACE) method. PACE is a structured methodology that involves CHF staff going into a community and holding community-wide meetings about the kinds of projects that we do. At these meetings a Community Development Council is elected – usually up to 12 people – who then lead the decision-making and prioritization process. Through this council we

ascertain what is of value to the community. This also helps to develop local leadership, peaceful conflict resolution, democracy and accountability.

HOW WE WORK WITH COMMUNITIES

The role of the council and community does not end with deciding on a project – this is where it begins. Although CHF provides technical and financial assistance, the community has to contribute to the project whether through money, labor or materials. CHF trains the council in how to design projects, appoint appropriate local contractors and how to deal with local government and other bodies who need to be involved to ensure future maintenance plans are in place. When the project is finally completed, the council has to inspect and sign off on the project, before it receives ownership of the project. This involvement at every step and ownership of the project guarantees a higher likelihood of long-term sustainability.

Beyond the Community

Of course, the impact of a CHF project goes far beyond the local community and CHF ensures from the beginning of any project that it works with all local stakeholders.

GOVERNMENT

Completed projects often must be sustained by the local government who need to be involved from the earliest stages in project design. In many of the countries where we work, especially post-conflict settings, local government and community interaction is uncommon, so CHF plays an important role in providing training to both sides on how to interact with each other. Where necessary CHF engages local government – and national government – from the very beginning of a project to ensure their support.

PRIVATE SECTOR

The private sector – from local businesses to multinationals operating in a region – is another important stakeholder in many of our projects. If we are going to run a workforce development program, then we need to know the demand-trades in the area. If we are going to run an agricultural development project, we need to know which forms of agriculture are profitable and which are not. And when we run financial lending programs, we need to know what are the growth industries, so we can give the best advice to the entrepreneurs who access our services. A growing economy depends upon a thriving private sector – so development efforts must understand the local commercial conditions in order to be targeted and effective.

PARTNER ORGANIZATIONS

CHF works closely with other international and local non-governmental organizations and faith-based organizations. Often, these organizations have been working in an area for some time when we arrive. Sometimes they may lack the technical capacity or international expertise that CHF can bring, but they have the local knowledge and understanding that we require to undertake our work. We partner with these organizations, build up their technical capacity and train them in best practices and cutting edge techniques, so that when we leave a country, there remains behind a legacy of self-sufficient, self-directing organizations in-country, who can continue the work.

What are the benefits?

If we allow the communities who work with us to direct what we do, then we have projects that are owned and sustained by those same communities who, through the process of engagement, have the ability to undertake such work in the future. We produce qualified individuals who are suited to local industrial requirements, encouraging economic development. We also develop communities who know how to operate in a democratic, accountable way that helps people to find ways of resolving their conflicts that build peace and prosperity instead of engendering violence and sectarianism.

In *Building a Better World* we will show examples of our work in practice, how we work with local communities and individuals, and how they have benefited. Most importantly, we will show the self-direction of communities and individuals that is at the heart of what we do.

WHAT WE DO



The following chapters of *Building a Better World* explain in detail the work that we do through examples of programs and stories of the people we have helped. In each case, we explain why we do this work, what we do, and, through examples, how we do it.

IT IS BROKEN DOWN INTO OUR MAIN AREAS OF PRACTICE:

ECONOMIC DEVELOPMENT AND DEVELOPMENT FINANCE	PAGE 11
EMERGENCY RESPONSE	PAGE 22
HEALTH	PAGE 31
URBAN DEVELOPMENT AND INFRASTRUCTURE	PAGE 37
DEMOCRACY AND GOVERNANCE	PAGE 43

AND ALSO EXPLAINS OUR WORK WITH:

VOLUNTEER INTERNATIONAL PROFESSIONALS	PAGE 47
INFORMATION TECHNOLOGY FOR DEVELOPMENT	PAGE 48

ECONOMIC DEVELOPMENT AND DEVELOPMENT FINANCE

Responding to the demand for economic opportunities

At the center of CHF International's mission and work is improving economic opportunities for the individuals and communities we work with around the world.

Why We Do It

Since 1995, the share of global economic output for low and middle income countries has increased from 34% to 41%. But this has been driven predominantly by three countries: China, India and the Russian Federation. In the same time period, the share of Sub-Saharan Africa has remained at 2%, North Africa and the Middle East at 3%, and the share of Latin America and the Caribbean has decreased from 9% to 8%. [*World Development Indicators 2008*, The World Bank].

There is still much to be done, then, to overcome poverty, a key source of instability in many countries. Economic development improves the chances of a country's sustainable, stable future, and reduces the likelihood of conflict, internal displacement and the impact of natural disasters – a situation which benefits all of us around our interconnected world.

Since 1952, CHF has worked in over 100 countries, and its experience professes to the motivation, drive and

demand of local communities to take control of their lives, their economies and their environments to bring about this change.

What We Do

CHF consults with businesses, industries, communities and government to create tailored solutions to each locale. This approach enables the people of each country to create the economy they want.

- We undertake **workforce development for young people** which is not just vocational but covers the whole range of abilities required by workers. From knowledge of their industry to job-hunting and language skills, this allows people to meet the demands of their labor market. The global youth population is growing at 10.5% but youth employment is growing at 0.2% – so this is essential.
- We **build the capacity of local government, firms and organizations** to develop their labor markets and create a healthy business environment.
- We **facilitate partnerships with the private sector** so that new investments are channeled in a way that stimulates growth while improving the lives of the people who need it most.
- We offer **employment creation and economic recovery programs** in countries affected by instability, conflict and natural disasters.

- We provide **micro, small and medium sized loans** to harness the natural drive of entrepreneurs and business owners, providing them with the finance necessary to take the next step in their market.
- We work with especially vulnerable groups, such as **people affected by HIV/AIDS**, to give them the skills and resources to link up with markets and operate thriving businesses.
- And we train **cooperatives** to improve the buying, negotiating and selling power of individual artisans and entrepreneurs.

Number of people
directly benefiting from
CHF Economic Development
Programs in 2008:
332,772



How We Do It

Haiti

Matching community and commercial needs

Haiti remains the least developed country in the Americas, with an estimated 80% of the population living in poverty and a literacy rate as low as 53%. The country faces many challenges – corruption, violence, and an economy 30-40% dependent upon international aid.

So how can international aid provide a vital kick-start to the Haitian economy? CHF's USAID funded *Konbit Ak Tet Ansanm* program (KATA; meaning to work together to achieve a common goal) is part of that solution. Drawing on the individual enterprise and creativity seen everyday in the markets and streets, KATA facilitates the creation of immediate and durable jobs through improving the physical environment of Haiti, as well as through workforce development and entrepreneurship programs, combining the creation of skills with what is of highest importance to the community.

Picking up trash, picking up a future

For the people of the Champin area of Cap Haitien, the lack of basic services meant that the canal which flowed through their community had been a repository for trash and sewage for ten years. In an area rife with unemployment, the market was of utmost importance to the economy, both as a place for employment and the place that serves workers. The canal had begun to overflow and spill into the market place, creating a sanitation and disease hazard – the last thing the community could afford.

CHF International, in partnership with COCEDEC (*Comité Central pour le Developpement et l'Education de Champin*) sought temporary workers to help with the urgent task of cleaning the local canal.

One such worker was Nathalie Nervert, a 24-year old mother who works in the Champin section of Cap Haitien, where most people live on less than \$2 a day. Nathalie was one of over 100 community members who were employed to clean up the canal. Over 41 days, 1,220 cubic meters of trash was removed – enough to fill half of the Beijing Olympics Swimming Pool. Two open water sources that had been lost in the avalanche of sewage were uncovered and rehabilitated in the process.

Through this employment, Nathalie was able to buy food and clothes for herself, her son, and most of her fifteen siblings. But most importantly for Nathalie and Haiti, the short-term work led to long-term employment. With her earnings, Nathalie was also able to save enough money to help her mother expand her business – a food stand in the market. Now Nathalie, previously unemployed and in great poverty, works with her mother to serve meals to workers in the market place. By picking up trash, Nathalie also helped pick up the future of her country. It is the determination of people like Nathalie, who seize opportunities and have an entrepreneurial spirit, who bring about economic recovery and stabilization.



PRIVATE SECTOR- DRIVEN WORK FORCE DEVELOPMENT

Providing skills for Haitian workers is a valuable endeavor on its own, but in order to maximize the benefits of such a large-scale training program, jobs must be made available to recent vocational training graduates. In 2008, CHF created demand-driven work force development programs. This tailored approach to work force development, where KATA supports the creation of training centers based on specific industry needs, allowed KATA to expand its work force development program, and to bypass traditional challenges faced in placing vocational training graduates in an unstable job market. By consulting with growth industries in Haiti, CHF matched our training programs to existing private sector demand to come up with a method for creating jobs that our trainees can enter directly upon graduation. CHF is training 1,500 Haitians for jobs in various industries such as textiles, fishing and construction.

In Haiti, in 2008:

- **240,000 people benefited from bridge and clinic construction**
- **400,000 people benefited from irrigation projects**
- **13,000 people had increased access to potable water**
- **64,000 short-term jobs were created**
- **986 students graduated from vocational training centers**
- **465 new enterprises were created through training programs and employment generation grants**

CREATING AND SUSTAINING MICRO-ENTERPRISES

Another important component of the strategy to provide long-term economic opportunities to workforce graduates is KATA's support for the creation of sustainable micro-enterprises. Through small grants and the distribution of toolkits and startup equipment to expanding Haitian industries in 2008, CHF created 465 microenterprises in the growth areas of painting, masonry/construction, carpentry, welding, plumbing, auto mechanics and textile production.

Talking to and working closely with the private sector makes the difference in Haiti and elsewhere between continuing unhealthy aid dependency and enabling a self-directed, sustainable economic recovery.

Lebanon

Value Chains – improving agriculture from production to sales

According to the World Bank, while 75% of the world's poor live in rural areas, only 4% of official development assistance goes to agriculture. CHF works with communities around the world to improve production and inculcate best practices in sustainable agricultural development.

One such example is in Lebanon. Working together with the Hariri Foundation in the Saida region of Lebanon, CHF International developed local farmers' knowledge, attitudes, and practices, resulting in increased production and sales of high value crops. Beginning with the USAID-funded CEDARS project in 2002 and continuing with the CEDARSplus project, CHF worked closely with community members, the private sector, and international agricultural experts to introduce new and appropriate technologies and methodologies, agricultural varieties and markets to the farmers of the Saida region.

To encourage farmers to adopt new technologies and make them their own is no easy task. In order to show the benefits clearly, CHF created a series of demonstration projects in the Saida region. For example, CHF provided land and management for the production of bananas in net houses. International experts were engaged to set-up Spanish net house technology, and Hariri Foundation project staff was trained in how to grow bananas in the net houses. Throughout the entire process, local farmers were invited to visit the demonstration plot, participate in trainings, and learn from the hands-on experience of the demonstration plot. As they saw the benefits of the demonstrations, farmers gradually changed their attitudes to adopt these new technologies and make them their own. Over time, individual farmers began to use the demonstration facility to process their own bananas, and began to construct net houses on their own properties. Additionally, as these changes

At the end of CEDARSPlus in Lebanon:

- **3,265 new jobs had been created and sustained**
- **3,755 farmers had been trained in new techniques**
- **352 new market outlets had been accessed by the farmers**
- **2,855 new hectares of agricultural produce had been planted**
- **6,735 hectares of agricultural produce had been improved, and**
- **\$14 million of additional local agricultural sales were generated, as well as \$2.5million exported**



occurred, the Lebanese private sector reacted by developing local technology and expertise to build net houses. The result was popular, locally produced and lower priced net house technology available to farmers, which in turn increased crop production and sales.

Snapshots of CHF's economic development work in 2008:

Armenia

CHF is in its fifth year of a vocational training program in Armenia, combating high unemployment by enabling unemployed Armenians to sign up for a demand-trade. Trades include masonry, painting and plastering, carpentry and so on. The USAID-funded program allows Armenians to choose their trade, trains them, then puts them on an internship that gives them real experience of the work. Since the program began in 2003, unemployment in Armenia has dropped from 20% to around 7%.



Single heads of households learn the basics of textile production, which they will use to develop a sewing business that will support their families. Here they test different materials to see which are most flame resistant.

Mongolia

Mongolia's recent transition to a market-based economy led formerly nomadic peoples to settle in informal "Ger Areas" surrounding major cities. Ger Areas, home to the fastest growing population in the country, are comprised of thousands of small, fenced-in plots of land containing traditional tent-like housing structures, which typically lack heat, water, and sanitation services. This has resulted in high rates of unemployment, poverty and other social problems. CHF International's Growing Entrepreneurship Rapidly (GER) Initiative is improving the quality of life for residents in Mongolia's Ger Areas by supporting local entrepreneurship through an integrated range of business services aimed at strengthening business, creating new businesses and increasing employment.

Among its activities, in 2008, the GER initiative disbursed 944 loans to entrepreneurs, delivered skills building training to over 5,000 Mongolians, and helped over 1,700 people with business development programs.

Trinidad and Tobago

In many parts of the developing world, crafts are an integral part of the economy. But many artisans create their works without an understanding of the broader business market in which they operate. The government of Trinidad and Tobago's Ministry of Social Development teaches single head of household women aged 25-45 crafts – but it does not teach them the business of selling their crafts. CHF's Craft Center was employed to fill this gap. Over the course of a month, through carefully targeted training modules, the Crafts Center trained 100 individual artisans in how to look at the market, analyze opportunity, then work back to product development. In addition, they also trained 14 of the Ministry's own trainers, to ensure that they would be able to deliver product development education themselves and engender longer-term self-sufficiency.

With advice from CHF's GER initiative, Ariuntogs was able to change from a loss-making traditional candy manufacturing business to a profit-making, expanding ice cream business – a surprise market success in a country that experiences substantial permafrost.



Yemen

From 2004-2008, CHF undertook the ACCESS-Mena program with its local implementing partner the Charitable Society for Social Welfare. Dedicated to combating child labor through education, teacher training, vocational training, social services and through media campaigns, in four years more than 2,800 children were withdrawn from, and 4,900 children prevented from entering into, the worst forms of child labor. In 2009, CHF is continuing to work at preventing child labor in Yemen through the ACCESS-Plus program and has expanded this work to Jordan as well.

Jordan

Begun in 2008, the US Department of Labor funded Combating Exploitive Child Labor through Education (CECLE) program in Jordan will withdraw 4,000 children from the worst forms of child labor and prevent 4,000 children from entering into such circumstances, by providing them with direct educational services and other non-formal education. CHF and its partners will strengthen the technical skills related to child labor on the national level in Jordan, improving the country's abilities to deal with the worst forms of child labor.

Montenegro

In August 2008, CHF completed its five-year, USAID-funded civil society and economic development program in Montenegro. However, in line with CHF's aim of self-sufficiency and self-direction, it left behind several legacy groups to continue on the work. FORS Montenegro is a regional development non-governmental organization that is attracting US and EU funding for its civil society work in northern Montenegro. The Centre for Sustainable Tourism Initiatives is a not-for-profit tourism group and Montenegro Adventures is a for-profit tourism group, all of whom work toward increasing tourism and economic opportunities in the beautiful mountainous region of northern Montenegro.



In Yemen, CHF is dedicated to removing children from the worst forms of exploitative labor.

Development Finance

Meeting the Demand for Credit from the Micro to the Middle Market

Why We Do It

Entrepreneurialism is the ultimate in self-direction. The entrepreneur is at the heart of any economy. It is his or her ideas and drive that bring about economic opportunities and renewal, creating products that can go from local sales to international exports. At the heart of economic development is encouraging this activity.

One of the most effective ways of developing entrepreneurs is not simply to *give* aid, but to lend. Lending encourages entrepreneurship in a way that grants do not – for the loan recipient has to make a profit to pay back the loan – and it also enables him or her to build up a credit history. If a borrower has a successful credit history, then they can continue to borrow larger amounts of capital and expand their business – something which a grant does not allow.

But many banks in the developing world do not want to handle small loans. The profit margin is too small, and the recipients – despite microfinance’s exceptional repayment rates – are considered too high a risk. Loan systems traditionally based upon collateral are not ready to make loans based upon cash flow.

What We Do

CHF International’s approach to microfinance is called Development Finance. It is a demand-driven, flexible approach designed to meet the needs of the people

they serve, from the micro to the middle. For over 20 years, CHF has been providing loans around the world to entrepreneurs and home-owners. With an average repayment rate of 98%, in the last five years CHF has disbursed over 190,000 loans totaling more than \$428 million, has quadrupled the size of its loan portfolio and has successfully established loan programs in conflict, post-conflict, and post-disaster settings.

A CHF innovation is serving the ‘missing middle’ market. Identifying a gap in financial services, CHF has begun serving small and medium sized enterprises that have from 10-100 employees with loans between \$35,000-\$5 million. Too large for traditional microfinance providers and too risky for commercial banks, CHF is providing a solution that fills the market gap.

The CHF Finance Group, LLC

The CHF Finance Group is a holding company for five locally registered microfinance companies owned by CHF International. The Group seeks to attract capital from socially conscious investors so that there are larger funds available to provide better services to more clients in both new and existing operations. CHF is in the process of transferring these five locally registered microfinance companies to the CHF Finance Group:

BOSNIA | LIDER is a locally registered microcredit organization that offers a range of products, including housing loans, business loans, and multipurpose loans.

Portfolio outstanding: \$9.1 million
Active clients: 5,400+

JORDAN | Middle East Micro Credit Company (MEMCC) provides low-income families with micro- and SME loan products, in amounts ranging from \$1,000 to \$70,000.

Portfolio outstanding: \$15.3 million
Active clients: 6,900+

Number of people directly benefiting from CHF loans in 2008:

51,552

LEBANON | Ameen s.a.l. is one of the largest providers of microenterprise and home improvement loans in Lebanon, lending directly and on behalf of four private commercial bank partners.

Portfolio outstanding: \$9.8 million
Active clients: 10,770+

MEXICO | Fundación para la Vivienda Progresiva (FVP) offers home improvement and microenterprise loans to low income maquila worker households in northern Mexico.

Portfolio outstanding: \$953,000
Active clients: 1,450+

ROMANIA | Express Finance SA provides loans for micro-, small, and medium-size enterprises, as well as business development assistance through local partnerships.

Portfolio outstanding: \$17.4 million
Active clients: 2,700

OTHER CHF LENDING PROGRAMS

In addition, CHF International provides oversight to eight other development finance institutions:

AFGHANISTAN | The Afghanistan Microfinance Institution (AMFI Ltd.) offers small loans to rural-based entrepreneurs, as well as to urban entrepreneurs in and around the city of Kabul.

Portfolio outstanding: \$910,000
Active clients: 5,000

COLOMBIA | CHF's program Express Microfinanzas provides second-tier loans and technical assistance to local microfinance institutions and direct loans to individuals through a local bank partnership.

Portfolio outstanding: \$8.2 million
Active clients: 500

GHANA | Boafo Microfinance Services Ltd. is a joint venture between CHF International and HFC Bank Ltd.

that extends financial services to low- and moderate-income households in the capital city Accra and surrounding regions.

Portfolio outstanding: \$1.3 million
Active clients: 900

IRAQ | CHF's program the Access to Credit Services Initiative (ACSI) is the largest microfinance program in Iraq, serving thousands with a network of over 300 staff.

Portfolio outstanding: \$25.9 million
Active clients: 17,900

IRAQ | Iraq Middle Market Development Foundation (IMMDF) is a non-profit established by CHF International and the Overseas Private Investment Company (OPIC) to provide middle market loans to Iraqi-owned businesses and financial institutions.

Portfolio outstanding: \$69 million
Active clients: 33

LIBERIA | The Liberian Enterprise Development Finance Company (LEDFC), is a licensed non-bank financial institution established by CHF, OPIC, and the RLJ Foundation to provide loans and business development assistance to Liberian small and medium enterprises (SMEs).

Portfolio outstanding: \$1.2 million
Active clients: 8

WEST BANK AND GAZA | CHF's program Ryada serves the local populations with housing improvement and small business loans.

Portfolio outstanding: \$11.1 million
Active clients: 4,100

WEST BANK AND GAZA | CHF, through the Middle East Investment Initiative of the Aspen Institute, manages a \$160 million Loan Guarantee Fund financed by OPIC that lends to small and medium-sized businesses.

All figures are for end of Financial Year 2008.



An Iraqi loan recipient.

Iraq

Access to Credit, Access to the Future

Despite their large number, small Iraqi businesses have generally been excluded from loans and other services offered by the formal banking sector, due to the entrepreneurs' low incomes. As is typical with many countries, Iraq has an informal, market-driven system to deliver credit through moneylenders, family, friends, and suppliers. That system, however, cannot reach many potential borrowers, and the loans that are made are often prohibitively expensive, with annual interest rates as high as 300%.

CHF International's Access to Credit Services Initiative (ACSI) was the first Microfinance institution in Iraq, commencing operations in 2003, immediately after the end of Saddam Hussein's government. As microfinance

was a revolutionary concept in Iraq, permission had to be sought by CHF staff and granted by a Grand Ayatollah to operate within Islamic law. Since then, ACSI has also become the largest development finance program in Iraq, providing over half of all of the small loans granted in the country with an exceptional repayment rate exceeding 99%. By the end of August 2008, ACSI had provided more than 59,000 loans, with a total value of more than \$130 million, had created thousands of jobs and become an important stabilizing factor in Iraq.

Welding a Future through Credit

Muhammed, a blacksmith in the city of Hilla, had dreamed of providing a better life for his family, including his three sons who have been disabled since birth. In early 2004, he borrowed \$2,000 from ACSI to expand his blacksmithing business. He used a second loan for \$2,200 to open a second branch of his enterprise, to be managed by one of his sons. With the family's increasing income, Muhammed was able to send one of his sons for treatment in Iran, and to buy wheelchairs for the others. He was also able to buy a system to purify the drinking water in the family's home. With a third loan, for \$2,000, Muhammed increased his inventory and bought a mobile welding machine for his business. As the earnings from the business grew even greater, Muhammed was able to add two rooms and a bathroom to the family's home and to furnish the house with beds, a refrigerator, a freezer, a washing machine, and other items.



A Lebanese loan recipient.

Lebanon

Lebanon's top Microfinance Institution

Despite the 2006 conflict in Lebanon, CHF's Lebanon-based Development Finance institution Ameen s.a.l. was ranked in 2008 as one of the top 100 Microfinance Institutions (MFIs) in the world. The Microfinance Information Exchange global rankings are based on MFIs that are profitable, and are judged on outreach, efficiency and transparency. Entering the rankings at 79, Ameen is one of the top MFIs among thousands in the world and, as the only ranking MFI in Lebanon, the most successful MFI in that country.



EMERGENCY RESPONSE

Helping Communities Respond to Emergencies – With a Long-term View

Why We Do It

On August 16, 2005, a powerful earthquake magnitude 7.2 struck the densely populated Japanese city of Sendai. Of its population of one million, one person was seriously hurt and thirteen slightly wounded. Two months later, on October 8, 2005, an earthquake magnitude 7.6 struck Pakistan, killing 80,000 people and leaving 3.3 million homeless.

The stark difference in the results of these two earthquakes of similar magnitude forms the center of CHF International's emergency response philosophy: it is not enough simply to respond to an emergency – CHF rebuilds to reduce future risk. Emergency response has to go beyond aid and into development.

Emergencies can be natural disasters – earthquakes, tsunamis, hurricanes, tropical storms – or they can be man-made disasters – armed conflicts, genocides and persecutions. CHF responds to all of these, not only assessing the needs of the people and delivering the initial help required to get through the immediate aftermath of an event, but also helping to put in place essential infrastructure that is better than what came before, and enabling economic development to take place – even within the confines of a refugee camp.

How We Do It

Emergencies such as natural disasters are among the most compelling sights we see and many people respond generously to help those who have been struck by misfortune. Many aid agencies and governments will go into an area after an emergency and immediately begin reconstruction – without discussing it with the communities. But whether a sudden emergency or long-term development, it is essential to take into account community input, and allow the communities to direct their own recovery. They know what came before, they know their needs, and they have the vision of what should be.

CHF believes in bringing in the developmental approach as early as possible into disaster response – for example, stimulating the economy by creating employment through the clean-up phase. And it provides integrated services in the case of emergency response, from livelihood regeneration, protection and shelter to psychosocial support and access to financial services.

There are three themes to our emergency response approach: Risk-Reduction, Shelter and Livelihoods.

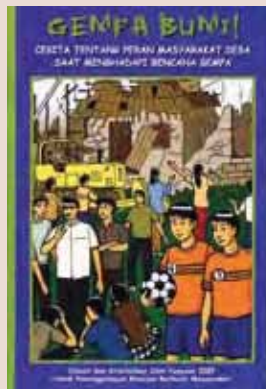
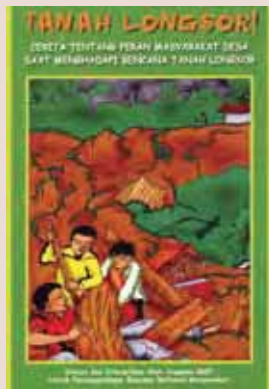
Number of people directly benefiting from CHF's Emergency Response programs in 2008:
929,578

What We Do

Reducing Risk

A program of risk reduction includes:

- Proper construction techniques: for example, in Afghanistan, CHF is training Afghans in how to create seismically safe adobe constructions with proper sanitation facilities that do not leak into the water table.
- Proper placing of constructions: for example, avoiding flood plains, volcanoes, tsunami-vulnerable areas.
- Education: it is vital to work with communities to explain how to behave in the case of an emergency. For example, CHF developed an education program designed to warn Indonesians of the dangers of landslides, volcanic eruptions and earthquakes.



Livelihoods

CHF has been working in the West Bank and Gaza since 1994. Since 2005 we have been blending our expertise with the UN World Food Programme's resources to provide assistance to the region's poorest families. The Gaza Strip has experienced intractable instability and conflict for years. CHF's Food for Work program focuses on the rehabilitation of vital services such as road maintenance, agricultural activities and water system maintenance among others. Workers contribute 20 hours of work in exchange for 120 kg of food including five basic staples. CHF's work with the World Food Programme has also expanded to cover the three main governorates of the West Bank.

The Food for Training program works to ensure that women are adequately represented among those receiving food and aims to ensure that they are the prime recipients of food packages. They receive training that focuses on health, nutrition and income generation activities which gives them the opportunity to help their families and benefits the community as a whole.

Since 2004, over 210,000 Palestinians have benefited from food, workforce development and training in the program, enabling them both to feed their families and also gain vocational skills essential to finding employment that will allow them to direct their own lives.

What We Do

Shelter: Yesterday's Innovation, Today's International Standard

CHF International is a world leader in producing 'transitional' shelter. In the aftermath of an emergency the first requirements of displaced people are immediate shelter, water and food. The next stage is transitional shelter – somewhere that a displaced family can live while full reconstruction takes place, and from where they can begin socioeconomic reintegration. There are two keys to making excellent transitional shelters: community input and regionally appropriate designs.

After the 2006 earthquake in Yogyakarta, Indonesia, CHF worked with the local community to create sturdy shelters constructed from bamboo, and using material such as bricks, roof tiles, doors, and windows salvaged from houses ruined in the earthquake. The model was so well designed it was used by most of the other agencies building shelters at the time. By 2008 it had become an internationally recognized model replicated worldwide.

A year later, CHF created another transitional shelter model in Peru, designed through a process of community participation. The model proved exceptionally popular with the local people and in 2008, the International Federation of the Red Cross used the design around the world.



Colombia

Integrating Long-term Development to Long-term Emergencies

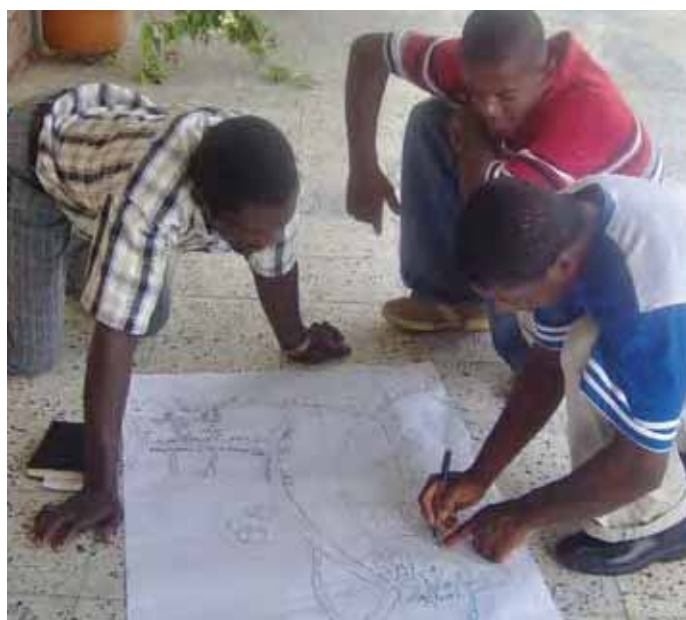
Many of the emergencies CHF responds to are the human emergencies of long-term, intractable conflicts around the world – for example, Gaza, Sudan and Colombia. Each situation is different. Internally displaced people may be in special camps or they may be dispersed throughout host communities around the country. In each case, our aim is to help those whose lives have been disrupted restart and direct their lives, by providing help that is differentiated to each scenario.

Years of violence and instability have left almost three million Colombians displaced from their homes. With little access to basic resources and few options, many families face a bleak future and little hope. In response to this humanitarian crisis, CHF has been working with the government of Colombia and scores of local organizations, since 2001, to develop a multifaceted program that supports families as they re-establish their lives after having fled armed insurgency. Funded by Accion Social, and also by USAID, CHF is a national implementer of internally displaced person (IDP) programs in Colombia.

REDUCING RISK

In a conflict driven disaster, risk reduction is about reducing the sources of ongoing conflict. Poverty, lack of economic opportunities and massive displacement destroying traditional family ties has driven much of the violence in Colombia.

Historically, most Afro-Colombians lived in river-based settlements along Colombia's Pacific Coast. These were areas with little government infrastructure or services, and where traditional family and community ties were paramount, defined by their own cultural and religious practices. But with displacement caused both by violence and economic need, many Afro-



Colombians moved to the cities – and with this their cultural practices, community ties and continuity of identity suffered. Going from a culture where authority resided in parents to one where it resided in outsiders – whether national or local government or even paramilitaries and organized crime – led many young Afro-Colombians to be alienated from traditional forms of community authority. Unemployed and disenfranchised youth prove an easy target for recruitment to crime, and Afro-Colombian populations have suffered disproportionately in Colombia.

The 21-month long USAID-funded program RECONCILIAR that CHF undertook through 2008, sought to address these problems in Buenaventura, Colombia. CHF entered Afro-Colombian neighborhoods and created a community council in each, recreating the traditional community structures of the Pacific Coast and engaging the community to work toward its broader interests. The community councils then organized a series of activities including:

- Workshops where young Afro-Colombians could rediscover traditional cultural practices, including traditional sports and religious celebrations, the use of plants in medicine, Afro-Colombian cuisine, as

well as learn human rights laws and their legal rights under Colombian law.

- Behavior change workshops for adults – teaching the adults how to behave in such a way that youth will want to show them the traditional respect of their community.
- Training peaceful co-existence coordinators. CHF trained 12 school students in methods of peaceful reconciliation; the students then trained a further 90 of their peers in these methods and they, in turn, their parents.

And many more activities. But, as important as the activities themselves is the process. In a situation of violence and fear it is easy to find oneself ceasing to trust one's neighbor. But, through the process of working together as a community towards a single goal, many Afro-Colombians in Buenaventura learned to rebuild confidence and trust in one another – the absolute essence of reconstructing a shattered community.

SHELTER

CHF designs its transitional shelters and homes based upon the input of the people or community who are going to live in them. In the case of an earthquake or a group of people living in a camp – a mass migration – there may be a shelter model that is most effective for that geographical environment. But in the case of Colombia, IDPs are not mass evacuees. IDP families and individuals have moved one or a few at a time in response to local conditions. There are no large-scale IDP camps. Families might move from the country to the city, or from one town to another and they may not settle in any one place for long. They may move into a plot or a back garden belonging to a relative, they may be temporarily living in guest houses; or they may simply try and set up a shelter on a street.

The needs of each IDP family are individual, depending upon their specific conditions. CHF's Accion Social-funded construction and shelter programs improve homes or build them, depending on the



location and directed by the families who are going to live in them. Shelters can be a single room (with separate latrine) or multiple rooms for a family and separate spaces for a kitchen and a latrine – more or less a small house. In every case, CHF has a mandate that every shelter built must be sanitary.

Shelter is the first stage to economic reintegration, but IDPs are often on the move. Fear, intimidation, or simply economic opportunity means that a family may have to pack up and move frequently. In response, many CHF shelters are designed to be able to be disassembled and reassembled in a new location.

Another common practice is for a whole family to live in a single room in a house shared with many families. It is not uncommon for up to five people to live in a single room where they also store and prepare all their food – but this unhygienic practice can lead to other unwanted residents moving in – mice, rats and cockroaches. CHF, therefore, designed portable kitchen furniture, a single unit where food can be stored and equipment cleaned in a hygienic way.

And an IDP family that has to move can pack up the kitchen equipment and take it with them to their new temporary or permanent home.

CHF also is involved in rebuilding schools, bridges and other essential infrastructure and services to serve displaced Colombians.

LIVELIHOODS

Tapping into the determined, self-directing drive of the IDPs, CHF runs many assistance programs to improve the opportunities for displaced Colombians to take control over their lives and livelihoods. The programs involve vocational training, job creation, business advice for IDP-owned micro-enterprises and disbursing small loans to help entrepreneurs. For example, in Colombia in 2008, 3635 entrepreneurs benefited from business loans, valued at nearly \$1.5 million.

But it is not easy for internally displaced Colombians to create businesses. Even with business advice and loans, there are psychosocial aspects to the work. Displacement can cause many family problems. For example, it is often easier for displaced women to find casual work in cleaning or sewing, than it is for men with specific trades, and this can lead to family tensions. It is not uncommon to find men, unable to find work, frustrated, turning to drink or drugs, then descending to domestic violence. No matter how good a business idea a family might have, unless there is agreement at the core of the family, the business will be in trouble. And if it does succeed in making money but there are unresolved issues, the money can feed the destructive habits that have developed through the period of inactivity. So, as part of its full, integrated program of business services to IDPs, CHF provides Accion-Social-funded psychosocial support and family counseling to displaced Colombians planning to start businesses or undertaking vocational training.

In 2008, in Colombia:

- **over 1,480 transitional shelters and permanent housing units were built and over 3000 more were improved**
- **3,800 students benefited from schools built or repaired**
- **2,000 people benefited from bridges repaired**
- **4,100 people had increased access to clean, safe water**
- **over 4,000 people benefited from improved roads**

Beginning Again

Dona Margoth* and her husband comfortably supported their family with a restaurant, a hotel and a general store. But their lives changed when armed militia entered their town and threatened Margoth and her husband. Husband and wife discussed the situation and decided that it was best to continue as normal.

22 days later the militia returned and murdered Dona's husband.

Life in the town returned to normal. For five years after the attack, Dona managed the business and took care of her children alone. Then the killings began again. Dona was threatened: if she didn't leave town, the following Saturday they would come and kill her. This time, Dona knew it was serious. There could be no return to normality.

She fled with her children to the coast and, after two months of living in a hotel, she found a niece and moved in with her. Once she was settled, Dona sent for her property from the hotel she had left behind – and the only remaining property was two televisions and two refrigerators.

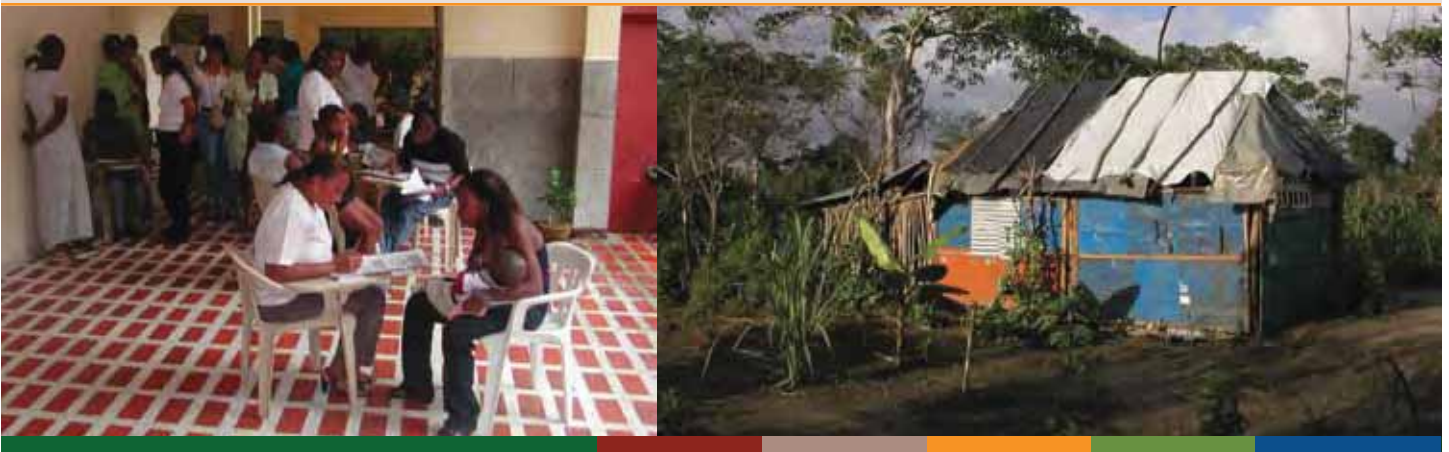
But, despite everything she had been through, the entrepreneurial spirit lived on in Dona. She sold the televisions and refrigerators and with the revenue, she was able to open a small shop and begin to work again.

A friend told her about CHF International's National IDP Assistance program. She applied for help and soon received a broad range of business, financial and vocational services, teaching her key aspects of business administration and how to understand the market in which she was operating, thus enabling her to become a more successful and self-sufficient businesswoman.

"Now I feel sure of myself, I am sure in what I can do and optimistic that things here will be better in the future. My dream is to grow my confection business. Since I received help from CHF everything has grown, my sales, my capital, my utilities... and also my self-esteem."

Dona Margoth embodies the resilience of the millions of Colombians and others around the world who have been displaced and assaulted but have not submitted.

*names and locations are changed or withheld for security reasons.



Snapshots of CHF Emergency Response Activities in 2008

Georgia

In August 2008, armed conflict between Georgia and Russia led to reports of up to 120,000 internally displaced people (IDPs), including some of CHF's own staff in the region. From the very start of the conflict, CHF, which has been working in Georgia since 2004, began assisting IDPs by providing food and shelter. CHF was already undertaking the USAID funded Georgia Employment and Infrastructure Initiative, which involved income generation and economy boosting projects in rural areas, and was thus able immediately to source and distribute much needed food aid in the initial stages of the conflict before other agencies were able to help.

CHF is now undertaking the USAID-funded Georgia Emergency Livelihood and Shelter program, providing emergency shelter and livelihoods support to IDPs and their host communities.

Sudan

Emerging from more than 22 years of civil war, South Sudan is beginning the challenging process of rebuilding following the loss of an estimated 2 million lives, the displacement of over 4 million inhabitants and an almost total collapse of infrastructure. To prevent a recurrence of a 2007 cholera outbreak in Juba, CHF established chlorination stations at seven key water pumping sites along the Nile River in Juba county, from which an estimated 80% of Juba's water is supplied. Ensuring that all commercial water trucks leaving the pumping sites are being chlorinated, CHF trained a number of chlorination assistants' at each of the seven sites to administer chlorine solution according to the water tanks' capacity. In 2008, CHF:

- Expanded chlorination sites at the Nile River from an initial three to seven pumping stations;
- chlorinated the contents of between 400 and 500 water trucks a day; and
- supplied an estimated 100,000 people daily with CHF-chlorinated water.

Ethiopia

When CHF began the Livelihood Support for Somali Agro-Pastoralists Program in the Somali Region of Ethiopia in 2006, CHF staff started by meeting with community members and asking them – what do you need most? The answer was unequivocal – fodder for our animals. Food security was their foremost concern after a series of devastating droughts threatened their lives and the lives of their livestock. CHF worked with locals and municipal authorities to develop an irrigation system along the banks of a local river that has helped produce grasses and maize for their livestock to graze, mitigating the dangers of future droughts.



Serbia

Since May 2006, CHF International and partners have been implementing the USAID-funded Serbia Contingency Planning and Economic Security Program (SCOPEs) in southern Serbia, working with municipal governments to help them plan for and respond to emergencies.

In November 2007, heavy rains unleashed flooding throughout southern Serbia. The waters washed out bridges and roads, flooded homes and storage cellars, and posed a serious threat to public health. Drinking water sources and waterworks systems were contaminated, and in many affected communities, raw sewage washed into streets and homes, creating an imminent health threat. It was the region's worst flooding in a decade.

The November floods challenged the capacity of many communities to respond. Those municipalities that had been working with the program over the past year and attending SCOPEs preparedness and planning trainings displayed better communication and more effective responses than those municipalities that had not. Two in particular, Novi Pazar and Tutin, were able to prevent injury to persons and damage to property and infrastructure thanks to the trainings.



Livestock benefit from a newly built water system in Ethiopia

Empowering communities:

HIV/AIDS and Other Health Challenges

Why We Do It

There can be few more compelling statistics than those that relate to the prevalence of HIV/AIDS in developing countries. In 2007, an estimated 33.2 million people lived with the disease worldwide, and it killed an estimated 2.1 million people, including 330,000 children. Over three-quarters of these deaths occurred in sub-Saharan Africa. [UNAIDS, WHO, 2007 *AIDS Epidemic Update*.]

But AIDS is not the only health challenge facing developing countries. Malaria and tuberculosis each are the cause of millions of deaths every year. Poor sanitation can spread lethal waterborne diseases. Unsanitary markets and poultry-processing are a source of avian influenza. A lack of formalized medical care makes treatment difficult, and even where hospitals are available, substandard roads and infrastructure can make it difficult to access healthcare. In addition to the human tragedy, deaths and the cost of treating diseases seriously harms the economic growth of the afflicted communities.

What We Do

CHF International works to create an environment that will allow communities suffering from health challenges to be able to direct themselves for a better, more prosperous and healthier future.

CHF International understands that many frontline health responders to infectious disease are not medical doctors and nurses, but rather families, communities and grassroots organizations. Despite their immense dedication and commitment – often working on a volunteer basis – these people frequently lack the expertise to provide quality healthcare.

CHF International's goal in the field of health is to offer these community-based providers appropriate resources to do their work even better and to create sanitary living and working environments that hamper the spread of disease. We also aim to integrate economic development into our health work, to counter the economic ague that can set in, and to engender self-sufficiency in the communities coping with these situations.

Number of people
benefiting directly from CHF's
health programs in 2008:

2,057,433

How We Do It

Rwanda

Integrating Education, Social, Financial and Medical Services

The negative effects of HIV/AIDS upon a country can be felt across every segment of society and in every aspect of the economy. Therefore, the response needs to be one that covers all of these areas. CHF is undertaking such a response in Rwanda.

Among the poorest countries in the world, with over 60% of the population living below the poverty line, Rwanda is fighting to make headway against HIV/AIDS while grappling with other public health crises, chronic food insecurity, and the impacts of the 1994 genocide that left hundreds of thousands dead and many more displaced from their homes.

CHF International was selected by the President's Emergency Plan for AIDS Relief (PEPFAR) to lead a consortium that implements the USAID-funded Community HIV/AIDS Mobilization Program (CHAMP) in Rwanda. Through this program, CHF International works side-by-side with 12 of the country's grassroots organizations to build their ability to support, treat and care for tens of thousands of Rwandans living with HIV/AIDS.

In order to lay the ground for future self-sufficiency and self-direction, CHF International directly sub-grants nearly 70% of CHAMP's funding to local Rwandan organizations, enabling them to fight HIV/AIDS and to support their communities themselves.

HELPING THE MOST VULNERABLE

One of the results of the 1994 genocide in Rwanda and the continuing problems with HIV/AIDS is a large number of orphans and vulnerable children

Under CHAMP, so far:

- **More than 160,000 Rwandans have been reached through HIV/AIDS prevention messages**
- **More than 34,000 orphans and vulnerable children have received health and nutrition education, clinical services, school supplies and uniforms so that they can continue their education**
- **More than 29,000 individuals have received palliative care services, including psycho-social support, meal support, hospital and home support, and**
- **3,298 men and women have been trained in providing HIV and AIDS-related palliative care services**

and teenagers. CHF works with local authorities, Rwandan organizations and community volunteers to ensure that those children with the greatest need are identified, selected and supported. This includes many children heads of households – orphans left with the responsibility of their younger siblings.

One of the largest programs in 2008 involved 34,000 children who were given the support needed to enable them to attend school or vocational training – essentials for them to be able to have a future where they can direct themselves. Those in primary school

were each given at least fourteen exercise books, pens, pencils, a mathematical set, a pair of shoes and school uniforms. Those in secondary school were given all school requirements including calculators, books, washing and bathing soap, body lotion, pens and pencils, school uniforms and school fees.

ENCOURAGING BETTER BUSINESS FOR THOSE WHO NEED IT MOST

CHF International – originally the Cooperative Housing Foundation – has its roots in the cooperative movement and cooperative principles are core to our work and program design.

Cooperative development concentrates on the mutual needs and self-interest of community members, pooling their resources, sharing their expertise and bringing

them together to direct and achieve something that they could not have done individually. Cooperatives can take advantage of the economies of scale gained from collaboration, in areas such as logistics, marketing, finance and sales.

CHF's health programs in Rwanda focus on expanding economic opportunities for people with HIV/AIDS. A recent Rwandan law required all associations to become cooperatives to ensure their financial sustainability. CHF is therefore working to move HIV-affected Rwandan communities from small household-level production toward the development of cooperative enterprises, while strengthening the links between producers and higher levels of the market chain. As a result, these new cooperatives are learning how pooled resources and income generating projects can move them out of poverty to tackle the massive detrimental impact of HIV/AIDS.



Breaking the Silence in Rwanda

In a country where sex education is virtually non-existent and discussions of sex are considered taboo, Jean Marie Edmund has deftly succeeded at getting Rwandans to open up.

Edmund was the co-host of the Community HIV/AIDS Mobilization Program's (CHAMP) groundbreaking radio show *Zibukira*, which targeted youth aged 15-24 and their parents with comprehensive information about HIV/AIDS prevention, treatment and care; reproductive health; and issues concerning sexual education and gender.

Roughly meaning 'to dodge' (as in avoiding HIV) in the local language of Kinyarwanda, *Zibukira* consisted of 30 hour-long programs that reached 90 percent of Rwanda's population and even some listeners in neighboring Burundi. Along with co-host Rubens Mukunzi, a well known radio personality from the Kigali station Radio 10, the pair taped topical discussions with community members in advance of each show. Then, once back in the studio, they would continue discussing each topic with a panel of health specialists, youth and parents, while people across the country would pepper them with questions by phone, text message and email.

"With *Zibukira*, we were able to cross boundaries and broach issues no one had ever talked about before," Edmund explained. He also claims to be the first Rwandan radio presenter to talk publicly about HIV/AIDS, back in 1995. He recalled, "It was just one year after the genocide, but I knew that thousands of women had been sexually violated and infected with AIDS. They needed to find out about their status and have a safe space in which to talk. The radio program helped make that happen."

Zibukira was born out of awareness surveys conducted at the beginning of CHAMP, which evidenced how many Rwandans – particularly youth – failed to have accurate information about even the most basic aspects of HIV/AIDS and reproductive health. "We first developed a design document that showed the risky behavior youth were engaging in, along with the behavior we wanted to promote. We were then able to develop key messages and elaborate on the subjects to be discussed in each radio program," explained Edmund.

Many callers noted that the program taught them all the things their parents never told them, and they appreciated that nothing was off-limits.

"I think the program was especially important for girls, many of whom didn't even understand something as fundamental as menstruation," recalled Mukunzi. But it wasn't just youth who learned from the program, added Edmund. "Some parents told us that as a result of listening to *Zibukira*, they felt comfortable to open up to their children and begin talking about sex."

Not everyone appreciated the show's frankness. Mukunzi relates, "One day we had a caller who said we should stop talking about rubbish like sex, and be more Christian. But we did our best to explain that he misunderstood what we were doing. We are not teaching people about sex, but educating them about their health."

But overall, their efforts met with great success. One day, they received a live call mid-show from the Minister of Education, who said she appreciated their efforts. Another caller really touched Edmund when he called to say, "Don't even think of stopping the show. You are truly brave and special."



Jean Marie Edmund, host of groundbreaking health-focused radio show Zibukira.

Education

To help educate community and home-based carers in HIV/AIDS treatment and associated healthy behaviors, CHF's Behavior Change Communications team produced family-friendly dialogue cards with a colorful image on one side and health information on the other.



Snapshots of CHF's Health Work in 2008

Kenya

One of the core aims of CHF International is to build self-sufficiency. This is the case with The Local Prevention and Treatment of HIV/AIDS-Grants Management program, which CHF is implementing through a partnership with the U.S. Centers for Disease Control and the President's Emergency Plan for AIDS Relief.

As part of the process of engendering self-sufficiency, CHF is now examining the readiness of its 39 local

partners for transition into independence. All partners have put into place the necessary administrative, financial and governance structures and the majority are already succeeding in acquiring substantial funding from other sources – the keys to self-sufficiency.

Some of the partners work has gained so much momentum that a far larger geographical area has been covered than was initially expected, and an increased diversification of the HIV/AIDS services is being seen. When CHF leaves Kenya, it will leave in its place a local capacity to deal with the challenges of HIV/AIDS.

Honduras

Honduras has the highest incidence of HIV/AIDS in Central America, claiming over 60% of reported cases. Additionally, malaria is widespread throughout the country, particularly along the coast. Honduras is currently home to 40% of Central America's malaria cases, with a reported 10,000 cases. CHF is working hard to reduce the prevalence of HIV/AIDS and malaria, and was selected as the principal grant recipient in Honduras by The Global Fund to Fight AIDS, Tuberculosis and Malaria, a unique public-private partnership established in 2002. The Global Fund is the largest contributor in the global fight against these deadly diseases, providing two-thirds of all financing to combat malaria and tuberculosis, and 20% of all international funding to combat HIV/AIDS. Through this innovative grant and working with partners such as the National Ministry of Health and many local non-profits, CHF is managing an HIV/AIDS and Malaria program over three years.

Indonesia

The avian influenza virus (HPAI) H5N1 is endemic in poultry in all of the Indonesia's major population centers. Since 2003, Indonesia has registered the highest number of human Avian Influenza infections in the world (approximately 140 as of September 2008) with an 80% fatality rate.

The spread of Avian Influenza, in Indonesia, has been largely attributed to domestic poultry movement within the country. A critical factor in this is the traditional marketplace, of which there are more than 13,000 throughout the archipelago. Such markets are often characterized by poor water supply and sanitation, a lack of proper slaughtering facilities, inadequate disinfection – all of which spread avian influenza.

Under its American Red Cross-funded Healthy Markets program, CHF is working with the market community in Indonesia to address the avian influenza threat and is now completing the final three of fourteen markets across Aceh province. Working under the direction of traders, CHF has provided wash basins inside the poultry markets, sloped the floor to eliminate standing water, ensured proper installation of ceramic tiles so that poultry blood can be easily removed, and provided garbage containers to each poultry vendor.

A CHF HIV/AIDS Prevention workshop for teenagers in progress in Honduras.



The Lam Ateuk Market was the third of three Healthy Markets in the Aceh Besar district of Indonesia to be completed, and serves about 13,000 people in Ateuk and nearby communities.

URBAN DEVELOPMENT AND INFRASTRUCTURE

Improving Living Conditions from the Largest Cities to the Smallest Villages

Why We Do It

In 2008, for the first time in history, the majority of people worldwide lived in towns or cities. Rural-to-urban migration continues to rise, as people seek better economic opportunities for themselves and their families. Experts estimate that 93% of future urban growth will be in Asia and Africa, with lesser but still substantial levels of migration expected in Latin America and the Caribbean.

Despite these population shifts, few cities and towns in developing countries have sufficient housing, infrastructure or municipal services to meet the needs of the new residents. Consequently, slums frequently develop in urban areas. These slums are often breeding grounds for disease, gang violence and poverty, which can damage the health and future prospects of families and communities for generations.

What We Do

CHF's experience is that the same determination that drives people to migrate to urban settings is often expressed through entrepreneurialism. People want to

improve their own lives, societies and environments. CHF works with individuals and communities living in depressed and impoverished areas so that they can enhance their own living conditions.

Beyond these bustling cities, CHF's nearly 60 years of experience in building infrastructure also fundamentally impacts how we address housing and basic services improvements in rural areas, as well as in those devastated by conflict or natural disaster.

All around the world, in addition to constructing new homes and improving living conditions, we are building and rehabilitating new schools, clinics and roads that connect people in remote areas to critical services and new opportunities. We promote democratic decision-making and community dialogue in project selection, design, implementation and follow-up. By ensuring communities have ownership in every project and know how to work productively with one another, we are able to promote lasting stability, mitigate conflict and help millions to engage their governments and the private sector in realizing shared goals.

Number of people
benefiting from CHF's urban
development and infrastructure
programs in 2008:
4,133,119

How We Do It

India and Ghana

Revitalizing Slums from the Bottom Up

Despite the enormous drive many residents in slums have for achieving a better life, they are too often limited in their ability to make tangible improvements or have their voices heard by those with the power to alter their circumstances.



In 2008, the SCALE-UP program in India and Ghana brought about, for example:

- 39,055 people living with improved sanitation systems
- 35,757 community members using improved roads
- 25,546 women benefiting from community projects
- 130,000 people benefiting from CHF projects improving municipal and city governance

In order to provide the urban poor with a meaningful role in planning and implementing slum improvement programs, CHF launched the Slum Communities Achieving Livable Environments with Urban Partners (SCALE-UP) Program in India and Ghana, through the generous support of the Bill & Melinda Gates Foundation.

SCALE-UP was designed with the understanding that close coordination of nongovernmental organizations, academic institutions and microfinance institutions with local governments and the private sector is essential for bridging the gap between the growing needs of those who live in slums and the services provided by municipal governments.

India has become a pioneer in developing innovative slum upgrading solutions for the past 20 years. But, despite these determined efforts, over 62 million Indians live in slums, and these numbers only continue to grow. SCALE-UP is empowering grassroots organizations so that they can actively design and implement physical and social improvements in slum communities throughout the cities of Pune, Nagpur and Bangalore.

Five million people live in Ghana's slums, representing almost a quarter of the country's total population and 70 percent of those living in urban areas. Working in nine targeted slums in the cities of Accra and Sekondi-Takoradi, SCALE-UP is strengthening the ability of NGO partners to plan and complete housing and economic development efforts. In line with CHF's commitment to building self-sufficiency, SCALE-UP is helping each group design a work plan that strengthens their technical skills.

Water and Sanitation

The case of Ayidiki in Accra, Ghana

Ayidiki, a slum in Accra, Ghana, has a population of nearly 60,000 people that has grown rapidly over the past three decades. The community is characterized by high numbers of youth (60% of the population under the age of 30), high illiteracy (45%) and high poverty (61% earn less than a dollar per day).

Ayidiki faced a series of grim sanitation and health challenges. 70% of families had no latrine, leading to widespread open defecation. Additionally, only 33% of homes had piped, potable water. The rest used public standpipes, or water from sources of unknown quality including trucks, vendors and rainwater. Although the municipality collected solid waste, only 20% of homes could afford these services. The city government provided two public refuse containers: these were quickly filled but rarely emptied. The rest of the solid waste was either burned or thrown into residential and commercial areas, where it openly rotted.

Before CHF intervened, the community had an extremely high number of cases of diarrhea, malaria, typhoid and cholera. Many children and elderly people died from these and, of course, the economy suffered. Safe sanitation services were even more unaffordable, leading to a vicious circle of poor health and poverty.

In April 2008, with support from the Bill and Melinda Gates Foundation, CHF partnered with the Youth and Women's Foundation (YWF) to improve environmental conditions and access to improved water and sanitation services in Ayidiki.

CHF and YWF helped community members form a committee trained by CHF in advocacy skills to lobby city authorities for better municipal services. Community members were also trained in identifying community needs, prioritizing them, and formulating projects. As a result of these efforts, meetings between the community committee and city authorities proceeded positively, with the city agreeing to provide three additional large public refuse containers, totaling the capacity of six standard US garbage trucks. Now, 60% of households can dispose of their waste safely. The containers are also being managed more effectively by the *unit committee*, which is comprised of elected residents from Ayidiki. The city also agreed to provide a new public toilet facility with 12 toilets, which can serve an additional 600 people.

As a result of the efforts of CHF and the local community, open defecation has dropped dramatically and public education on the health threats of this practice are expanding. There has already been a 50% reduction in cases of malaria, typhoid and cholera.



Iraq

Building and Rebuilding a Better World

Since 2003, Iraq has been one of the most difficult environments for development organizations to operate in. Deep, pervasive distrust of western organizations, periods of intense sectarian violence, and a foreign presence that is mostly visible in the form of military intervention – all of these factors militate against successful development from taking place.

With our 98% Iraqi staff, CHF has been working in Iraq since two months after the fall of Saddam Hussein's government. We work from the bottom-up, talking directly to communities, empowering local people, and helping Iraqis to direct their own futures. One of the major programs we have undertaken has been the Community Action Program (CAP), funded by USAID. CAP has evolved, since its beginning in 2003, from

a predominately infrastructure-focused program to a holistic effort that builds a foundation for democracy and grassroots advocacy.

CONCRETE STEPS TO RECONSTRUCTION

At the heart of the CAP program is giving the people of Iraq control over their lives through the democratic process. The CAP process requires communities to elect representative neighborhood associations. The associations then lead their members through a democratic process by which projects are decided upon and implemented.

These community associations engage with construction firms and contractors, and work with the government to ensure the ongoing maintenance of the projects. This process generates short-term employment and reconstructs essential infrastructure.

But they have more than just an advisory or oversight position. In CHF-run CAP projects, communities have



Providing Physical Rehabilitation for War Victims

Many Iraqi communities put a priority on improving the health care services available to local citizens. In one neighborhood of the city of Karbala, the residents saw a need – and an opportunity – to provide a special kind of care: physical rehabilitation services for the victims of war. In many cases, those patients had to travel to Baghdad, 60 miles away, to obtain the needed care. Working with local citizens, doctors, nurses, and war victims, CHF International helped form a community association in the Dubat Al-Usrah neighborhood of Karbala. The association took quick action, and soon after formation, the Al-Usrah Physical Rehabilitation Center was opened for patients.

Returning for a visit to the center in 2008, CHF International staff found a thriving operation. “We have over 150 patients who come in daily for treatment,” explained Hamza Jabr Abd, who manages the clinic’s physical therapists. “We have also developed specialized departments within the center. There is a pediatric section and an area for electrical treatment. This has allowed greater specialization among the therapists.” More than two years after being opened, the rehabilitation center has remained sustainable and has become an essential part of life for those in need in the Karbala area.

to provide 25% of the value of the grant for completing the project. This can be supplied in terms of land, supplies, labor – a match in kind.

And when a project is completed, it is not CHF that decides it is satisfactory – it is the community association. It is their responsibility, with CHF’s assistance, to inspect the work themselves before it can be accepted and they must sign off on the project. With this, the project is handed over to the ownership of the community or local government.

These innovations ensure that the community buys in to the project, sees itself as the owner of the project, and ensures long term sustainability – in a volatile setting like Iraq this can mean the difference between a project that is the target of vandalism and one that is accepted. CAP provides evidence that community-based, community-driven infrastructure projects are among the most effective ways of helping achieve reconstruction goals in a volatile, post-conflict setting – and also to lay the foundations for long-term democracy building.

To date, through CHF’s participation in the Iraq Community Action Program (CAP):

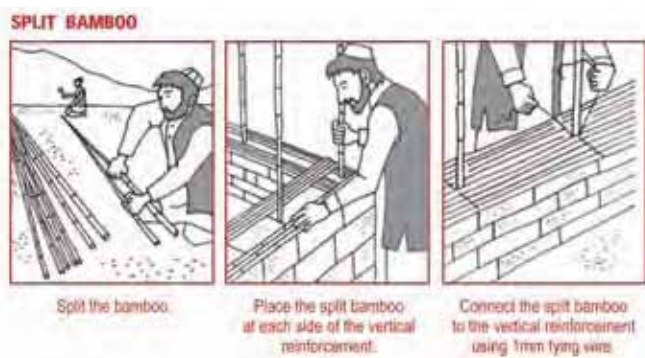
- more than 2,000 community associations have been formed and trained in the CAP process
- 3,100 youth and women have participated in community-based campaigns and activities
- 98,000 jobs have been created, and
- Over \$50 million has been injected into the local economy through community project contracts, local Iraqi staff salaries, and operational expenses

Snapshots of CHF’s Work in Urban Development and Construction in 2008 Include:

Afghanistan

A massive wave of refugees, returnees and internally displaced persons has flooded into Kabul since 2001. To help improve housing, sanitation, infrastructure and employment opportunities for these people, CHF developed the Afghan Shelter and Settlements Initiative Supporting Transition (ASSIST) program, funded by USAID.

ASSIST is providing over 3,250 of Kabul’s most vulnerable families with packages for shelter improvements – including designs, materials and detailed pictorial manuals – so they can build additional rooms, upgrade their homes with earthquake-resistant windows and doors, and add latrines. ASSIST is also hiring underemployed local community members in cash-for-work opportunities to improve over 2,500 miles of roads and drainage, while others will be trained in enhanced brick-making techniques.



West Bank and Gaza

As a result of the turmoil in the Palestinian Territories, access to sources of recreation, as well as job opportunities and public services, has been profoundly diminished. To improve environmental and living conditions, while also generating employment, CHF launched the Palestinian-American Recreation and Conservation Services (PARCS) program. Supported by USAID, the project began in May 2005 and ended in October 2008.

Using local materials and contractors, and following local priorities, the project parks were designed around historically-significant places to build civic pride. In addition to providing safe, accessible, environmentally friendly recreational areas in communities affected by the conflict, the parks took into account the needs of all residents – particularly women, children, youth, the elderly and citizens with special needs. In constructing public parks in 20 communities, which now serve nearly 1.5 million people, PARCS created over 76,000 days of employment.

DEMOCRACY AND GOVERNANCE

Responding to the Need for Transparent, Participatory Government

Why We Do It

The ability of individuals and communities to direct their own lives depends to a great extent on good governance and citizens who can effectively voice their needs.

Without a voice in their affairs or the ability to participate in community or country-level decision-making, it is often difficult for people in developing countries to find lasting solutions to their problems. In addition, municipal governments frequently lack experience working in a decentralized, participatory manner, so they need training to respond to the changing dynamics of the people they serve.

What We Do

For many years, CHF has used structured methodologies to bring communities together to voice their needs, prioritize projects, contribute support, and ensure maintenance and follow-up of completed projects.

Good governance, however, is not just about empowering communities to advocate for their needs; it also requires government to be prepared to listen and take action. CHF provides municipal governments with training so that they know how to respond to an active

community, operate transparently, and understand the processes of participatory government.

Democracy and governance work informs every aspect of CHF's operations. In Iraq, for example, it is an increasingly important, integral part of the CAP program (see page 40) and in every area of our work featured in this report, you will find strong elements of this area of our expertise.

By developing communities with a voice and government that knows how to respond to that voice, CHF is giving both communities and governments the foundations necessary for cooperative self-direction.

Number of people
benefiting from CHF's
Democracy and Governance
Programs in 2008:

19,816,874

What We Do

West Bank and Gaza

Building Better Relationships Between Government and Communities

Despite ongoing regional conflict and instability, the Palestinian Authority has shown increased commitment to government decentralization and accountability. The Palestinian people, meanwhile, are eager to see the tangible benefits of reform and the power of responsive, representative government bodies. Although locally elected officials want to improve life for residents, they often lack the resources and technical know-how to serve the needs of the people they represent.

To help establish an effective, empowered and democratic local governance system in the West Bank,

CHF International began the Local Democratic Reform (LDR) program, funded by USAID. The LDR program is helping local government develop and articulate democratic policies, institutions and structures, while expanding their ability to deliver on the infrastructure and basic services that residents want.

Nationally, LDR is working intensively with the Palestinian Authority Ministry of Local Government to undertake an institutional assessment and analysis with the goal of completing a strategy for building the capacity of the Ministry and local government within the territory. Locally, CHF is implementing high priority, essential public infrastructure in communities across the West Bank. The LDR program implements its effective, community-based development approach through Participatory Planning workshops between Local Government Units and its citizens, allowing the communities to direct the projects that we undertake. The program also provides managerial and technical training to Local Government Units to improve their capacity to provide these essential services. The final key to the LDR program is working with citizens to encourage and enhance their engagement with their government representatives.

In 2008, CHF's LDR program saw:

- 216,000 people benefiting from our housing and community infrastructure programs
- 112,400 people benefiting from road improvements
- 3,200 students benefiting from 4 schools built or repaired
- 1,500 permanent jobs and over 9,000 days of temporary employment created
- 43 municipal governments receiving institutional technical and capacity building assistance
- Over 1,361 representatives attend participatory planning workshops in 41 communities



More than a Football Field

Sometimes the community prioritizes a project that takes us all by surprise.

When the community of Illar met to discuss community priorities in the LDR program, CHF staff members were taken aback that the community ranked the construction of a football (soccer) field as their highest priority. This may not be a traditional expectation of 'local democratic reform', but for the people of Illar, it was their vision of improved life, services, and relationships with neighboring communities.

In four months, funded two-thirds by USAID through LDR and one third by the local community themselves through land provision, local labor and design input, and in close coordination with local government, the football field was constructed. 864 work days were created and in April 2008 the facility was inaugurated and handed over to the municipal government for ongoing maintenance.

The football field, full of life on a daily basis, has had a number of benefits for the community including enhanced links with neighboring communities, increased youth activities (including girls-only Fridays), and a playground for younger children.

Economically, the field has brought in construction and operation employment, income from fees collected from participating teams in tournaments, and the increase in visitors during sporting events has boosted local sales.

In the future, the local association plans to use the football field to undertake intercommunity sporting tournaments, training programs for first aid, and to host community open health care days – local health teams have been invited to provide services, outreach and information free of charge to the needy within the community.

The community of Illar knew that it would be more than just a football field – and the community knows themselves and their needs better than anyone.



Snapshots of CHF's Work in Democracy and Governance in 2008:

Liberia

In an effort to support good governance and increase women's participation in leadership and political positions, CHF undertook the FEMWISE project, funded by the Initiative for Inclusive Security. The project's goal in 2008 was to enhance the ability of women to participate in local elections in Lofa County, one of the areas most wracked by violence and displacement, and a locale where CHF has engaged in significant previous conflict resolution work.

FEMWISE began with an "Inspiration Day" that brought national-level female leaders to speak with rural women about their experiences as candidates, their motivations for serving in public office, and the challenges they faced along the way.



Azerbaijan

CHF International has been running the USAID-funded Community Development Activity (CDA) program in order to help foster more effective partnerships between Azeri citizens and their local governments. The CDA provides Azeris with trainings to succinctly define their problems, express their needs objectively, and communicate not only problems, but also potential solutions.



In 2008, CHF's democracy and governance programs in Azerbaijan saw:

- 118, 529 people served by CHF assisted community councils
- 11,785 participants in community meetings
- 653 permanent members of community councils
- 1,450 community meetings held in CHF program areas

VOLUNTEERING EXPERTISE

Providing a Platform for Lasting Social and Business Impact Worldwide: The VIP Program

The vice president of a U.S. cooperative bank uses his skills in housing finance to advise city and banking officials in Poland on new public-private lending models for a condominium project. In Mongolia, a senior consultant for a global consulting firm helps local business advisors devise strategies to grow their clients' businesses. An epidemiologist with internet skills helps build a database to better manage project information and trains local partners in a program to reduce the impact of HIV/AIDS in Kenya.

These are actual projects undertaken by volunteers from CHF International's Visiting International Professionals (VIP) program. Since the program started in 1998, VIP volunteers have contributed more than 3,000 days of work to CHF projects in 28 countries around the world, trading high-level skills for a deeper understanding of global communities

and hands-on experience solving problems in some of the world's most challenging environments. This is the kind of exchange that creates lasting impact and helps to ensure sustainability of investment by aligning social and private-sector interests.

As a platform for lasting social and business impact worldwide, CHF's VIP program serves as a powerful resource for companies investing in volunteering. The VIP program can be leveraged into existing volunteer programs through sponsorship of an employee, covering the costs of participation or through the use of matching funds.

As part of the VIP program, Former Congresswoman Joan Kelly Horn shares her experience in advocacy and lobbying with members of the Mongolian Parliament and Coop law reformers.



INFORMATION TECHNOLOGY FOR DEVELOPMENT

In a world where information technology develops at a rapid rate, it is important that organizations who work in many countries at many levels of development understand the implications this can have for their work. We have to be able to work together to ensure we have a strategic, long-term approach to IT that creates the most cost-efficient and effective solutions for the communities we work with.

PARTNERSHIPS

CHF International is part of the NetHope collaboration, a nonprofit IT consortium of leading international NGOs serving tens of millions of people every year.



The aim of NetHope is to collectively solve common problems and leverage their technology investment to achieve higher levels of efficiency, quality and reach for their organizations' programs so that communities in need can be better served. Through NetHope, CHF shares IT knowledge for rapid and effective deployment and efficient operations; collaborates with nonprofit and industry leaders to develop best practices; and facilitates innovative and cost-effective use of IT.

NEW MEDIA

CHF is also committed to using new media to raise awareness domestically and internationally of the needs of the developing world. We are constantly reviewing our own website, and participate in popular social networking sites, such as Facebook, Twitter and Youtube.



CHF's Technological Innovations

CHF's Software Development and Support Unit (SDS) based in Serbia has independently developed two software packages designed to help international development organizations.

Web-PRS is a monitoring and evaluation software that provides a transparent way for implementers and donors to monitor the immediate and long-term impacts of development programs worldwide, facilitates data management, and enables enhanced decision-making that leads to more effective and successful program implementation.



Among the most important benefits for international donors is the extensive availability and real time access to comprehensive program project data. Information, photos, and reports that used to take weeks to obtain can now be shared with stakeholders instantly over the Internet.

Web-PRS has been serving programs involving multiple implementing partners and development organizations in: Afghanistan, Armenia, Azerbaijan, Bolivia, Uzbekistan, Tajikistan, Kazakhstan, Kyrgyzstan, Georgia, Haiti, Honduras, Indonesia, Iraq, Jordan, Lebanon, Mongolia, Palestine, Serbia, and Montenegro.

Web-Abacus is a comprehensive Online Loan Portfolio Management System, designed for use in microfinance institutions.



Web-Abacus supports flexible product definition, multiple funding sources, any number of branches and multiple users with different levels of access and security. The software manages clients and loans by mirroring the specific processes used in each institution, providing a customized system that meets each institution's needs.



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Members of the Board of Trustees and CHF staff on a site visit to CHF health programs in Honduras.



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Office to Combat and Monitor Trafficking
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The Global Fund to Fight AIDS, Tuberculosis and Malaria
Training Institute for the Work of the State of Coahuila
United Nations Childrens Fund (UNICEF)
United Nations Development Programme (UNDP)
United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA)
United Nations Population Fund (UNFPA)
United States Agency for International Development (USAID)
UNOPS
US Department of Labor
US Department of State
US Department of State Bureau of Population, Refugees and Migration
USAID Office of Foreign Disaster Assistance
USAID Office of Transition Initiatives
USAID Social Protection Strengthening System Program (SPSS)
World Bank

Organizations and Foundations

10,000 Women Initiative
A Bridge for Africa
Academy for Education Development
ACDI/VOCA
Al Mishkab Institute of Najaf

Alcoa Foundation
American Bar Association Role of Law Initiative
American Institutes for Research
American Refugee Committee
Americares
Arlene Foundation
ArtVenture
Asociacion de Doctores en Medicina de Asia
Asociacion Kukulcan
Aspen Institute
Bill and Melinda Gates Foundation
BISAN Center for Research and Development
CARE International
Catholic Relief Services
Center for Engineering and Planning
Central-American Polytechnic Institute
Centro de Promocion de Salud y Asistencia Familiar
Centro para el Desarrollo Comunitario y Rural DE
Changing the Present
Charitable Lead Annuity Trust ULWT
Charitable Society for Social Welfare (CSSW)
Chevron Global Fund
Christ Educational Society (CES)
Church of North India Social Service Institute
Church of the Living Christ
CIVITAS- Georgia
CNFA
Compton Foundation
CONAPYME
Craig Newmark Foundation
DaasGift Quality Foundation
Darfur Action Committee at UC Irvine
Development Solutions, Mongolia
eBay Foundation
Economic Research Center

KEY PARTNERS

EnCana Cares USA Foundation
Evangelical Social Action Forum
Federation Union of Cooperatives (UCFBIH)
Femmes en Democratie
FIDE
Fidelity Charitable Gift Fund
First Congregational United Church of Christ
First Parish of Sudbury Unitarian Universalist
Fondation Hatienne de L'Environnement (FHE)
Fonkoze
Foundation Espoir
Fundacion Caminando con Ninos
Gamashie Center for Education and Environmental
Development
Georgetown Preparatory School
Global Exchange
Global Giving
Habitat for Humanity
ICMA
Initiative for Inclusive Security
Injaz Lebanon
International Medical Corp
International Organization for Migration (IOM)
International Relief & Development
International Rescue Committee
Johns Hopkins University
Johnson and Johnson Foundation
Jordan Center for Civic Education
Joy Su Foundation
Kagad Kach Patra Kastakari Panchayat (KKPKP)
Keene High School Students for Peace
Kellogg Foundation
Kiva.org
La Fundacion Belcorp
LGL
Liga de Lactancia Materna
Louis Berger Group
Mahila Milan
MARSHAL (Maharashtra Social Action and Housing
League)
MEDIC, Sudan
Mercy Corps
Microfinance Investment and Support Facility for
Afghanistan
Middle East Investment Initiative
Mosaic Foundation
National Council for Family Affairs
National Democratic Institute (NDI)
NetHope
NetImpact
Network for Good
Nimba Community Support Services
Northern Light Learning Center
Oikocredit
Opcion Vida
PACT
Pelham Jewish Center
Peoples Dialogue Ghana
Plan International
Population Services International
Presbytery Of Great Rivers
Questscope for Social Development in the Middle East
Renaissance Montessori School
Rene Moawad Foundation
Robert L. Johnson Foundation
Samaritan's Purse
Secretariado Nacional de Pastoral Social
SEEP Network
Society for the Promotion of Area Resource Centres
(SPARC)



St Mark's Presbyterian Church
Tata Institute of Social Sciences
The Aspen Institute
Topeer Stan
TSG
United Methodist Women of Lower Lake
Verizon Foundation
Washington Hebrew Congregation
Women's Campaign International
Women's Commission for Refugee
Women and Children
Woodrow Wilson Center for International Scholars
World Vision
Yemen Network of Journalism Trainers
Youth and Women's Foundation



A young Colombian woman receives CHF training in a demand industry.

FINANCIALS

CHF INTERNATIONAL AND RELATED ENTITIES Combined Statement of Activities and changes in Net assets for the year ended Sept 30, 2008

REVENUE AND SUPPORT

GRANTS	346,039,570
CONTRACTS	4,296,915
IN-KIND CONTRIBUTIONS	16,323,291
INTEREST AND INVESTMENT INCOME	10,048,801
CONTRIBUTED SERVICES AND GOODS	39,202,495

TOTAL REVENUE AND SUPPORT	416,137,529
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EXPENSES

TECHNICAL ASSISTANCE	330,435,672
CAPITAL ASSISTANCE	6,353,683
GENERAL AND ADMINISTRATIVE	20,796,195
FUND RAISING	4,179,539
CONTRIBUTED SERVICES AND GOODS	39,202,495

TOTAL EXPENSES	396,788,045
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CHANGE IN NET ASSETS BEFORE OTHER ITEMS	19,349,484
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OTHER ITEMS

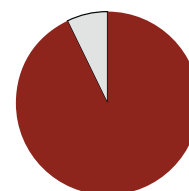
CURRENCY GAIN (LOSS)	185,456
NET GAIN FROM RELATED ENTITIES AND COMBINED ENTITIES	4,844,663
CHANGE IN NET ASSETS	24,379,603

TOTAL NET ASSETS AT THE BEGINNING OF THE YEAR	86,854,180
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TOTAL NET ASSETS AT END OF YEAR	111,233,783
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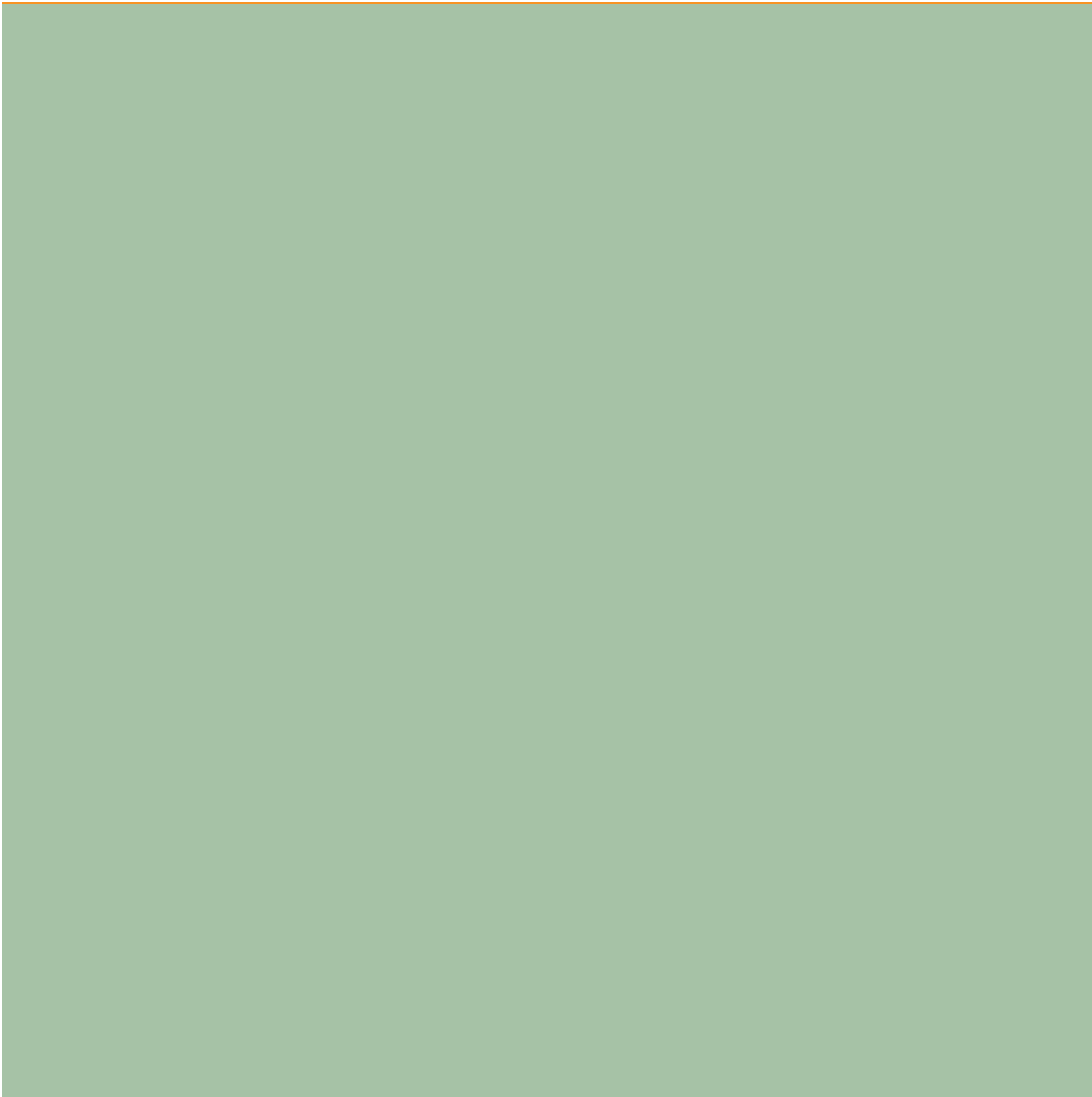
UNRESTRICTED NET ASSETS AT THE BEGINNING OF THE YEAR	47,528,110
UNRESTRICTED NET ASSETS AT END OF YEAR	61,560,862

GENERAL, ADMINISTRATIVE AND FUND RAISING EXPENSES AS A PERCENTAGE OF TOTAL RESOURCES REVENUE AND SUPPORT:	5.00%
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95% OF OUR INCOME
IS SPENT ON PROGRAMS

Learn More About Our Work





International

Building a Better World

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