



ANNUAL REPORT 2013

Hivos
people unlimited



ANNUAL REPORT 2013

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EXECUTIVE SUMMARY

In 2013 Hivos worked towards achieving a free, fair and sustainable world in co-operation with 722 partner organisations in Africa, Asia and Latin America, as well as with a wide range of governments, businesses, research institutes and individuals. In this effort, we contributed to improving the lives of 19.4 million people. We raised almost €135.9 million from our funders – the Dutch government, American and international foundations, the EU, bilateral and multilateral agencies and individual contributors – towards this end. Hivos carried out four main programmes, the results of which included:

Programme Expression & Engagement

- Hivos-supported creative spaces in Zimbabwe, Kyrgyzstan, Bolivia, Indonesia, Kenya and northern Iraq stimulated awareness and debate on social issues amongst 60,000 visitors, and indirectly reached another 340,000 people.
- 600,000 people made use of tools developed and distributed by Hivos to obtain safe access to the internet, thereby promoting social activism.
- Citizens held governments to account and pushed towards a more transparent and accountable government through social audits and through publishing on politicians' credentials and instances of corruption.

Programme Rights & Citizenship

- 800,000 people obtained access to information, testing facilities, preventive approaches, and treatment as a result of HIV/AIDS prevention programmes carried out by Hivos in Guatemala, Bolivia and five South-East Asian countries.
- Through lobbying and advocacy to the UN and other forums, organising multi-stakeholder meetings and media contributions, Hivos contributed to policy formulation, debate and public awareness of the crisis in Syria and the role of civil society (especially women's organisations).
- Despite operating within an increasingly repressive political and legal environment, LGBT organisations in Africa managed to continue functioning. These organisations prevented African gays and lesbians becoming invisible and continued to facilitate peer support amongst themselves. We also continued to fight criminalisation of sexual diversity in many countries and discrimination (or worse) of homosexuals.

Programme Green Entrepreneurship

- Through biogas digesters constructed in 2013, more than 100,000 people in Indonesia, Cambodia and five African countries obtained access to renewable energy. Each digester prevented 0.5 hectares of trees being felled for firewood.
- A digital platform in Zimbabwe enabled 100,000 small-scale farmers (of whom 25% are women) to improve trade relations with 5,000 traders, resulting in improved income.
- Through the Hivos Triodos Fund, 6.8 million people, 75% of them women, obtained access to small loans.
- Programme Action for Change

- The introduction of Child Labour Free Zones allowed 10,000 African children to go back to school rather than continue working; 18 out of the 28 shoe companies approached by Hivos changed their policies in order to prevent and eliminate child labour;
- We raised the awareness of more than 5 million consumers with our message on the position of East African women in the flower industry. We advocated and lobbied to convince the industry to set higher targets for fair trade flowers and to inform the consumers to increase demand for certified flowers;
- On the Indonesian island of Sumba, the number of people with access to local renewable energy has increased by 100,000.

Through its work on democratisation, transparency and accountability, Hivos intends to remain in the forefront of debates on internet freedom, privacy and citizens' social and political participation. In 2013, Hivos continued to function as civil society co-ordinator of the Open Government Partnership (OGP), which aims to obtain governments' commitment to increase transparency and provide better access to their data. We also started the Making All Voices Count (MAVC) programme. This is a global initiative managed by Hivos and funded by several donors to help provide creative solutions to enable citizen engagement and government responsiveness, for which Hivos collaborates with IDS and Ushahidi.

Within a context of declining growth rates in a number of emerging economies as well as growing inequality, Hivos put a great deal of effort into programmes to enable people in remote cities and rural areas to improve their economic position. The biogas programmes across three continents provided tens of thousands of additional users with reliable and clean energy for both household and business purposes in 2013. The Hivos programmes on supporting sustainable agriculture, mainly in East Africa and Zimbabwe, allowed at least 70,000 farmers to obtain a more reliable income thanks to their access to new markets. Through the Hivos Triodos Fund we supported 43 microfinance institutions. 9,100 Dutch citizens indirectly made savings available for these to the tune of €112.4 million.

In addressing HIV/AIDS and sexual and reproductive health issues, Hivos continued its efforts to include 'key populations' (particularly men having sex with men, sex workers, transgender people and intravenous drug users) in public health programmes, but also in decision-making on such programmes and the allocation of resources. In addition, we continued to fight the criminalisation of sexual diversity and sex work in many countries. This criminalisation systemically increases the risk of HIV, as well.

Organisation

In 2013 we continued to develop a new strategy and organisational setup for Hivos in response to the new and urgent global issues and to major changes in the donor

environment, partly related to this.. Hivos will change its core process towards promoting social innovation, which entails generating new ideas, approaches and initiatives that will contribute to solving persistent and complex social, cultural, economic and environmental issues. This approach will provide the basis for more effective programme implementation aimed at producing systemic change towards more open and green societies.

Organisational changes in preparation for the reorganisation included the closure of the Regional Office in Bangalore, India. Hivos continues to be represented in India through a subsidiary organisation in Mumbai. In total Hivos had 338 employees (330 FTE), of whom 203 were at the regional offices and 135 in the Netherlands. We introduced a new intranet and updated administrative systems. Hivos again succeeded in increasing the number of funding sources. 62 percent of our income now comes from funds other than the co-financing system (MFS) from the Dutch government.

1. MISSION AND VISION

Mission

Hivos is a Dutch development organisation guided by humanist values. Hivos works alongside local civil society organisations in developing countries to contribute to a free, fair and sustainable world. A world in which all citizens – both women and men – have equal access to opportunities and resources for development. And a world in which all citizens are able to participate actively and equally in the decision-making processes that determine their lives, their society and their future. Hivos believes in people's initiative, creativity and ability to bring about positive change. Quality, cooperation and innovation are core values in Hivos's business philosophy.

Hivos is committed to poor and marginalised people in Africa, Asia and Latin America. We want to achieve a lasting improvement in their situation: that is the ultimate measure of impact of our work. Strengthening the social position of women is a guiding principle of our philosophy.

Core values:

- Human dignity and self-determination;
- Pluralism and democracy;
- A focus on both material and non-material aspects;
- Mutual solidarity and responsible citizenship;
- Respect for people's cultural and social identity;
- Responsible management of nature and natural resources.

Approach

Hivos supports more than 700 partners in 27 countries throughout Africa, Asia and Latin America. We provide financial resources, knowledge and advice, as well as political support and access to networks, to these local civil society organisations. We also develop our own programmes and are active in policy advocacy, both in the Netherlands and internationally. As a member of various coalitions and a broker of contracts, Hivos belongs to a large number of networks. Our central policy themes are civil society building and sustainable economic development. Most of our programmes are run from our regional offices in Zimbabwe, Costa Rica, Indonesia, Kenya and Bolivia. From 2014, Hivos India Advisory Services is responsible for the Hivos programme in India. This subsidiary organisation has taken over from the regional office in Bangalore that was closed November 2013. The regional offices manage most of the relationships with our partner organisations. They provide them with advice, strategic guidance, capital, knowledge and contacts. We also stimulate the creation, sharing and application of knowledge for development with our extensive knowledge programme. Hivos has ISO certification as well as the CBF (Dutch Central Bureau on Fundraising) Seal of Approval.

Themes

Hivos works in the following areas:

- Culture, ICT & media and transparency (in the Expression & Engagement programme);
- Democratisation, human rights, gender, and AIDS prevention (in the Rights & Citizenship programme);
- Sustainable economic development (in the Green Entrepreneurship programme);
- Responsible citizenship (in the Action for Change programme).

Cooperation

Hivos cooperates with many NGOs and other civil society organisations, businesses, public authorities and creative individuals in the Netherlands, Europe and the South. Joining forces with other groups and building on complementary strengths are crucial to achieving our goals. In the Netherlands we cooperate with Free Press Unlimited, IUCN NL and Mama Cash. Together with these organisations we form the 'Hivos Alliance' and participate in the Dutch government's co-financing programme. In the European context, Hivos actively collaborates with like-minded development organisations in Alliance2015. Hivos engages in international policy advocacy on its core themes and in close cooperation with prominent Southern or international partner organisations. Within Partos, a Dutch platform for civil society organisations in the development cooperation field, Hivos collaborates with related organisations as well.

Hivos Key Figures 2013

amounts in 1,000 euros

	2013	2012
<i>Figures in accordance with regulations Central Bureau on Fundraising</i>		
Total income	135,888	118,428
Income from own fundraising	1,258	1,799
Income from third-party campaigns	8,586	15,118
Government grants – co-financing MFS-2 Hivos	50,387	51,488
Government grants – co-financing MFS-2 alliance partners	2,891	3,605
Government grants – miscellaneous	74,696	41,797
Reallocation of released funds	518	210
Income from investments (in the Hivos Triodos Fund)	-2,529	3,662
Other income	81	749
Programme liabilities (new liabilities)	132,708	109,729
<i>Green Entrepreneurship</i>	26,275	28,235
<i>Rights & Citizenship</i>	55,055	42,869
<i>Expression & Engagement</i>	45,651	28,318
<i>Action for Change</i>	2,836	6,701
MFS-2 alliance partners through Hivos as lead agency	2,891	3,605
Portfolio(per 31 december)		
Outstanding liabilities to partner organisations	106,804	86,998
Loans/participations Hivos-Triodos Fonds (HTF)	66,298	69,331
Number of partner organisations	722	713
Organisation		
Operational cost	16,013	15,001
<i>Of which management and administrative costs</i>	1,902	1,846
Results (after appropriation)	170	0
Reserves	8,837	6,848
Number of employees per 31-12	338	342

Liabilities

Liabilities by programme

<i>Expression & Engagement</i>	35%
<i>Rights & Citizenship</i>	42%
<i>Green Entrepreneurship</i>	20%
<i>Action for Change</i>	2%

Liabilities by region

Africa	37%
Asia	19%
Latin America	26%
Worldwide	17%
The Netherlands	1%

Hivos Network

By programme

Expression & Engagement	214
Rights & Citizenship	328
Green Entrepreneurship	158
Action for Change	22
Total	722

By region

Africa	281
Asia	184
Latin America	157
Worldwide	84
The Netherlands	16
Total	722

2. EXECUTIVE BOARD REPORT

2013 represented the first stage of the process of change Hivos is currently undergoing. The Future Calling strategy document finalised our vision for the future and we made a start on establishing the transition process. Although changing and restructuring we continue to keep up with – and play an active role in – developments in the world and will not to become inward-looking.

Transparency and privacy

Openness no longer has exclusively positive connotations. In 2013, the problematic aspects of both were brought into the open more forcefully than ever before. Edward Snowden's revelations on the pervasive practices of intelligence services intruding on citizens' lives worldwide set the call for more 'big' and 'open' data in a different light. How do we protect our own identities and privacy, and remain the owners of our own data? How much should governments or companies be allowed to know about citizens? And can we only learn about the extent of these things through whistle-blowers? Where are the checks and balances with regard to overzealous and self-sustaining agencies? These debates are all the more urgent in view of the threats to democracy elsewhere. New NGO laws and regulations have been proposed in India, South Africa and Zimbabwe, and the limitations governments want to impose on the role of civil society in countries such as these are of particular concern.

Through its work on democratisation, transparency and accountability, Hivos intends to remain in the forefront of such debates. In 2013, Hivos continued to function as civil society coordinator of the Open Government Partnership (OGP), which aims to obtain governments' commitment to upholding transparency, fighting corruption and promoting citizen participation. Even more promising – and challenging – was the start of the Making All Voices Count (MAVC) programme. This global initiative supports innovation, scaling and research to help provide creative and cutting-edge solutions to enable citizen engagement and government responsiveness, often by using new technologies. Hivos is proud to be one of the coordinating organisations of MAVC.

Growth and inequality

Despite its positive association with development, the value of economic growth was also under discussion in 2013. The issue of growing inequality gained importance in global debates. This came in addition to its (potential or actual) conflict with sustainability, which figured at the Rio+20 UN summit. But economics is about more than setting technocratic targets; it is also a political issue. Hivos believes that working towards better-functioning democracies, which include accountable government and active citizens, contributes to finding answers to these major societal questions. Efforts to promote transparency and accountability contribute to this aim.

The economic situation was further complicated by declining growth rates in a number of emerging economies. This being said, the fact that Africa is still the location of the most rapid

growth rates is encouraging. Hivos continued to be present in the hot spots (for example the Kenyan capital Nairobi) but also put a great deal of effort into programmes to help people in remote towns and rural areas who stand to benefit less from the booming economy. The biogas programmes across three continents once again provided tens of thousands of additional users with reliable and clean energy for both household and business purposes. The Hivos programmes on supporting sustainable agriculture, mainly in East Africa and Zimbabwe, allowed many farmers to obtain a more reliable income thanks to their access to new markets.

Sexual (health) rights for all

Despite enormous achievements in providing medication in the last decade, the HIV/AIDS epidemic remains a cause for worldwide concern. The strategic global goals as set in 2010 for reducing HIV infections and related deaths by 2015 is still to be attained and the vision of zero infections is far away. A major reason for this is the persistent stigma associated with the virus. In addition, discrimination against people living with HIV/AIDS has resulted in inadequate support for the most vulnerable groups. Hivos has always stressed the importance of including these so-called key populations (particularly men having sex with men, sex workers, transgender people and intravenous drug users), not only as beneficiaries of public health and medical programmes, but also in the decision-making process surrounding the design and functioning of such programmes and the allocation of resources. Sexual diversity and sex work are criminalised in many countries, which systemically obstructs access to HIV/AIDS services and increases the risk of marginalised individuals becoming HIV-positive. Homosexuality is punishable by death in five countries. But even in countries where it is legal, we are seeing an increasing violence against men and women in same-sex relationships.

Last summer's conference supported by UNAIDS and the Global Fund to Fight AIDS, Tuberculosis and Malaria in Mexico focused on the role of civil society in the AIDS response. At the conference Hivos brought together all Latin American Principle Recipients of civil society, or implementers of national AIDS programmes supported by the Global Fund. Hivos's efforts in this area reflect its increased ability to successfully advocate the importance of involving civil society groups in HIV/AIDS policy-making worldwide. Additionally, in 2013 the Hivos-coordinated Global Fund programmes in Bolivia and South East Asia entered their second three-year contract period, while the one in Guatemala was extended. This will provide Hivos with the means to strengthen the capacity of key populations and enhance their visibility in policies and programmes.

The Netherlands

In 2013 the Dutch government presented its new policy on development cooperation. The Minister for Foreign Trade and Development Cooperation, Lilianne Ploumen, has a vision which centres on the changing global environment for

the aid sector and the policy shifts that will be necessary in order to address the changes. The new Dutch development policy of linking trade and aid raises questions if this is the way to achieve inclusive economic growth.

Although the policy offers opportunities for the Hivos approach where it concerns involving non-traditional actors and finding innovative approaches, Hivos also questioned the government's financial choices. Private sector development was not affected by the budget cuts, but the strengthening of local civil society took and will take a considerable hit. However, the Minister's emphasis on a number of themes that are important to Hivos leaves plenty of scope to continue fruitful cooperation.

One of these opportunities for structural cooperation with the Foreign Ministry is the new Strategic Partnerships system or programme for which first proposals need to be submitted in 2014. Beginning in 2016, the system will allow civil society and the Dutch government to collaborate towards global lobby and advocacy in a partnership on issues relevant for development in the global South, as well as addressing issues involving Global Public Goods.

Hivos continued to collaborate with the Ministry of Foreign Affairs on a number of large programmes. These included the African Biogas partnership Programme, which has been granted a four-year extension; Women on the Frontline, a major programme on promoting women's rights in the MENA region; the Digital Defenders Partnership in the field of internet freedom; and two Public-Private Partnerships on sustainable economic development in East Africa.

Future strategy and organisation

Far-reaching changes in both the global setting and the financial environment of support for social change are fuelling change within Hivos itself. In 2013 we continued the Future Calling trajectory on developing a new strategy and concomitant changes in the Hivos organisation. The vision document has been finalised, and the first version of the transition plan – which will serve as a road map from the old to the new organisational set-up – has been completed. Hivos is going to change its core process towards promoting social innovation. This entails generating new ideas, approaches and initiatives which will contribute to solve persistent and complex social, cultural, economic and environmental issues. This approach will provide the basis for more effective programme implementation (either by Hivos, its affiliates or others) aimed at producing systemic change towards more open and green societies. The reorientation will require further decentralisation, towards the breeding grounds of new ideas and other strategic locations. Strengthening of our local presence by creating more autonomous units is also expected to increase local and national influencing of and commitment to the Hivos agenda.

We intend to have the new Hivos organisational structure in place by January 2015, with the new Hivos strategy fully implemented by January 2016, including a new strategic and business plan.

In the process of developing Hivos's future strategy, we commissioned a series of studies on both content and

feasibility. The renowned social change specialists Alan Fowler and Michael Edwards produced two working papers on, respectively, the debate surrounding social innovation and its applicability in a civil society context¹, and the dilemmas of finance for social transformation.² In addition, market exploration studies were produced by Devex and CIDIN. These studies supported and confirmed the initial internal assessments of trends in the donor environment and thus provided further support for the Hivos strategy by gauging the availability of funding for the themes that Hivos will address from 2016.

Introducing the new approach

The trajectory towards a new strategy started in 2013 with a number of events and debates that we organised throughout the year. Open for Change, held in Rotterdam, marked the end of our Pluralism Knowledge Programme. It also provided an occasion to deepen the debate on social change. What are the drivers for change, which roles can Hivos and others play in it, and what are the limitations? Are we really open to change if we realise that we cannot define its direction?

At the farewell meeting for outgoing Executive Director Manuela Monteiro we spent some time discussing our future course, in particular the concept of social innovation. The rationale for using this concept is that, although many problems are far from new, "it's the persistence of these problems that requires a new approach," Monteiro said. "Old solutions no longer suffice; we need to break new ground. So we are increasingly using ICT applications for democratic renewal, with a prominent role for the creativity of both better- and lesser-organised citizens." At the same time, we need to develop new social business models to accelerate the emergence of a green economy. Hivos will also pursue unconventional projects in the field of sexuality and women's rights, such as the regional approach to combating female circumcision in Iraq.

Internal organisation

In preparation for the reorganisation in the coming year, a number of organisational changes were introduced in 2013. Most significantly, the Regional Office in Bangalore, India closed down. Hivos continues to be represented in India, albeit in a different way, through the new subsidiary organisation Hivos India Advisory Services in Mumbai that was registered early 2014. This office will function independently, but remains part of the Hivos governance structure.

The number of employees at the regional offices and those hired to implement specific projects remained stable in 2013. In total Hivos had 338 employees (330 FTE), of whom 203 were at the regional offices and 135 in the Netherlands. In the two years ahead we expect the composition and number of staff to undergo significant changes due to the

¹ Alan Fowler, 'Social innovation: new game, new dawn or false promise?', Hivos Knowledge Programme Working Papers, 2013 (available at <http://www.hivos.net/Hivos-Knowledge-Programme/Publications/Publications/Social-Innovation-New-Game-New-Dawn-or-False-Promise>)

² Michael Edwards, 'Beauty and the Beast: Can money ever foster social transformation?', Hivos Knowledge Programme Working Papers, 2013 (available at <http://www.hivos.net/Hivos-Knowledge-Programme/Themes/Civic-Explorations/Publications/Can-Money-Ever-Foster-Social-Transformation>)

reorganisation process. In 2014, a number of new functions will be introduced at management and programme staffing levels.

The reorganisation, the decentralised organisational set-up and the increased emphasis on the need for co-creation and co-implementation are only feasible with excellent internal communication. For this reason, we worked hard to develop and implement a new intranet that enables extensive information sharing and collaboration between teams working at different locations. The future reorganisation and introduction of a new core process also entail a major update of existing administrative systems in order to prepare for the introduction of a more appropriate project management system in 2014.

Campaigns

Hivos has always regarded promoting global citizenship as one of its core tasks. We want to provide the Dutch and European public with better insight into what 'development' actually means and why the role of civil society in the South is crucial. Mobilising Dutch citizens to contribute to development and providing information about the work of Hivos's partners are central to these efforts. Through three campaigns we aim to stimulate behavioural and policy change in the North, in the world of business and politics as well as among the general public, with the aim of addressing global problems such as climate change and HIV/Aids that have a strong negative impact on the lives of people in the South.

The Women@Work campaign focuses on better labour conditions for women in international production chains like coffee, flowers and clothes. Millions of Dutch consumers were informed about the poor labour conditions in the East African cut-flower industry. This resulted in a critical and at times emotional response from flower farming companies and traders, but ultimately a constructive dialogue came about.

The Stop Child Labour campaign launched an initiative to mobilise 11,000 school children in the Netherlands to take action against products involving child labour. At the global level, the campaign led to two major conferences, in Uganda and Nicaragua, where the approach of promoting child-labour-free zones received more support. Representatives of governments and civil society from thirty governments signed the Declarations of Kampala and Managua. Our third campaign – 100% Sustainable Energy – continued to promote the introduction of renewable energy on the Indonesian island of Sumba through public campaigning and attracting funders to support efforts on the ground.

Results

722 partner organisations in the South received direct financial support from Hivos in 2013. These organisations are the main actors in determining and implementing the programme objectives. Hivos continued to invest in the quality of their work through specific organisation-building and capacity-development programmes.

Almost seven million people were provided with access to financial services thanks to our partners in the area of microfinance. Together with Triodos Bank, we continued our

support for microfinance institutions (MFIs). In 2013, 43 partners in the South – mostly MFIs – received capital and advice from the Hivos Triodos Fund (HTF). The volume of the loans to and participations in MFIs by HTF amounted to almost €66.3 million, compared with €70.6 million in 2012. Despite the sombre economic prospects, the number of Dutch citizens who indirectly contributed to HTF loans through their savings continued to increase. The amount of savings they made available through the North-South Savings Plan, in collaboration with Triodos Bank, rose from €102.7 million in 2012 to €112.4 million in 2013. The number of participants in this savings plan increased to 9,136, against 8,842 in 2012. For Hivos, the savings programme is one of the most important instruments in mobilising the active support of Dutch citizens for its work.

In all, Hivos reached 19.4 million people with its work. A total of almost €136 million was available for this work, of which €132.7 million was allocated to partners and programmes jointly implemented by Hivos with its partners, including campaigns and advocacy in The Netherlands. Maintaining the financial sustainability of the working organisation remains an important concern. In the coming years, managing income and cost to guarantee continued support to our partners and programmes will be a priority next to diversifying our funding. We are currently adapting our financial model and policies and will continue to do so. In 2013, Hivos again succeeded in increasing the number of funding sources. 62 percent of our income now comes from funds other than the co-financing system (MFS) from the Dutch government.

In conclusion

In this annual report we render account to our donors, stakeholders and partners. We provide a summary of the most noteworthy activities of Hivos in 2013 – not just the success stories but also those aspects that were less successful. Development and international cooperation are complex and sometimes volatile undertakings that require a long-term perspective, and this calls for optimism, trust in the power of people and sustained commitment. Our ultimate goal is to bring about more freedom, promote justice in the world and green our economies, with better opportunities for all its citizens.

The Hague, April 2014

Edwin Huizing, Executive Director

Ben Witjes, Director of Programmes and Projects

3. THE HIVOS APPROACH

Development cannot be steered from the outside, but it can be encouraged. Hivos trusts in the power and creativity of people in developing countries. They can earn their own livelihood, stand up for their rights and shape their own lives, provided that they have the opportunity and the means to do so. Poverty is more than a lack of material wealth. It is rooted in unequal social and political relationships, both locally and at the global level. We therefore believe that direct poverty alleviation goes hand in hand with fighting unequal and unjust power relationships.

Marginalised groups must be given a greater say in political, economic and cultural processes. This requires organisations that can bring about effective and permanent change. By joining forces, citizens can effectively respond to the State and to economic powers. This is why we support more than 700 partner organisations in 27 countries – not just with funds, but by giving local organisations access to knowledge and networks or by setting up programmes and campaigns with them.

What sets Hivos apart? What is development cooperation 'guided by humanist values', as set out in our statutes? When Hivos was founded in 1968, its founders were inspired by principles such as individual freedom, personal responsibility and self-determination. As such, Hivos distinguished itself – and still does – from faith-based organisations in the sector. Humanism is reflected in our work by emphasising self-determination, identity, empowerment and the strength of people themselves. Hivos also believes in the need to be open towards new issues, and therefore to come up with new approaches for these issues. The experiences described in our annual reports are proof of a continuous need and search for innovation. This is a major driver behind the development of our new strategy based on social innovation.

Strategies

For Hivos, structural poverty alleviation means not only improving the situation of people living in poverty, but also removing the root causes of poverty and oppression. Hivos works towards this goal together with its partners, both in the partner countries and internationally. Improving the position of women is an important aspect of Hivos's work in all areas. That is why Hivos not only supports women's organisations, but also requires partners working on other themes to integrate women's rights and interests in their work.

We follow a threefold strategy of direct poverty alleviation, civil society building and advocacy, which are mutually reinforcing. *Direct poverty alleviation* gives people the means to escape poverty: money to set up a small business (microfinance), knowledge to gain access to markets, and education and technical resources to generate income. *Civil society building*, both through strengthening local organisations and advancing civil society as a whole, is central to the Hivos philosophy. Fighting poverty, injustice and inequality requires that people assert their common interests. Effective organisations and a strong civil society are also essential for

the other two strategies. *Advocacy* – aimed at local, national and international governments, institutions and businesses – is essential in order to make laws, regulations and markets work in favour of marginalised groups. Most partner organisations are involved in advocacy. In addition, Hivos itself aims to influence the policies and behaviour of policy-makers, businesses, civil society organisations and citizens.

Knowledge integration

Knowledge is essential for development and is a powerful tool for enhancing the effectiveness of our work along the lines of the threefold strategy mentioned above. Co-creating and practically applying knowledge has therefore become a core activity for Hivos. Since 2007 we have worked to set up an extensive knowledge programme that brings together different types of knowledge and makes them available to our partners and other actors in the field of development cooperation. This is done in part through thematic knowledge programmes that inform strategic thinking within the regular Hivos programmes. The knowledge programme also informs policy development at the general level, where it interlinks with the Future Calling trajectory and contributes to the learning agenda and internal staff training.

In recent years, the thematic knowledge programmes have moved closer to development and implementation of the main Hivos programmes and policies. This has resulted in a broadening of our network and provided useful input to our thinking. The knowledge programmes have generated many ideas on the use of social innovation as a method for effecting social change, and in this way have fuelled the strategic shift as formulated in the Future Calling strategy. The Civic Explorations programme, for example, brought the realms of 'state' and 'the street' closer together. We also strengthened our network in the field through the Open for Change event – part of the Pluralism Programme, which ended in 2013 – as well as by our collaboration on the potential of 'do-ocracy' with the Scientific Council for Government Policy (WRR, The Hague) and joint seminars with social innovation centre Kennisland (Amsterdam).

The Civil Society in West Asia programme continues to develop and disseminate broad expertise on the Middle East and North Africa. This has brought us widespread recognition and appreciation from renowned think tanks, institutions, donors and the media on developments in Iraq and Syria in particular. In the domain of 'green' economics, the thematic knowledge programmes on small-scale agricultural producers and biodiversity provide inputs for transforming the current programme towards the themes of renewable energy and food production, using a landscape approach.

Choice of countries and local presence

Hivos works in 27 countries and has a local presence in most regions. In addition to our head office in The Hague, regional offices have been established in the Andes region, Central America, Southeast Asia, and East and Southern Africa. Responsibility for the Hivos programme in India will shift to

the new subsidiary organisation Hivos India Advisory Services, that will replace the regional office in Bangalore. Hivos employees are able to cooperate in virtual international teams, regardless of where in the world they are located. We have also set up local offices in a number of countries to enable us to build closer relationships with our partners. Hivos uses these offices to implement large-scale programmes in cooperation with international funding institutions. In due course the aim is that local offices should, where possible, continue their activities as financially independent entities.

Partner policy

Hivos supports local organisations not only with financial resources, but also with knowledge, access to a broad global network and advocacy. Hivos selects its partners according to their mission, vision and strategy. Some partners are active in international policy advocacy while others work with local communities. Membership organisations are of particular interest to us.

Hivos asks partners to draw up their own plans, which are then assessed for viability in terms of capacity, strategy and match with the Hivos priorities. We also provide space for budding initiatives that do not yet meet all requirements. Rather than only fund only activities, Hivos also provides core funding to partner organisations. This allows them to structurally invest in strengthening their own organisations and to learn from their experiences. This policy has helped a number of strong organisations to emerge in the global South. Ushahidi, for example, started as an initiative for election monitoring in Kenya and has grown into an organisation at the forefront of citizen-led approaches that promote transparency and accountability. Ushahidi was once a Hivos partner but we now work together as co-implementers of the large-scale, worldwide Making All Voices Count programme.

Worldwide cooperation with local civil society organisations is set to undergo major changes due to the gradual shift towards a new core working process and organisation. In our new strategy, re-granting towards partners will become one of a number of instruments for advancing social innovation.

Social innovation

Hivos will substantially change its organisation and ways of working in the coming two years. This follows from the policy development trajectory initiated in 2011. The so-called Future Calling process has taught us that our core activities, which are largely related to financing a broad partner network, are no longer sufficient and feasible.

New or persistent global problems demand the mobilisation of creative ideas and their skilful application in order to find solutions. For this reason, Hivos aims to better capitalise on its knowledge, networks, 'non-traditional' partnerships and experience by contributing to processes towards new solutions that effect social change. The perspective of social innovation is particularly helpful here. Social innovation builds on actively scanning and developing new ideas, testing those ideas through experimenting, and developing them into proven concepts or models. This process requires the involvement of multiple actors: civic change makers,

progressive donors, policy developers and agenda-setters, as well as think tanks and organisations possessing innovative evaluation approaches. In many respects, social innovation is already part of our way of working. The implementation of the new strategy will mean that its application becomes more continuous and systematic.

From 2016 Hivos will become a smaller and more flexible organisation. Its headquarters will remain in the Netherlands, and its regional presence will be based on social innovation hubs.

During the transition period Hivos will continue to fulfil its obligations towards partners and other stakeholders, and will work towards achieving the results described in its business plan and in the MFS application with the Hivos Alliance.

4. WHAT WE DO: THE FOUR PROGRAMMES

In the past year Hivos has supported the work of more than 700 local organisations in developing countries, and was active in the South, Europe the US and international forums. All these activities took place in the context of four programmes, and contributed in various ways to achieving the programme objectives. This chapter discusses the four programmes. Our aim here is not to give a complete description, but rather, to explore a number of themes for each programme in more depth.

Expression & Engagement

Creating a vibrant and open society is not possible if people cannot express themselves freely, or if some people are more free than others to do so. The Expression & Engagement programme therefore seeks to create space for expression, diversity and artistic freedom where and when it is needed. This may be through cooperation with bloggers, artists and activists, for instance, exploring alternative platforms, channels, venues and productions.

The programme seeks to improve the quality and diversity of the media in developing countries, broaden access to the media, increase citizen participation and strengthen independent media. Only then can those in power be addressed on the need for dialogue, transparency and accountability.

Through Expression & Engagement, Hivos wants to stimulate debate in society, encourage social dialogue and motivate citizens to take action. Promoting socially-committed art and building a healthy cultural infrastructure contributes to a dynamic culture that can challenge, inspire and offer unexpected perspectives.

Results and key figures 2013

- With their film festivals, publications and audio-visual productions, Hivos-supported creative spaces – in Zimbabwe, Kyrgyzstan, Bolivia, Indonesia, and, since 2013, in Kenya and northern Iraq – stimulated awareness and debate on social issues amongst 60,000 visitors, and indirectly on another 340,000 people.
- 600,000 people made use of tools developed and distributed by Hivos to obtain safe access to internet, thereby promoting social activism.
- Citizens held political authorities to account and pushed towards a more transparent and accountable government through a diverse set of instruments. These ranged from social audits in Timor Leste to publishing the income and assets of parliamentarians in India, to publications on electoral violence and corruption in national media in

Tanzania and Kenya, to monitoring and stimulating transparency and accountability through the Open Government Partnership worldwide.

Securing online activism

Freedom of expression and freedom of the media are a basic requirement if citizens are to stay informed, express opinions and become involved in society. Today, safeguarding this freedom necessarily involves consolidating internet freedom. The internet makes it possible to exchange ideas on an unprecedented scale – including ideas that challenge the powers that be. In order to maintain an open World Wide Web that facilitates freedom of opinion, the free exchange of information and active participation in society, Hivos strives to improve prevention and protection for activists, put better policy on freedom of expression and internet governance as well as improved privacy measures in place, and put pressure on governments and companies.

In 2013 the NSA scandal put the spotlight on internet freedom and digital security. In countries with authoritarian regimes, the consequences of digital eavesdropping are much more serious. Bloggers and activists are being spied on, intimidated and prosecuted on an increasing scale. Since the Arab revolutions every dictator has been aware of the impact of social media and is trying to control, monitor or block online activism. Websites and networks are blocked, e-mail accounts are hacked and computers infected with spyware.

But there are smart ways to counter this repression and control. Hivos partners work to develop tips and tools against censorship, digital surveillance and repression. They help bloggers to stay under the radar and be safe online. Apart from organising practical support, Hivos lobbies for good internet governance and legislation that protects citizens from unwanted snooping by governments and corporations. In 2013 our partners provided specialist legal assistance to Asian bloggers and online journalists who were put on trial for their activities. In the MENA region our partners taught over 150 activists how to effectively influence their governments' internet policy. Along with Tactical Technology Collective, the main international organisation for digital security, we trained 6,000 activists and organised smart, accessible online tools and information that were used by 600,000 people.

For some years now, Hivos and the Association for Progressive Communications (APC) have published the Global Information Society Watch (GISWatch) reports. In 2013 GISWatch looked at women's rights and gender issues through an ICT lens. The report sparked a public debate about internet freedom, because the internet has strengthened women's participation but also led to increased digital stalking and sexual violence. GISWatch reached 100,000 readers, far more than the 20,000 aimed for. More than 145 organisations and individuals from over 60 countries contributed to the report or participated in lobbying activities relating to the publication.

Number of partners: 214

Liabilities: € 42,836,000

People reached: 7,000,000

Main partnerships:

Hewlett Foundation | Omidyar Network | Open Society Foundations | DFID | DANIDA | SIDA | SDC | Irish Aid | Dutch government (including MFS-2)

Hivos continued to act as the manager of the Digital Defenders Partnership (DDP), an emergency programme to protect bloggers, human rights defenders and activists in repressive and transition countries. Supported by the US, UK, Estonian, Latvian, Czech, Swedish and Dutch governments, the programme provides rapid support to counter emerging threats to the Internet and its users. It facilitates initiatives to respond to governments' attempts to shut down the Internet or use technology to spy on citizens, and will be investing in the building of digital emergency capacity. In 2013, DDP helped critical internet users to obtain access to censorship-circumventing tools. Hivos also used the fund to provide judicial protection and advice as well as training on digital security, and took action against cyber-attacks on activists' websites.

Creative spaces: culture, technology, politics

It's not easy to express your opinion when you live in a country with an authoritarian regime or a fragile democracy. Discussing political issues with others is often banned outright.

Hivos supports cultural centres where this is possible. Free ports for intellectuals, artists, journalists, philosophers and activists, but also places inquiring audiences can visit for critical theatre, poetry readings, films and debates. These centres feed the imagination and present independent ideas, thus fostering the open-mindedness needed to build a free society. They are at the crossroads of culture, civic activism and the creation of technology that could also be useful for promoting economic development.

The Book Café in Harare, the capital of Zimbabwe, which Hivos has supported for many years, may serve as a model. Zimbabwe has been suffering under authoritarian rule and a severe economic crisis for many years. At The Book Café, young artists are free to experiment without the restrictive censorship that exists outside the café walls. They make music and theatre together, organise poetry slams and hip hop festivals, book presentations and debates about land rights.

New breeding grounds for free speech were opened in 2013 in the Kenyan capital Nairobi and in Sulaymaniyah, Iraq. Successful cultural centres have already been running for some time in Zimbabwe, Kyrgyzstan, Bolivia and Indonesia. In total they hosted four film and video festivals, 14 exhibits, 81 workshops, 72 audio-visual productions, four animated series, 690 film screenings, debates, performances and lectures, and an impressive series of public campaigns, blogs, TV presentations and radio broadcasts. These attracted 35,000 young people, 9,500 artists and 18,000 other interested parties. In addition, 340,000 people saw and heard these cultural productions through TV, radio and internet.

Hivos began to strengthen local creative communities in the Middle East and North Africa using the approach of creative space. In the aftermath of the Arab revolutions the political situation often remains unsettled, but providing relatively safe spaces for debate and exchange is a welcome alternative to classic associational life. For these reasons, Hivos launched the support and training programme Incubators for Creativity and Technology in the Arab region. The programme is funded by the Swedish government development agency SIDA. In

2013, SIDA also decided to provide support to the entire Expression and Engagement programme, involving €5 million, for a three-year period.

Apart from supporting creative spaces, Hivos also continued to help improve the conditions for cultural activism throughout societies. Within this framework, we supported cultural networks such as the Arterial Network to promote better policies on the arts and culture in countries of Africa. A highlight was the fourth African Creative Economy Conference in Cape Town, South Africa. Hivos also supported the creation of Art Watch Africa, an initiative to protect African artists against oppression and censorship. At the global level, Hivos's support to the film sector became very visible when *Wadjda* by Haifaa al Mansour was nominated for an Oscar. This first successful production by a Saudi woman was made possible by the Hivos-supported Hubert Bals Fund. In the Netherlands, Hivos was a main supporter of the International Film Festival Rotterdam.

Accountable government through citizen action

Transparency and accountability are two essential elements of 'good governance' – an elusive principle that is very hard to enforce in a top-down fashion. Hivos's partners in the South use a bottom-up, citizen-led approach that concentrates on citizens' right to information, monitoring governments' duty to deliver essential services, collective election monitoring, and performance against corruption.

Hivos supports transparency and accountability initiatives because of the impact they have on both the national and regional public spheres, as well as for the way they make local struggles resonate on a global level. Hivos is an active participant in the Open Government Partnership (OGP), initiated by US president Barack Obama, and hosts the civil society coordinator of this programme. OGP has proved to be a useful instrument for civil society worldwide to push for change. Last year, it has even helped a Right to Information law to pass in Brazil. Bound by its commitment to freedom of information under OGP, the Indonesian government started monitoring the implementation of this principle in local government. And in Kenya, NGOs lobbied the Minister of Mining and agreed to formulate a new policy on the future management of oil and gas resources. The Law is currently being updated for public debate.

2013 was also the first year of the Making All Voices Count programme. Under the programme, Hivos and its co-implementers IDS (UK) and Ushahidi (Kenya) enable the development and large-scale deployment of promising citizen initiatives aimed at enhancing accountable government and transparent policy-making. The first call for proposals received a massive response. Making All Voices Count is supported by a consortium of international funders including the US, UK and Swedish governments, Open Society Foundations and the Omidyar Network. It has received a total budget of \$45 million for use in the next four years.

Hivos also works on transparency and accountability at the local level. In Zimbabwe, Hivos and its partner organisations contributed to reasonably honest and peaceful elections. Some 1.2 million people were provided with information,

opportunities for debate, and election monitoring through online and mobile communication platforms.

In many countries, good governance, democracy and the rule of law are undermined by corruption. Corrupt practices weaken democratic institutions and the national economy alike. In South Africa, Hivos partner Corruption Watch exposes corruption hidden in the invisible web of nepotism and vested interests. Whether these concern construction cartels or rigged tendering for vital drinking water facilities, Corruption Watch puts them in the public spotlight. South Africans reported 2,262 cases of corruption to the organisation in 2013. These cases were better substantiated than those reported in 2012.

In 2013 Corruption Watch focused on schools, which are often easy sources of income for corrupt school heads or officials. This generated more than 270 reports, often about tenders being awarded to cronies or to companies offering large sums of money, or the misappropriation of school funds. Corruption Watch organised workshops for schools and developed a simple toolkit for recognising corruption. The organisation used these examples to take corruption

cases to court, support whistle-blowers and report scandals in the media. It demands that authorities take action against corruption hotspots. The strength of Corruption Watch lies in its intensive communication campaigning through radio broadcasts in local languages. This has encouraged villagers in rural South Africa to register complaints about corrupt leaders.

In Tanzania, the Twaweza programme worked on improving the educational system through financial incentives. This included research experiments with providing capitation grants and cash-on-delivery. In these experiments, schools were provided funding in relation to the number of pupils enrolled and the attendance rate of teachers.

Charmein's confidence

The sun shone down on the Cape as Charmein cast her vote for the first time. That is about all she can remember about that day. The oyster saleswoman in Dutch writer Adriaan van Dis' novel Betrayal (Tikkop) lost her faith in the new South Africa long ago. "Democracy is not for poor people."

This was in 1994. The future promised much, but delivered very little. In Charmein's fishing village life did not get easier after the fall of the apartheid regime. The ANC did not succeed to eradicate poverty did not provide basic amenities, stood by while young people became addicted to drugs and did not stop the plundering of the sea. Election or people's representatives were unable to change this state of affairs.

Fallen asleep

David Lewis is not familiar with Adriaan van Dis or his books, but recognises the oyster saleswoman's disgruntlement. He is the director of Hivos partner Corruption Watch, an organisation that confronts government failures head-on. The main purpose of his work? For people to regain the confidence they have lost bit by bit since 1994.

"We fell asleep at the wheel in 1994. After winning the struggle for democracy, we thought everything would come naturally. Clearly we were mistaken, because whether you live in Sweden or South Africa, you have to keep a watchful eye on the government. We didn't, and we got what we deserved."

The problems in South Africa are big and are spreading; abuse of power is destroying so much. In addition to costing tens of billions of rands, corruption eats away at confidence in politics and the quality of services. Although still a long way from the extremes of Sudan or Somalia, the

country continues to slide further in the rankings issued every year by the authoritative watchdog Transparency International.

Disclosure

Corruption Watch, an organisation that invites people to report abuse of power by officials or politicians, is inundated daily with emails, phone calls and text messages. A team of lawyers, investigative journalists and former police officers investigates these reports and ensures that action is taken where necessary. As a result, campaigns and lawsuits are started and the cases are disclosed in newspapers.

The organisation was launched in 2012. A year later, Lewis and his team had already brought a long list of abuses to light. Several corrupt officials, even ministers, were exposed and consequently stepped down. The organisation has a wide reach in social and traditional media. Lewis and his colleagues' findings rarely remain unnoticed, whether it concerns illicit bid rigging, greedy policemen or blackmailing school heads.

Climbing a new hill

Lewis is proud of Corruption Watch's results. "It's good that more and more corrupt officials are being sent home, but even more important is the fact that we are raising awareness and changing perceptions. Officials are starting to realise that corruption is not normal and that you can't just get away with it. Hopefully this will gradually restore citizens' confidence in politics."

The people on whom Van Dis based the character of Charmein will have to regain their confidence without the man they undoubtedly voted for. It will not be easy, but South Africans know what struggle is. As Nelson Mandela wrote: "After climbing a great hill, one only finds that there are many more hills to climb."

Rights & Citizenship

The Rights & Citizenship programme supports people in creating a society in which they can participate freely and fully, regardless of gender, ethnicity, sexual orientation or religious beliefs. However, the space for this activism is often limited. The work carried out by activist citizens and their representative organisations can be dangerous, yet their perseverance and courage are necessary drivers in the struggle towards fair and free participation in society.

This free and full participation in society requires governments to create space for everyone and to allow citizens to be involved in decision-making processes. Social recognition and acceptance of everyone's rights must always be central; for Hivos, this particularly concerns rights of women, LGBT people, and people living with HIV/AIDS. This is why Hivos uses its Rights & Citizenship programme to support citizens and representative organisations that strengthen fundamental political rights, organisations that represent the rights of poor and marginalised groups, and organisations that denounce human rights violations.

Results and key figures 2013

- As a result of Hivos-supported HIV/AIDS prevention programmes, 800,000 people obtained access to information, testing facilities, preventive approaches and treatment. Hivos carries out these programmes in Guatemala, Bolivia and four South-East Asian countries as principal recipient of the Global Fund.
- By participating in conferences by the UN and other forums, organising multi-stakeholder meetings and media contributions, Hivos contributed to policy formulation, debate and public awareness of the crisis in Syria. We facilitated our Syrian partners to work at keeping women's rights on the Syrian peace process agenda. Non-violent civil society activists in Syria also need to have their voices and solutions heard, and we were able to help them to do this.
- Despite operating within an increasingly repressive political and legal environment, LGBT organisations in Africa managed to continue functioning, provide peer support and prevent African gays and lesbians becoming invisible.

Number of partners: 328

Liabilities: € 51,482,000

People reached: 5,300,000

Main partnerships:

Global Fund to Fight AIDS, Tuberculosis and Malaria, Mama Cash, Ford Foundation, Arcus Foundation, Dutch government (including MFS-2)

Sexual health and rights for all

Even today, AIDS remains a major threat for many groups across the globe. Hivos continued to combat HIV/AIDS through three large-scale programmes in Latin America and Asia aimed at the most-at-risk groups – men who have sex with men, transgender people, sex workers and intravenous drug users. Hivos enables them to defend their rights and fight stigma and discrimination. Our aim is to give people in these most-at-risk groups better access to health care (education, testing, treatment) and to strengthen their

representative organisations. These organisations advocate for their rights and work to provide them with better living conditions and stronger participation in decision-making. Some partners act as watchdogs on governments' budgeting and actual spending on HIV/AIDS prevention and treatment.

Supported by the Global Fund to Fight AIDS, Tuberculosis and Malaria, Hivos has been managing these programmes for over three years and will continue to do so for another three years. In Bolivia, more than 2,500 men, 200 transgender people, hundreds of people living with HIV and nearly 1,000 sex workers received education, testing and personal advice. We reach these people through street coaches (who often belong to the risk groups), mobile clinics and their own organisations. Hivos works closely with the government to ensure that members of the most-at-risk groups can visit special clinics for contraceptives and medicines. An increasing number of people are being tested for HIV/AIDS in these clinics. Hivos also seeks to ensure that pregnant women, in particular, are tested. Fortunately, more and more local authorities are now allocating part of their budgets to these vulnerable groups.

In Guatemala, Hivos works with 31 civil society organisations in the HIV/AIDS field. More than 100,000 people in the most-at-risk groups were given information, advice, and in half of the cases, an HIV test. Hivos partners also tested more than 100,000 pregnant women for HIV and provided AIDS medicines to almost 600 of them to prevent mother-to-child transmission. Almost 7,000 people with an advanced stage of HIV were given life-saving drugs. Around 8,000 patients with other sexually transmitted diseases were also treated. 600,000 people received HIV/AIDS prevention information and 12.5 million condoms were handed out.

In South-East Asia, Hivos works with organisations representing people living with HIV/AIDS in Indonesia, Malaysia, the Philippines and East Timor. Our approach is to hand them the tools to allow them to assert their right to equal treatment and good health care. Grassroots organisations play a crucial role. We train them to become organisationally stronger so that they are able to achieve more in their immediate environment. A total of 620 grassroots organisations made use of our training programme and set up projects allowing people to come in for an HIV test. Providing health workers with good information and fostering greater understanding means that people living with HIV/AIDS will often receive better treatment. Hivos was able to reach 80 health workers with special training courses. More than 25,000 people from risk groups received education about HIV/AIDS and condom use.

West Asia: activism and knowledge unite

The Middle East and North Africa remained a turbulent region. Through our West Asia programme, which originated in its work in Iran, Iraq and Syria, we continued to promote democratic change, safeguard civic rights and liberties, and support civil society. In 2013 we focused on strengthening a human rights defenders network covering the MENA region. In this effort we cooperated extensively with our partners Karama, Women Living under Muslim Law, and Women's Learning Partnership, as well as the Gulf Centre for Human Rights. Hivos also provided timely, practical and effective

support to human rights defenders at risk in the region. Based on its work in Iraq, partner WADI started its regional campaign against female genital mutilation (FGM). WADI successfully conducted research in Oman, and a documentary broadcast on BBC World Arabic about its work in Iraqi Kurdistan reached millions of viewers from the Middle East. Regarding women's rights, Hivos has started Women on the Frontline, a large-scale programme to support women's groups in the wider MENA region in collaboration with PricewaterhouseCoopers and Oxfam Novib.

The grave situation in Syria calls for action, but only limited possibilities are available. For this reason, Hivos and its partners mainly addressed the possibility of transition in the country in the longer term. The Dutch Ministry of Foreign Affairs asked Hivos to co-host an official side event at the 2013 United Nations General Assembly about the inclusion of women in the transitional process in the MENA region, with a special focus on Syria. To prepare for this important meeting, Hivos organised a strategy development session with representatives of four Syrian women's groups. As a direct result of the formal and informal meetings held, the UN special envoy for Syria Lakhdar Brahimi stressed the importance of including civil society and – particularly – Syrian women's groups in the official peace talks to be held in Geneva. Brahimi commissioned UNWOMEN to organise a preparatory meeting in Amman to discuss promoting the role of Syrian women's organisations in the peace process. Hivos and its partners later organised a strategic session to prepare a vision document for the final statement, presented by a group of over 50 Syrian women, during the Geneva II talks on Syria in January 2014.

Deep knowledge on the region is essential to the involvement of Hivos and other civil society organisations, as well as the donor community in the Middle East. Hivos has therefore continued its well-established knowledge programme on West Asia, in collaboration with regional, European and American think tanks. Together with international NGOs, research institutions and individual academics, we analyse the role of civil society organisations and donors in the democratisation movements. In 2012 and 2013 we organised eleven meetings in Beirut, Cordoba, Washington, The Hague and other locations. In addition, the Arabic online publication *The Myths and Realities of the Syrian Conflict: Peaceful Past and Uncertain Future* appeared on the popular Syrian website All4Syria, and was also discussed on Syrian television station Ronahi TV. In Cairo, the UN invited Hivos to a debate on our publication *Dignity Revolutions and Western Donors: Redefining Relevance*.

Victims fight back

Human rights violations often go unpunished, even once the dictators responsible and their supporters have been ousted from power. If processes of transitional justice do take place, these are often technocratic and top-down. Hivos and its strategic partner Impunity Watch have spent years working to shift the focus back to the victims and survivors of human rights abuses. In this effort we support concrete actions taken by victims' groups, such as lawsuits against perpetrators, and we lobby the international judicial system to revise their approach.

In 2013 Hivos worked with more than twenty organisations

that fight against the impunity of human rights violators. Hivos provides practical support, for instance by assisting victims in bringing their cases before the UN Human Rights Council. Results often take a long time to materialise, and may unfortunately turn out to be reversible. In Guatemala the human rights organisation CALDH, a long-time partner of Hivos, has helped the Ixil community press charges against ex-dictator Efraín Ríos Montt for genocide and crimes against humanity in the 1980s. Ríos Montt was finally sentenced to 80 years' imprisonment in May 2013. It was a historic victory for the international justice system, as it was the first time that a former head of state had been convicted of genocide by a national court. It was also a great victory for the indigenous people of Guatemala as they were able to regain their dignity and see the perpetrator brought to justice. The decision was a great triumph for civil society, especially for those female witnesses who dared to speak out in public in the sessions broadcast worldwide. But the sentence was subsequently overturned by a higher court. CALDH and the victims' association are working to find alternatives to continue the fight.

An important effect of bringing these types of emblematic cases to court is that they generate publicity, which strengthens support. The direct TV and internet broadcasting of the genocide case, and subsequent news items in newspapers and radios, captivated public attention for months in 2013 and reached millions of Guatemalans and interested public worldwide. In October 2013 CALDH received the Silver Rose Award in the European Parliament in recognition of their many years of tireless work in bringing Ríos Montt to justice.

At the global level, Hivos and Impunity Watch use research, expert meetings and publications to rekindle the debate amongst scholars and staff at international institutions, philanthropists supporting transitional justice, and European and American policy-makers. An estimated 500 human rights experts have been reached by various events and even more through web publications.

Farmer Aram's daughters

Strange myths abound in the Kurdish countryside. Like lice shampoo will make you horny, or that you should refuse food prepared by an uncircumcised woman (*unclean and not tasty!*). But in Tutakal, the village where 31-year-old farmer Aram lives, no one believes in these myths anymore. His daughters are lucky.

They are four and seven. Actually, the older one is close to the age when girls here are usually circumcised. This is a fate suffered by three quarters of women in Iraqi Kurdistan, according to research conducted in 2010. This tradition, better described by the term female genital mutilation (FGM), requires girls between five and ten years old to have their clitoris and part of the inner labia removed.

The operation is carried out without anaesthesia; not by doctors in operating rooms, but by 'midwives' in tents. Girls are placed on a table and held down while the midwives use razors and tweezers to do the job. After the operation the girls receive sweets and presents from their mother. That is, if 'all goes well', for this surgery is extremely dangerous and many girls bleed to death. Others suffer from terrible complications for the rest of their lives. Aram has only found out about this recently.

Awezan

He is not the only one. All the inhabitants of Tutakal now know what the consequences of female circumcision are. It has been explained to them by teams from Hivos' partner WADI. Awezan Nory, who is exactly the same age as Aram,

leads some of those teams. She has seen a lot of misery. One case involved a blind midwife; another was the story about a woman who had circumcised herself. This has all made Awezan fierce and combative, but fortunately she is also optimistic. And the result of her work is impressive, helping to render the 2010 survey obsolete.

In 2013 it was shown that the number of circumcised women in Iraqi Kurdistan is rapidly declining. In some areas where WADI operates, the percentage of circumcised girls between six and ten years has dropped to zero. In other areas 11, 21 and 48 percent were recorded. The longer WADI had been active in an area, the lower the percentage turned out to be.

Tutakal

Awezan also visited Tutakal, now a 'FGM-free village'. As in the rest of Iraqi Kurdistan, she was initially not welcomed with open arms. It is taboo to talk about sex, let alone female genitals. But Awezan knows the traditions, and the villagers are not stupid: talking about health complaints is normal. Slowly but surely she managed to get to the heart of the matter by discussing health issues. Now the villagers are convinced that an uncircumcised woman is not unclean, has fewer health problems and enjoys sex more.

This is also true for Aram and his wife. Now he understands why she always says she is too busy when he wants to have sex. (Lice shampoo is not going to change that...) But the taboo has been broken, and the myth shattered. Aram's daughters are among the first generation of girls to benefit from this.

Green Entrepreneurship

In 2050, there will be nine billion mouths to feed. So far, expansion of the required agricultural land has led to a significant loss of biodiversity and an increase in greenhouse gas emissions. Biodiversity loss and climate change threaten productivity. This affects poor people – particularly women – the most. To prevent this scenario becoming reality, energy consumption must be minimised and both food and energy consumption made more sustainable, with equal opportunities for all. This is no small challenge.

The Green Entrepreneurship programme relies on the role of enterprising men and women in rural areas in green socioeconomic development. More than anyone else, these people have the potential to provide the world with food, slow down climate change, maintain biodiversity and create employment. To achieve this, their productivity must be increased and their operations made more efficient. Hivos therefore works towards providing proper funding, creating biogas markets and advocating renewable energy solutions with governments and market parties. Small-scale producers in developing countries serve local markets, use little energy and take responsibility for the environment on which they depend. They know the difference between profit and exploitation. Sustainable economic development in rural areas is in good hands.

Results and key figures 2013

- Through biogas digesters constructed in 2013, more than 100,000 people in Indonesia, Cambodia and five African countries obtained access to renewable energy.
- Each digester prevented 0.5 hectare of trees being felled for firewood.
- A digital platform in Zimbabwe enabled 100,000 small-scale farmers (of whom 25 per cent are women) to improve trade relations with 5,000 traders, resulting in improved income.
- Through the Hivos Triodos Fund, 6.8 million people, 75 per cent of them women, obtained access to small loans.

Number of partners: 158

Liabilities: € 24,864,000

People reached: 7,200,000

Main partnerships: Triodos Bank | ECOM | IIED | IUCN NL | Oxfam Novib | Ford Foundation | SNV | FACT Foundation | Dutch government (including MFS-2)

Greening financial services

For years, Hivos has been working with microfinance institutions (MFIs) that provide small loans to entrepreneurial people. We worked to facilitate organisation-building and provide capital, mainly through the Hivos Triodos Fund, but this was not our only aim. We also stimulated the sector as a whole to respect and propagate social norms in their financing policies. Now the time has come for the next step: facilitating the use of microfinance to benefit of 'green' economic activities.

The microfinance sector's interest in environmental sustainability is on the rise. MFIs are increasingly interested in this field, but big donor funds and major banks are beginning to take a great interest too. It is easy to see why.

Moral considerations and social pressure aside, renewable energy, green value chains and the solving of environmental problems which affect their clients' businesses may also present major business opportunities. Hivos plays a key role in translating this green interest into practice by developing standards, sharing good practices and assisting organisations in the field with developing new, green financial products such as those promoting green energy.

In 2013 Hivos, in close cooperation with Enclude (formerly TriodosFacet), developed the Green Performance Agenda, a framework for green action for the microfinance sector. This framework's relevance in environmental management was widely acknowledged and both organisations were invited to the major Annual Social Performance Task Force conference in Panama to present it. The Green Performance Agenda toolkit, a self-assessment tool, is an off-line strategic application that can be used by anyone who has access to a computer. It helps MFIs find practical ways to address environmental issues.³

The presentation resulted in concrete interest from networks of MFIs, which Hivos will follow up in Africa and South America. The MFI sector (under the umbrella of the Social Performance Task Force) asked Hivos and Enclude to lead a working group on green performance. This working group will define the elements needed in order to emphasise the relevance of environmental management within microfinance. MFIs will also have to report on these criteria in the near future, as an integrated element in their financial and social performance monitoring. Hivos combines (and backs up) this work with scaling-up activities such as providing households in East Africa with loans to buy solar equipment or biogas digesters. We have also created a fund in Central America which will finance entrepreneurs who produce efficient cook stoves and buyers of these cook stoves. In Nicaragua, 300 coffee farmers will receive loans to stimulate climate-smart crop production.

These developments coincide with the ongoing 'greening' of the Hivos Triodos Fund activities. HTF finances emerging MFIs in rural areas, paying special attention to gender and environment, and follows a 'financing for sustainability improvements' strategy. Present green HTF programmes focus on sustainable agriculture (fair or organic certified), biodiversity, eco-friendly coffee farm renovation and finance for green value chains, with more initiatives in the pipeline. In addition to HTF, Hivos is co-founder of Triodos Sustainable Trade Fund. This fund reached out to more than 90,000 small-scale farmers, who cultivated more than 167,000 hectares of land in a sustainable way. Hivos also participates in the SME Impact Fund in Tanzania, which disburses loans to small and medium-sized enterprises in agricultural value chains that would otherwise be either too small or too big to fund.

Same chain, more value

One of the main objectives of the Hivos Green Entrepreneurship programme is improving the position of small-scale producers of coffee and other crops by promoting their access to markets. These efforts, involving local farmers' associations and NGOs along with businesses and global

³ A copy of the toolkit can be downloaded from <http://www.gpa4mf.blogspot.nl/p/green-performance-agenda.html>

consumers, have paid off. In East Africa in particular, over the last two years we have reached out to thousands of smallholders by setting up a number of large programmes in collaboration with private sector players. Thanks to better mutual organisation and supported by coffee trader ECOM, farmers were trained in techniques that increased their yield and obtained access to new markets.

Together with coffee traders ECOM and Armajaro and with the Hanns Neumann Stiftung and Solidaridad, Hivos is part of the Coffee Partnership for Tanzania which started in 2012. The programme aims to enhance the income and livelihoods of 90,000 farmers. It is managed by the German Development Bank and co-financed by the Bill and Melinda Gates Foundation. In 2013, Hivos started the DGIS-funded programme Sustainable and Secure Smallholder Systems for Scale (4S@scale), which aims to improve the lives of 90,000 farmers in Kenya, Uganda and Tanzania.

At the same time, we promoted more sustainable ways of agriculture and addressed social problems, in particular gender inequality. Our programmes bring together the goals of improved income, sustainable production and improved gender relations. Women make up the majority of the world's 25 million coffee farmers. They perform most of the production activities in this important sector, yet it is mostly men who enjoy the benefits from coffee sales. Hivos aims to make women and men benefit equally from improved income from coffee. It also works towards encouraging more young people to see their future in the coffee sector.

Getting coffee companies on board is an important strategy. Businesses are becoming aware that they, too, can benefit economically from closing the gender gap, which has resulted in increased product quality and quantity. Hivos's advocacy has proved successful. In 2013, coffee roasters such as Nestlé, Mondelez, Douwe Egberts Master Blenders and Tchibo were convinced to finance a gender toolkit as a first step. As part of the project, two farmers went to the African Fine Coffee Conference in Burundi in February 2014 to testify about the changes they had made in their lives, which greatly impressed the audience.

Within the Coffee Partnership for Tanzania, Hivos started implementing the Gender Action Learning System approach with local service providers. Within a few months, the 'farmer champions' trained through the programme had directly reached out to more than 300 farmers (both male and female), with 500 more to follow. These farmers now have a clear vision on increasing and improving coffee production, addressing gender relations and reducing violence in the household, and increasing awareness of joint land ownership. They are sharing the tools with their fellow farmers, who in turn develop their own vision.

Gender issues and youth concerns are also an integral part of 4S@scale. The training of coaches has proved to be an effective instrument to make organisations (e.g. farmers' organisations, NGOs, service providers, private sector) gender-sensitive and equip them to implement different gender-sensitive strategies. In 2013, coaching trajectories were ongoing in Uganda, Kenya, and Ethiopia, to be followed in 2014 by Burundi, Rwanda, Bolivia and Peru.

Hivos also worked with the Africa Fine Coffee Association (AFCA) and the International Trade Centre (ITC) to mainstream gender and youth in AFCA's five year strategy (2014-2018) while increasing the market share of quality coffee. The first reactions have been positive and we are currently seeking additional finance. Hivos's activities for the coffee sector have received the interest from businesses in the cocoa product chain as well.

Biogas for all

Access to energy offers people clear opportunities to improve their living conditions and start businesses. Decentralised energy systems that allow consumers to become producers themselves are a driving force for local economic development. For households with livestock in Tanzania, Indonesia and other countries, domestic biogas provides a sustainable way to enable cooking and lighting, as well as to reduce dependence on firewood and expensive fossil fuels. At least as important is that women have to spend many hours collecting firewood, hours that cannot be used to earn income. Biogas replaces the expensive and environmentally-unfriendly fuels used by billions of people to cook and to

Hivos Triodos Fund Amounts x 1,000 Euros

	2013		2012	
	Organisations	Amount	Organisations	amount
Loans	32	34,174	35	36,015
Participations	11	32,080	11	34,549
Guarantees	w	-	-	-
Total	43	66,254	46	70,564
Africa	11	21,194	13	19,000
Asia	11	13,357	10	15,810
Latin America	19	30,189	21	34,257
Worldwide	2	1,514	2	1,497
Total	43	66,254	46	70,564

Source: Hivos Triodos Fund Annual Report 2013

light their homes. Toxic fumes from wood fires and kerosene lamps kill two million people each year, mostly women and children. Cooking with wood depletes forests and causes CO₂ emissions. The slurry left over from the biogas-producing process is an excellent organic fertiliser that can be used to improve crop yields.

For these reasons, Hivos has set up large-scale programmes to stimulate the production and use of biogas digesters. In 2013, 15,885 African farming families, 1,165 families in Cambodia and 3,267 families in Indonesia started using a biogas digester. In Nicaragua, where the biogas programme has just started, the first 30 demonstration models have now been built.

In partnership with SNV, Hivos has been promoting and distributing digesters to farming families in Indonesia, Cambodia, Ethiopia, Kenya, Tanzania, Uganda, Burkina Faso and Nicaragua since 2009. We also work closely with the Dutch Ministries of Foreign Affairs and Economic Affairs, Agriculture and Innovation, national governments and rural development NGOs to carry out these programmes.

We have learned that a market-based biogas sector is needed in order to make domestic biogas broadly accessible. Through

local institutions, we enable contractors and masons – inviting women in particular to participate – to get vocational training and specialise in biogas digester construction. Banks and microfinance institutions are encouraged to provide loans to rural families and biogas construction enterprises. In order to create a viable market, the installations are not carried out free of charge. The farmers pay for the digester construction and buy the building materials. They provide stones and bricks for building and they help with the construction work. Hivos experiments with new biogas materials and applications. In 2013, for example, we started using coffee pulp as biomass for the production of biogas in Uganda.

Given the results of the programme, at the end of 2013 the Dutch government decided to co-finance the African programme for €20 million for another four-year period.

The recognition of the Indonesian biogas programme as a Gold Standard CO₂ reduction project is a major success. This means that the CO₂ emission savings that small Indonesian farmers generate with their biogas plants are worth money. Western governments and companies compensate for their CO₂ emissions by 'buying' these Indonesian CO₂ certificates, which in turn means that the biogas programmes can be further expanded.

Phoning about tomatoes

There is a large surplus of tomatoes at Mbare Musika, and the first farmers are going back home, disillusioned. Their harvest was not sold and is now rotting away by the side of the market. Others are desperately seeking places where there is a demand for their produce. 300 kilometres away, Barbara Dongo has picked her tomatoes and prepared them for transport. She is not aware of the problem.

Mbare Musika is the biggest fruit and vegetable market in Harare, capital of Zimbabwe. For Barbara, it is the most logical place to sell her tomatoes. She lives in Honde Valley, near the border with Mozambique. Mbare Musika is the main market for farmers from miles around, and does a daily turnover of three million dollars. Yet despite this, there is no official information about buyers, sellers, stocks or prices, let alone a website that keeps track of everything. Farmers and traders can only tell if they will be able to make money by actually going to market. And today, the tomato farmers are out of luck.

Bad luck is also lurking around the corner for Barbara Dongo. If she goes to Mbare Musika as planned today, she runs the risk of paying to transport her harvest to the market perhaps without earning anything at all. Her tomatoes will also very likely be left to rot, which would be a financial disaster, as a small-scale farm like Barbara's cannot always absorb such blows. So poor access to information – or the lack of information – has enormous consequences.

A simple phone call

Fortunately, something has changed in Honde Valley. Zimbabwe's mobile communication network now also

covers Barbara's home town. And, like most small farmers in developing countries today, Barbara has or can borrow a mobile phone. All she has to do is make a simple phone call before sending her tomatoes to Mbare Musika.

Barbara calls the number of eMkambo, a Hivos partner that helps over 100,000 farmers and knows everything about crops and markets in Zimbabwe. This organisation has an impressive network of people who share knowledge and experience. Farmers can call eMkambo's telephone service for answers to all kinds of questions, from animal diseases to irrigation techniques, or about soil types and parasites. But mostly they want to know where the demand for their products is the greatest.

Connected

Barbara pays 10 dollar cents for the call. Part of this goes to the phone companies, making it more attractive for them to cover remote areas as well. And eMkambo's popularity ensures that more and more people have access to mobile communication. This is crucial in Zimbabwe, where small farmers are often isolated from the world beyond their fields.

For a mere 10 cents Barbara now knows there is a tomato surplus at Mbare Musika. The operator is also tells her that the situation at the market in the provincial town of Masvingo, 275 kilometres from Honde Valley, is very different. Here they have a shortage of tomatoes, which means higher prices. Barbara will do brisk business today.

Action for Change

Economics, politics and culture have become globally intertwined. In many ways this is a positive thing: it creates employment opportunities, new possibilities for overcoming problems, and ways to learn about how other people manage their living environments. But the current world order is also founded on an unequal distribution of power and wealth; on a system in which our behaviour in the North has harmful consequences for people in other parts of the world. Recent crises have once again demonstrated that changes 'there' cannot be made without action 'here'. Global issues require solutions from citizens across the globe. In most cases, local improvements cannot be sustainably and permanently implemented unless citizens, businesses and governments – in the South and the North alike – take responsibility for their part in the issue and take action to resolve it.

With the Action for Change programme, Hivos wants to contribute to the changes in the North that must be made in order to improve lives in developing countries. These adjustments need to take place within governments and companies, but changes also need to be made within individual households. That is not always a popular message, but it is more urgent than ever.

Results and key figures 2013

- The introduction of Child Labour Free Zones allowed 10,000 African children to go back to school rather than continue working; 18 out of the 28 shoe companies approached by Hivos changed their policies in order to prevent and eliminate child labour;
- We reached more than 5 million consumers with our message on the position of East African women in the flower industry. The flower industry is now moving towards accepting higher targets for fair trade flowers, partly because demand for certified flowers (from supermarkets etc.) is increasing;
- On the Indonesian island of Sumba, the number of people with access to local renewable energy has increased by 100,000. This has resulted in increased income from solar-powered irrigation, lower expenses for paraffin oil, and access to clean biogas.

Number of partners: 22

Liabilities: € 2,628,000

People reached: 5,000,000

Main partnerships:

IBIS | CESVI | People in Need | LBSNN | Dutch National Postcode Lottery | Dutch government (including MFS-2)

School, the best place to work

The Stop Child Labour campaign aims to eliminate all forms of child labour. Working on the principle that 'no child should work; every child must be in school', it demands formal, quality full-time education for all children up to the age of fifteen. Stop Child Labour calls on all consumers, companies, governments and international organisations to be part of the solution. 168 million child workers worldwide are waiting.

The Stop Child Labour campaign focuses on spreading and

strengthening so-called 'Child Labour Free Zones'. These zones are places, villages, farms or plantations where no child labour exists and all children go to school. Our approach is to address parents, children, employers, teachers, unions and governments, so that they change their attitudes towards child labour and embrace the right of all children to education. Child labour free zones were developed in India by Hivos partner MV Foundation, which has many years of experience in fighting child labour. MV Foundation has succeeded in getting more than one million children back into the classroom. Stop Child Labour exported the area-based approach to Africa and more recently Latin America. In Africa, 10,000 children went back to school in 2013 thanks to the child labour free zones.

Over the years, we have mobilised support for the concept from the EU, the ILO and the Dutch Ministry of Foreign Affairs. As result of an amendment in the Dutch Parliament in December 2013, the Dutch Government earmarked a total amount of €5 million for the campaign. These very welcome funds will be used to strengthen and expand child labour free zones. We will also be seeking engagement with the business sector.

We have also successfully engaged with other relevant stakeholders worldwide, e.g. the African Union, UNICEF, UNESCO, local NGOs and trade unions, and have won them over to follow the same area-based approach for creating Child Labour Free Zones.

In 2013 Hivos took part in a number of high-level global meetings on combatting child labour. At the World Conference on Child Labour in Brazil, the Dutch Minister for Foreign Trade and Development Cooperation, Minister Ploumen, praised the child labour free zones in Asia, Africa and Latin America as examples to be followed everywhere. The Kampala Declaration and the Managua Declaration against child labour received widespread international support. In Kampala, 120 representatives of civil society organisations, trade unions, educational institutions, employers and governments of 24 countries adopted the declaration. International organisations, the European Union and the African Union also adopted the document under the watchful eye of the International Labour Organisation. In Managua, a similar group of organisations from six Central American countries voiced their intention to expand and strengthen the child labour free zones.

In the Netherlands, the Stop Child Labour campaign was able to reach a wide audience that supports these child labour free zones. We encouraged consumers, policymakers and companies to become part of the solution. Hivos approached more than 700 primary schools, with the result that 11,000 pupils, teachers and parents participated in the 'Made by Kids' school campaign. Children initiated actions themselves and asked companies not to make their 'cool gear' with child labour. The campaign generated a lot of media attention, resulting in our message reaching a further 1.3 million people.

Hivos worked together with consumers to ask shoe companies what they are doing to eliminate child labour from their supply chains. The issue received political

attention and MPs asked questions about child labour in parliament. This led to even more media attention and, consequently, more pressure on the companies concerned. As a result, 18 of the 28 companies that were approached changed their policies and practices in order to prevent and eliminate child labour.

Power of the Fair Trade Flower

For women around the world, employment equals a better and more independent life. However, the women who need their jobs the most often have to pay a high price for trying to make a living. Unskilled female labourers in the developing world face hazardous working environments, long working hours and often sexual harassment. Permanent contracts, equal pay and freedom of association remain far-off dreams at this stage. To change this situation, Hivos launched the Power of the Fair Trade Flower campaign. The campaign aims to improve the working lives of women in the East African cut-flower industry. Power of the Fair Trade Flower is part of the broader Women@Work campaign, in which we advocate better labour conditions for women in international production chains like coffee, flowers and clothes. These efforts link up to the Hivos activities on promoting gender equality in the product chain of specific crops through the Green Entrepreneurship programme.

East Africa is one of the regions where a large share of 'typically Dutch' flowers is grown. In these countries, labour conditions are all too often a cause for concern. This is especially the case for women, who make up the majority of workers in the flower sector. They are faced with low pay and job uncertainty, in addition to a high rate of sexual harassment and health risks due to pesticides.

Just as with coffee and cocoa, fair trade certification can make the difference here. The fair trade label sets clear criteria for pay and employment conditions. Companies in Africa that grow fair flowers set an example for others to follow. They treat women and men equally and pay them a fair wage. However, only small amounts of these certified fair trade flowers are available in the Netherlands. Hivos's campaign involves consumers in the Netherlands with its efforts to increase the amount of fair flowers offered by traders and retailers.

Hivos made it easy for consumers to take action. We had stands at the Libelle and Happinez festivals and were featured on the national TV programme Tros Radar as well as many other Dutch media outlets. More than 13,000 people signed our petition for the availability of fair flowers in Dutch shops, which Hivos presented to Minister Ploumen (Foreign Trade & Development Co-operation) and Gijs Kok, Director Corporate Affairs of the Dutch flower auction Flora Holland. Some 3.5 million people heard our message through radio and TV and a further two million saw our ads in the printed press, in addition to the 90,000 people that came across Power of the Fair Trade Flower at an event.

Working with the industry to increase the market share of fair trade flowers is another aspect of the campaign. Hivos is a founding member of the Floriculture Sustainability Initiative (FSI) that promotes sustainable production of flowers. FSI is part of the Sustainable Trade Initiative, which

works to make production chains in other sectors sustainable as well. The platform was successful in its efforts to convince flower traders, the Dutch flower auction, certification organisations and supermarkets to set clear targets for making fair trade flowers available. As a result of the campaign, the PLUS and Ahold supermarket chains intend to increase their range of fair flowers.

Sustained efforts for renewable energy

The UN wants every citizen in the world to have access to energy by 2030. Its 'Sustainable Energy for All' campaign is a golden opportunity to put the spotlight on global sustainable energy solutions, which have been a focus for Hivos for many years. We have a very ambitious goal: 100 per cent renewable energy worldwide. In 2013, Hivos actively supported the close involvement of local and regional civil society organisations in the UN plan. We have organised strategy meetings for civil society and local private sector in four regions. We also approached more than 100 politicians and other stakeholders, including high-level officials in the Ministries of Energy, the UNDP and the World Bank or regional development banks.

Each country must come up with its own national plan to achieve the UN goals. Civil society organisations, in particular, know what consumers and businesses need when it comes to energy. Without their input, governments often choose the more familiar fossil route: coal plants and centralised grids that do not reach remote villages. This is why Hivos works with local organisations and (small) energy companies in Southern and East Africa, Indonesia and Central America to jointly influence their governments.

Hivos's ambitious initiative, Iconic Island Sumba, is rapidly becoming a successful example with which we can show decision-makers around the world that access to 100 per cent renewable energy is possible for everyone. On the Indonesian island of Sumba, residents, farmers' organisations, local elected leaders, the state energy company, the Indonesian government and the private sector are working together on this venture. Major funders are the Asian Development Bank (US\$ 1 million plus the same amount transferred from other donors) and the Norwegian Embassy in Jakarta (€0.6 million euro). The Indonesian Ministry of Energy has taken co-responsibility for the Sumba programme. The Sumba initiative has already provided 44 per cent of Sumba's 600,000-strong population with access to electricity, and 30,000 households have traded in their kerosene lamps for solar lamps. The application of solar energy for irrigation led to a 100 per cent increase in income for more than 50 farming families. Biogas is booming as well. There are now three organisations in place that build and maintain biogas digesters, making it possible for 150 farming families to generate clean gas. In addition, 20 small wind turbines provide 80 households with clean electricity.

This approach appealed to the Dutch public as well. Many became aware of the initiative through the second Sumba Expedition. Through its Facebook campaign, Hivos selected two winners from the Netherlands and two from Indonesia to visit Sumba. Rock band BLØF selected a candidate during the 'Concert at Sea', which was visited by 40,000 people daily. Travel organisation Sawadee selected one of their

Facebook fans and garnered support for Sumba. Salt magazine selected its candidates by asking readers to write down their experience of 'one day without electricity'. Sumba mostly featured in local and regional media, but also received attention from the national press. In total we reached 2.2 million people in the Netherlands.

Data centres, which house the gigantic servers that run our digital world, consume a lot of energy. If these energy-guzzlers became more economical in their electricity use and switched to truly sustainable energy, it would greatly benefit the climate. This is the idea behind Hivos's successful Green ICT campaign. A large number of data centres, consultancies and industry organisations recognise Hivos as a party in this debate.

Headman Madhenga's savings

All his life, headman Madhenga had aspired to wealth, but he never managed to escape poverty. Without foreign aid and good rainy seasons he might not have reached 73. He does, however, have six wives and some savings. His position demands this of him. What's more, the headman has ambitious plans for the future. There are new rules in the village.

Madhenga is the headman of one of the 188 villages in 'Ward 16', an area in southeast Zimbabwe. It is almost impossible to escape poverty here. Most people have a small farm or work on plantations, while others flock to the gold mines in Gauteng. It has always been like this, and many people think it will always remain so. Most of the children do not go to school but work on the land. They learn everything they need to know from their parents. Zimbabwe, once the breadbasket of Africa where 95 percent of children attended school, is no longer what it used to be.

Mr Madhenga decided to do things somewhat differently. Although he and his six wives have produced a respectable number of children, each one goes to school. He is convinced that it is the only way to advancement. He says he himself always regretted not going to school. His children have better opportunities than he did, although the quality of education is very poor. It is hard to find good schools in a region where almost all the children work. This yet another reason for parents not to send their children to school – a negative spiral.

Aid convoy

Aid seems to be another pattern difficult to break. Whenever the village has a poor harvest and hunger looms, aid organisations come to the rescue. Mr

Madhenga hates it. According to him the village has become dependent on aid because people know the aid convoy will sooner or later make its appearance. All they have to do is wait and hope that more organisations will join in. Self-reliance disappears and the risk of poverty increases, which in turn leads to a greater need for aid.

When Hivos partner CACLAZ first visited Mr Madhenga's village he must have thought it was yet another donor organisation. But the Zimbabwean children's rights organisation did not come with pocket money or grain – it had brought along an idea. Ward 16, according to CACLAZ, should become a 'Child Labour Free Zone'; an area where all adults agree that their children should no longer work, but go to school.

Progress

The idea behind a child labour free zone is simple, but has remarkable outcomes. Since all children stop working, adults take over their jobs. Also, people tend to start saving money to be able to pay school fees. For instance, it appears that they spend less money on alcohol. So real investments are made, especially when everybody joins in. Parents are more willing to save money and spend it on education when other parents are also chipping in. Hope for a better future brings people together.

Headman Madhenga is extremely enthusiastic about the plans of CACLAZ. He is known in the organisation as a 'Stop Child Labour Champion', a frontrunner. Together with other village headmen in the area, Mr. Madhenga came up with an idea to quickly improve education in Ward 16. Rules were drawn up for the children and a school was built – without any donations or aid. The chief used his savings for this. He has abandoned his dream to become rich, but his grandchildren have better chances now.

5. DOING THINGS RIGHT

As a professional organisation, Hivos needs constant feedback on its efforts: we want to know whether or not our work is having the desired effect. We also want to learn from practice: what works and what doesn't, and under what circumstances. Evaluation, progress monitoring, results measurement and good management are the most important tools for achieving insight into our progress.

Results Assessment

Hivos's approach to results assessment is based on results agreements with each partner organisation. These agreements are set down in the initial contract. Our basic principle is that results assessment must help partner organisations to improve their effectiveness. This means that, whenever possible, it is the partners themselves who determine the indicators and methods of their results assessment (albeit in agreement with Hivos), rather than these being imposed by donors.

Our partners give us annual progress reports based on indicators that fit their own situations. Hivos's programme officers visit the partners and their projects in the interim to discuss the results (and occasionally lack thereof). Our partners are committed to social change, and this often takes a long time to emerge. With some efforts, the results only become apparent after ten years. It can be difficult to determine the contribution of individual actors, especially when dealing with processes that unfold over a long period of time and which have involved many different social actors, some of which are Hivos partner organisations. But even when results assessment is a complex process, we believe that this approach provides a solid foundation for monitoring and evaluating our work. We aim to strengthen this foundation further by regularly asking external researchers to evaluate the results of projects and partners.

Evaluations

A large part of Hivos's evaluation budget is used for joint evaluations with other Dutch organisations that receive subsidies under the government's MFS-2 scheme. WOTRO, an independent academic institution, is responsible for the evaluations. They cover four areas: MDGs, Capacity Development, Civil Society strengthening, and Lobby & Advocacy. The baseline reports were completed in early 2013. These cover more than 200 case studies of Southern organisations in eight countries, including 30 Hivos partner organisations. End-line measurement will take place in 2014.

As part of its evaluation agenda, in 2013 Hivos looked at options for evaluating the Child Labour Free Zones programme *Omar's Dream* (probably with the Amsterdam Institute for International Development, AIID) and the Media Programmes in Africa (with the University of Leuven). These evaluations will be carried out in 2014. Studies will also be done on the LGBT and Biogas programmes.

In Nicaragua the Hivos-administered Fund for Gender Equity and Equality (FED) was evaluated by independent

researchers. The evaluation found the first indications of shifts in attitude with regard to gender-based violence and people's knowledge on sexual and reproductive rights.

In East Africa, the Twaweza programme hosted a meeting with evaluation researchers and external experts to discuss its ongoing evaluation studies. Findings from a study by researchers of Princeton University, the Massachusetts Institute of Technology (MIT) and the University of California, Los Angeles (UCLA) raised critical questions about the assumptions in Twaweza's Theory of Change. This specifically concerned the relationship between providing information and the emergence of civic agency, which need exploring more steps in-between. Twaweza has also initiated a number of experiments on alternative ways of applying capitation grant and cash-on-delivery mechanisms for improving the quality of Tanzania's education performance.

The search for evidence is an integral part of the Making All Voices Count programme implemented by Hivos. Up to 25 per cent of resources are allocated to research initiatives that help build an evidence base and test the hypothesis that improving feedback between citizens and government is essential for better governance, enhanced service delivery and strengthening democracy. This research, implemented by the Institute of Development Studies (IDS) of the University of Sussex in Brighton, UK, will help understand which interventions work (or not) and will make a considerable contribution to learning in the field.

Inspections and financial accountability

In addition to a detailed report, Hivos asks its partners to provide a thorough financial account which has been externally audited. Only partners with a one-time, short-term contract or organisations that receive less than €25,000 from Hivos are exempt from this requirement. Partners must detail the financial situation of the entire organisation – not just the Hivos contribution – in their annual reports. This gives us an insight into the quality of our partners' financial management, as well as the legitimacy of expenditures. Hivos assesses whether the organisation's financial reserves are reasonable, whether expenditures are in line with the budget, and whether partners obtain sufficient income from other sources.

Hivos also conducts regular financial audits of partner organisations. Suspected fraud can be a reason for audits, but more often it is just the observation that a partner's financial and administrative management needs some support. If partners fail to disclose their financial situations in a timely manner or, worse, if there is mismanagement or fraud, Hivos applies its sanction policy.

In 2013, Hivos conducted inspections of six partner organisations in Central America, Honduras, Kenya, West Asia, and Zimbabwe. Most of these were regular inspections: Hivos checked out the partners because their financial management capacity was considered to be relatively weak

or because the risks for Hivos and partners appeared to be high, given specific donor demands.

In three cases, fraud had – allegedly – been committed. One of these involved an LGBT network in Kenya, where the financial manager took advantage of the lack of oversight by general management and the supervisory board. Criminal charges have been laid, the general management was fired and the supervisory board dissolved. Hivos supported the network's member organisations in saving the network, which had nearly collapsed as a result of the fraud and subsequent governance crisis. The case was brought to light by a forensic audit commissioned by another donor, as Hivos's financial contribution was relatively small at the time of the fraud. In another case, the financial manager of a cultural organisation in Honduras had apparently embezzled funds. Finding a forensic auditor has proven to be very difficult in the country due to the high level of violence there. Hivos is now considering other possibilities to investigate the matter. In the Middle East, persistent rumours about fraud within an LGBT network led Hivos to carry out a financial inspection. The inspection showed that the organisation had a weak governance structure and insufficient internal checks and balances, but no proof – or even a strong suspicion – of fraud could be found. Further financial support from Hivos will be given on the condition that there is a clear improvement in the governance structure and financial management, and we have offered our support to achieve this.

6. OUR PARTNERS

Hivos places great importance on the voices of everyone involved in its work. We work closely with a number of important stakeholders. The principal ones are our partner organisations in the South, the Dutch public, the Dutch government, our other donors, the business sector and – last but certainly not least – Hivos's own staff.

Hivos has long-term partnership agreements with various organisations, funders, knowledge institutions and businesses, including the Hivos Alliance for the implementation of the Dutch government co-financing programme (MFS-2) and the European Alliance2015 network.

American foundations

Hivos has worked with the Open Society Foundations (OSF), an initiative of philanthropist George Soros, since 2005. The OSF work to build vibrant and tolerant democracies whose governments are accountable to their citizens. That mission is a perfect fit with Hivos's policies. Begun as a partnership on culture and the arts in Central Asia, the collaboration has been moving into the Transparency and Accountability areas. Both OSF and Hivos are members of the Transparency and Accountability Initiative (T/AI), and OSF are a funder of the Making All Voices Count (MAVC) programme that is co-implemented by Hivos. The Ford Foundation, with which Hivos has various ongoing collaborations, is also a member. The partnership covers a wide range of fields including gay rights, women's rights, financial services and sustainable production. Hivos and the Ford Foundation cooperate in East Africa, Southern Africa, Latin America and India.

The partnership between Hivos and the William and Flora Hewlett Foundation began in 2008. They were actively involved with us in the development and funding of the Twaweza programme in East Africa. Like Hivos, the Foundation increasingly focuses on transparency and accountability issues and places high importance on innovation. The Hewlett Foundation is also a partner in the T/AI.

Hivos has been collaborating with the Omidyar Network since 2010. Like OSF, this philanthropic investment company is a major funder of MAVC. Omidyar is also a partner in two regional Hivos programmes: the Africa Transparency and Technology Initiative (ATTI) in East Africa and the Southeast Asia Technology and Transparency Initiative (SEATTI). We also cooperate in the framework of T/AI and within the Open Government Partnership (OGP).

Hivos works with Arcus, a global foundation for social justice and conservation issues, to promote the rights of sexual minorities.

Dutch organisations

Hivos also works with a number of Dutch organisations that share similar values. A good example is our longstanding partnership with Oxfam Novib, which covers various fields. In 2009 we took a major step forward by making

arrangements about our respective roles in the South. Since 2010, Hivos and Oxfam Novib have jointly managed the thematic knowledge programme on biodiversity and agriculture.

Hivos works closely with SNV on the biogas programmes in Africa, Indonesia and Nicaragua. SNV gained technical experience from similar programmes in Nepal and elsewhere which has been invaluable in this area.

We are implementing the *Caminando Juntos* programme together with the National Council of City Links between the Netherlands and Nicaragua (LBSNN). This initiative allows Dutch municipalities to contribute to better education and business development in Nicaragua. LBSNN was able to reach out to almost 250,000 people in 2013 by organising 25 public events in the Netherlands.

We also continued our involvement with STOP AIDS NOW! (SAN!), an initiative of Aids Fonds, Cordaid, ICCO, Hivos and Oxfam Novib. To develop new and effective strategies, these organisations combine their expertise and put their partners in touch with each other. Hivos is an active member of Partos, the group for non-governmental development organisations in the Netherlands. Partos has more than one hundred member organisations. It advocates for the sector and works to improve quality among its members. Hivos is an active participant and is a member of the policy advocacy work group. Along with a number of Partos members that also receive funding from the Dutch government, Hivos has co-founded a platform for joint evaluations.

Hivos Alliance

In 2009, Hivos, IUCN NL, Mama Cash and Free Press Unlimited formed a strategic partnership called Hivos Alliance. Together, these organisations implement programmes under the MFS-2 co-financing system, based on a long-term strategic plan for the 2011-2015 period. The Alliance members work together in a number of thematic areas. The 2012 launch of the Internet Protection Lab, in which Free Press Unlimited and Hivos cooperate with internet provider XS4ALL, was a major step. This lab provides activists, human rights defenders and journalists in authoritarian and transitional countries with tools and methods for free and safe internet access. Hivos and Mama Cash support women's rights and women's organisations worldwide, albeit from complementary angles. Mama Cash funds relatively young, emerging women's and girls' rights activist groups, while Hivos's partners have a broader scope and are often active in policy advocacy. With IUCN NL, Hivos is involved in the Leaders for Nature India initiative. This programme aims to achieve a more sustainable and socially-relevant corporate sector.

Alliance2015

Hivos is one of the founders of Alliance2015, its principal strategic partnership in Europe. The network takes its name from the UN Millennium Development Goals, which need to

be achieved by 2015. It is active in more than 80 countries and has 13 joint offices. The other members are Acted (France), Concern (Ireland), Welthungerhilfe (Germany), Ibis (Denmark), Cesvi (Italy) and People In Need (Czech Republic). The Swiss development organisation Helvetas Swiss Intercooperation will join in 2014.

In 2012 (no data are available as yet for 2013) the combined expenditure totalled €575.1 million, against income of €604.5 million. A large part Alliance's operations focus on emergency relief and rehabilitation.

Stakeholders

Partner organisations and civil society in the South

Hivos organises regular consultations with partner organisations on every continent. These consultations generally take place as part of the preparation of a new Business Plan or a long-term strategy. Consultations with partners also occur at conferences on specific themes. Regional offices and local representatives organise regular meetings where partner organisations and other local actors can share their views on Hivos policies in particular operational areas. This helps us to identify new issues and adjust our strategy where necessary. The presence of Hivos offices in Africa, Asia and Latin America is of crucial importance to this process. Their frequency allows these consultations to be relatively informal.

Following its 2011-2015 business plan, Hivos incorporates input from the South's civil society into its policies more formally, while still leaving room for flexibility. The original idea of forming an advisory council for each separate regional office has been replaced by a setup in which different civil society actors are consulted at various points in the Hivos policy cycle. This will ensure that diverse opinions can be expressed. This is also the reason why the Hivos Supervisory Council includes three members from the regions in which we work.

Consultancy firm Keystone carried out a partner satisfaction survey amongst 218 Hivos partner organisations, and the final report was published in 2013. Hivos's overall performance was slightly above the average of the other participating organisations, but there is room for improvement. Our performance assessment in the areas of financial support, administration, relationships with partners, and ability to understand and learn was clearly positive. However, partners are more critical of Hivos's support for capacity development and other forms of non-financial support. The low score on 'partners' understanding of Hivos' plans and strategies' shows that improved communication is needed. Hivos will analyse its information provision and quality of support to partners based on the report. The survey findings have been discussed at all our regional offices, and Hivos will keep its partner organisations posted on its follow-up plans.

Government and parliament

As Hivos's largest donor, the Dutch Ministry of Foreign Affairs is naturally an important stakeholder. It is important to keep both Dutch politicians and civil servants informed of

our work, and about the practice of development cooperation in general. We worked with the Ministry to organise a UN side event on the political participation of women in the MENA region. This led to the UN special envoy to Syria, Lakhdar Brahimi, committing to include women in the Syrian peace negotiations. Hivos and the Ministry also organised a series of Human Rights lectures on women's political participation, LGBT rights and Internet Freedom, as well as a public meeting in Maastricht with Foreign Minister Timmermans. At Hivos's suggestion, two female Syrian human rights defenders were invited as guest speakers. Reflecting the common interest in supporting women's rights defenders in the MENA region, Minister Ploumen met with several Hivos partners from Syria, Libya and Yemen. Also, during her visit to East Africa, the minister visited the Hivos partner managing the Stop Child labour activities in Uganda as well as a Kenyan farm that participates in the African Biogas Partnership Programme.

Hivos also participated in a trade mission to Indonesia. The mission led to Prime Minister Rutte reaffirming that NGOs should be standard participants in trade missions.

Throughout the year, Hivos regularly met with Ministry officials and Members of Dutch Parliament who act as spokespersons on areas of interest for Hivos, often with partners from the South as well, to discuss a wide range of themes. We facilitated a visit by representatives of Arab women's groups which aimed to alert politicians and policy-makers to the situation faced by women in Syria, as well as the need to include women in future peace negotiations. Hivos was also invited to a Dutch Parliament hearing on the government's new human rights policy. On this occasion we emphasised the need to focus on women's rights and LGBT rights, especially in the MENA region.

We place a great deal of importance on maintaining good relationships with the Dutch embassies in the countries in which we work. The staff of Hivos's regional offices are extremely important here.

Business sector

In recent years we have collaborated more and more with businesses in a range of areas. The business sector is an important group of stakeholders given its potentially important role in development processes. Many businesses have also shown great interest in taking part in development projects. These businesses also tend to tie corporate social responsibility more closely to their core business. Hivos has worked closely with Triodos Bank since 1994, mostly through the Hivos Triodos Fund (HTF) and the North-South Savings Plan. HTF combines knowledge about financial services and development processes, which is used for providing microfinance and other services. HTF's capital comes partly from Dutch clients who hold North-South accounts at Triodos Bank. The joint savings in 2013 amounted to €112.4 million.

Impact investment, which aims to create social effects alongside financial returns, is a promising trend as well, is not restricted to microfinance. Hivos and Triodos Bank also co-operate in the Triodos Sustainable Trade Fund (TSTF), which provides trade finance to producers' organisations. In 2013 Hivos also started exploring other options for impact

investment in for example the creative sector and media.

Dutch public and private donors

We involve the Dutch public in our work through hivos.nl and our campaign websites. Not only do we explain what we do and why, we also invite people to take action online. There is also an international website and a knowledge platform for English speakers. In 2013 our websites attracted approximately 300,000 unique visitors. Last year our presence on Facebook and Twitter increased exponentially and our regional offices gained traction on popular social media channels. The number of Twitter followers increased by 40 per cent to 7,000 and our Facebook pages now have a total of 15,000 fans. Hivos's digital newsletter reaches 14,500 people and 7,000 people receive Hivos Magazine four times a year.

Humanist Alliance members (of which Hivos is one) organise annual networking days for staff and supporters. Wereldbericht ('World Message'), the electronic newsletter of humanist broadcasting company HUMAN, also keeps the Dutch public informed about Hivos's work. Our partnership with the Dutch National Postcode Lottery allowed us to share our programmes' impact on daily life in developing countries with a wider audience through national TV shows, etc.

Hivos staff

Hivos's staff are our social capital, and we deliberately foster a sense of openness and active participation. As such, investing in our people is part of Hivos's policy. To further this aim, all activities relating to internal training (whether for individuals or teams) have been gathered together in the Hivos Academy. In 2013 we worked towards a follow-up programme that will include e-learning.

The Future Calling trajectory and the coming reorganisation have been important topics in staff discussions, either online or through consultations with the Executive Board in meetings and via Skype. Since the reorganisation will require applying for new positions, reorienting competencies and outplacement in some cases, we have begun to consider options for appropriate staff training.

Regular lunchtime lectures on policy and practice issues were organised, sometimes following visits from partner organisations. As information-sharing online is becoming increasingly important, a new Hivos intranet has been developed. This new system, named HiVoice, was introduced in early 2014. It aims to encourage staff throughout head, regional and local offices to collaborate and stay informed about Hivos events. This ensures that all staff remain involved with Hivos as a whole, even as our geographic spread increases.

7. HOW WE ARE ORGANISED

What does Hivos's internal structure look like, and how is Hivos managed and supervised? Hivos aims to reflect the importance of transparency and openness in its functioning and organisational setup. This can be seen in our management structure, which features checks and balances and a clear separation between supervision, management and implementation.

Hivos's management is organised according to the Supervisory Council model. In its structure we seek to balance the need for flexibility, which is so characteristic of our field, with proper accounting and effective control systems. To achieve this, the Hivos organisation has built-in internal and external checks and balances.

Governance and advisory bodies

The Supervisory Council supervises the Executive Board and Hivos's performance as an organisation. Management responsibility in the legal sense rests with the Board of Directors, as per the Foundation's Articles. The Executive Board comprises the Executive Director and the Director of Programmes and Projects.

The Executive Director represented Hivos on the Hivos Triodos Fund's Supervisory Council. The Director of Programmes and Projects served as chair of the Supervisory Board of the Triodos Sustainable Trade Fund. In 2013 he also became a board member of the *Stichting Gezamenlijke Evaluaties* (Foundation for Joint Evaluations) of NGOs that receive funding from the Dutch government's MFS-2 facility.

A council of individual advisers fulfils the societal advisory function. This council is made up of committees of experts in various fields related to Hivos's themes. New regulations on the Advisory Council's role were introduced in 2013. The advisers provide regular input on policy formulation for Hivos's main programmes. The programme heads then report this advice to the Board.

Internal organisation

Regional presence

Hivos strongly believes that it must be close to its civil society partners, beneficiaries and other stakeholders in the South. In the late 1980s we began to delegate responsibility for many of our programmes in the South to our regional offices. By now most programmes are carried out by local Hivos staff in the various regions. This effort has paid off: having a local presence makes it much easier to communicate with partners and ensures better, faster and more up-to-date information about the local context. Our staff members come from the regions in question, which enables effective communication. These factors give us the flexibility to respond to changing circumstances. In 2013 the regional offices were responsible for 67 per cent of expenditures.

In 2013 Hivos had six regional offices, located in Southern Africa, East Africa, India, Indonesia, South America, and

Central America. The India office, located in Bangalore, closed at the end of the year. As of 2014, a locally established subsidiary organisation in Mumbai will be responsible for the Hivos programme in India.

Hivos has increased its presence on the ground in recent years with new local offices at the national level. In 2013 Hivos had local offices in Ecuador, Guatemala, Nicaragua, Tanzania, Timor Leste and South Africa. Most of these national offices were set up to carry out and manage large-scale Hivos programmes, mainly financed by institutional donors. Our liaison officer in Beirut supports the development and implementation of the Hivos West Asia programmes.

Head office

The regional offices now play a greater part in managing the Hivos programmes, so our head office in The Hague mainly deals with policy development, quality control, marketing and communications, ICT, policy advocacy (through campaigns) and knowledge and learning. Programme management from the head office is limited to managing specific larger programmes, as well as cooperating with global partners and the West Asia region. This is due to the increasing emphasis by Hivos on implementing programmes on location.

Overall, decentralisation has been a success. However, there are considerable challenges involved in managing so many far-flung offices. Keeping institutional policies, internal culture and communications consistent has been a particular issue. To help with this, we have developed a new intranet that was introduced in early 2014.

Alongside the advantages of modern communications technology, the emphasis on human resources development has been crucial. Worldwide thematic meetings and the Hivos Academy have improved knowledge exchange and team-building throughout the organisation. The Hivos Academy's importance in promoting a common outlook and making collaboration easier has been widely acknowledged; these benefits will continue in the new edition, set to begin in 2014. We also continued our staff sessions on Hivos's 'theory of change'. This conceptualisation of Hivos's view of change gave common ground for our interventions worldwide and played an important role in global team building.

Thematic specialisation has also been a main feature of Hivos's organisational structure. We have increased specialisation by focusing on four programmes, managed by programme heads. The senior advisers are based at the head office and play an important role in knowledge management, programme development and networking within those programmes.

Our knowledge programmes are an important source for programme development and have resulted in five specific knowledge programmes relating to Hivos's principal themes. The knowledge team also played an important role in policy development within the Future Calling trajectory.

Bureaus and departments

The Executive Board is in charge of Hivos's day-to-day management. It works together with the Management Team, which also includes the four programme heads, the bureau of Audit and Evaluation head, and the regional office directors. The programmes are coordinated and implemented by four bureaus:

- Sustainable Economic Development;
- Democratisation, Rights, AIDS and Gender;
- Culture, ICT and Media, and;
- External

The bureau of Audit and Evaluation (TEC) is responsible for internal financial control and the structure of the financial and administrative organisation. Quality control, monitoring results and organising evaluations are also among the tasks of the bureau. In 2012, the ICT cluster and Finance cluster were integrated into TEC, which makes the bureau also responsible for the automation and financial administration. The Bureau of External Relations (BER) is responsible for external communications and fundraising. It also carries out the three advocacy campaigns in the Action for Change programme.

Hivos's financial sources have become increasingly diverse over the years. This has underlined the role of the Office for Donor Relations (ODR), which is responsible for access to institutional funds. ODR assists the bureaus and regional offices in their international fundraising efforts. The Human Resources department is responsible for all matters involving our staff.

Personnel and organisation

In 2013, Hivos had a total of 338 employees (2012: 342), of whom 135 were based at the head office in The Hague (2012: 119) and 203 worked in the regions (2012: 223). Hivos employs 14 expatriates. These numbers include all staff of large Hivos-implemented programmes. Staff members at the regional and local offices – excluding the expatriates – come from the respective regions and are employed on local terms. Expatriate positions come under the Expatriates (Legal Position) Regulations 2010.

Hivos's mission and its humanist values direct the Foundation's human resources policy. The policy is based on the following principles:

- Justice: equal treatment and equal opportunities, with room for tailor-made solutions; respect for individuals;
- Legal security: clarity on employees' rights and obligations and on requirements and opportunities within Hivos;
- Open and clear communications;
- Individual responsibility of employees (and management) for the results;
- Space for initiative and creativity.

In 2013 a Risk Assessment and Evaluation of working conditions, mandatory under Dutch law, was carried out at Head Office. Hivos did well in areas including organising emergency support, staff freedom to influence the organisation of their work, and positive work environment. Issues to be addressed are the formulation of an up-to-date policy on working conditions and absence as part of HRM; the indoor climate, which needs further improvement, and working pressure needs to be discussed.

Diversity

Hivos aims to make the most of staff potential. This means that people's specific characteristics, backgrounds and qualities need to be considered. Diversity adds value to the organisation. Diversity covers not just the most obvious differences between people, e.g. sex, age, ethnicity and physical challenges, but also less-visible features such as preferences and needs, sexual orientation, work styles and characters.

Hivos's diversity policy is based on recognising and acting upon the importance of diversity. Diversity policy is an integral component of our human resource management, and a positive institutional approach and attitude are essential. Local recruitment of regional and country office staff is a good example of this. The female to male ratio of employees in management positions is 50:50; the ratio is 44:56 at the Head Office. 33 young staff members (aged under 35) were employed at the head office in 2013, up from 28 in the preceding year.

Absence due to illness

Hivos employees are hugely involved with their work. While this is a positive thing, it can lead to overwork. Hivos therefore has an active policy towards absence due to illness: we are alert to the initial signals and offer adequate support. In 2013, absence caused by illness was 4.9 per cent, against 2.9 per cent in 2012.

Training and education

Each year Hivos allocates 2.5 per cent of our staffing costs to the development of staff skills and competencies. This is done within the framework of the Hivos Academy, the main feature of which is an internal education trajectory for programme staff. The Hivos Curriculum is now entering its second phase, and the new setup is in line with the requirements following on from the Future Calling trajectory. This includes the development of e-learning modules. Other main features of the Hivos Academy include training and courses for programme teams or individual employees which are aimed at specific skills, such as language courses. New staff follow an introductory programme on Hivos's humanist roots. The introductory programme is expected to be available digitally in 2014.

Works Council

Both Head Office and the Regional Offices have Works Councils. In 2013 the HO Works Council met nine times; in six instances the Council held meetings with Executive Board, and on one occasion it met with the Supervisory Council. The Future Calling trajectory is a major topic, along with its possible consequences for reviewing staff competencies and the number of employees needed.

The HO Works Council publishes its own annual report.

Certification and quality

The quality of the way Hivos operates is examined by three independent institutions each year. Each of these institutions has its own approach and expertise.

External auditor PriceWaterhouseCoopers (PwC) primarily judges the quality of the financial management and

reporting, but it also takes the quality of the administrative structure into account. Hivos's 2013 annual accounts were approved by PwC (see statement in the Annual Accounts chapter).

LRQA reviews Hivos's compliance with the international ISO 9001 norm. The related certificate is granted for a three-year period, with intermediary inspections at Head Office and the Regional Offices. ISO 9001 is particularly relevant to the control of process efficiency and effectiveness and the capacity to improve. The current ISO 9001 certificate runs until 31 December 2015.

The Dutch Central Bureau on Fundraising (CBF) checks that Hivos complies with the CBF certificate for charities. Apart from expenditure effectiveness, this certificate relates to management quality and transparency as well as communication quality. The Wijffels Code on good governance of Dutch charities is an integral part of the CBF certificate. The certificate also gives fundraising cost norms. It is granted for three years, with intermittent examination. Hivos's current certificate extends to 1 May 2014. The recertification process started in January 2014.

Hivos signed the code of conduct of Partos, the Dutch association of NGOs working in International Development. Hivos has also signed the international code of conduct of the International Federation of Red Cross and Red Crescent Societies (IFRC).

Security policy

Hivos is active in a number of fragile states. Working in these countries means that staff may be confronted by unsafe situations (these can of course occur in other countries too). They need to be prepared for these situations, so Hivos has developed and formulated the 'Safety matters!' security policy. This policy is based on an integral approach to all parts of the security chain: prevention, preparation, mitigation and aftercare. It is dynamic, which enables it to cope with emerging situations and new challenges. Every year a number of staff follows a practical security training in order to be prepared for risky situations in the countries where they work. In 2013 the management team was trained to act as a crisis team if necessary.

Corporate Social Responsibility

Hivos has a long-standing practice of corporate social responsibility (CSR). Its targets and internal measures were laid down in the Hivos CSR policy 2012. The policy document sets goals and Key Performance Indicators for all Hivos offices and staff. It also covers CSR issues in our interactions with partners, donors, suppliers and private companies.

The ambitions in the policy note form the basis for a number of concrete measures in the following years. We compensate for the carbon footprint of all Hivos offices through the Hivos biogas programme. However, mere compensation is not enough. Our goal is to reduce the total amount of pollution as well. To reduce greenhouse gases, we have set a target of reducing our number of flights by 10 per cent. To serve as a baseline for this goal, a detailed inventory of air travel per organisational unit was made. In 2013 we did not meet the

target. Due to the growing number of programmes at distant locations, more programmes directly managed by Hivos and the start of the internal reorganisation, the number of flights saw an increase of 4.1 per cent. In order to counter this trend, the Executive Board introduced a number of mitigating measures. Duty trips are now planned more economically, a video conferencing system has been purchased (it will be fully operational in 2014) and for duty trips within Europe, travel by rail is strongly recommended.

Continuing earlier CSR measures, organic and fair trade products are used as much as possible for staff lunches at the offices. We purchase fair and green coffee and tea, and we use paper coffee cups which are reused and then recycled. Waste paper, batteries and printer cartridges are all sent for recycling. Certified paper with an eco label is used for copying and printing. Offices are cleaned with organically degradable products. Where possible we have installed energy-efficient lighting, including very economical LED lamps, and motion sensors. The Hivos Head Office uses green electricity and gas, and the Regional Office in Zimbabwe uses partially solar energy.

Details on the Key Performance Indicators, the carbon footprint and CSR performance per office, and planned actions for 2014 can be found in the Hivos CSR Report 2013.

8. FUNDRAISING

Hivos's main funder is the Dutch ministry of Foreign Affairs. In 2013 we received €50.2 million within the framework of the MFS/2 subsidy arrangement. Hivos's policy over the last decade has been to broaden the financial basis for our work. We have chosen not to invest heavily in getting donations from individuals in the Netherlands, as this 'market' is already overcrowded with similar fundraising efforts. Instead, we focus on approaching the larger international funders. This has been a fruitful approach. In 2013 our total income, aside from the Dutch government's contribution amounted to 62 per cent of total revenue. This result is primarily due to successful cooperation with bilateral agencies, philanthropic foundations, the European Union, and other international donors. In many cases we have jointly developed programmes with these parties. Our own fundraising in the Netherlands was at €1.2 million in 2013.

Benefits from own fundraising

Corporate sector

Cooperation with the corporate sector can be enormously useful for our work towards eradicating poverty in the global South or addressing the management of global public goods. Innovative forms of public private partnership make a large contribution to sustainable development. The effect is even greater when partnerships between companies and civil society organisations are of business interest as well. Hivos's partnership with Triodos Bank (based in Zeist, the Netherlands) has been very successful since 1994. In recent years Hivos has aimed to involve more companies in carrying out its work. These companies are often willing to take part in development work within the framework of their Corporate Social Responsibility policies, but increasingly want to do so as part of their core business. For example, there is an obvious business interest in securing the supply of high-quality tropical agricultural products like coffee and cocoa. This may then lead to more sustainable local environmental and income conditions. The corporate sector may also offer products and services which benefit Hivos's programmes.

The Hivos Climate Fund offers companies, civil society organisations, government institutions and individuals the opportunity to compensate for their greenhouse gas emissions. Their contributions help to provide sustainable energy in developing countries. The Hivos Climate Fund was established in 2007 and since then more than a hundred companies have subscribed to this compensation scheme. The carbon credit sales are managed by the Climate Neutral Group (CNG) on Hivos's behalf. CNG also trades part of its carbon credits through its consumer brand Green Seat, compensating for the air travel of 20,000 people annually. Companies in the Netherlands once again contributed to the Sumba Iconic Island Initiative, which aims to provide the inhabitants of this Indonesian island with 100 per cent renewable energy within ten years. Dutch travel organisation Sawadee again made it possible for customers to compensate for their flights' CO₂ emissions by contributing to the Sumba

initiative. €9,640 was collected in 2013, and Dutch Rock band BLØF contributed €5,000. Energy company Greenchoice also supported the programme by making a contribution and asking its customers to do the same.

Individuals

Hivos has a small but dedicated group of individual supporters in the Netherlands. In general, individual contributors appear to be more and more interested in supporting specific activities and campaigns, such as the Hivos LGBT rights programme. These contributors are primarily found among humanists and others who place great importance on self-determination, emancipation and sustainability. These may also be groups that organise fundraising activities. By using various forms of fundraising and actively approaching previous donors, we saw a slight growth of the number of contributions from individuals. 7,955 people contributed to Hivos in 2013, which means that our basis of individual contributors has remained stable. In two cases, we used direct mail to raise additional funding to create a child labour free zone in Harare and to support women's rights in the East African cut-flower industry (Women@Work programme). At gay rights events, we found more contributors for the LGBT programme by using direct dialogue teams.

The activities of Hivos and its partner organisations continued to appeal to a section of Dutch society. This is clear from the initiatives run by volunteers and the staff of companies and organisations who once again raised money for various projects in 2013. We are very grateful to all of them for their efforts.

For many years now, a group of volunteers from Barneveld sold second-hand books to support Hivos. In 2013, they raised a record €8,160 for the Stop Child Labour campaign. Hivos is also a long-standing beneficiary of Eindhoven's Stichting Samen Verder. With Stichting Op Eigen Wieken we maintain a four-year fundraising collaboration in aid of the Hivos biogas programme in Indonesia. Their annual contribution of €60,000 helps us to engage significantly more households into the programme.

Income from individuals to benefit Hivos projects amounted to €1.2 million in 2013 (2012: €1.2 million). The cost of fundraising activities in the Netherlands was at 22.3 per cent (20.4 per cent in 2012), well below the 25 per cent norm set by the Dutch Central Bureau on Fundraising (CBF). Hivos has adopted the CBF code of conduct and follows the code in its fundraising efforts aimed at individuals.

Hivos's complaints regulation allows individual contributors to report complaints regarding fundraising. In 2013, 19 complaints were reported. Nine of these related to fundraising issues, eight involved issues on our public campaigns, and two were on questions of administrative handling of contributions.

Apart from donations, Dutch citizens also make funds available for development efforts in the global South. Triodos Bank's North-South Savings Scheme, which provides credit to microfinance institutions in developing countries, is one such option. The number of savers rose from 8,842 in 2012 to 9,136 in 2013, with the total savings rising to €112.4 million against €102.7 million in 2012.

In all, some 17,000 people contributed to realising Hivos's objectives in various ways.

Benefits from third parties' actions

Actions by third parties provide an important share of the funding that Hivos receives from private sources. In 2013 this resulted in a total of €1.35 million. Since 2007 Hivos has been a beneficiary of the Dutch National Postcode Lottery. In 2013 we submitted a project proposal – Telephone Tree, shelter me - to help Indonesian domestic workers in Arab Gulf countries, who are often exploited and abused. At the beginning of 2014, NPL rewarded the proposal with a grant for €1.5 million.

We are very grateful for this donation and wish to thank all participants of the National Postcode Lottery who made this possible.

National Postcode Lottery

Major Dutch government budget cuts have highlighted the importance of private fundraising organisations such as the National Postcode Lottery. The charity lottery is a proven way for charities to raise funds over a number of years. The charities can then decide how best to allocate the funds. The Postcode Lottery and its affiliates comprise the Netherlands' largest fundraising agency (and 25 per cent of all individual contributions). It raises more than €400 million annually, or over €1 million a day. 3.5 million Dutch households participate in the NPL each month, and half of the funds go towards charities aiming at a just and green world, promoting culture and cultural heritage, and improving health and welfare. The present government intends to alter its policies on games of chance. We hope that there will still be room for the National Postcode Lottery to continue its successful fundraising. Without NPL, some of our initiatives would remain unrealised.

A special mention goes to STOP AIDS NOW! (SAN!), a Dutch initiative founded by Hivos together with Aids Fonds, Cordaid, ICCO and Oxfam Novib. In 2013 Hivos received €0.5 million from SAN! to benefit its partner organisations working on combatting AIDS.

Institutional funds

In the last few years Hivos has strengthened its relationships with a number of international private funding organisations. This has resulted in several large-scale programmes that were continued in 2013. Important funders cum implementing partners are the William and Flora Hewlett Foundation, the Omidyar Network, the Open Society Foundations, and the Ford Foundation (figures on amounts involved are included in the table 'Fundraising from Private Sources'). We also

collaborate extensively with the Global Fund to Fight Aids, Tuberculosis and Malaria. In a number of countries Hivos acts as Principal Recipient and fund manager of funds from the Global Fund.

In 2013 Hivos managed Global Fund programmes in Bolivia, Guatemala, and four countries in South-East Asia. The programmes aim to reduce the vulnerability of most-at-risk populations, in particular sexual minorities, and the impact that HIV and AIDS has on them. The regional programme in Southeast Asia went into its second phase, for which the Global Fund allocated an additional amount of more than US \$6 million for a three-year period. The Bolivia programme was also awarded funding for a second phase, involving US \$14 million until 2015. The Global Fund granted almost US \$4 million to extend the first phase of the Guatemala programme.

Fundraising from private sources

Means donated (in 1,000 euros)

	2013	2012	2011
Individuals (incl. legacies)	980	1,241	925
Businesses and organisations	278	557	591
Total own fundraising	1,258	1,799	1,516

Doen Foundation	145	447	359
Stop Aids Now!	500	569	795
National Postcode Lottery	1,350	4,090	1,328
Ford Foundation	842	641	519
Omidyar Network	1,008	545	985
American Jewish World Service	377	1,811	208
Human Rights Watch	329	863	
Hewlett Foundation	744	5,782	
Children's Investment Fund Foundation	2,799		
Unitarian Universalist Holdeen Indian Progr.	277		
Other	215	370	1,672
Total third-party donations	8,586	15,118	5,866

Total of means donated	9,844	16,917	7,382
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Savings by individuals (in 1,000 euros)

Noord-Zuid Savings accounts Triodos Bank			
Total savings	112,438	102,691	93,179

Government subsidies

As part of the MFS-2 subsidy arrangement Hivos received €50.2 million in 2013 from its principal funder, the Dutch government. For years Hivos has also received funds from other government and public institutions. In 2013 we received a total of €75 million from these sources.

The European Union remained an important source. The EU granted two projects in 2013, including a major programme for strengthening civil society in Iraq.

- Bilateral agencies accounted for the biggest growth, amounting to 74 per cent of non-MFS income. In 2013, Hivos received €5 million from SIDA (Sweden) for the Expression and Engagement programme in East Africa.

SIDA also granted more than €1 million to the Digital Defenders Partnership (DDP) to secure the freedom of digital activists in repressive states (see the section in this Annual Report on the Expression and Engagement programme). The US, UK, Estonian, Latvian and Czech governments contributed to DDP too. The Dutch Ministry of Foreign Affairs funded a second phase of the African Biogas Partnership Programme, involving €20 million (for details on the programme, see the section on the overarching Green Entrepreneurship programme).

- For Making All Voices Count a donor consortium with the UK government agency for development DFID as lead made an amount of GBP 26.4 million (equivalent to € 31.6 million at December 31, 2013) available. The Swedish SIDA provides more than € 11 million, the largest contribution, followed by USAID and DFID. In addition, the private funds Open Society Foundations and the Omidyar Network make with respectively at least € 1.5 million and € 3.5 million large sums available.
- The Tanzania Media Fund is managed by Hivos in cooperation with DFID, SIDA, DANIDA (Denmark) and the Swiss SDC. The fund for promoting women's rights in Nicaragua receives funding from the governments of Sweden, Norway, Denmark and Austria, as well as from the Netherlands Embassy. Hivos is regularly asked to implement programmes by embassies of the Netherlands and other European Union countries, and increasingly by non-EU states as well.

9. HIVOS SUPERVISORY COUNCIL

Continuing the process that started in 2011, Hivos has made significant steps in reinventing itself. A vision document on strategy and organisational setup was developed, as well as the first version of a road map guiding its implementation and transition. The organisation had a change of leadership during the year due to Manuela Monteiro's retirement (which had been announced the year before) and the appointment of Edwin Huizing as Executive Director of Hivos. The Supervisory Council can look back at a long, fruitful and very pleasant period of co-operation with Manuela as chair of the Executive Board. Her farewell symposium 'Development as Innovation' offered precious insights into social innovation. Attended by the Minister for Foreign Trade and Development Co-operation, Lilianne Ploumen, and many colleagues from the sector and other areas, the meeting reflected on the future of international aid and ways to enhance social change in the world.

The Supervisory Council was pleased to see continued dynamics in Hivos's development of new programmes capable of engendering interest from funders. This competency is one of Hivos's main assets and will remain so in the years to come.

During 2013, the Supervisory Council formally convened six times. The meetings were attended by the Executive Board and occasionally, depending on the topic, by senior managers from the organisation. There were also frequent informal meetings and exchanges among Council members and with members of the Executive Board. The Council met with Hivos's head office works council in April and December.

The Supervisory Council's activities during the year were primarily involved with the execution of its supervisory role. In addition, the Supervisory Council served as a sounding board for the Executive Board. In its capacity as the Board members' employer, the Council evaluated the individual members and the functioning of the Board in its entirety.

As expected, the Council devoted much attention to the abovementioned new strategy (which has the working title "Future Calling") and its organisational consequences. In October, the Council endorsed the main lines of the strategic plan and provided comments for adjustments before giving its final approval.

Risk management is one of the main topics of interest for the Supervisory Council. Within this context, it received an update Hivos's risk policy from the Board. This update was also discussed with the external auditor. The "Future Calling" plan included a risk analysis. The Supervisory Council considers the main risks for Hivos to be the consequences of the termination of the Dutch government's MFS subsidy programme, which will take place on 31 December 2015. Specific issues include the size of the financial reserves (which are considered low given the challenges lying ahead),

in particular the reorganisation and potential claims from donors, as well as a strong dependency on the fundraising market, which, if not managed well, may threaten Hivos's identity.

The main themes discussed in the meetings with the works council included the new strategic direction, the related reorganisation, and its consequences for Hivos's employees.

Following clarification of the findings by the external auditor, the Supervisory Council approved the annual accounts for 2013 and discussed the annual plan for 2014. The Supervisory Council released the members of the Executive Board from liability for their executive duties over 2013.

In April 2013, the Supervisory Council convened in its new composition (with three international members) for the first time. It will evaluate its own functioning in this new composition after one year (in June 2014) as part of its annual self-assessment.

In 2013 the Supervisory Council adopted the updated version of the regulations regarding the Council of Advisors. The Supervisory Council confirmed the appointment of Ms E. Aubel-Bezemer as a new member of the supervisory council of the Hivos-Triodos Fund.

During the year the Council meetings were attended by a trainee from the Dutch government services. This was undertaken as part of a training program to prepare high-ranking civil servants for supervisory functions. The Council took advantage of the opportunity to receive feedback from the trainee with respect to its own functioning.

Composition

The Supervisory Council consists of nine members. In accordance with the established profile, the members come from diverse backgrounds in order to provide the Council with the range of expertise, experience and diversity necessary to fulfil its duties. They cover the broader Hivos constituency, civil society in the regions where Hivos is active, and relevant sectors and areas such as finance, academia, business and sustainable development. One of the Council members is appointed upon nomination by the works council and maintains regular contact with it. The function of secretary to the Council is performed by Diana Buutveld-Buth.

2013 was the first full year of the Council's functioning in its new composition with members from the regions where Hivos is active. This internationalisation was in line with the aim of the 2011-2015 business plan to strengthen the links with civil societies in the global South.

In October 2013, Jaap de Jong resigned as member of the Supervisory Council after nearly thirteen years of service. The Council expresses its gratitude for his efforts and for the role Jaap has played over the years, as well as his work as a

liaison with the works council. The latter role will now be performed by Anja van Gorsel, who joined the Supervisory Council in October 2013 upon nomination by the works council. She also acts as vice-chair of the Supervisory Council.

Supervisory Council members are appointed in their capacity as individuals, not as representatives of other entities. Due to the internationalisation, regulations covering the attendance fee and other expenses were changed in 2013. To make optimal use of the presence of the international members, the meetings have been rescheduled from evening to full day meetings. The remuneration has therefore been increased to €237 per half day for all members. The travel and

accommodation expenses of the international members are fully reimbursed. The total expenses for the Supervisory Council came to €28,600, compared to €11,368 in 2012 when the Supervisory Council members were all Dutch. In accordance with the guidelines of the Dutch Central Bureau on Fundraising (CBF) and the Dutch Good Governance Code for Charities and Cultural Organisations ("Code Wijffels"), we have established that during 2013 none of the individual Council members held primary or additional occupations that could have given rise to conflicts of interest with their supervisory role with regard to Hivos.

The overview below reflects the Council's composition and scheme of resignation as of 31 December 2013.

Accession or reappointment in	Name (terms of membership)	Resignation, resp. reappointment in	Functions
2012	Mr J.E.C. de Groot LL.M. chair (1 st term) Member, Remuneration Committee	2016	Managing Director & General Counsel, TNT Express N.V.; chair supervisory council, Wetlands International; board member, Hermitage Amsterdam; board member, Salzburg Global Seminar; advisory board member, Staatsbosbeheer; ambassador, Platform Biodiversity Ecosystems & Economy, VNO-NCW/IUCN.
2013	Ms A. van Gorsel M.A. vice chair (1 st term) Chair, Remuneration Committee	2017	Chair, Albeda College; vice chair, board Rotterdam Offensief; board member, Maintenance Education Consortium; chair of board, VKBBO; board member, Skills Nederland
2010	Mr Prof. M. Baud (2 nd term)	2014	Director, Centre for Latin American Research and Documentation (CEDLA, Amsterdam); Professor, University of Amsterdam; co-chair, South-South programme for Research on the History of Development (Sephis)
2013	Ms A. Facio (1 st term)	2017	International consultant on Women's Human Rights, Costa Rica
2011	Mr M. Karman (1 st term) Chair, Audit Committee	2015	Public accountant; partner, Dubois & Co. Registeraccountants; member, Supervisory Council Hivos Triodos Fund; member, Supervisory Council Stichting Het Juridisch Loket; Supervisory board member, Rabobank Groene Hart Noord; board member, Streekmuziekschool Alphen aan den Rijn.
2010	Mr A.P. Mesker M.A. (1 st term) Member, Audit Committee	2014	Senior advisor VNO-NCW – MKB Nederland; Chair, Transport Committee Business Europe.
2013	Mr T. Ncube (1 st term)	2017	Executive Chairman Alpha Media Holdings (Zimbabwe); Executive Deputy Chairman of M&G Media Pvt. Ltd. (South Africa)
2010	Mr Dr J. van de Ven (1 st term)	2014	Director, Bosal Emission Control Systems; member, Group Council Bosal International; chair, Management Council Aremis S.A.; partner, investment association Oraxys S.A.; member, Advisory Council Molecular Sciences, R.U. Nijmegen.
2013	Mr V. Vivekanandan (1 st term)	2017	Secretary, Fisheries Management Resource Centre (fishMARC), India

Supervisory role

The Supervisory Council has installed two committees, an audit committee and a remuneration committee, to help prepare it for its decision-making responsibility and to provide advisory input. The audit committee advises on financial policy, planning and reporting and the execution of the finance function. The remuneration committee advises the Council on human resources management, in particular the remuneration policy for the Executive Board members, and executes the duties of employer with reference to the Executive Board members. Each committee reports its findings and conclusions to the entire Council on a regular basis.

The audit committee comprises two members and is chaired by Marcel Karman. August Mesker was appointed member of the audit committee in February 2013.

In 2013, the audit committee discussed the annual accounts with the Executive Director and the controller. It also consulted the external auditor on the findings for control, and on the processing of the programme management fee. The audit committee also consulted the Executive Director and controller about the principles of budgeting for 2014, in preparation for discussing the 2014 budget in the Supervisory Council meetings of October 2013 and December 2013.

The remuneration committee currently consists of Anja van Gorsel (from October 2013, succeeding Jaap de Jong) as chair and Jan Ernst de Groot as member. The committee performed the evaluation of the functioning of the Board in its entirety as well as that of its individual members. The committee advised the Council on the remuneration of the Executive Board members.

In accordance with Hivos's legal framework, the Supervisory Council delegated the recruitment of the Executive Director to a selection committee composed of members of the Council and the Executive Board. The selection committee retained a reputable executive search bureau and formally consulted an ad-hoc committee comprising members of the internal management team and works council. In April the Supervisory Council appointed Edwin Huizing as Executive Director, effective 1 September 2013, succeeding Manuela Monteiro who retired on 30 June 2013. The Supervisory Council is grateful to Ben Witjes for his temporary performance of the executive duties in the interim period.

On behalf of the Supervisory Council, I would like to thank the Executive Board and all of Hivos's other employees for their continued hard work towards Hivos's objective of a free, fair and sustainable world, in spite of the uncertainties inherent in the current process of strategic change and organisational transformation.

The Hague, April 2014

For the Supervisory Council,
Jan Ernst de Groot, chair

ANNEX 1 GOVERNANCE

This annex provides an overview of the governing bodies of the Hivos Foundation as per 31 December, 2013, mentioning the members' professional affiliations and expertise.

Supervisory Council

An overview of the Supervisory Council members, their functions within the council and relevant professional affiliations are provided in Chapter 9 of the Annual Report.

Board, statutory management

Mr. E. Huizing (chair) Executive Director

Mr. B. Witjes Director Programmes and Projects

Supervisory Council Hivos Triodos Fund

Ms. E. Aubel-Bezemer Business Manager Product & Portfolio Management, BNG Bank

Ms. N.C.C. van den Berg (chair) Publicist / columnist

Mr. J. de Groot Executive Director, UTZ Certified

Mr. E. Huizing Executive Director Hivos

Mr. M. Karman Public accountant, Dubois & Co. Register accountants

Mr. Drs. P. Valks Member supervisory council, Open Universiteit

Board of Advisers

The Board of Advisers is chaired on the basis of a rotation system.

Sustainable economic development

Ms. Hedwig Siewertsen Managing Director DOB Equity

Mr. Volkert Engelsman CEO Eosta, Nature & More

Ms. Gemma Crijns Consultant / adviser (human rights, sustainable development); member of various boards and advisory councils

Gender, women and development

Ms. Edith van Walsum Director ILEIA – Centre for Learning on Sustainable Agriculture

Human rights and democratisation

Mr. Maurits Berger Professor of Islam in the Contemporary West, Leiden University

Mr. Boris Dittrich Advocacy Director LGBT program, Human Rights Watch (Berlin)

HIV/AIDS

Mr. Russell Kerkhoven Formerly Senior Programme Officer IRC, International Centre on Water, Sanitation and Hygiene; Consultant / social entrepreneur Blue Leaf.

Mr. Paul Janssen Consultant HIV/AIDS & international public health management

Ms. Anita Hardon Professor of Health and Social Care, University of Amsterdam

ICT and media

Ms. Valerie Frissen Principal Scientist, TNO / Professor ICT & Social Change, Erasmus University Rotterdam

Ms. Sarah Cummings Knowledge Ecologist and Editor-in-Chief, Knowledge Management for Development Journal

Mr. Erwin Blom Co-founder media enterprise Fast Moving Targets

Arts and culture

Mr. Chris Keulemans Writer, journalist, artistic director Tolhuistuin (centre for the arts and catering industry, Amsterdam)

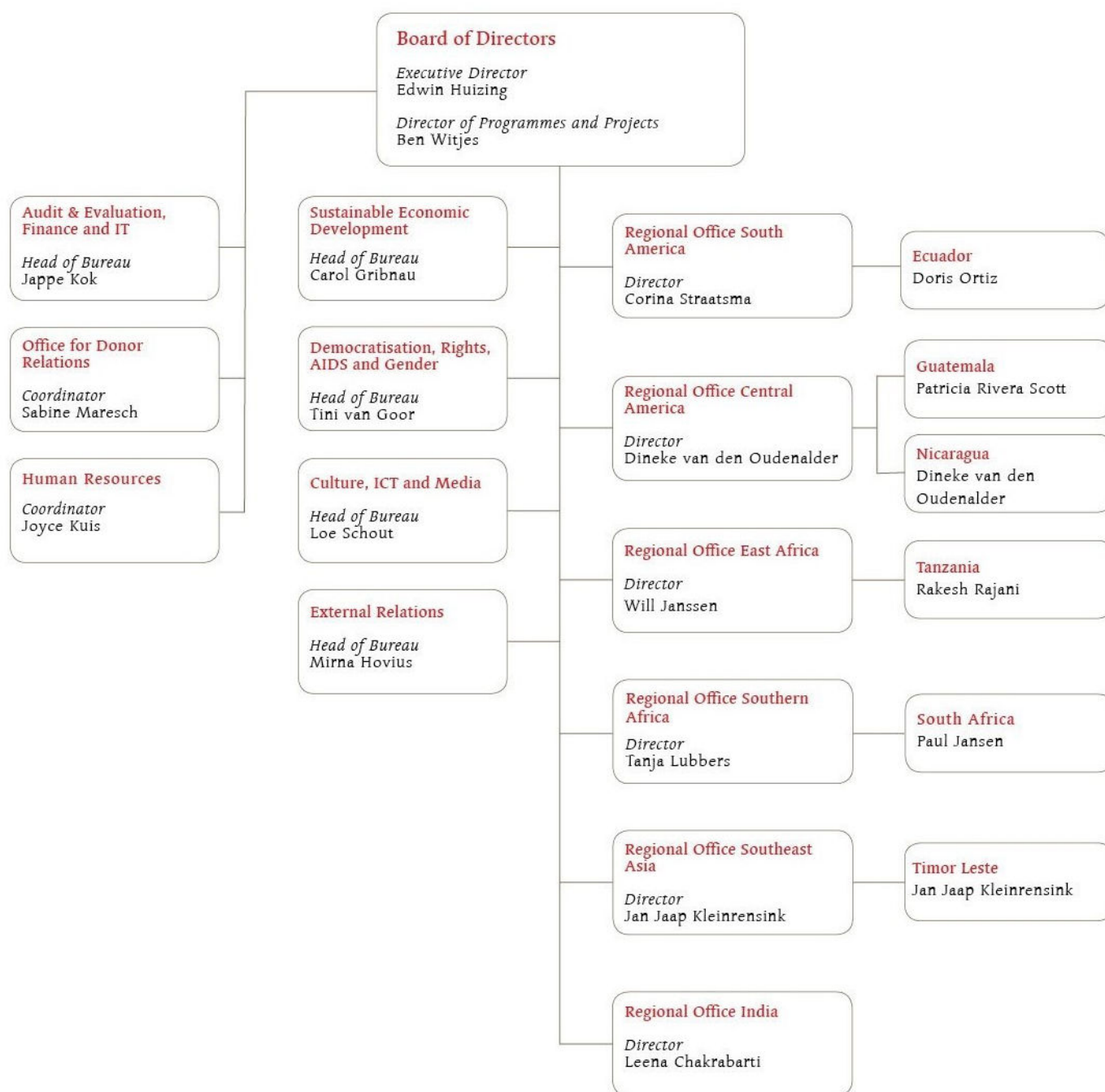
Communication and lobby

Mr. Bart Westra Board member, Wereldwinkel Abal Amsterdam

Ms. Inge de Zaaijer Senior managing consultant, Berenschot BV

Mr. Gé Key Director/partner, Animal Farm Amsterdam

ANNEX 2 ORGANISATIONAL CHART



ANNEX 3 EXPENDITURES PER COUNTRY 2013 AMOUNTS IN EUROS

Country	Total
Africa	
Africa wide *	3,289,919
Ghana	84,909
Kenya	6,587,585
Malawi	1,204,182
Regional East-Africa *	8,543,342
Regional Southern Africa *	1,734,438
South Africa	1,039,938
Tanzania	2,871,047
Uganda	2,812,294
Zambia	1,135,683
Zimbabwe	9,811,782
Total	39,115,120
Asia	
Cambodia	495,383
India	1,899,533
Indonesia	7,347,590
Iran	2,621,221
Iraq	888,169
Kyrgyzstan	35,000
Philippines	176,517
Regional: Asia wide *	1,991,568
Regional: MENA *	1,614,730
Syria	829,196
Timor Leste	448,027
Total	18,310,934
Latin America	
Bolivia	8,875,166
Brazil	50,000
Cuba	1,194,959
Ecuador	1,035,986
El Salvador	2,711
Guatemala	6,165,335
Honduras	1,068,855
Nicaragua	3,603,093
Peru	527,932
Regional: South America *	1,291,070
Regionaal: Central America *	3,846,149
Total	27,661,255
Worldwide *	14,073,760
The Netherlands	1,304,699
Hivos total	100,465,768

* Including HTF expenditures

