



Development **A**ction for **M**obilization and **E**mancipatio**N**

DAMEN



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Annual Report

2008

Our Vision

DAMEN visualizes development as process of capacity building of people in order to empower them to solve their socio-economic problems through collective action and their own participation.

Our Mission

Mission of DAMEN is to make the people of marginalized communities understand the true nature of development and build their capacity, which would enable them to organize themselves into groups for collective action leading towards self-reliance and empowerment.



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First Word

Looking back on the year 2008 the operations of DAMEN in the field of development, there is visibly an amazing growth of organization both in terms of program outreach and institutional strengthening. DAMEN is implementing multi-dimensional strategy comprising of Microfinance, Non-formal Education, health care, networking and linkages. The synergy created by social and economic programs have helped in engaging and stimulating the women of marginalized communities and paved the path to realize the dream of poverty alleviation by enhancing the pace of socio-economic development at grass root level in Pakistan.

During the year 2008 the main thrust remained toward enhancing the coverage in the existing and new areas. The outreach extended to 647 villages in 139 union councils of five districts comprising Lahore, Sheikhpura, Kasur, Nankana and Okara with the collaboration of women communities and Pakistan Poverty Alleviation Fund, a strong partner of DAMEN to achieve its objectives. With the main goal of economic and social empowerment of underprivileged women and betterment of the poorer section of the society, interventions in the field of microfinance, education, health, training and capacity building have helped the women of communities in overcoming their problems and gain more confidence in changing their fates collectively.

I would like to thank all those who help us in accomplishing our goals. My thoughts go to our Board of Directors, donors, funding agencies, our management team' valuable community members and especially to Pakistan Poverty Alleviation Fund to strengthen DAMEN as strong institution.

The journey which started sixteen years ago, has reached to a point of injecting a totally new spirit and confidence to move ahead. If there is any change for the better in the lives of the poor, we at DAMEN are happy to be a part of it.

Naghma Rashid
Executive Director

Transient Glimpse at 2008

Empowerment is defined as a process by which people take control and ownership of their lives through expansion of their choices. Thus, it is the process of acquiring the ability to make strategic life choices in a context where this ability has previously been denied. DAMEN as catalyst of change has employed a four pronged approach comprising of non-formal education and health care through Home School Education Program, provision of financial services through microfinance program, training, capacity building, research, networking and linkages, to attain long term goal of sustainable development. The synergy created by Economic sector and social sector, empowering the people of marginalized communities.

PPAF has stood-up a strong partner with DAMEN in all its efforts and initiatives. The invaluable services and input provided by PPAF in program implementation, monitoring, internal and external audits, researches, studies, capacity building of staff, communities and providing DAMEN the opportunity to create strong linkages with other congruent organizations through meetings, visits, workshops and forums has been a vital source of strength and guidance for DAMEN.

This year's report includes the struggles of DAMEN's growth in income and productivity required to decrease poverty in a way that is environmentally and socially sustainable. Since its inception in May, 1992 DAMEN has made tremendous achievements in the areas of health, education and Microfinance with the belief that by providing the opportunity to the deprived segment of society in the form of small loans and social services, the best solution which help them to lift themselves out of poverty and can reap the rewards of their own labor by this synergy DAMEN has been able to expand its outreach to 647 villages in 139 union councils in five districts of comprising Lahore, Sheikhpura, Kasur, Nankana and Okara. With this expansion a greater number of women borrowers approached DAMEN and availed financial services to come out of nasty cycle of poverty.

During year 2008, Research study on "Identification of New Microfinance and Microenterprise Loan Product" was conducted with the objective to pursue more demand driven products and also identify the capacity of clients in terms of its utilization with the findings of requirement of greater loan by majority respondents, for the expansion of their existing entrepreneur's. And to seek out options for the sustainability of Social Sector program, a research study was also conducted. DAMEN strongly believes on the feedback of its targeted communities, by keeping in view the importance of social impact measurement and render improved services to its clients. For this purpose conducted beneficiary feedback survey to measure the exact nature, intensity, volume and magnitude change brought by the interventions (microfinance, home School education & health care Programs) being provided by DAMEN in its respective working areas.

During the year 2008, significant role has been played to involve communities in the process of development through mobilization, capacity building and empowerment. The overall efforts have focused on creating models for poverty reduction and social uplift of the communities with its functional hundred Home Schools and fifteen Health Care Centers. The results and experiences of the expansion have provided enough encouragement and confidence to DAMEN to expand its outreach.



Milestones of Social Sector Program

Social development is one of the pillars of sustainable development. Social development address to analyze problems, initiates plans, makes collaborative decisions and implement and modify activities. It is incomplete without improvement in basic health care and basic education. With this objective DAMEN began its home school education program in the year 1992 and made tremendous efforts like opening up schools conducting training workshops on health, environment and development orientation along with the establishment of health centers in marginalized areas.

The goal of social sector program of DAMEN is to expand and strengthen the education initiatives by providing primary education to out of school children through non-formal system and providing health services to the people by establishing health care centers. Social sector program mainly focuses not on the home schools; it also concentrated to successfully mobilize the women of target communities in the process of sustainable development by organizing them in women social organization to address the issues pertaining to education, health, environment and other social problems.

The objectives of Social Sector Program are

- To expand and strengthen non formal system of education.
- To provide basic health facilities to the community members by establishing primary health care centers.

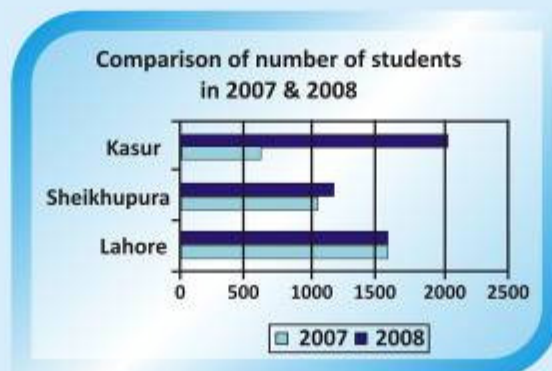
ACHIEVEMENT IN HOME SCHOOL EDUCATION PROGRAM

Education is fundamental indicator of development. It is one of the most powerful tools to eradicate poverty and helps to promote sustained economic growth. With this belief Home School Education aims to contribute efficiently to the organization's vision making education accessible, affordable and acceptable to children of underprivileged communities through non-formal system of primary education who are out of school and do not have the opportunity to acquire education.

DAMEN is operating through the area offices and each area office is looking after the activities of the 5 field offices along with the activities of the home schools and health centers. During the preceding year DAMEN strengthened 50 home schools in Lahore with 1,564 numbers of students, 25 in Sheikhpura having strength of 1,152 and 25 in Kasur with 2,041 students. More emphasis was laid on quality of education.



During the year the number of students was greater than before. The following table is depicting the comparison of number of students in 2007 & 2008.



During the preceding year teachers training workshops were conducted with the intention to build up the capacity of the home school teachers to recuperate teaching methodologies, delivery systems, better class room management, conveyed communication skills in order to provide the learning environment in the home schools.

Training workshop on "Assessment Methodology" was conducted for teachers in order to enable them to maintain discipline and punctuality in the class and also enrich the concept of education through playing and apply it in the creative manner as well. Teachers were able to apply the checklists to analyze the behavior of children in order to assess their performance in the exams.

Training on "Communication Skills" was organized in order to build up the capacity of teachers to communicate comfortably with community especially mothers of the children. It helped them to better understand the problems of mothers & their children and it was observed that after applying different recreational activities increase in number of students have been observed in schools. Training on "Maths & Science" was organized with the purpose to enrich the knowledge of the teachers regarding different techniques of teaching maths and science which could be useful in their present methods of teaching and how to become a good teacher

Training on "Multigrade Teaching System" was organized with the perspective to enable the participants to differentiate between education and development, awareness regarding the characteristics and weakness of teachers. Further to know about the psychology of child and different stages of growth.

It also enables them to understand different positions of sitting in the class room. Course content of the training also gave insight to participants how they can prepare different helping material like pocket board, lotto card and mobile and its usage in teaching.



Constant Success (Case Study of Home School Teacher)

Shakeela Shams aged 21, a resident of Bholi Ghari (Lahore). Her father was laborer and died in accident, being the elder in siblings she had to carry responsibilities of whole family on her shoulders. She and her mother used to stitch clothes, but the scanty earning failed to meet the basic necessities of life. She is involved in the teaching profession after her matriculation in 2002. Eight years back she heard of DAMEN's financial and social services for the community women so Shakeela started the home school at her place. Now she has 21 enrolled students from prep to class III. She is a confident and capable to teach multigrade students with the help of different training workshops like health, environment, and advance teaching methodology for teachers, management and other development related issues.

She is a good teacher due to quality education being provided by her parents are give preference to send their children in her school. She is an active and mobilized worker mobilized community people to take initiatives regarding education & health of their children, cleanliness of the area, proper garbage disposal and also informed about DAMEN and its programs in meetings held on regularly basis. She said that this was possible only with the help of DAMEN enable her to come out from difficult phase of her life and determined to continue her education as she has to provide a better life to her siblings.

Health Care Services

Health is one of the basic essentials for normal existence of human being. In rural areas, the existing traditional health system is not competent enough to provide adequate services for the growing population. Scarcity of funds, limited access to health services and their inadequacy, extreme poverty, ignorance and lack of awareness among the masses and deficient health infrastructure have been identified as fundamental problems in the way of improving public health. These problems still stand and militate against the efforts of the government to make the health sector efficient. This fact mainly enforced DAMEN to concentrate on the provision of mother and child health care facilities to the community in tandem with consciousness building pertaining to preventive health measures leading towards actions at local level.

Primary health care program creates awareness regarding mother and child health, immunization of children and adoption of preventive measures. Also highlight the importance of family planning services in birth control and other reproductive health problems. Health program is based on the principle of community participation through awareness, change of attitude and community mobilization through women activists.



Case Study: Healing the Woes

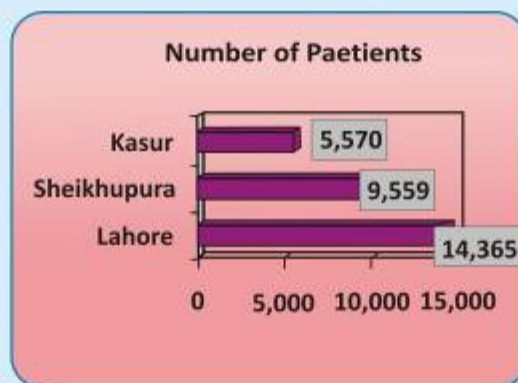
Abida aged 45, resident of Shahpur (Lahore) along with her family. She started her job as a lady health visitor 26 years back when she took the diploma of two years of LHV and joined the basic health unit (BHU) Shahpur.

Abida started her working with DAMEN in the year 2006, as there was no lady doctor available in the evening timings and in case of emergency. She holds meetings with the community women to give them the information regarding the reproductive health especially family planning. She successfully motivated community females to come health center for their different health related problems.

She checked round about 200 patients on monthly basis. Most of the patients who visit are related to gynae. Abida also provides facilities to the patients of family planning and general diseases. She has got the platform to guide the community women on the issues like health, balanced diet, advantages of breast feeding, family planning etc. She is satisfied with her work and the patients too because they are getting better treatment and medicine from her.

During the year DAMEN strengthened 15 Health Care Centers in the Union Councils of Shahpur, Chung, Niaz Baig, Maraka, Halloki, (District Lahore) Dhamke, Begum Kot, Rachna Town, Muridke and Sharaqpur (District Sheikhupura), Phool Nagar, Pattoki, Chunian, Habibabad and Jamber (District Kasur). DAMEN has taken a step forward from preventive health care and advocacy to actual service delivery of health care facilities to the women of the target communities.

Graph given below is showing the number of patients who availed the facility of health from the 15 Health Centers of Lahore, Sheikhupura & Kasur Districts during the reported year.



Community Transformation:

Social change is very slow and steady process. It could only be possible with the active participation of community people. But when people band together and form organizations to focus their collective power, social change can happen. When a large number of organizations work together toward a common goal, that's a movement and it makes change.

DAMEN is playing an important role in the process of building up the capacity of Women Social Organizations (WSOs) by involving them in the process of development through social activism and broaden the scope of community participation in undertaking collective action. Under lying theme of formation of WSOs is to mobilize women through trainings and create awareness regarding health, education, empowerment and environmental issues for healthier life. This helps them to resolve their socio-economic problems. In preceding year 100 WSOs were strengthened and mobilized in the operational areas and number of WSOs members reached the total of 2,630.

In 2008 DAMEN enhanced the potential of Women Social Organizations (WSOs) through organizing four training workshops on "Development Orientation." A total of 83 members of WSOs attended this training. The key objective of this training was to provide the insight of social development and also clarify the difference between development and welfare. It enabled the participants that how WSOs can play their role in the development of the community through the process of mobilization.



Four training workshops on health were organized and 80 members of WSOs got opportunity to amplify their potentials. The purpose of this training was to enable the participants to adopt preventive and curative measures and to provide information regarding health related issues pertaining to mother and child health care, food nutrition, family planning, cleanliness, reproductive health and immunization of children.

DAMEN is playing a key role in awareness raising regarding environmental problems. During the year DAMEN organized 4 training workshops on environment and 76 members of WSOs availed the chance to get knowledge regarding environment. The key of this training was to enable them to work collectively for making environment neat and clean. Different types of environmental pollutions, its effects on human life, water and soil pollution and other problems were elaborated to give insight the participants how they can cope with the environmental harms they face.

In order to sensitize and give awareness to the women of the communities DAMEN's activity of open forum is continued on quarterly basis in which DAMEN staff conducted discussion on the following topics.

Sr. #	Topics of open forum
1	Solid waste management
2	Types of pollutions
3	Introduction of DAMEN
4	Cleanliness
5	Savings
6	Balance diet
7	Importance of education
8	Importance of monthly meeting
9	Basic bookkeeping and saving
10	Situation of Health care and education



Altering Lives of
Underprivileged
Through Microfinance.....

Poverty connotes a condition of low income and failure to satisfy basic needs. Yet poverty is about more than a lack of resources, poverty is about risk, uncertainty about the future, vulnerability, powerlessness, lack of voice, representation and freedom and microfinance proved to be best solution to exterminate poverty, empowering them to prevail over their socio-economic problems.

Microfinance means lending money to poor people for them to grow small businesses and Empowerment refers to the expansion of assets and capabilities of poor people to participate in, negotiate with, influence, control, and hold accountable institutions that affect their lives. And refers to a movement that envisions a world in which low-income households have permanent access to a range of high quality financial services to finance their income-producing activities, build assets, stabilize consumption, and protect against risks. These services are not limited to credit, but include savings, insurance, and money transfers.

Development-oriented poverty reduction must be pursued with a view to strengthening the capacity of the targeted population to fight poverty and attain prosperity.....

Keeping in sight the above cited rationale DAMEN since last sixteen years empowering the women of marginalized communities and making efforts to diminish poverty through financial services to attain its long term goal of sustainable development and make them self-reliant in overcoming their socio-economic problems, through the blend of socio-economic services, including education, health, trainings on group formation and economic services comprising of microfinance and enterprise development trainings.

DAMEN from its very inception took microfinance program as one of the action that directly addressed the needs of the women of marginalized communities. It not only helped in achieving its primary goal of socio-economic empowerment of disadvantaged rural women, it also became an effective lending model for eradicating poverty through self employment and social mobilization.

DAMEN continue on discovering prosperity for the people of marginalized communities since its inception by providing them financial assistance which helped in achieving its primary goal of empowerment of disadvantaged rural women, in 2008 expanded its program outreach in existing working areas, at present working with the communities of 647 villages covered by 139 union councils of Lahore, Sheikhpura, Kasur, Nankana and Okara districts. These areas are rural and peri urban. Efforts were made to expand geographical boundaries to provide financial services to maximum people who could improve their livelihood by utilizing it.



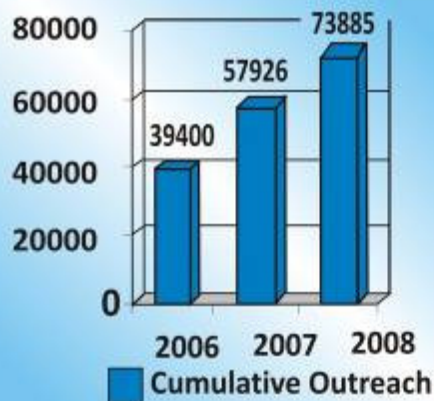
Case Study: An Example of Self-reliance

Khalida Bibi aged 45, wife of Ghulam Qadir, a welder resides in village Maraka along with her seven offspring (four sons and three daughters). Ghulam Qadir's deficient earning let the whole family to survive hands to mouth.

Her two elder sons were working at Spare Part's shop situated at Lari Ada. The collective earning of whole family was inadequate to meet the requirements of nine family members. In order to support her family Khalida Bibi running grocery shop at the corner of her home, owing to a lack of finances even to purchase items for that.

Khalida Bibi approached DAMEN through a former acquaintance who was also a borrower of DAMEN. She procured her 1st loan and purchased grocery items to strengthen her own enterprise at home. After the 1st loan repayment she is intended to acquire for the expansion of her enterprise. After meeting all necessary requirements she is saving reasonable portion of her earning and the whole family is enjoying the fruits, and also her younger children getting education which was a dream for her. She is thankful to DAMEN for the opportunity which enables her to make life comfortable for her children.

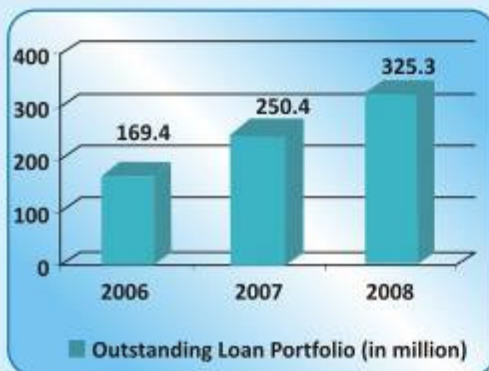
DAMEN's targets are those poor women (Household Monthly Income Profiles of Active Clients shows (as of 31st Dec, 2008) that out of total clients 83 % were earning less than 1 US\$, 15 % were earning between 1 to 2 US\$ whereas 2 % earning more than 2 US\$ per person per day). These women have little or no assets as a result they have no access to credit from formal financial institutions. DAMEN has targeted them for their self-employment, empowerment, and self-confidence and uplift their status within the household and in community by providing financial services and capacity building. DAMEN puts more emphasis on identification of clients, group and center formation and fostering communal confidence through trainings on policies and procedures of microfinance program and also focused on providing technical and skill trainings to its clients to enable them to enhance their income generation capacities and play more effective role.



Since DAMEN's establishment, cumulative outreach has increased manifold. At the end of 2006, it was 39,400. In 2007 after the geographical expansion, its cumulative outreach augmented up to 57,926.



All DAMEN's success cases have demonstrated that through the formation of homogenous community groups with similar socio-economic backgrounds, the poor can achieve human development and contribute to growth. Individually, they would not have been able to overcome the obstacles in their struggle for survival, security and self-respect. Poor women, who carry the double burden of being women and poor, have gained positively in this approach. Alone, a poor woman is very vulnerable, but a number of women coming together create a sense of solidarity. Poor women have taken very effective advantage of the process of social mobilization. They have demonstrated that a great deal of their dormant energy, when released, could lead to a new power to tackle the double burden of gender and poverty. In the process, they also take care of other social deprivations and as a result, the entire family is benefited. The institution is not only extending financial services to the clients but also taking a proactive role in the provision of education through home schools, health facilities to the people of respective communities through primary health centers, credit and micro enterprises development and training/capacity building as a part of its four pronged strategies to achieve the objectives of the institution



DAMEN's Outstanding Loan Portfolio (OLP) has increased as its active clients have amplified. In 2006 OLP was 169.4 millions. In 2007 the Outstanding Loan Portfolio was increased to Rs.250.4 millions. By the end of 2008 outstanding loan portfolio was Rs.325.3 million.

The integrated approach provides a new dimension to DAMEN's efforts to bring a sustainable change in the social and economic status of the people in the target communities along with a strong emphasis on social and financial sustainability at program as well as institutional level. The synergetic effect of economic and social endeavors has provided a platform for combating poverty in the operational areas.

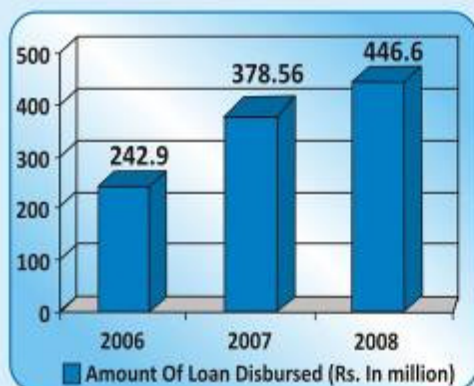
Case Study: The Rise of Naseem Bibi

Naseem is 50 years old lady having two sons and three daughters. She lives with her family in Phool Nagar (District Kasur). Her husband is labor. Her two daughters are married.

She herself is running the business of cloth selling for the last five years. She purchased cloth from Faisalabad.

To further sustain her business she availed the facility of loan from DAMEN. She applied for a loan of Rs.8,000. After getting this amount she purchased more stock for her business. With this investment there was increase in her earning. After one year she completed her first loan cycle. While commenting on her business condition she told that with the investment her business is in better position than before.

She continued her struggle and took another loan of Rs.15,000. She expanded her business a lot with the financial services of DAMEN. Now she has become able to save money and bear household expenses. She has paid back two installments. She said that all her success is with the financial services of DAMEN. She will continue with DAMEN. as per the need of loan to her business.



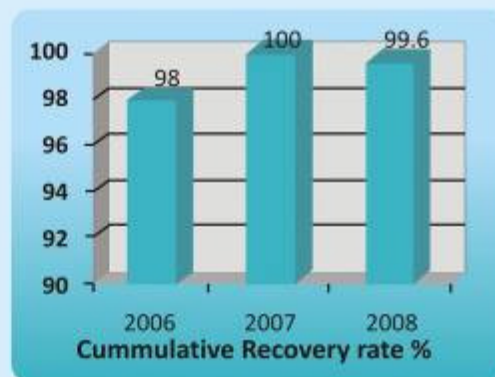
By the end of 2006 amount of loan disbursed was Rs.242.9 millions. At the end of 2007 it increased upto Rs.378.56 millions, whereas by the end of 2008 disbursed amount was Rs.446.9 million which shows the creditability of DAMEN's Microfinance Program in respective working areas.

Financial Sustainability is one of the main focuses of the program along with the social and economic boost of its clients. During the year significant upgrading has been observed in the sustainability manifestation of DAMEN that has been the result of expansion during the last two years coupled with the eternal dedication of clients and the zeal of the staff to make the program a success. With improvements in the system and procedures already showing better results, Centre managers and group leaders have played a vital role in identification of new borrowers and areas, social organizers have arranged trainings workshop/meetings with potential clients to enhance their understanding of the policies and procedures of the credit program, the countless visits made by credit officers, field managers and head office staff to verify and appraise the businesses of these women have all contributed towards the fast yet carefully planned expansion of the program.

Pie Chart showing more utilization of Microcredit in trade & business, which is 46% of the total credit amount disbursed in the area. Contribution of other categories like livestock, handicraft & embroidery and tailoring centers are 15%, 17% and 22% respectively.



In 2007 DAMEN's recovery rate was 100%. Whereas it is 99.6 % by the end of 2008.



Dynamic of triumph of DAMEN's microfinance program is in retrieval of loan amount within the existing borrowers, as well as magnetizing new clients, thus swelling the value of each loan in overwhelming poverty and enriching the lives of targeted people of marginalized communities. DAMEN's sustainable microfinance is a key component in creating sound financial market structure and minimizing poverty and empowering women of marginalized communities.



Maximizing Potentials

DAMEN believes that capacity building is an ongoing process through which individuals, groups, organizations and societies enhance their ability to identify and meet development challenges. Capacity development is the task of developing levels of human and institutional capacity. It is essential to ensure the sustainability of any program. For the effectiveness of any program skills should be enhanced on regular basis. During the reporting year DAMEN conducted a wide range of capacity building activities at both institutional and community levels.

A fundamental goal of capacity building is to enhance the ability to evaluate and address the crucial questions related to policy choices and modes of implementation among development options, based on an understanding of environment potentials and limits and of needs perceived by the people of the organization concerned.

Institutional Level

Capacity building involves developing tools and guidelines; identifying people to be trained, delivering training that is responsive to their needs, and providing appropriate learning environments; and ensuring supervision and long-term mentoring for continued skills transfer. Capacity building is also concerned with the effective use of staff and volunteers and the retention of skilled personnel. DAMEN believes that institutional culture can only be created through value added instruction, the training of trainers, activities with multiplier effects, and networking. Different during the year 2008, different trainings were conducted in order to upgrade the potential of the staff as well as community.

Trainings on "Credit Appraisal" were organized for social organizers in order to provide guidance regarding credit appraisal techniques to improve their output by applying these techniques, to give insight about the role of financial analysis in the process of credit appraisal along with this to enrich their knowledge about cash flow.

Trainings on "Social Mobilization" were organized for social organizers with the perspective to build up their capacity how they can mobilize the community and also brief them about the link between social mobilization and development.

To enhance the capacity of the staff training on "Delinquency Management" was organized. The objective of this training was to enhance the ability of Delinquency management that how the delinquency rate can be reduced.



Training workshops on "Financial Analysis & Management" were conducted with the objective to enable the participants to analyze financial statements monitor profitability, efficiency and portfolio quality.

To give insight the philosophy of portfolio management training workshops on "Portfolio Management" were organized. The purpose of the training was to analyze the causes of portfolio at risk further to review the affect of provisions, write offs and reserves and to control delinquency.

Training workshop on "Operational Risk Management" was organized. The core purpose of the training was to identify risk areas for MFIs, develop internal controls for MFIs in conjunction with stake holders and also give insight the role of human resource development along with internal control and exercise.

To analyze effective cost and its significance in decision making and its importance in MFIs training workshop was organized on "Financial Management" for managers.

To update the knowledge of IT officers training workshop on "Management Information System" was organized. The purpose of this training was to check and balance the data entry regarding the clients and update it time to time.

Community Level

In Micro-finance DAMEN mainly focuses on the capacity building of community women who lack the skills necessary to manage the financial aspect of their business. It helps them in up-scaling and leveraging the potentials, diversifying/deepening the scope of program through social interventions and awareness building pertaining to social issues and mainstreaming/positioning the women as well as the program towards overall development efforts.

Case Study: Climbs up the Stairs of Establishment

Everyone is struggling hard to fulfill the basic needs of life. Rashida Bibi is mother of seven daughters and three sons. Her husband is factory worker and earns a very small amount which is not sufficient even to fulfill basic necessities of life. She lives with her family in Phool Nagar. To bear the expenses of such a large family she herself is running the business of bedding stuff.

She started her business with the financial help of DAMEN two years ago. Before that she was living hand to mouth. She heard about DAMEN from community females and so applied for a loan of Rs. 10,000. With this loan amount she purchased embroidery machine and she started to take orders of bed sheets sets and stuff like that. She can easily earn upto Rs. 5,000 monthly. She successfully completed her first loan cycle. After that she took second loan of Rs. 15,000 to further expand her business. With this loan amount she purchased two sewing machines for her two daughters who have taken diploma in embroidery. Her two daughters will help their parents to share the financial burden.

While talking about her struggle she commented that all her success is just because of DAMEN which helped her to start business and further expand it.

Social mobilization is a broad scale movement to engage community participation in achieving specific development goal through self-reliant efforts. The outcomes should be people's active involvement ranging from identifying a need to implementation in achieving the development objective and evaluation effort. To achieve the purpose of social mobilization four trainings on "Social Mobilization" were organized for borrowers who are running their enterprises on small scale. The core subject matter of these trainings was to reinforce the concept of self-reliance and motivate them to become aware of a problems and to solve them through collective action.

It is essential for the entrepreneurs to study the market thoroughly and understand that market's customers before deciding on the type and kind of product or service to be offered. To uplift the capacities of borrowers training on "Marketing Techniques" was conducted. The key of this training was to understand the concept of marketing and also enable them to identify ways in which marketing can be incorporated in their business. Along with this to find solutions of day-to-day commonly faced marketing problems.

Micro entrepreneurs face many hurdles in getting startup financing, and they sometimes lack the skills necessary to manage the financial aspect of their business. An entrepreneur should knowledgeable in planning, organizing, business process, purchase, accounting, marketing basics, setting prices, forecasting for future growth, and financing options. To enhance the financial skills of entrepreneurs DAMEN conducted training on "Financial Management." The training focused on product, costing and pricing, basic book keeping and maintenance of daily financial records.

Junior Professional Program (Jps)

DAMEN's Junior Professional Program is successfully working. The core theme of this program is to provide opportunities to domestic students and young women from community to work with DAMEN and explore to understand the mechanism of microfinance. Further to create second line and to help the overall microfinance sector of Pakistan through injection of experienced microfinance professionals.

During the year total 26 junior professionals and 25 junior social organizers were trained. They learned about the programs, policies and procedures of both social sector and microcredit programs of DAMEN. Along with this they also get the orientation at different levels i.e. field, area and head office.

Training workshop on "Situational Analysis" was organized for junior professionals with the objective to define, analyze and evaluate the situation of a community while ensuring participation of the community. Develop tools and strategies for base line data collection and assessment in context with their local environment.

Training workshop on "Credit Appraisal" was organized for junior professionals /junior social organizers with the objective to improve client identification process by using different techniques and to ensure the quality of loan portfolio. It also provides insight how to identify potential clients.

Social mobilization is an essential tool that empowers the poor to participate in the process of development. To serve the purpose of development DAMEN organized four training workshop on "Social Mobilization" for junior professionals. It enables the participants to organize them to resolve their common problems in order to take part in the process of development.

External Trainings for Staff

The effective implementation of the program is only possible if the staff through which this implementation is done is fully equipped with the skills, knowledge and abilities. The capacity of the staff has been enhanced by providing them exposure to different learning opportunities. During the year 2008 DAMEN provided the opportunities to its staff for following external trainings.

a. Domestic Level

Sr. #	Training Title	Organized by
1	Social Enterprise Management program	LUMS
2	Access to Finance Study Consultation Session	PMN
3	Web based CPI and CED QPR modules	PPAF
4	Conflict Management	PPAF
5	Provident Fund under income tax Ordinance	ACE Consultants
6	NPO under income Tax Ordinance	ACE Consultants
7	Making Microfinance work	LUMS
8	Community Based Social Development for Women's Empowerment	Agha Khan University, Karachi
9	Bussiness Planning	PPAF
10	Branch Leadership and Management Skills	Shore Bank International

b. International Level

Microfinance industry in other countries is growing rapidly with innovative techniques and products where as in Pakistan microfinance institutes are at initial stages. To learn about microfinance markets of other countries exposure visits and trainings helped to get update on new ideas and products in the organizations during 2008 DAMEN provided different opportunities of exposure visit to staff to upgrade their potential.



Sr. #	Training Title	Country	Organized by
1	Boulder Microfinance Training	Italy	ILO/PMN
2	Exposure visit-Bank Raqayat Indonesia	Indonesia	PMN
3	Microcredit Summit	Indonesia	PMN
4	Strategic HR Management for MFIs	Philippines	MFMI/AIM
5	Cross visit to India/Microcredit summit	India	RSPN/ACTED



Research, Networking & Linkages

The goal of the research process is to produce new knowledge. DAMEN's research program is designed to solve practical problems regarding the issues arose in operational areas, rather than to acquire knowledge for knowledge's sake. The main objective of the research is to improve the services being provided, resolve different problems arise time to time.

The research study on "Identification of New Microfinance & Micro-Enterprise Product" was undertaken primarily to seek out the demand for new microfinance loan product and repayment capacity in terms of its utilization. To gather required information respondents with all four active loan cycles from all 20 field offices of DAMEN were interviewed. The findings of the study showed that majority of the respondents were using the loan for productive purpose to reinforce their existing enterprises. They require greater loans for further enhancement of enterprises.

DAMEN strongly believes on the feedback of its targeted communities, by keeping in view the importance of social impact measurement and also render improved services to its beneficiaries. For this purpose conducted beneficiary feedback survey to measure the exact nature, intensity, volume and magnitude change brought by the interventions (microfinance, home school education & health care Programs) being provided by DAMEN in its respective working areas. According to the findings beneficiaries were enjoying better living and significant change with the financial support of DAMEN for the establishment of new enterprises and also to strengthen their existing enterprises.

During the reported year, a total of 120 case studies of potential borrowers were developed. Quarterly Activity Reports, Case study booklet and Annual Progress Report were developed on quarterly and yearly basis respectively. Different initiatives were taken to make transformation and update knowledge as per demand of the areas. Training Manual on Portfolio Management for the Staff and Social Organizers was developed in order give awareness regarding portfolio diagnostic tools and knowledge of risk management. Orientation Manual for Staff and junior Professionals as well was also revised.

Networking & Linkages

Creation of networks and linkages are an essential component of any development program and provide synergies for the program to build upon from a point of advantage to a point of strength. DAMEN focuses to create linkages at the local and regional level for experience sharing and collaboration with different organizations and institutions.



Networking and Linkages basically means forming formal and informal partnerships and ties with other organizations in different areas of mutual interest and/or benefits. To serve the purpose of networking DAMEN is member of South Asia Microfinance Network (SAMN), Pakistan Microfinance Network (PMN), Punjab Reproductive Health Network (PRHN), and Pakistan NGOs Form (PNF).

- During the year different delegates visited DAMEN for different purposes. The purpose of their visit and names are as follows:
- Dr. Roger Nye, Credit Information System Specialist, Consultant of PMN visited DAMEN on 4th Feb, 2008 to discuss the idea of developing Microfinance credit information bureau (MCIB) of MFIs working in Lahore.
- Ms. Farkhanda Tabbasum, Executive Director, Heal Trust around with three members visited DAMEN on 3rd March, 2008 for getting exposure of Microfinance operations.
- Ms. Tara Lacey, Banking & Microfinance Expert, and Ms. Sabrina Neusick, Project Coordinator Frankfurt School of Finance & Management visited DAMEN on 17th April, 2008 to see the microfinance operations of DAMEN.
- Ms. Tara Lacey, Banking & Microfinance Expert, and Ms. Sabrina Neusick, Project Coordinator Frankfurt School of Finance & Management visited DAMEN on 17th April, 2008 to see the microfinance operations of DAMEN.
- Ms. Rosalie Fanale, Chief of Party and Ms. Pomela Lilleston, Associate Anti-Trafficking Technical Assistance Asia visited DAMEN on 20th May, 2008 to get exposure of DAMEN activities.
- Ms. Shahnaz Kapdia, Enterprise and Development Consultant visited DAMEN on 4th July, 2008 to review the HID interventions at DAMEN carried out with the support of PPAF.
- Mr. Frank Pavich, Senior Advisor and Mr. Tariq Durrani, Consultant for Pakistan from International Relief Development (IRD) visited DAMEN on 22nd July, 2008 for having partnership with DAMEN for nationwide project on community mobilization and empowerment.
- Mr. Janice Stallard, Senior Technical Director and Mr. Rao Amjad Ali of USAID visited DAMEN on 20th Oct, 2008 for getting the exposure of organizational activities.
Delegates from Rural Support Network (RSPN) & AMAN consultants visited DAMEN for the different activities of Asia Invest Project.
- Mr. Muzzam Iqbal, Network Coordinator, PMN Islamabad visited DAMEN on 22nd Oct, 2008 for Credit Information Beare (CIB).
- Different delegates and missions from Pakistan Poverty Alleviation Fund (PPAF) visited DAMEN with the objectives to review DAMEN's program and activities and monitoring purposes.

Imminent year

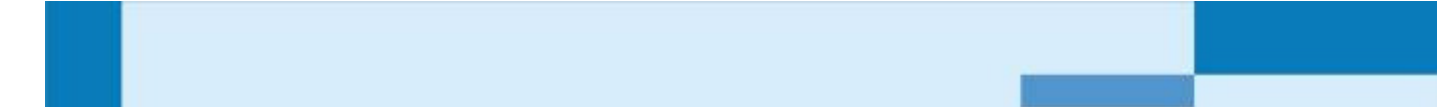
Strategic planning determines where an organization is going over the next year or more, how it's going to get there and how it'll know if it got there or not and it must be guided by vision of organization.

DAMEN with its definitive objective to explore prosperity for people of marginalized communities, determined to continue with following aspiration during coming year of 2009.

- Concentrate on activities for integrated, self-reliant and long term development of the communities through various programs of education and health.
- Enable the cause of women development by initiating programs for income generation, provision of credit and awareness of their legal and basic rights.
- Train and support human resources for devising, implementing and overseeing developments and projects.

DAMEN's struggle is moving to the fore towards the destination of poverty alleviation, social and economic empowerment of susceptible communities with its four pronged strategy comprising on non-formal education and health care centers, provision of financial services, training and capacity building, research and networking and linkages to achieve long term objective of sustainable development and make them self reliant in overcoming their socio-economic problems through collective actions.

Capacity building through training in nonprofit development management is fast emerging as a distinct profession within the nonprofit development sector. Staff Training means implementing effective behavioral interventions requires that all those involved in the intervention are thoroughly knowledgeable about and competent in the use of specific intervention techniques. Thus, staff training development is an essential preliminary strategy to avoid problems through proactive planning. This may involve formal and informal in service training, individual consultation, and teacher support groups. By keeping in view the importance of capacity building and training DAMEN, during the year, 2009 will put more weight on staff's skill enhancement and capacity building for more effectiveness in all its services being provided to the people of marginalized communities with the objective of their social and economic uplift beside its regular training program (staff level & community level) and also to explore external training opportunities .



Institutional assessment provides a base for enhancement of organization's scope and outreach to the target communities, during the year, 2009 DAMEN to achieve its long term goal of sustainable development without compromising on its vision and mission will look forward for Institutional Assessment by external consultants. The institutional capacity assessment exercise will set a milestone to provide a strategic direction to organization by revisiting its existing legal framework, governance and management structures/systems and delivery mechanism. It will also enable to assess the capacity for meeting the challenges and opportunities pertaining to existing available resources and exploring new and effective resource mobilization mechanisms to make DAMEN a strong and viable institution.

By keeping in sight strict competition among MFIs and growing need of financial services due to recent socio-economic set back DAMEN, during the year, 2009 is planning to conduct research on "Impact of competition on microfinance program and areas of DAMEN and "Demand and Supply analysis of microfinance program in DAMEN's operational areas" with the purpose to expand its coverage both in terms of geographical and cater more clientage and expand its outreach in existing operational areas.

BOARD OF DIRECTORS/GENERAL BODY:

Mrs. Zareen Niazi	Chairperson BOD
Mian Altaf Ahmad	Treasurer BOD
Ms. Naghma Rashid	Executive Director/ Secretary to BOD
Ms. Ghazala Saigol	Member BOD
Mr. Asim Saeed	Member BOD
Mr. Ahsan Rashid	Member BOD
Mr. Imran K. Niazi	Member BOD
Mrs. Saweela Anees	Member BOD
Mr. Adnan Afaq	Member BOD
Ms. Salma Rashid	Member General Body
Mr. Mobin Ahmed	Member General Body
Dr. Lalaukh Aftab	Member General Body
Mr. Khusro Karamat Elley	Technical Advisor to BOD (Voluntary)

(All members of BOD except Ms.Naghma Rashid are also member of General Body)

LIST OF HEAD OFFICE STAFF:

Ms. Naghma Rashid	Executive Director
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INTERNAL AUDIT SECTION:

Mr. Saleem Mirza	Senior Manager Internal Audit
Mr. Wajid Ali	Assistant Manager Internal Audit
Mr. Irfan Naeem	Audit Officer

FIELD OPERATIONS SECTION:

Lt. Col @ Abbas Manzoor Bakhshi	Manager Field Operations
Mr. Shahid Mahmood	Assistant Manager Field Operations

FINANCE AND ADMINISTRATION SECTION:

Mr. Muhammad Zafar	Manager Finance and Admin
Mr. Kazim Raza	Senior Accounts Officer
Mr. Sarfraz Taj Din	Accounts Officer
Mr. Haroon Majeed	Accounts Officer
Mr. Khurram Bukhari	Senior Admin Officer
Mr. Zameer Haider	Admin Officer
Ms. Asia Khatoon	Receptionist

IT SECTION

Mr. Hassan Tariq	Manager IT
Mr. Naveed Sarfraz	Assistant Manager IT
Mr. Akbar Ali	IT Officer

HID SECTION:

Mr. Asmir Fida	Manager HID
Ms. Noshen Irfan	Senior Training Officer
Ms. Humera Aslam	Training Officer
Ms. Kalsoom Hussain	Research and Documentation Officer
Ms. Sidra Rauf	Research and Documentation Officer
Mr. Afzal Hayat	Personnel Officer

OTHERS:

Mr. Dawood Khan	Office Boy
Mr. Altaf Ahmad	Office Boy
Mr. Muhammad Fayyaz	Driver
Mr. Muhammad Ali	Driver
Mr. Syed Ali Raza	Driver
Mr. Muhammad Siddique	Driver
Mr. Shaukat Ali	Driver

Besides these DAMEN have the staff of 84 members at Area Offices Lahore, 44 staff members at area office Sheikhupura, 44 staff members at area office Kasur, and twenty Field Offices at union councils Niaz Baig, Shahpur, Chung, Maroka, Ali Razobad, Halloki, Shamke Bhattian, Raiwind, Manga, Begum Kot, Dhamke and Sharaqpur; Rachna Town, Muridke, Phool Nagar, Jamber, Pattoki, Habibabad and Chunan comprising of Area Managers, Networking and Linkages Officers, Field Managers, Credit Officers, Social Organizers and Drivers along with 15 LHV's looking after their health care centers and 100 home school teachers running their individual home schools.



AUDIT REPORT

(CONSOLIDATED ACCOUNTS 2008)



AUDIT REPORT
(MICROFINANCE ACCOUNTS 2008)



AUDIT REPORT
(SOCIAL SECTOR ACCOUNTS 2008)