

NEAR EAST FOUNDATION

Annual Report 2012

NEF 2012 Annual Report

Sustaining Development in Challenging Times: Celebrating Good News from the Middle East and Africa



One hundred field staff members—all of whom are from the regions in which they serve—are the primary source of innovation and effectiveness in NEF’s work.

For nearly 100 years, NEF has worked to create more sustainable, prosperous, and inclusive communities through education, governance, and economic development initiatives. Since NEF’s founding in 1915, we have transformed tens of millions of lives in nearly 40 countries throughout the Middle East and Africa.

The Near East Foundation’s core mission is to provide people with the resources and skills they need to build the lives they envision for themselves and their families. Achieving this in unstable places, in uncertain times, is a hallmark of NEF’s 98 years of service in pioneering international development. In 2012, we continued this distinguished legacy of service by helping thousands of people reduce poverty, achieve food security, and build skills for collective action.

NEF currently provides development assistance in seven countries: Armenia, Jordan, Egypt, Mali, Morocco, the Palestinian Territories, and Sudan. We focus on a limited portfolio of countries at any given time in order to leverage our resources and maximize our impact—creating sustainable, systemic change where we work. And we actively monitor opportunities to strategically expand into additional areas of need, such as Lebanon and Syria, in consultation with our extensive network of local, regional, and international partners.

A Message from the Board Chair

Like you, we at the Near East Foundation watch eagerly as history continues to unfold in the Middle East and North Africa. Some of us are connected to the region through multiple generations of family, while others have lived and worked there personally.

Regardless of our affiliation or nationality, we all care deeply about being part of the solution in a region struggling to build a new identity, in urgent need of leadership from the international community. And in 2012, with your support, NEF once again rose to the occasion to help meet the region's rapidly growing and changing needs.

Through our peace-building program, NEF created momentum for reconciliation and cooperation—even in areas of entrenched conflict like the West Bank. By helping small farmers adapt their practices and develop new water resources, we contributed to food security despite a changing climate in Morocco and Mali. Through initiatives to empower women and youth, we helped them improve their livelihoods in Egypt and the Palestinian Territories. And by supporting entrepreneurs in Armenia, and throughout the region, with training and microcredit loans, we helped create desperately needed jobs and income.

None of this critical work would be possible without your support.

NEF has endured for nearly a century because of faithful friends like you, as well as our commitment to innovation that leads to results. Ultimately, our work is and always will be about helping people in need. And although the region has experienced many challenging times, there is an overwhelming feeling that our work has never been as important as it is today.

It will take all of us working together to address the needs that must be met to ensure our global welfare and security.

On behalf of the Board of Directors and the entire team at NEF, I thank you for being part of our efforts at this historic moment. You can be sure we are doing our best to help build a more sustainable and inclusive region for today and for future generations.

Sincerely,



Shant Mardirossian
Board Chair



NEF Board Chair, Shant Mardirossian, visits an irrigation system rehabilitated with NEF support in eastern Morocco.

A Message from the President

If I could share only one message with you through this report, it would be this: *Despite the tidal wave of bad news emerging from the region, significant, positive change is happening at many levels and in many places throughout the Middle East and North Africa.*

People still have tremendous hope, and they are working extraordinarily hard to rebuild their lives. I have witnessed this firsthand during my visits to some of the hundreds of communities NEF partnered with during 2012 to deliver real solutions and real results—families starting new businesses or increasing agricultural production to lift themselves out of poverty; communities building relationships across ethnic divides to improve stability and prosperity of their livelihoods; women finding ways to break through social barriers that have limited their income opportunities; and training young people to work together to express their needs and aspirations to their communities and leaders in a struggling economy.

In this report, I hope it becomes clear how NEF overcame regional instability to effectively reduce poverty and promote reconciliation for tens of thousands of people. To accomplish this, our field teams navigated (among other things) drought across the region, a political coup in Mali, civil unrest in Egypt, and continued or escalating violence in Sudan.

Notably, in 2012, NEF launched two new groundbreaking initiatives. In the West Bank, we began a multi-year effort to promote economic cooperation between Palestinians and Israelis. Through person-to-person diplomacy, hundreds of volunteers from the olive oil industry forged cross-border relationships that benefit both sides. After only the first year, their example is providing policymakers with a roadmap for the path forward in the area. And in another landmark expansion, NEF entered Darfur—one of only a handful of NGOs with permission to work there—where we're trying a new approach to promote lasting peace by building collaboration around the natural resources that are at the root of many local conflicts.

These are just a few of the ways NEF is transforming lives in some of the most impoverished and vulnerable places in the region. In the pages that follow you'll meet some of these people and see how we are making a difference in their lives every day.

The communities we serve thank you wholeheartedly—as do I—for your commitment to NEF and to building a safer, more prosperous world for us all. We look forward to working with you in the year ahead to create more positive change where it's needed most.

Sincerely,



Charles Benjamin, Ph.D.
President



NEF President, Charlie Benjamin, at the launch of the olive harvest in the West Bank

2012 HIGHLIGHTS – IMPACT BY THE NUMBERS

RECONCILIATION THROUGH ECONOMIC DEVELOPMENT

- More than **300 Palestinians and Israelis** participated in cross-border trainings and events focused on building cooperation through mutual economic benefit in the olive oil sector.
- In South Kordofan, North Kordofan, and Khartoum, **1,200 Sudanese ex-combatants** received training and support to start small businesses and reintegrate into their communities.
- In Central Darfur, **388 community leaders** received training in collaborative resource management and conflict resolution to advance a sustainable peace in the region.

AGRICULTURE/NATURAL RESOURCE MANAGEMENT

- In 22 Moroccan villages, **9,022 farmers** received training in improved irrigation and efficient water management and support to implement 21 micro projects, resulting in increases in income between **17 percent and 23 percent**.
- In the Palestinian Territories, **60 farmer field schools** were established, **increasing olive productivity by 280 percent** and **profits by 180 percent** through the introduction improved techniques.
- In northern Mali, **520 households** produced **650 tons of rice** on **260 hectares of new agricultural land** irrigated with “harvested” rainwater; **429 women increased their income** by an average of **55%** through new market gardens
- In occupied northern Mali, **11,452 farmers** received emergency assistance to grow food and stave off the threat of famine.
- In Sudan’s South Kordofan State, **300 farmers** were provided with emergency assistance to plant and harvest crops on more than **1,500 acres** to ensure food security in the wake of increased conflict in the region in June 2011.
- In Sudan’s North Kordofan State, gum production and income among 400 NEF-supported gum Arabic producers **increased by 20 percent**.

MICROENTERPRISE DEVELOPMENT

- In Palestine, 10 women’s associations established **57 school canteens**, creating **168 jobs** and generating **\$130,000 in revenue** in their first year.
- In rural Armenia, 18 IT micro franchises generated **\$600 per month** in profit and created two permanent jobs each—significant figures for the region.
- In low-income communities in Azizeya and El Miniya, Upper Egypt, **115 new jobs** were created through small and microenterprises.

CIVIC ENGAGEMENT AND PARTICIPATION

- In Morocco, **990 youth and local officials** learned skills to increase youth engagement in local governance, and **10 youth councils** were created to serve as a vehicle for dialogue between youth and their local government.
- In four Egyptian governorates, **580 NEF-trained peer educators** mobilized **2,400 at-risk urban youth** to help combat sexual abuse and exploitation.
- In Sudan’s South Kordofan State, **2,000 ex-combatants** received training in principles of civil society, civic engagement, and community reintegration.

2012: SUSTAINING DEVELOPMENT IN CHALLENGING TIMES

In 2012, NEF contributed to peace, security, and economic growth during a year when the Middle East and North Africa continued to undergo major transitions. The results of NEF's work in the region were real and immediate, with the creation of new jobs and businesses, increased income, and greater food security through increased production. The impacts of NEF's work are also long-term. Partner communities have gained new skills, improved governance systems and grassroots collaboration, and grown their economies.

The way NEF works sets us apart in the field. Because NEF has been a trusted agent of change in the region for nearly a century, we have a network of enduring partnerships that allow us to operate where few other organizations can gain access—war-torn communities of South Kordofan and Central Darfur, conflict-weary communities in northern West Bank, and jihadist-occupied areas of northern Mali. We collaborate with communities to develop creative solutions that help them overcome the complex challenges they are facing.

We addressed the most pressing challenges in the region through four priority program areas:

- Peace building through economic cooperation and development;
- Youth civic engagement and participatory democracy;
- Microenterprise development and economic empowerment; and
- Sustainable agriculture, natural resource management and climate change adaptation.



PEACE BUILDING THROUGH ECONOMIC COOPERATION AND DEVELOPMENT

Conflict is a backdrop to daily life in many of the communities where NEF works. While conflict expresses itself in many ways—warfare, competition over natural resources, occupation—poverty is often a significant underlying cause and almost always a consequence. We create new pathways for peace and show policymakers how it is possible to move forward in areas of entrenched conflict.

In 2012, NEF continued to implement highly effective initiatives to reduce poverty and promote sustainable economic development in conflict and post-conflict areas. Our approach focuses on core livelihood issues in a given area and help beneficiaries find mutual interests and benefit through economic cooperation. By focusing on livelihood issues, NEF frames conflict mitigation and reconciliation into practical and immediate concerns for average citizens. This takes different forms depending on the causes and consequences of conflict: economic sector development, economic reintegration and inclusion, and collaborative Natural Resource Management.

Olive Oil Without Borders: Cross-border Economic Cooperation

With funding from the U.S. Agency for International Development (USAID), NEF launched the landmark “Olive Oil Without Borders” project in the West Bank and Israel to create opportunities for Palestinians and Israelis to work together across the border in the olive oil sector, which is vital to both economies. NEF helps build cross-border networks and relationships to share technologies, create economic opportunities, and promote cooperation among olive farmers, mill operators, oil distributors, and policy makers.

In its first year, the project had a significant impact at the regional level, with more than 300 Palestinian and Israelis voluntarily participating in training workshops and roundtables.



NEF and its partners facilitated the creation of the first ever joint policy commission between the Palestinian and Israeli Olive Oil Councils. Under the guidance of NEF and PCARD olive specialists, the commission negotiated a trade agreement allowing olive oil to cross the border for the first time in more than 10 years. In the first two months, 500 tons of olive oil crossed from the West Bank to Israel, with a total value of \$2.5 million to NEF's partner farmers.

In a cross-border exchange promoted by NEF, Ayala Noy (at right)—an Israeli olive oil producer and project participant—invited Palestinian producers to her home in Nazareth. She led a tour of her mill to demonstrate first-hand how simple, low-cost upgrades have dramatically improved her olive oil, and to share this knowledge with Palestinian counterparts. The mill exchange is just one example of how NEF is helping close technology gaps by providing opportunities for people from both sides to gather to share knowledge. The aim is to build mutually beneficial relationships through economic cooperation.



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Through the Olive Oil Without Borders project, participating mill operators are receiving financial and technical support to make similar upgrades that will increase the quality and quantity of their oil production. These upgrades include the introduction of cold pressing techniques, improved hygiene standards, quality testing, storage in nitrogen-sealed stainless steel containers, and organic certification.

In the short term, NEF efforts like these will result in an increase in income for olive oil producers, greater market access for olive farmers, and more opportunities for cross-border business initiatives.

Reconciliation through Collaborative Natural Resource Management

In the small village of Radom in Darfur, damage to the local forest and farms caused by nomadic camels resulted in an ongoing conflict between camel herders, village farmers, and the village committee that governs the forests.

As the conflict was about to escalate and become physical, village leader Omda Mahmoud (following page) was able to prevent fighting by using mediation skills he learned in conflict management training from NEF in 2012. He called for a reconciliation meeting with the full range of local parties who have a vested interest in the land and in keeping peace. He successfully negotiated an agreement that resolved the immediate problem and put rules in place to prevent future conflict. The parties talked through how to



share the disputed land in a way that provides both groups with equal access to the resources that sustain their livelihoods.

Local conflict over such natural resources as water, food, and land—the primary source of income—can quickly spiral out of control. Our activities built trust as we helped people find ways to reduce conflict by more effectively and productively managing their resources together.

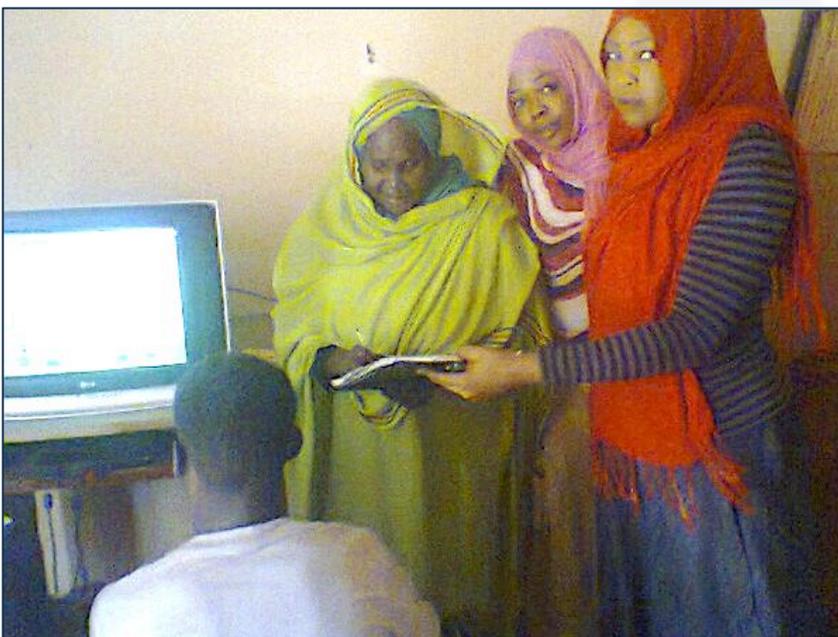
Omda Mahmoud is an example of how one person in one village has the power to advance peace in the region.

He is one of more than 300 community members in Central Darfur who received similar training in 2012, benefitting 900,000 people directly and indirectly.

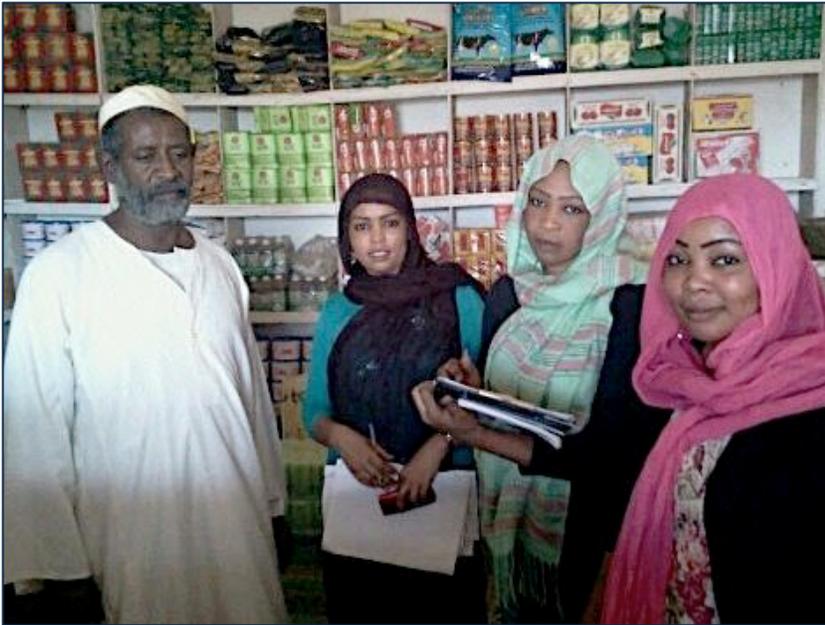
Through NEF training and financed activities, individuals in other villages like Radom are using their new skills to manage conflict, improve their livelihoods, and build food security through collaborative, holistic management of natural resources.

Supporting Economic Reintegration and Inclusion

NEF worked with ex-combatants in Sudan to help them re-integrate into their communities after war. Our holistic approach addressed their need for jobs and income by helping former soldiers to plan and launch sustainable small businesses.



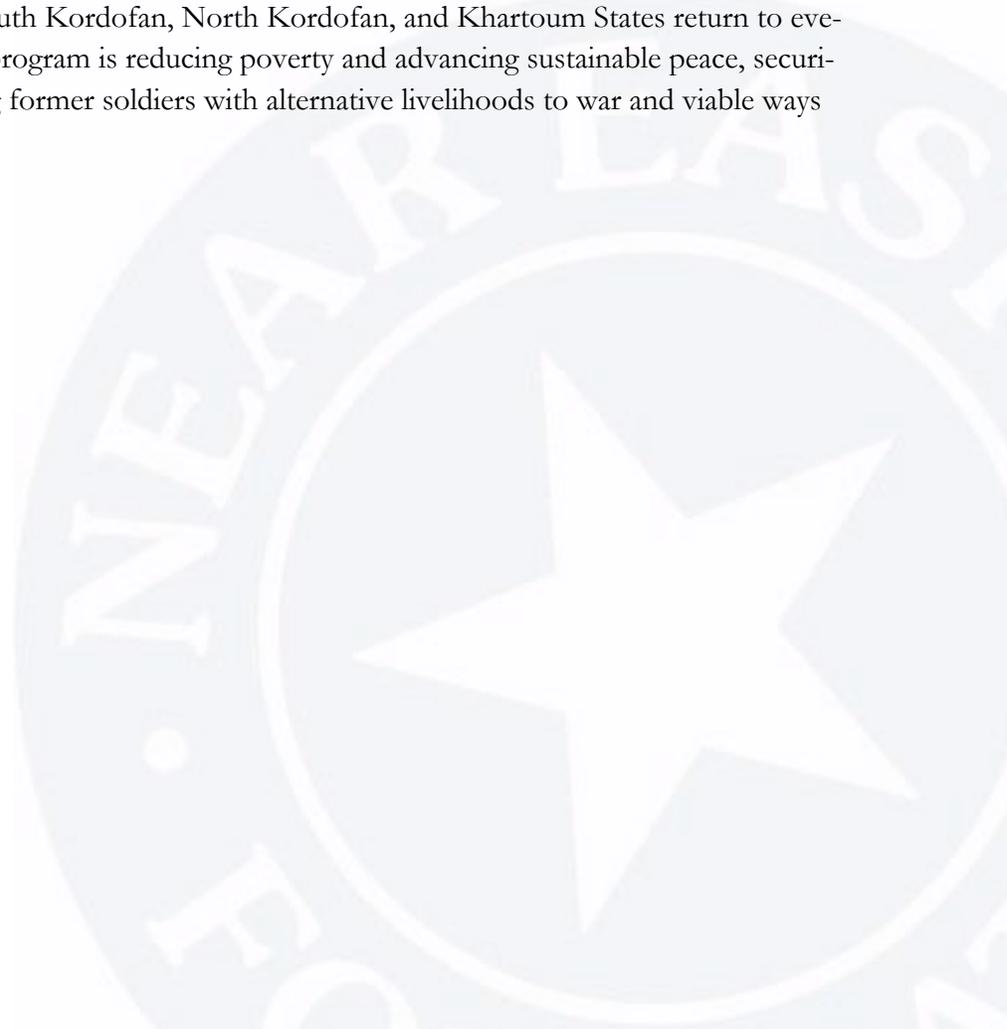
After receiving training, one participant—Eida Hamed Mohamed—used her new skills to conduct a needs assessment in her community and found that while youth love video games, they lacked a place to play them. She developed a business plan and learned skills in maintaining financial records. With NEF support, Eida was able to rent a small shop and equip her PlayStation Center for youth. Now a successful entrepreneur, Eida is using her profits to expand her business.



Two participants in Khartoum who had served side-by-side in the military, found a new way to work together when they created a joint business venture with NEF support. Albakhit Musa Mohammed and Mahbob Mokhtar Taha opened a grocery store in the Jebel Awliya Locality of Khartoum, where they sell goods received through NEF. “After our service together in the army, we trust and respect each other,” Albakhit says. “I believe this trust is critical in a business partnership where we work closely to achieve our common goals.”

While we helped ex-combatants like Eida, Albakhit, and Mahbob generate the necessary income to support their families, we also introduced them to social opportunities and positive ways to contribute and participate in their communities, as well as provided training in such essential life skills as leadership and communication.

Using this comprehensive economic and social integration approach, NEF helped more than 1,200 male and female ex-combatants in South Kordofan, North Kordofan, and Khartoum States return to everyday life in their communities. Our program is reducing poverty and advancing sustainable peace, security, and stability in Sudan by providing former soldiers with alternative livelihoods to war and viable ways to support their families.



WOMEN'S MICROENTERPRISE DEVELOPMENT AND ECONOMIC EMPOWERMENT

Throughout the Middle East and North Africa, women are assuming increasing economic responsibility for their families. In spite of the necessity, they must overcome social barriers, lack of job skills or business management experience, and little access to credit. At NEF, we have found that microenterprise development is among the most effective and accessible ways to create jobs and income for disadvantaged women in the region.

Working in partnership with local community associations, NEF provides vulnerable women—rural and urban poor, heads of households, widows, refugees, victims of domestic violence—with business management training, helps them access credit, and facilitates networks to provide both business and social support. NEF also helps organize networks to offer ongoing mentoring to entrepreneurs to ensure the sustainability of their new businesses.



The Balata Women's Society, located in the Balata refugee camp in the West Bank, is one of 10 women's associations in the Palestinian territories that NEF trained and coached to create small businesses in 2011. By the end of 2012, these women's associations had set up 57 school canteens, which collectively created 168 jobs and generated \$130,000 in revenue. The canteens generate income for association members, support the associations' charitable work, and sell healthy snacks to children in their local primary school, where many arrive hungry and malnourished every day. NEF is now working with 16 additional women's associations with the aim of creating 150 new businesses over the next four years.



Saba is one of 44 vulnerable refugee women in Sudan who received business training and start-up grants from NEF to build a new life after war last year. Saba started a small restaurant outside Khartoum two months ago and has already earned enough income to pay for school fees, medicine, better food, and a larger place to live. She makes almost \$100 in profits per week, but says that equally important is the respect she now has in a

community that once shunned her. In South Kordofan and Darfur, NEF is working with several hundred women ex-combatants, smallholder farmers, and rural women to help them gain skills and access resources to improve and sustain their income.



In El Azizeya, a poor suburb of Cairo, Egypt, NEF has supported dozens of women to start or expand microenterprises in agriculture and traditional crafts through business management training and micro-credit loans. One participant, Nashwa, and her sister-in-law, expanded their business assembling clothespins. A microcredit loan provided working capital that allowed them to purchase raw materials for new orders while they awaited outstanding pay-

ments. Their income has increased from 20 EGP (\$2.80) to 300 EGP (\$42.00) per day. They are planning on taking out another loan to purchase equipment to manufacture the springs and wooden pegs need to make the clothespins, thereby increasing their profit and allowing further expansion.



In the village of Zenaga, in eastern Morocco, NEF provided training and small grant support to enable the local women's cooperative to purchase equipment to process raw ingredients (like wheat) for their trademark couscous.

By eliminating milling and transportation expenses incurred from outsourcing, the women now have more quality control and expect to increase production by 25 percent and revenue by almost 50 percent. This recent ex-

ample builds on almost 30 years of NEF support for rural women's microenterprise development in Morocco.



Palestinian women, each the sole income provider for her family, have increased their income by an average of \$300 after receiving one year of agricultural management training and support from NEF. The women launched their own microenterprises growing thyme, a traditional herb used across the region, in home gardens that provide a sustainable source of income while also allowing women to care for their families.

Amneh is one of the women whose life has changed dramatically since starting her new business. She is raising her brother's children by herself and has used her earnings to buy school supplies for her nephews.



With NEF support, 30 women in Egypt's upper Nile town of El Miniya established two new tailoring workshops that created jobs for women in the town's low-income areas. Through NEF training, the women learned how to sew and make school uniforms. The women distributed their first 500 uniforms free-of-charge to poor local primary school students.

Each of the women earns approximately \$100 per month. Now they are developing a branding and marketing strategy and working to sell their product to uniform suppliers. In early 2013, the workshops independently secured orders for 500 school uniforms, 500 school jackets, and 1,000 graduation gowns—a great step toward sustainability in its first year!



SUSTAINABLE AGRICULTURE, NATURAL RESOURCE MANAGEMENT, AND RESILIENCE TO CLIMATE CHANGE

One of the most vulnerable groups in the Middle East and North Africa is smallholder farmers, who are on the frontlines of climate change yet often lack access to the information, tools, and infrastructure to adapt. NEF supports smallholder farmers and other natural resource dependent populations (herders, fishers) through a variety of initiatives to improve food security and increase incomes.

NEF's primary focus in agriculture has been to enable communities to use water resources more efficiently—harnessing nonconventional water resources, such as rainwater harvesting, spring catchment, and wastewater reuse; introducing water-efficient crops and farming practices; and adopting improved irrigation technologies. Beyond short-term gains, our goal is to help develop capacity and infrastructure to manage improvements to agriculture and natural resources locally and sustainably in the long-term.

Morocco: Sustainable, Profitable Agricultural Water Management



In Morocco's Oriental region—one of the poorest, most water-scarce areas of the country—farmers reduced their water usage by up to 60 percent in 2012 through less labor-intensive, more efficient drip irrigation technologies introduced by NEF and its local partners, with funding from the U.S. Agency for International Development. In total, NEF has helped more than 9,000 farmers in 22 villages conserve water and adapt to drier conditions, thereby enabling them to increase the amount of land in production and grow more food, resulting in greater income.

Farmers in the eastern Moroccan community of Oulad Yahya rely on spring water to irrigate their crops, which are mainly citrus fruits and vegetables. Irrigation water was carried by gravity through canals that were old, cracked, and unlined, and until recently, lost nearly 40 percent of their water.

With NEF support, farmers in Oulad Yahya rehabilitated 230 meters of the old canal and built a new canal over 400 meters. With increased water delivery to their fields, farmers are now able to

grow a greater variety of vegetables with higher market prices, such as green beans, potatoes, fava beans, and tomatoes. The water flow has increased by more than 30 percent, allowing the farmers to increase irrigated land by 15 percent.



For the past seven years, the ancient underground canal, or *kbettara*, that carried water from an underground spring to the fields of Zenaga had been non-functional, as it was clogged and broken at several locations. Community members could no longer keep up with maintenance of the crumbling infrastructure on top of the severe damage resulting from historic floods.

With NEF support, water is flowing again in the Zenaga irrigation canal for the first time in seven years. Farmers brought in a specialized team to improve the canal systems to prevent collapse and facilitate routine maintenance. They rehabilitated nearly 50 meters of the canal. As an immediate result, people are farming on land they had abandoned due to a lack of water from the non-functional spring.

Previously, Zenaga's lead farmer, Mahrzi Abdi-Salam, and other farmers paid on average \$1,500 a year to purchase water to irrigate their date palms. With the rehabilitated canal, they no longer pay for water. Abdi-Salam has been able to increase his cultivated land and has begun to plant more high-value crops such as zucchini and melons. Furthermore, with more water, he estimates his date production will double to one ton on his 2.5-hectare parcel.

Mali Enhancing Resilience to Climate Change

As Mali endures ongoing turmoil—a coup d'état, persistent drought, and occupation by Al-Qaeda-affiliated militants—NEF has developed a model for feeding more people and improving income by making agriculture viable in places never before possible to cultivate. In addition to training in improved seeds and farming techniques, a key component of NEF's food security and climate change adaptation strategy is mobilizing nonconventional water resources such as rainwater harvesting and spring catchment. In 2012, with support from USAID, the governments of Canada, Denmark, the Netherlands, and Sweden, nearly 2,500 people benefited from new water management systems constructed with assistance from NEF.



Despite a significant deficit in rainfall in the previous year—40 percent less than the 10-year annual average—240 NEF-supported farming families in northern Mali harvested an estimated eight tons of rice per hectare in 2012 using new production technologies, water-management systems, and drought-resistant seeds.

In the same area, families participating in a market garden project had an average 108 percent increase in household revenue despite enduring chronic drought and conflict. Through the new gardens, women produced vegetables and fruits for household consumption and to sell at market. Since late 2011, NEF has helped 10 villages establish market gardens, benefiting nearly 700 households and more than 7,500 men, women, and children.

Improving Income from Olives in Palestine



With support from USAID, and working with our local partner, the Palestinian Center for Agricultural Research and Development, NEF established 60 one-acre “farmer field schools” to demonstrate the impact of very simple techniques for improving olive productivity.

Modern irrigation technologies, which have enabled farmers in places like Israel to manage water scarcity and become more competitive in the marketplace, have been beyond the financial and technical reach of most Palestinian farmers until now. A combination of micro-dose irrigation, organic fertilizer, and simple pest control has yielded a 280 percent increase in oil production and a 180 percent increase in profitability.

The farmer field schools have had an immediate demonstration effect, with at least 1,200 farmers adopting at least some of the techniques in their own fields. The initiative has also led to the creation of small ancillary businesses to prepare irrigation micro-basins and to deliver water.

Sudan: Sustainable, Profitable Gum Arabic Production



In 2012, NEF partnered with communities to maintain critical natural resources such as Gum Arabic, a resin from Acacia trees, and the source of income for 1 in 5 Sudanese. In one year, participating gum arabic farmers in North Kordofan averaged a 20 percent increase in production, and some increased their incomes by as much as 900 Sudanese Pounds—or \$200—per month, a significant amount in an area where 90 percent of the population lives on less than a dollar a day.

To accomplish this, NEF provided training in more sustainable production techniques and established microcredit funds that supported more than 200 individual initiatives. These included a range of activities designed to diversify income and reduce pressure on over-harvested Acacia woodlands, such as conversion to butane gas for cooking, zero-grazing animal fattening, and planting trees.

As a result, woodlands cover expanded by as much as 50 percent in some areas. Now communities who have experienced the benefits firsthand are sharing the new strategies with their neighbors and creating conservation agreements to protect Acacia woodlands— also a critical resource to fight climate change.

Emergency Support for Farmers in Sudan and Mali

Because of NEF's extensive experience in the region, as well as our established network of staff and partners on the ground, we are often called upon to be part of the response team after a conflict or natural disaster. Our role is to help people recover and rebuild by supporting rapid, sustainable development in communities.

In 2012, a political coup and severe drought in Mali combined to create a humanitarian disaster. While many were forced to eat or sell their seed stock to survive, NEF provided supplies to more than 11,000 peasant farmers in occupied northern Mali, enabling them to reclaim their lands and plant crops to feed their families. Through NEF distribution centers and partner networks, 182 tons of rice seed, 263 tons of fertilizer, and 750 tons of animal feed were supplied.

NEF was also on the ground this year in South Kordofan, Sudan, when an estimated 75,000 people internally displaced by a conflict in 2011 began to return home and find their farms had been looted. We supplied 300 Sudanese farmers with 4.5 tons of seed, tools, and tractors, and fulfilled other immediate needs to accelerate their planting and harvesting.



YOUTH CIVIC ENGAGEMENT AND PARTICIPATION

Approximately one in five citizens in the Middle East and North Africa is between the ages of 15 and 24. That's 90 million people and growing. Youth have a vested interest in building a region that's more inclusive and opportunity-rich. Yet their exclusion from the civic and economic life of their countries is one of the key factors driving reform movements across the region.

NEF invests in underserved youth to help them overcome economic and social barriers. We work with youth and the community organizations that support them to find practical ways to constructively address real problems in their community, including unemployment, environmental degradation, and safety. Our efforts help youth amplify their voice in society. We offer them the tools they need to change the course of their lives and to take a leadership role in their communities.

Youth Making a Difference in Egypt



With funding from the Swedish International Development Agency, NEF is helping community-based organizations to serve youth in some of the poorest and most heavily populated neighborhoods in the governorates of El Minya, Beni Suef, Dakahlia, North Sinai, and Giza. We built the capacity of these local organizations by training staff and helping them to recruit and support community youth leaders.

Through project trainings and activities, Egyptian youth acquired new

skills and had the opportunity to develop solutions that address problems in their community. Youth learned basic democratic principles and organizing strategies. They also received training in leadership, problem solving, and outreach.

In Imbaba, one of Cairo's poorest neighborhoods, and other communities at the frontline of democratic change, NEF supported youth in applying their new skills through grassroots initiatives to solve community problems, including campaigns to raise awareness about the roles and responsibilities of Popular Councils (Egypt's lowest level of local government), efforts to combat the growing problem of sexual harassment, promotion of volunteer work in public schools, assistance to women and girls to obtain national identity cards, and efforts to promote tolerance among tribes in the Sinai. In El Meniya, where unemployment is the primary concern, participants in the program identified an opportunity to revive a moribund Mubarek-era vocation education center to organize vocational training and apprenticeships to help them

find jobs in areas such as plumbing, electrical, and car repair. Over two years, this initiative will impact at least 6,000 Egyptian youth.

Also in Egypt, with longstanding support from the Ford Foundation, NEF continued to support youth with programs that enhance life skills, attitudes, and knowledge about safe sexual practices, with the ultimate aim of improving their quality of health, self-esteem, and wellbeing. Working through community-based social service organizations, NEF trained a core team of 112 social workers and community activists and 580 “champions”—youth peer trainers—who organized outreach that touched the lives of 2,400 young people and their parents in eight governorates across Egypt.

Supporting Youth in Morocco

In rural and urban areas of Morocco, NEF has played a lead role in eliminating barriers between youth and their local governments.

Working with USAID and RTI, NEF is helping young people organize by creating youth councils, which provide education and training to youth in a range of areas including how government works, public services available to youth, and core leadership and communication skills. The councils are among the first of their kind in Morocco and in the region.



The youth councils also serve as a vehicle for dialogue between youth and their elected officials. The project provides small grants to enable the youth councils to collaborate with local governments on events that bring young people together to take action in their communities, learn about resources available to them through local government and make their voices heard in civic affairs.

In 2012, for example, the municipal government of Kenitra and civil society groups created a youth council with NEF support. The council organized a forum for more than 400 participants, marking the first time elected officials there had spoken to youth in public. The daylong event included a debate on the role of youth in government.

So far, this multi-year effort has launched 10 Youth Councils and hosted 98 training events for more than 1,000 people. Furthermore, the youth councils are fostering a new generation of civic leaders and creating a sustainable mechanism for ongoing dialogue and cooperation between youth and their elected officials.

FINANCIAL REPORT – FISCAL YEAR 2012

Statement of Financial Position at June 30, 2012

ASSETS

Cash & equivalents	637,463
Grants & Contracts receivable	464,651
Accounts & loans receivable	214,310
Investments & investments in trust	2,752,755
Other current assets	15,745
Fixed assets net	25,276
	<u>4,110,200</u>

LIABILITIES & NET ASSETS

Current Liabilities

Accounts payable & accrued expenses	453,880
Deferred revenue	457,778
Other current liabilities	82,222
	<u>993,880</u>

Net Assets

Unrestricted	(219,796)
Temporarily restricted	161,913
Permanently restricted	3,174,203
Total net assets	<u>3,116,320</u>

Total	<u>4,110,200</u>
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Statement of Activities Year ended June 30, 2012

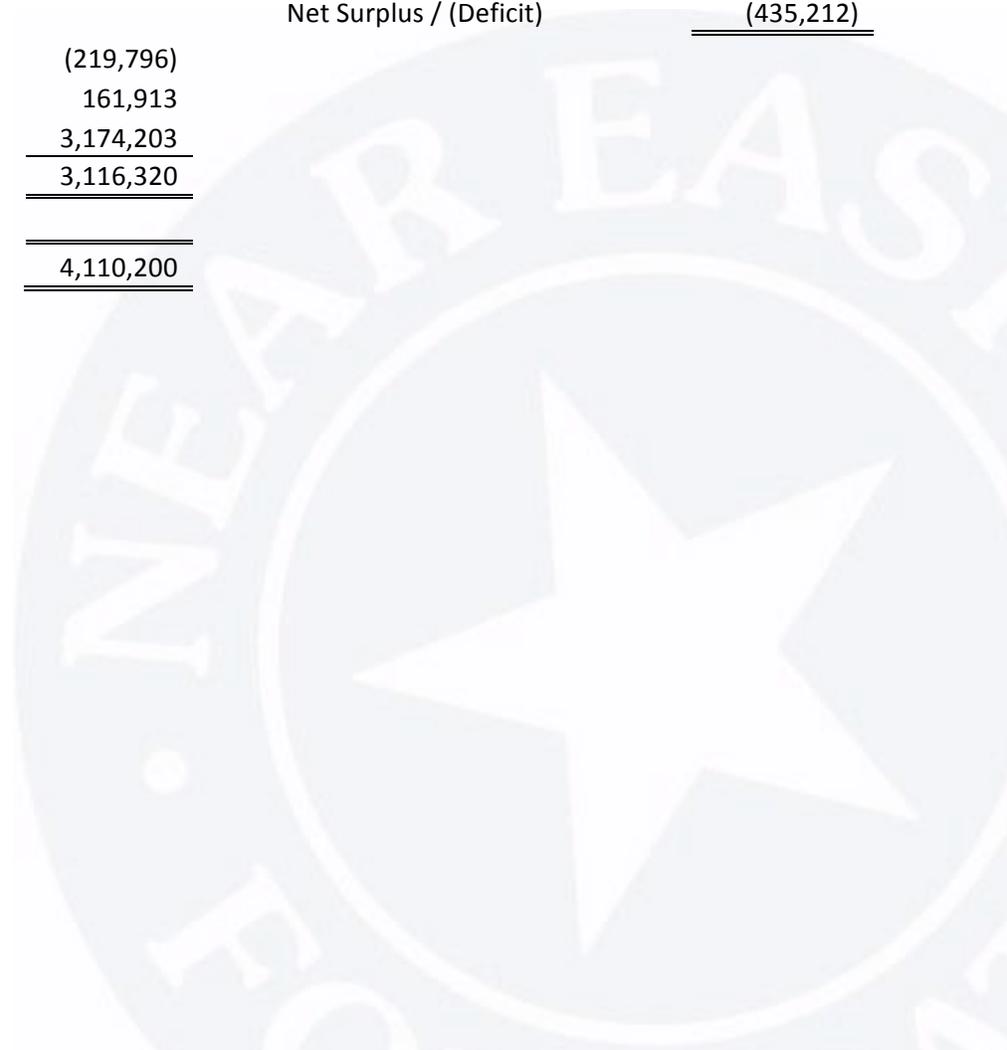
REVENUES & OTHER SUPPORT

Contributions	269,529
Government	888,627
Private Grants	1,985,361
In Kind Contributions	95,128
Program related	73,655
Other including investment	20,507
	<u>3,332,807</u>

EXPENSES

Program Services	3,425,302
Management & General	245,424
Fundraising	97,293
	<u>3,768,019</u>

Net Surplus / (Deficit)	<u>(435,212)</u>
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THANK YOU

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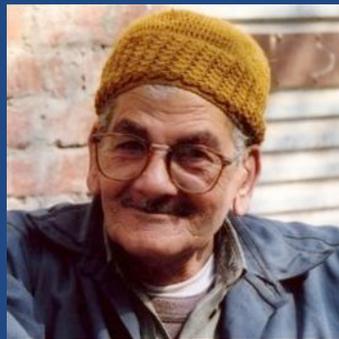
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