

# Acting together with the South

## Activity report 2008



## Contents

<b>Editorial</b> .....	2
A paradox in the financial crisis	
<b>Strategy</b> .....	3
Actions that matter	
<b>Partnerships</b> .....	4
Common actions to face challenges	
<b>Our partners and their locations</b> .....	8
<b>Focus</b> .....	10
Microfinance: in the North too	
<b>Communication</b> .....	11
Effective and clear information	
<b>Funding</b> .....	14
Financing, at the heart of every project.	
<b>Finances</b> .....	16
Income statement and balance sheet 2008	
<b>Organisation</b> .....	18
SOS Faim Belgium and SOS Faim Luxembourg: a professional and effective duo	

## Editorial

# A paradox in the financial crisis

**T**he world is facing an unprecedented financial crisis. Bankruptcies of some of the biggest American banks have led some European establishments into deep turmoil. This financial crisis, now worldwide, has triggered both an economic crisis and the recession we are facing today.

At least, recent events weren't totally useless. They made us realise that the financial world we're living in is only driven by the search for maximum profit. This financial world's products, more and more complex, have shown their fragility. An unbridled capitalism that ignores the main principles of a sound risk management and which artificially increases assets, at the expense of a healthy middle to long run management. It neglects the very basis of bank credit: helping to develop economic projects, rational assessments of the risks and a fair return on capital.

However, a good example seems to be coming from an unexpected location on the globe: in developing countries, where financial structures are far less "sophisticated" and where the saving and investing possibilities are quite limited, microfinance institutions have found a way to a healthy banking management. Far away from the subprime crisis and toxic assets, they dedicate themselves to the promotion of social and economic development.

Kafo Jiginew, a Malian microcredit institution, collects the savings of cotton producers and lends it to peasants to allow them to improve their farms' equipment. For 20 years, SOS Faim has been involved in this mutualist network of savings and credit institutions that helps more than 200,000 clients. Other than Mali, as the report suggests, SOS Faim supports a large number of projects and initiatives in Africa and South America aiming to give peasants access to microcredit.

The financial crisis started around May 15th, 2007, aggravating an already preoccupying situation for developing countries. However, the food crisis has been around for decades and, as every year, 2008 summoned all of our energies. The alimentary sovereignty of developing countries remains a main concern for SOS Faim. It is, in fact, the key to unleash agriculture in developing countries'. Accessing credit is an essential way to succeed, assuming it is built on ethical principles and on the respect of development priorities.

Despite the past successes, the current economic crisis roughly and unfairly hits developing countries' economies: according to FAO's last expectations, this millennium's objectives regarding the reduction of under-nourishment are far from being reached.

In 2009, as in 2008, SOS Faim is more than ever determined to keep working to help developing microfinance and alimentary sovereignty for developing countries.

**Freddy Destrait**  
*General secretary*

**Jean-Jacques Beauvois**  
*President*

# Actions that matter

If 2007 gave SOS Faim the opportunity to elaborate its new 2008-2013 strategic framework, 2008 clearly was the year of the first achievements and the set up of its first tools.

## A STRATEGIC FRAMEWORK

In accordance with SOS Faim's philosophy, this framework is designed to support rural workers in their fight against poverty and is built around very tight objectives, in the North, as well as in the South.

For the North, objectives are:

- Improving developing countries' influence on developed countries' policies.
- developing a citizen network in the North that defends the interests and position of the South's rural workers.
- Reinforcing professional competence of the Northern cooperation workers, especially in rural microfinance and in the support of peasant organisations.

For the South, three main axes are designed:

- Support the development of a better political and institutional frame for rural workers.
- Improve and make long-lasting the access to financial services for rural workers.
- Improve agricultural performance, in terms of production, transformation, and commercialisation.

## ACTING IN TRUE PARTNERSHIPS

SOS Faim has, since its creation, always been careful about building its action

around principles aiming to work in a structural way with its partners.

That's why, once again, SOS Faim has favoured serious groundwork with local partners that are able to economically and politically influence the North. SOS Faim's long-lasting and stable commitments to local organisations allow a stronger collaboration and a common definition of the means and objectives.

It is in this light that the deployment of partners has been organized with, notably, the CNOP (Peasant Organisations National Coordination) in Mali, the APESS (Association for the promotion of stock-breeding in Sahel and Savannah), some ROPPA members (Network of Farm and Agricultural Producer Organisations of West Africa) or the FONGS (National Peasant Organisations Federation) in Senegal. Not to mention a large number of production centres or cooperatives on a local scale, in Africa as well as in South America.

This method of functioning, peculiar to SOS Faim since its creation, is in accordance with the great principles of the Paris Declaration, signed in 2005, that aims to improve the efficiency of the help provided, within the giving countries as well as the receiving countries.

The deep implication of SOS Faim for development through microfinance is coherent and illustrative of the frame of mind:

- The support of local microfinance insti-



Photo: LBI - SOS Faim

*Projects led by SOS Faim aim to ensure an alimentary sovereignty in partner countries.*

tutions in the South relayed by the North's financial guarantees, for the development of local projects selected by the IMF's favours, in most cases, an alimentary sovereignty.

# Common actions to face challenges

2008 wasn't short on new projects. Indeed, SOS Faim closely collaborates with partners in Cameroon, Senegal, Mali, Burkina Faso, Ethiopia, Eritrea, Democratic Republic of Congo, Bolivia, Peru, and Ecuador.

By their very nature, along with projects, various reflections have arisen:

- **Rural finance:** the matters of relationships, collaborations and interactions between producing organisations and financial institutions were emphasized, specifically through a workshop during the European Week of Microfinance.
- **Western Africa:** the following point has been stressed: a reinforcement of resources dedicated to information amongst peasant platforms in order to better structure our partners' positions on alimentary safety.
- **Local development:** during the annual Latin American partners meeting that had for its theme "the role of producing organisations in social and economic

development", SOS Faim presented its different experiences.

### MICROFINANCE: A RECURRING THEME IN 2008

Muhammad Yunus, founder of the Grameen Bank, the first microcredit institution, in 1977 allowed, by receiving the Nobel Peace Prize in 2006, microfinance to be recognised and given credibility.

But SOS Faim didn't wait for this victory to research this field. Indeed, one of the bases of SOS Faim's strategy has always been the creation of income-generating rural economic activities. To do this, a favourable financial environment is greatly needed, and will not only improve the ability for peasants to invest, but will also improve their access to credit and to the market. By:

- **Local credit funds:** that allow underprivileged populations, that can't access local credit, to finance their economic activities.
- **Operating capital funds:** These reinforce the financial structure of agricultural producers' organisations.
- **Support a network of savings and loans institutions:** that favour the creation of real banks that not only belong to partners, but are also managed by these partners.
- **Guarantee funds:** that allow partners to access regular credit with a strong leveraging effect.

SOS Faim therefore supports, some for a very long time, organisations involved in microfinance projects, such as:

- Kafo Jiginew in Mali;
- FAPAL (Federation of Farmer Associations - Kaolack), FAIR (Rural initiatives support fund) and the PDIF Integrated development programme - Fatick) in Senegal;
- Harbu Microfinance and Buusaa Gonofaa in Ethiopia, supported by SOS Faim Luxembourg;
- PAIDEK (Support programme for economic development initiatives in Kivu) and GAMF (Microfinance parties group) in Democratic Republic of Congo;
- FOGAL (Latin America guarantee funds) in Bolivia, Peru and Ecuador;
- FINRURAL (Microfinance NGO network), PRORURAL (Risk Capital Fund), FINCAFE (Financing institution of the coffee sector) and FINRURAL in Bolivia;
- CAAP (Andean Centre for popular action) and CEPESIU in Ecuador;
- Savings and Loans cooperatives like RONDESA, CREDINARANJILLO, CREDIFLORIDA, LOS ANDES, SAN SALVADOR and CIDERURAL in Peru;
- In Europe, SOS Faim works with organisations such as Alterfin that allow these organisations to increase their credit capacities.



Photo : Jean-Louis Brocart - SOS Faim

*The development of economic activity needs a stable and favourable financial environment.*

# Africa at stakes

SOS Faim builds its actions in Africa on two main axes: reinforcing peasant organisations and give them access to credit.

## A SUPRANATIONAL COMMITMENT

SOS Faim continues its work as a partner with 4 ROPPA (Network of Farmer and Agricultural Producer Organisations of West Africa) in Burkina Faso, Mali, Niger and Senegal.

On a supranational level again, SOS Faim now takes care of 15 Senegalese and West African peasant organisations stands at the FIARA (International Agriculture and Animal Resources Fair), allowing them to present and promote their products and find them new prospects.

## ALIMENTARY SAFETY IN BURKINA FASO

For PR-GSA, Programme for the Reinforcement of Alimentary Safety's Granaries, 2008 has been a pivotal year, preceding the consolidation and reinforcement phase due to start in 2009. Today, there are 368 ASG's, that act to improve alimentation on an area that assembles 800,000 people and that received around 500,000€ in the form of credit.

## IN MALI, SEVERAL PROGRAMS

As part of a global donation financed by the European Union, SOS Faim works in Mali with 5 partners:

- The support of CNOP (National Malian Coordination of Farmers' Organisations) in its attempts to set up its communication plan.

- Help offered to AOPP (Association of professional farmers' organisations) in order to reinforce alimentary safety via the promotion of counter-season cultures.
- Help offered to AOPP in Segou in order to manage in a shared way the region's natural resources.
- Help provided to Faranfasi So, allowing a reinforcement of OP's (Farmer's organisations) economic and organisational abilities and family-owned farms in the Office zone of Niger.
- A reinforcement of human resources and means of actions of Sexagon Union that defends the interests of family-owned member farms.

## SUPPORT TO SENEGALESE SECTORS

With the Integrated Fatick Development Program (PDIF), SOS Faim develops actions based around 3 major axes:

- Microfinance, animation and support of the different fields. Regarding these channels, we can stress:
  - For the salt field, the set up of the Artisanal Salt Producers' Federation, an administrative and financial training for the workers in this field, the creation of an important working-capital fund to help commercialisation.
  - For the anacarde field, the set up of the Anacarde Women Workers, and training to help commercialisation.
  - For the caprine field, the set up of cash grants.



Photo : PFO - SOS Faim

*There are now 368 granaries of Alimentary Safety in Burkina Faso, that contribute to improving alimentation.*



Photo : Gaël Turine - SOS Faim

*The PDIF emphasizes the salt field.*

# Partnerships

## DEMOCRATIC REPUBLIC OF CONGO: KIVU IS NOT FORGOTTEN

In spite of Kivu's persistent insecurity, PAIDEK (Support Programme for Economic Development Initiatives - Kivu) continues to grow, with a raw credit portfolio worth more than \$2,000,000. PAIDEK continues to grant mainly short-term credit to micro companies and

individual entrepreneurs. Alongside its microcredit activity, PAIDEK supports 2 important projects:

- To set up, in all of its agencies, a new management system
- Participation in the definition of a new national microfinance strategy.

## PARTNERS OF SOS FAIM REWARDED WITH SEVERAL PRIZES

### BUUSAA GONOFAA

Buusaa Gonofaa received, this year, the European Microfinance Prize, awarded during the European Week of Microfinance in Luxembourg. This prize rewards the efforts of this Ethiopian IMF in the social field and more precisely in the set up of reporting tools for credit owners. SOS Faim Luxembourg's co financing was affected, this year, at the financing of Buusaa Gonofaa to develop its credit activity and to set up Villagers Strong-boxes in isolated rural zones.

### PRODIA

In Burkina Faso, Prodia (Promotion for the Development of Industry, Crafts-

manship and Agriculture) is the local institution whose role is to manage the funds granted by SOS Faim. This year, Prodia has been knighted in the Merit order and its director, Mamadou Ouédraogo, has been granted the title of Chevalier de Mérite with Commerce, by Burkinabe authorities.

### KAFO JIGINEW

Kafo Jiginew is the Savings And Loans mutualist Network, that acts in Southern Mali and that has been supported by SOS Faim for more than 20 years. Kafo Jiginew continued to diversify in 2008, in rural as well as in urban areas. The network now has 158 locations, the amount of credit granted now reaches 25 million Euros, which means a growth of 17%. SOS Faim's help has been dedicated to implementing Kafo in Niger's Office Zone, and creating three counters. Kafo Jiginew's director has been awarded the title of "Chevalier de l'Ordre National du Mali" as a reward for 20 years of dedication in helping development.



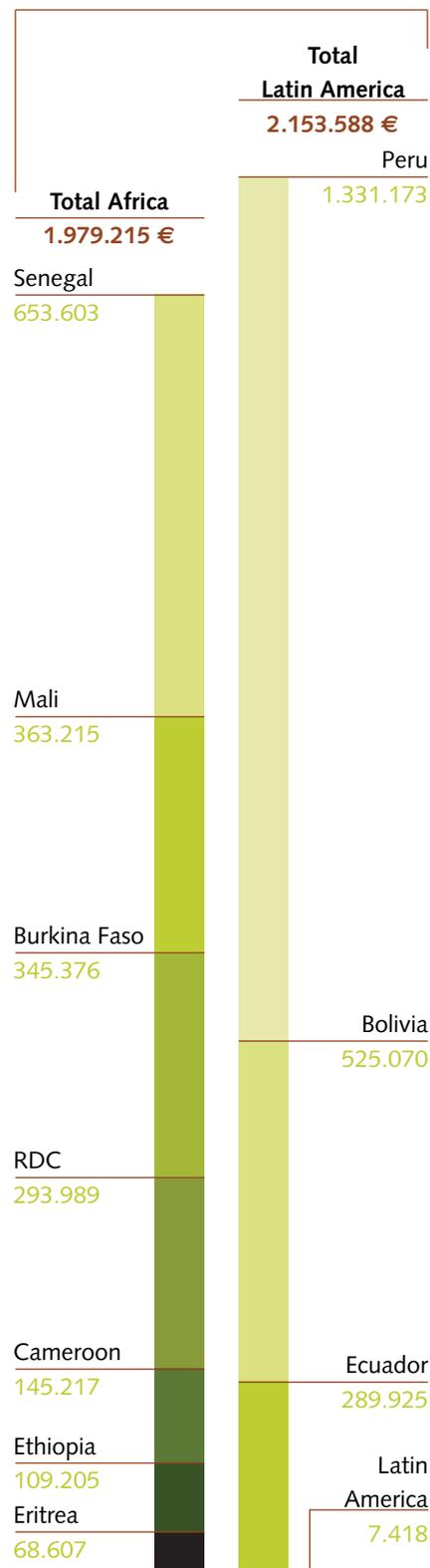
Photo : Jean-Louis Brocart - SOS Faim

*Thanks to our partners, access to credit is now easier than ever.*

## DISTRIBUTION OF FUNDS

Amount disbursed by country in 2008

Total 4.132.803 €



# Latin America

In Latin America, SOS Faim offers two types of support: help to peasant organisations engaged in fields like coffee, cocoa, organic agriculture, and access to credit.

## FOGAL, THE TRANSBORDER MICROFINANCE

The Latin American Guarantee Fund (FOGAL) continues to help microfinance institutions access refinancing, and to help cooperatives and peasant organisations in Ecuador, Bolivia, and Peru access credit. The main goal is to allow these organisations to create a long term relationship with local financial institutions in order to, in the future, not need FOGAL's guarantee.

28 organisations benefitted from guarantees, which represented a total of \$2.85 million. The guaranteed amount allowed granting \$7.55 million worth of credit. This multiplying effect (x2,65) is possible thanks to a cooperation with social investors such as Etimos and Alterfin, but also to PAME (Peruvian Microfinance Support Programme) that offers a multiplier sometimes equal to 10.

## IN BOLIVIA, PRODUCTIVE FIELDS GO FIRST

SOS Faim supported 20 partner organisations, in 7 Bolivian departments, aiming to reinforce peasant organisations of two main productive sectors, rural craftsmanship and organic agriculture (including several coffee cooperatives) and to reinforce rural financing and local development initiatives.

Rural craftsmanship is a very important activity to generate alternative revenues, and creates several jobs, mainly for women. SOS Faim supported 7 associations, assembling as many as 3,000 families.

About organic production, SOS Faim tries to develop distribution channels, on a local scale, by consolidating producers' organisations. For example, AOPEB (Bolivian Association of Organic Producers' Organisations) that is made up of 55 associations and nearly 60,000 small organic producers.

## REINFORCING MICROCREDIT IN ECUADOR

In 2008 a partnership with the Andean Centre for Popular Actions (CAAP) aiming to reinforce both financially and institutionally about 20 rural Savings and Loans cooperatives was sealed.

## PERU: AGAINST RURAL POVERTY

SOS Faim's action is divided into three levels:

- Improving the political and institutional environment for rural workers. This is done by supporting, for example, CORPAPA (Potato producer's federation) which gathers more than 35,000 producers in a key sector and that plays a key role in alimentary sovereignty policies.
- Allowing rural workers better access to adapted financial services. SOS Faim supports 6 microfinance institutions.
- Improving rural workers' production, transformation and distribution performances. It's important to note that



Photo: SOS Faim

*Rural craftsmanship is supported for its role as an alternative revenue generator.*

support of coffee and cocoa is made through CAFE PERU, a second level association gathering 10 cooperatives and more than 7,000 families.

## PARTNERSHIPS

# Our partners and their locations

### PERU

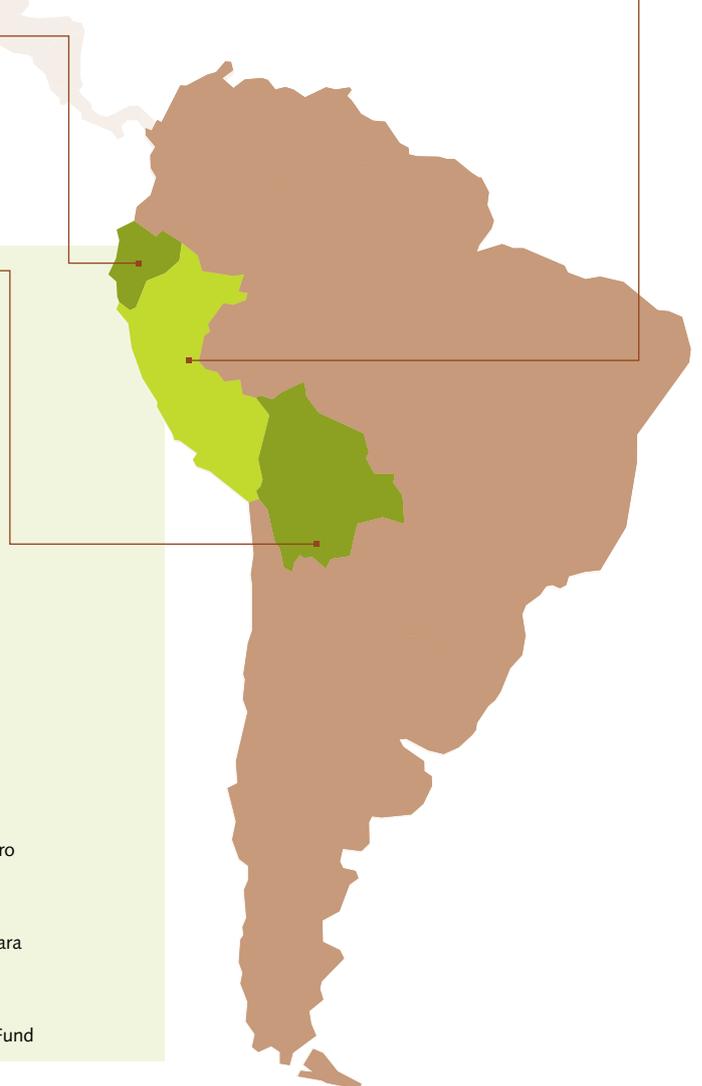
-  **RONDESA**  
Savings and loans cooperative
-  **NARANJILLO**  
Coffee and cocoa cooperative
-  **CREDINARANJILLO**  
Savings and loans cooperative
-  **SATIPO, PANGO, PERENE, ALTO PALOMAR**  
Coffee cooperatives
-  **CREDIFLORIDA**  
Savings and loans cooperative
-  **CECVSI**  
Union of cooperatives - Valle Sagrado de los Incas
-  **CCCCH**  
Union of farm workers' communities - Chumbivilcas
-  **VALLE INCAHUASI**  
Coffee cooperative
-  **MIDE**  
Microcredit for Development - La Chuspa
-  **ACCCR**  
Union of farm workers' communities - Ranracancha
-  **LOS ANDES**  
Savings and loans cooperative
-  **LOS LIDERES**  
Cooperative
-  **ASCENPROMUL**  
Quinoa producers' association - Cabana
-  **SAN EL SALVADOR**  
Savings and loans cooperative
-  **SAN JUAN DEL ORO**  
Coffee cooperative
-  **ASOCIACIÓN CAFE-PERU**  
Union of coffee and cocoa organisations
-  **APPCACAO**  
National cocoa producers' association
-  **COOPECAN**  
Cooperative of camelidae breeders
-  **CONVEAGRO**  
National Peruvian Agrarian Convention
-  **CORPAPA**  
Potato producers federation
-  **CIDERURAL**  
Savings and loans, and rural development cooperative
-  **FOGAL**  
Latin American Guarantee Fund

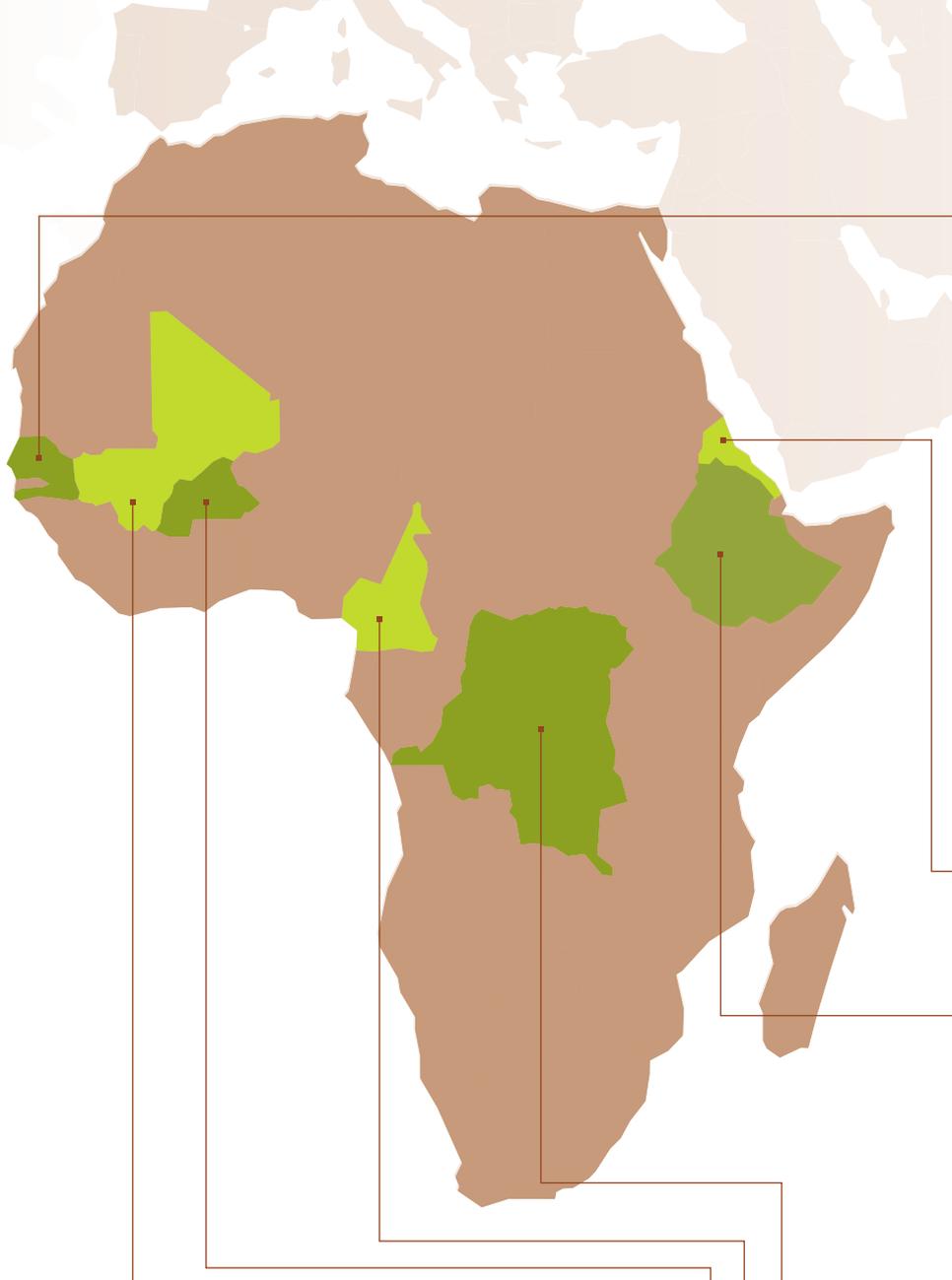
### ECUADOR

-  **CEPEIU**  
Centre for Development and Employment
-  **CAAP**  
Andean Centre for Popular Action
-  **FOGAL**  
Latin America Guarantee Fund

### BOLIVIA

-  **AOPEB**  
Bolivian Association of Organic Producers' Organisations
-  **OPEAIC**  
Craftsmanship Organisation Network
-  **FINCAFE**  
Financing institutions for the coffee sector
-  **FINRURAL**  
Network of NGO's and rural microfinance
-  **COMART**  
Tukuyupaj artisans' community
-  **VILLA ORIENTE**  
Coffee Cooperative
-  **ALTO SAJAMA**  
Coffee Cooperative
-  **CENAPROC**  
Coffee Cooperative
-  **CENCOOP**  
Coroico's coffee producer's organisation
-  **ANTOFAGASTA**  
Coffee cooperative
-  **MEJILLONES**  
Coffee cooperative
-  **PRO RURAL**  
Development NGO
-  **UNIARTE**  
Craftsmen association
-  **AAA**  
Andean Craftsmen Association - Ayllu Majasaya
-  **PROTAL**  
Coraca Producers' association
-  **MUNICIPALITY OF CLIZA**
-  **MUNICIPALITY OF TIQUIPAYA**
-  **ARAO**  
Artisans' association of Oruro
-  **INKA PALLAY**  
Artisans' association
-  **AAT**  
Artisans' association of Tajzara
-  **ARTE HOGAR**  
Artisans' association
-  **FOGAL**  
Latin American Guarantee Fund





## SENEGAL

- FIARA**  
International Agriculture and Animal Resources Fair
- ROPPA**  
Network of Farmer and Agricultural Producer Organisations of West Africa
- FONGS**  
National Federation of Farmers' organisations
- PDIF**  
Integrated Development Programme – Fatick
- CNCR**  
Rural Cooperation National Superior council
- FAPAL**  
Federation of Farmer Associations – Louga
- EGAB**  
Alliance of associated groups of Barkedji
- UJAK**  
Union of the Young Farmers of Koyli Wirmdé
- ADAK**  
Association for the development of farmers of Kaolack
- ARB**  
Association for the stimulation of Boundou

## ERYTHRÉE

- MINISTRY OF AGRICULTURE**

## ETHIOPIE

- FCE**  
Facilitators for Change Ethiopia
- DECSI**  
Dedebit Credit and Saving Institution
- SFPI**  
Specialized Financial Promotional Institution
- AVFS**  
African Village Financial Services
- BUUSAA GONOFAA**

## MALI

- CNOP**  
National Coordination of Farmers' organisations - Mali
- AOPP**  
Association of professional farmers' organisation
- FARANFASI SO**  
Federation of service centres
- SEXAGON**  
Union of rice producers - Office du Niger
- ROPPA**  
Network of Farmer and Agricultural Producer Organisations of West Africa
- KAFO JIGINEW**  
Savings and loans network

## BURKINA FASO

- ROPPA**  
Network of Farmer and Agricultural Producer Organisations of West Africa
- APESS**  
Association for the Promotion of Animal Husbandry in the Sahel and Savannah
- FNGN**  
National Federation of NAAM Groups
- CPF**  
Faso's peasant confederation
- APIL**  
Association for the Promotion of local initiatives

## DEMOCRATIC REPUBLIC OF CONGO

- PAIDEK**  
Support Programme for Economic Development Initiatives - Kivu
- CENADEP**  
National Support Centre for Development and Popular Participation
- GAMF**  
South Kivu's association of microfinance institutions

## CAMEROON

- BINUM**  
Producer Associations for Development
- ACDIC**  
Cameroonian Association for the Defence of Citizens' Interests
- NOWEFOR**  
North West Farmers' Organization

### Key

- Microfinance institutions
- Farmers' organisations
- Others

# Microfinance, in the North too

One of microfinance institutions' biggest challenges is to have enough financial means to be able to grant credit to every single client or member. A number of organisations, including Alterfin, try to raise capital in the North in order to invest in microfinance institutions in the South

Alterfin is a Belgian cooperative that gathers NGO's (including SOS Faim since 1997), banks, social organisations, and individuals (for the most part). This alliance acts as an alternative investor; therefore Alterfin doesn't make donations, but invests, which allows more durable financial support.

Alterfin's goal is to create a financial network, accessible to socially underprivileged groups, that rarely have access to

traditional local credit institutions. Depending on the situation, Alterfin grants loans, acts as a guarantee for local credits or invests temporarily in Southern financial institutions. These organisations then provide savings and loans services to thousands of small African and Latin American entrepreneurs.

Alterfin worked with 63 partners in 2008, allowing 773,000 entrepreneurs and producers to access credit, for an average amount of €340 in Africa and €630 in Latin America. Alterfin's financing portfolio is now at €8.9 million. This amount is higher than Alterfin's capital, which means each Euro invested by collaborators, is invested more than once every year in the South.

The implication of SOS Faim in Alterfin illustrates their desire to finance in an innovative and responsible manner the projects developed by the Southern partners.



Photo : Jean-Louis Brocart – SOS Faim

*South's microcredit is guaranteed by North's financial institutions.*



Photo : VPI – SOS Faim

**Marc Mees is coordinator of the Support to Individuals Service, and is the specialist of microfinancing among SOS Faim.**

*SOS Faim is part of Alterfin's board of directors and credit committee. Only accepted cases can be carried out. This allows us to ensure a social approach of microfinance. The other advantage is for us to be able to forward cases to our partners. If, a few years ago, half the partners were common to SOS Faim and Alterfin, today, this proportion is lower. This is the consequence of the tremendous development of Alterfin.*

*About the financial crisis, one can only notice that Alterfin's partners have a very strong resistance threshold. Every light is green, including the non-reimbursed credit rates.*

*However, there is a paradox. Alterfin's results being positive, the cooperative is offered by its collaborators to reward its capital, as every year. So, in a dramatic year for capitalism, microfinance might be the solution!*

*Even if Alterfin has proven itself, the future is one big question mark. Capital keeps growing, but is not sufficient to meet demand, says Marc Mees. But, we mustn't forget that, more than growth, microfinance is above all a development tool! SOS Faim will keep ensuring that the vision of rural development remains Alterfin's main activity.*

# Effective and clear information

### PRECISE OBJECTIVES

If alimentary sovereignty, which means the right for people and countries to define their own alimentary and agricultural policies, was 2008's main theme, 3 objectives acted as guidelines for SOS Faim's 2008 communication.

- **Relay information:** le relais, au Nord, auprès des décideurs politiques belges et européens, des approches et des positions des partenaires de SOS Faim en vue d'influencer les politiques qu'ils mettent en œuvre
- **Inform:** by creating a real network of Belgian citizens that defend rural workers acts and positions so their claims are taken into account.
- **Debate and discuss:** by putting into perspective our partners' initiatives to the development cooperation players.

The **Alimenterre** seminar was a very strong symbol of SOS Faim's belief in these 3 objectives. Gathering representatives of African and European peasants, and of NGO's, it took place in Luxembourg for 7 days, and then moved to Brussels and Paris. It particularly stressed the need for coherence between European policies and the development of countries in the South. The outcome was a call from Luxembourg, shared by every francophone Belgian party (currently preparing the European elections), the Parliament Development Commission and the General management of development. On a broader level, it allowed the broadcast of reflections and decisions regarding citizens, as well as to our partners.

### RELAYING: A MATTER OF INFLUENCE

The strategy is threefold:

About raising decision makers' awareness, SOS Faim made changes in 2008,



Photo : VPI - SOS Faim

*has been greatly improved in 2008.*

realizing an electronic watch notice "Alimentary Sovereignty". It has been broadcasted to the 6,500 subscribers of the Internetwork French Association and to 250 Belgian, Luxembourgers and European decision makers. It will count 8 releases each year.

Also, the *Defis Sud* magazine, with 2,500 printed copies, released in 2008, six thematic files dedicated to rural economy and development. All year long, *Defis Sud* carried the voices of Southern actors involved in rural development towards Northern institutions such as the Development Department of the European Commission, the European Parliament, World Bank, the European Peasant Coordination, the UN's special reporter, etc.

In 2008, a large number of multimedia productions were released. A 28 minute documentary aired on Canal C, as part of the *Alimenterre* Collective.

4 other projects are on their way:

- The first regards the *Alimenterre* Seminar, and will be available in 2009, under a multimedia package that will be widely broadcasted.
- A documentary was made during the demonstrations against corruption in Cameroonian Ministry of Agriculture, and aired on Euronews in January 2009.
- A box will be displayed on our website and will explain the Integrated Fatik Development Project.
- A box explaining SOS Faim and its partners' work in their appeal activities.

Alliances are of course essential to SOS Faim's work. They're mainly sealed with Latin American and African peasant organisations.

# Communication



Photo : VPI – SOS Faim

*Relaying information to decision-makers has been greatly improved in 2008.*

In terms of political relays, SOS Faim is present among the PFSA, Network for Alimentary Sovereignty, the positions of which have been forwarded to Belgian and French parliamentarians, and to RABAD, Belgian network of Brussels for a sustainable alimentation.

About appeal activities; 2 petitions were handed over this year. One concerning Alimentary Sovereignty with 100,000 signatures, and another totalling 80,000 signatures and focusing on the food crisis.

Another item to stress is the JMA (WFD – World Food Day) where the Federal

Parliament was called out. This allowed the finalizing of a resolution aiming to reinforce Belgium's actions to support agriculture in cooperation policies.

## INFORMATION: A MATTER OF ENCOUNTERS

SOS Faim took part in 10 events on a medium or large scale, amongst which were Esperanzah, the Libramont Fair, Valériane, Bruxelles champêtre, etc.

Stands animation was based on the Campaign for Food Sovereignty "The African farmer is being wiped off of the map" but on a new angle. The stand was shaped like a market stall, with African products, in order to raise the debate on the food crisis that is worsening in the South. 11,000 people were concerned, 3,000 quizzes were filled out, 4,000 pe-

titions were signed, and more than 800 people were willing to keep in touch with SOS Faim.

In addition to this, 25 activities (meetings or conferences) were held on different campuses (ULB, UCL, ULG, UHM, FUCAM, Gembloux, IEHCS).

An important moment in 2008 was the organization, for a week, of « Meeting with the South », a seminar featuring Papa Asane Diop, member of the FONGS, who testified to the hard rural realities of the South, in front of 130 students and professors.

The number of new visitors to our website is constantly increasing, with a monthly average of 2,630 visitors.

# Communication



Photo : AKE – SOS Faim

*SOS Faim's stands always show great success.*

Finally, Dajaloo published 5 issues in 2008, centred on the activities and accomplishments of supporters. 7,300 actually received it by mail, and 500 via email. An interesting new idea; volunteers of SOS Faim may now participate in the edition of Dajaloo. An editorial committee featuring some permanent members of SOS Faim and some volunteers was therefore created.



It is interesting to mention that 2008 saw a growth in the number of volunteers, greatly helping our activities.

## AN INEVITABLE DEBATE

3 editions of Zoom Microfinance and 2 editions of Dynamiques paysannes have been published. Specifically meant for Development Cooperation's workers, they are broadcasted internationally, in 56 countries in the case of Zoom microfinance, and 50 in the case of Dynamiques paysannes.

SOS Faim also renewed its collaboration with Inter-Réseaux which allowed members, during seminars and meetings, to defend their opinions and their way of perceiving financing through rural microfinance.

It is obvious that all these matters are systematically transmitted to the press, SOS Faim and its partners therefore benefiting from television's popularity (News of the RTBF, Belgian Television), daily press and radio interviews.

## INFORMING IS ALSO TRAINING.

SOS Faim is also involved in the **European Microfinance Program**, led by three universities: Paris Dauphine, Wageningen in the Netherlands, and the Brussels – Walloon Academy. SOS Faim, as an NGO specializing in Microfinance, is involved in the course, and therefore manages internships (2 to 4 months) for students. This is very well received by on-location partners.

SOS Faim is also one of the partner NGO's of **CERMI** (European Centre for Research on Microfinance), and trains PhD students in Microfinance.

# Financing, at the heart of every project

Donations are always of the highest importance for SOS Faim, so that it can reach its objectives. Even if they only account for 15% of the total revenues, they allow SOS Faim to be granted subventions and grants. Therefore, for every single Euro donated, €4.86 are invested in projects from our partners in the South. The total amount is €4,132,082.

### DYNAMIC FUND RAISING

Fund raising in 2008 was 3.5% higher than in 2007, and the related charges have decreased to a record 6.5%. This is truly amazing, given the economic context and the crisis that has hit our economy. If the number of donators is stable, around 12,000 people, the recruitment of new donators, is more and more difficult. The good news is the increase in the number of permanent donators. It is important to say that both legacies, and couples that associated SOS Faim in their marriage contributed to the increase of SOS Faim resources.



Photo : LBI - SOS Faim

*Each Euro spent allows us to grant €4.86 to our partners in the South. .*

### INSTITUTIONAL FINANCING : MIXED RESULTS

The result of 2008 institutional financing can be greatly improved.

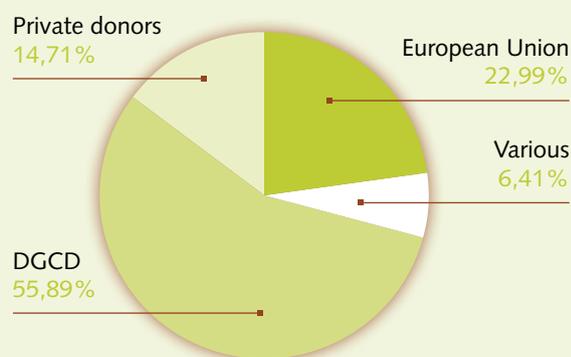
- DGCD remains the main financial leveraging point with a total participation of €3,009,681.
- The European union is our other main resource in institutional financing, with €1,203,354.
- We had some positive developments regarding the RAFFEISEN Foundation (Belgium – BRS) and the EFICO foundation.
- Funds obtained from the French Community of Belgium (CGRI-DRI) remain stable; €55,639.

Fund raising is now our biggest challenge, since the pressure is now on our liabilities.

### INSTITUTIONAL RELATIONSHIPS: AN OBVIOUS NEED

SOS Faim is bound to work with institutions and other partners. This is because, working as a network is essential in order to have valued information and to develop operational cooperation. To do so, SOS Faim and its members regularly work in help agencies, NGO's and foundations, which give more credit to the action of SOS Faim.

## FUNDING



# Resources

This commitment to associations is represented by:

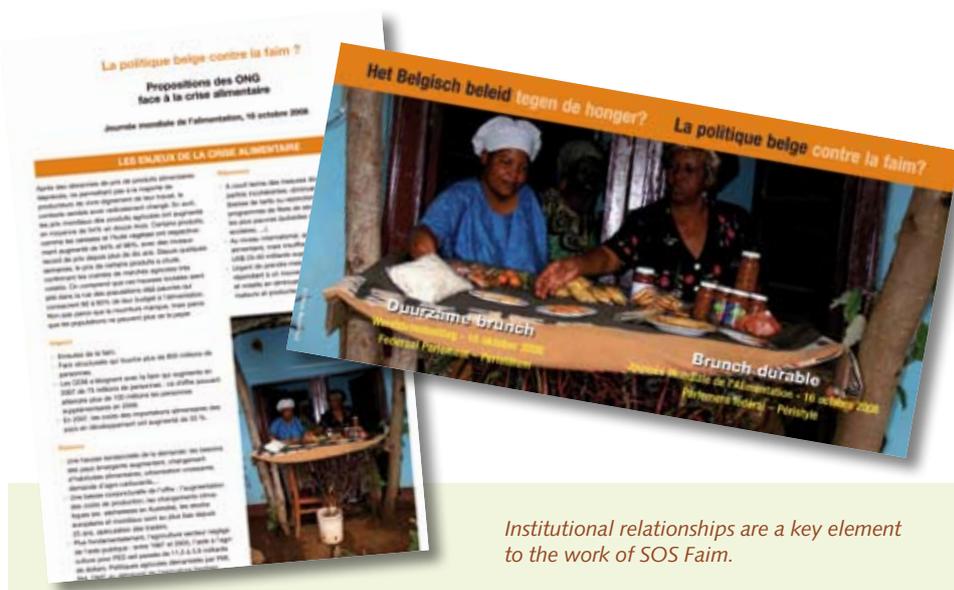
- Being part of Alterfin's Board of Directors and Credit Committee
- Being part of the European Microfinance Network's Board of Directors.
- Directing Inter-Réseaux France. SOS Faim acts in this way in a number of initiatives: rural and agricultural development, peasant organisations, etc. These participations allow thematic cooperation as well as help connecting with the French field of cooperation.
- Participating in the Coalition against hunger, whose projects were finalized through the organization of a conference concerning the role of agriculture in the cooperative field, the organization of public relations actions to raise federal parliamentary awareness and the follow up of Belgium's action in its support of cooperation in countries of the South.
- Being present in the Belgian network for Food Sovereignty. This gathers NGO's and associations defending both consumers and the environment, but also farmers from the North, and takes into account the interests of farmers in the South.

Moreover, SOS Faim:

- is a member of ACODEV, the French/ Belgian NGO federation. SOS Faim is part of its Board of Directors and represents the Brussels-Walloon Area of International Cooperation.
- is a member of CFP (Corporate Funding Program), an association that comprises of companies and NGO's and whose mission is to raise funds in order to finance operations in the South.

- is a member of the Cotonou Network that rules relationships between the EU and the ACP countries (Africa, Caribbean, and Pacific)
- is an historical partner of the French Committee for International Solidarity, a group of NGO's.
- has been working for 15 years with the DDC (Swiss Cooperation) to support the FONGS, Senegalese Farmers National Organisations' Federation.

- is a member of EURAC, a European Network supporting Central Africa.
- closely working with a large number of Belgian associations such as (Oxfam Solidarité, Vredeseilanden, CNCND, 11.11.11, Solidarité socialiste, etc.), French (le GRET, l'IRAM et le CCFD), Dutch (ICCO, NOVIB, Agriterra et CORDAID), German (EED, Bröt für die Welt) and European (APRODEV).



## Income statement and Balance sheet 2008

### SOS Faim • Income statement (€)

REVENUES	2007	2008	
Donors	820 933,01	850 026,20	
CGRI DRI	57 788,00	55 639,00	
DGCD	3 119 490,02	3 009 681,58	
Companies, Foundations	75 466,50	118 875,00	1
Gifts by legacy	6 640,00	24 883,12	
NGO (Lux)	43 731,50	60 104,47	
European union	1 282 890,42	1 203 354,65	
Lotterie Nationale	54 162,75	35 837,25	
Services	16 232,83	17 230,93	
Financial products	85 706,37	101 581,70	2
Various	5 088,08	7 195,39	
Maribel	13 107,37	13 293,66	
<b>TOTAL REVENUES</b>	<b>5 581 236,85</b>	<b>5 497 702,95</b>	
EXPENSES	2007	2008	
Transfers to projects	4 248 403,10	4 132 803,52	3
Fund raising	165 321,21	154 641,21	
Development Education	262 739,93	298 172,07	
Running expenses and depreciation	117 382,85	104 788,37	
Staff expenses	769 488,81	855 185,04	4
Financial charges	17 628,17	15 105,95	
<b>TOTAL EXPENSES</b>	<b>5 580 964,07</b>	<b>5 560 696,16</b>	
<b>NET INCOME</b>	<b>272,78</b>	<b>-62 993,21</b>	<b>5</b>

1 Increases because of SOS Faim's will to enlarge its amount of donors, in accordance with its more dynamic policy.

2 Increase is due to better management and high interest rates for the first quarters of the year.

3 Decreases because actions in Eretria couldn't be done in 2008.

4 Increases because of: three measures, tax rates increase, new policy regarding the reimbursement of public transport fees and creation of a new position at the end of the year.

5 Every year, as everything remains stable, SOS Faim is balanced. Our circumstances are covered by our revenues. In 2008, increase in equities in some cases generated a small loss.

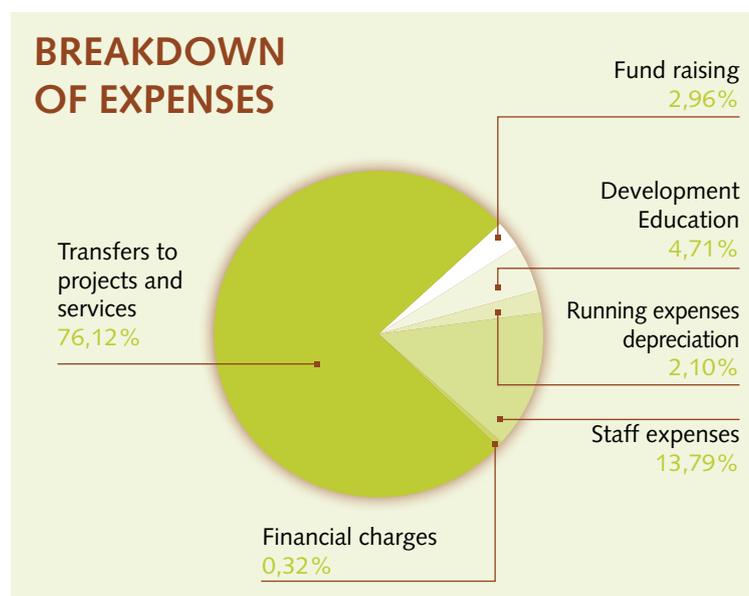
# Finance

## SOS Faim • Balance Sheet (€)

ASSETS		LIABILITIES	
Fixed	42 712,48	Social funds	1 433 313,80
Receivables	486 365,02	Provisions	33 279,95
Cash	2 064 340,19	Payables	704 631,38
Adjustment	403 409,46	Adjustments	825 602,02
<b>2 996 827,15</b>		<b>2 996 827,15</b>	

In accordance with the new law on non-profit organisations, SOS Faim's accounts have to be:

- Audited and certified by the Cabinet Bigonville Delhove & Co,
- Approved by the association's General Assembly,
- Checked, as far as publicly funded projects are concerned, by the European Commission and by the Directorate General for Development Cooperation (Belgian federal service),
- Registered at the Registrar's Office of the Brussels Tribunal of Commerce and at the Belgian Central Bank.



## ORGANISATION

# SOS Faim Belgium and SOS Faim Luxembourg : an effective duo

Both NGO's are constantly looking for new levels of cooperation.

### SAME MIND, SAME SPIRIT

SOS Faim - Belgium and SOS Faim - Luxembourg are legally independent associations, however, they are in permanent contact with one another and cooperate in most activities. The pooling of resources increases the organisations' effectiveness, as does the pooling of our institutional and political relationships. The highest level of professionalism is a must both in daily management and in setting a strategic path.

**In operational terms**, the two associations:

- share the same Partner Support Service in the relevant developing countries;
- jointly determine the lines of work, both in relation to developing country partners as well as in regard to advocacy and awareness raising activities in developed countries;
- share the same website;
- jointly publish Défis Sud, Zoom Micro-finance and Farming Dynamics...

**As far as the campaigns are concerned**, they worked together to implement the development education programme on food sovereignty. They both contribute to the work of the French NGO Inter-Réseaux.

The two associations have several common partnerships (in Ethiopia, Cameroon, Democratic Republic of Congo and Senegal); simultaneously, while the Luxembourg association carries out specific activities (in Benin, Congo-Brazzaville, Niger).

Initiatives regarding South America are fully managed by Belgium.

**The Administrative office** supports the Secretary General in the daily management of the association. The Secretary General co-ordinates SOS Faim's activities, acts as the association's external representative and reports on the association's work to the Board of Directors.

- The Secretary General of SOS Faim Belgium is Freddy Destrait assisted by Linda Gelmi and Sonia N'Kele)
- The Secretary General of SOS Faim Luxembourg is Thierry Defense and his assistant is Laetitia Vautier.

**The Partner Support Service** is responsible for the follow-up of projects. It is in regular contact with the developing country partners in order to ensure effective use of our support. For each project, managers are charged with maximizing the use made of available funds.

- In Belgium: Marc Mees, François Vandercam, Hervé Léonard, Laurent Biot and Christophe Brismé
- In Luxembourg: Aude Ehlinger, François Legac, Nedjma Bennegouch, Marc Mees (joint coordination)

Two offices of SOS Faim Belgium are responsible for the management of contacts with local partners:

- In Peru (Lima): Wilfredo Necochea Tello (Office manager), Viviana Migliori, Antonio Galdos, Marcela Candela, Angela Cerna.
- In Bolivia (Cochabamba): Cesar Soto Santisteban (Office manager), Enrique Guzman, Margoth Salguero, Jimmy Menesez.

**The Development Education Service**, organizes contacts with the Belgian and Luxembourg public; it is responsible for the implementation, promotion and distribution of publications and carries out information campaigns and lobbying activities;

- In Belgium: Jean-Jacques Grodent, Pierre Coopman, Anne Kennes, Virginie Pissoort and Perrine Fournier
- In Luxembourg: Marine Lefebvre and Chloé Kolb.

**The Donor Service** is in charge of collecting funds from the public; it manages the list of donors and answers their questions. The ethical principles of SOS Faim in the field of fund-raising are expressed in a charter that can be downloaded from the website.

- In Belgium: Sabine Chevalier.
- In Luxembourg: Thierry Defense.

**The Finance and Administration Service** is responsible for financial matters; it ensures that internal and external procedures are respected and prepares the annual budgets.

- In Belgium: Marianne Lebeau, Ascension Nieto
- In Luxembourg: Thierry Defense

## GENERAL ASSEMBLY

The General assembly ensures that management keeps constant sight of its social and economic objectives of fighting poverty in developing countries. On the 30th April 2009, its members were:

Sergio Alvarez, Jean-Jacques Beauvois, Juliette Bouffieux, Thierry Defense, Laurence Demaeght, Jean-Paul De Potter, Freddy Destrait, Freddy Devreeze, Amadou Diop, Michel Falisse, Baudouin Hamuli Kabarhuza, Sabine Heymann, Olivier Heck, Nicole Hogger, Marek Hudon, Henri Jurfest, Bruno Lambin, Anne-Hélène Lulling, André Masset, Ephrem Mbugulize, Marc Mees, Bernard Njonga, Wilfredo Necochea, Mamadou Ouedraogo, Denis Pesche, Jean-Michel Pochet, Roger Reul, Céline Vandermotten, Marc Van Eerdewegh, Lucas Van Wunnik, Patrick Venturini, Pierre Vigneron.

## BOARD OF DIRECTORS

The Board of Directors approves the strategies proposed by the General Secretary, supervise their fulfillment and pay special attention to the management of financial and human resources of SOS Faim. Here can be seen the composition of the 30th of April 2009.

Jean-Jacques Beauvois (president), Roger Reul (vice-president), Juliette Bouffieux (secretary), Freddy Destrait, Amadou Diop, Marek Hudon, Céline Vandermotten, Pierre Vigneron (treasurer).

## CONTACT INFORMATION

### SOS Faim Belgium asbl

Rue aux Laines, 4  
B-1000 Bruxelles, Belgique  
T +32 (0)2 511 22 38  
F +32 (0)2 514 47 77  
@ info.be@sosfaim.org  
www.sosfaim.org  
Banque : 000-0000015-15

### Antenna of SOS Faim Belgium in Peru

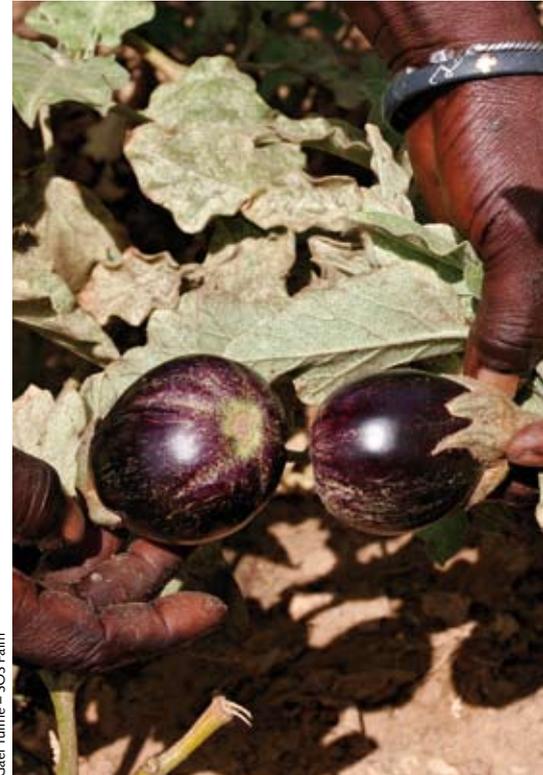
SOS Faim Perú  
Av. Joaquín Madrid 371  
San Borja - Lima 41, Peru.  
T +511 223-7488  
F +511 225-3088  
@ sosf@amauta.rcp.net.pe

### Antenna of SOS Faim Belgium in Bolivia

SOS Faim Bolivia  
Pedro Blanco 352E/ AV. Santa Cruz  
Cochabamba, Bolivia  
T +591 44-48 58 38  
T +591 44-24 38 62  
F +591 44-48 58 38  
@ csoto@supernet.com.bo

### SOS Faim Luxembourg asbl

Action pour le développement  
88, rue Victor Hugo  
L-4141 Esch/Alzette, Grand Duché  
du Luxembourg  
T +352 49 09 96  
F +352 49 09 96 28  
@ info-Luxembourg@sosfaim.org  
www.sosfaim.org  
Bank CCPLLULL :  
IBAN LU22 1111 0055 5526 000



Gaël Turine – SOS Faim

*Food sovereignty, the center of SOS Faim's activities.*

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Cover photo : SOS Faim – Jean-Louis Brocart ; A Baoré Tradition Savings and Loans Network member reimburses its loan.



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