

A photograph of two men at a fish farm. The man on the left is wearing a black and white striped long-sleeved shirt and black pants. The man on the right is wearing a black long-sleeved shirt, black pants with three white stripes down the side, and a straw hat. They are standing on a concrete ledge overlooking a pond. The man on the right is holding a brown bucket, and the man on the left is holding a long wooden pole that supports a net full of fish. The background shows a residential area with houses and a church under a blue sky with some clouds.

**NEAR EAST FOUNDATION**  
Annual Report 2013

## 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 2013, 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.



NEF Board Chair, Shant Mardirossian, is interviewed during a board visit to Armenia celebrating the humanitarian contributions of Near East Relief.

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

## 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 have tremendous hope and 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 in 2013 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 drought across the region, a *coup d'état* and occupation in Mali, civil unrest in Egypt, and continued or escalating violence in Sudan.

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. In Darfur – where NEF is one of only a handful of NGOs with permission to work – we've piloted a new approach to promote lasting peace by building collaboration around the natural resources that are at the root of many local conflicts.



NEF President, Charlie Benjamin, at the launch of the 2013 olive harvest in Assira al Shamaliya, West Bank.

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 will find images of the people whose lives are touched by NEF's work and information about the impact we've had on their lives.

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,

A handwritten signature in blue ink, appearing to read 'Charles Benjamin', with a stylized flourish at the end.

Charles Benjamin, Ph.D.  
President

## 2013: SUSTAINING DEVELOPMENT IN CHALLENGING TIMES

In 2013, 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.

NEF works within four key program objectives to help these vulnerable groups address their most pressing development challenges:

- **Build Peace in Conflict-affected Communities through Reconciliation, Economic Cooperation and Development:** We focus on using the tools of economic development (*e.g.*, value chain development, microenterprise development, sustainable natural resource management), along with livelihood and conflict management training, to promote reconciliation between groups in conflict and integration of “at-risk” groups (*e.g.*, young people in peri-urban slums, ex-combatants, internally displaced people).
- **Improve Food Security and Livelihoods of Family Farmers through Sustainable Agriculture, Natural Resource Management and Climate Change Adaptation:** NEF programs in this area focus on development and efficient use of productive resources, with an emphasis on water resources (*e.g.*, irrigation, non-conventional water resources). Projects utilize scenario-based planning for resilient agricultural development and natural resource management.
- **Build Economic and Social Resilience among Vulnerable Women through Microenterprise Development:** NEF promotes women's economic independence and social resilience through a focus on entrepreneurship and business management, microcredit, and microfranchises (based on networks that offer business and psycho-social support).
- **Improve the Participation of Young People in the Civic Life of their Communities and Countries:** NEF works through civil society groups to recruit, train, and organize young leaders to represent youth interests coherently and constructively and to champion actions that address youth priorities – particularly employment, which is the major preoccupation in areas where NEF currently works.

The following pages highlight NEF's work and impact in 2013.



**Our Work:** NEF is helping 25 communities in Central Darfur to reduce local level conflicts and rebuild livelihoods. Through the Resources, Economic Security & Peace project, 365 local leaders learned new conflict resolution strategies and over 1000 people from diverse ethnic groups have come together to manage their area's natural resources in ways that help them to earn money and reduce environmental impact. Food security and economic opportunities are the focus of the Resources, Livelihoods and Security project which is supporting people to re-establishing agriculture and livestock systems and develop small businesses.

## IMPACT

- Local communities created 9 Land Use Conventions – legally binding agreements that govern use of shared natural resources and are resolving conflicts peacefully that would previously have escalated into violence.
- 4,500 farmers benefited from new agriculture techniques and agriculture inputs; beneficiaries cultivated 60% more land than previous years and reported record harvests with yields up to 3-5 times more than neighbors.
- Over 500 people are earning money from 15 collaborative income generating projects (nurseries, beekeeping, food processing, stove making)
- 770 people were trained in basic business skills and received small start-up grants for micro-enterprises ranging from selling chickens and repairing rickshaws to providing DJ services for special events.



# MOROCCO



**Our Work:** NEF completed the Agriculture Water Management project. In a significant effort that mobilized 22 communities and impacted over 9,000 individuals, the USAID-funded Agricultural Water Management (AWM) project improved livelihoods and environmental sustainability in the Oriental Region of Morocco—one of the poorest, most water-scarce areas of the country—through participatory watershed management and water-efficient, market-oriented agricultural development. NEF is also building bridges between youth and local governments to facilitate participation of 15 to 25 years olds in community affairs. NEF helps create “Local Youth Councils” and build the capacity of youth, elected officials, and civil servant to work together.

## IMPACT

- Over 2,000 farmers adopted new agriculture practices; and introduced solar technology for use in collective irrigation systems for the first time the Oriental Region
- 22 communities prepared Agriculture Water Action Plans that positively impacted 134,000 hectares
- 80 youth trained and supported to start agriculture-related businesses
- 9000 individuals increased economic benefits from agriculture, including 15% increase in agricultural income).
- 1,300 youth and elected officials participated in training events and created 10 Youth Councils in major cities and towns.



# ARMENIA

A woman is seen from the side, focused on operating a sewing machine. The machine is yellow and silver, with a red spool of thread on top. The background shows a window with sheer curtains and some other items on the table, including a red and white object.

**“I would never have imagined supporting my three children on my own by developing financial independence and running my own business, but NEF gave me the confidence as well as the resources to do that.”**

**Our Work:** The Women’s Economic Empowerment and Advocacy project is helping survivors of domestic violence to start businesses and get into the workforce to break free from their abusive environments. NEF is partnering with the Women’s Support Center (which provides counseling and shelter services) and Business Pareta (a leading Armenian business development agency) to place 25 women in entry-level jobs and support the creation of 25 microenterprises through small grants mechanism and micro-credit. This is the first initiative in the country that specifically focuses on providing economic opportunities for survivors. And it is timely – women’s groups in Armenia are making strides in raising awareness of domestic violence and getting legislation passed to make domestic violence a crime.

## IMPACT

- Two feasibility studies have been completed – an economic and a labor market analysis – to identify the most viable opportunities and constraints for women recovering from trauma
- 16 women trained in practical business management and job readiness skills
- 4 women have started businesses – they are earning incomes of up to \$350 per month and providing important role models for their peers to show it is possible to start a new life for themselves.





**Our Work:** NEF is providing rapid support to over 160,000 people affected by the conflict in Northern Mali and climate change. Through the USAID/OFDA-funded Restoring the Economic Capacity of Populations Affected by Conflict project, NEF is working with communities to meet immediate needs and begin to recover core livelihood activities. Through the Food Security and Resilience to Climate Change and Conflict project funded by the Embassy of the Netherlands, NEF works with 200 communities to improve food security, sustainable natural resource management, and conflict management.

## IMPACT

- More than 8,600 re-launched farm activities with seed and agricultural tools received from NEF; 440 families produced 282 tons of vegetables in 8 market gardens; 1,000 farmers were able to produce rice for food and income due to the rehabilitation of 100 hectares of irrigation infrastructure.
- More than 5,218 people benefited from livestock wells, pasture improvement, and feed distribution, benefiting more than 100,000 animals; 1,584 villagers resumed fish production as a result of rehabilitation and restocking of 5 fishponds.
- 1,900 village women restarted income-generating activities with cash grants totaling \$190,000.
- NEF's regional workshop on conflict, reconciliation, and peace in the Mopti Region brought together community leaders and experts across the region.



# PALESTINE



**Our Work:** NEF works with Palestinians and Israelis to build relationships of trust and mutual understanding through cross-border, grassroots economic cooperation initiatives. Through the USAID-funded Olive Oil Without Borders project, NEF works with over 1300 Palestinian and Israeli olive oil producers to increase production, improve quality, and strengthen competitiveness. The USAID-funded Planting the Future: Youth Agribusiness Partnerships project launched in 2013 will promote economic cooperation by providing training and financial/ technical support for 160 young Palestinian and Israeli entrepreneurs to establish business partnerships in the agricultural sector.

## IMPACT

- Cross-border trade policy facilitated through the project opened the border to olive oil trade for the first time in 10 years, resulting in the sale of 600 metric tons of Palestinian oil to Israeli companies (with an estimated value of \$2.8 million to producers) in the first 2 months.
- 1337 Palestinians and Israelis participated in more than 350 cross-border trainings and activities designed to improve olive oil production and build support for peace. 79% of participants expressed increased positive perceptions of their neighbors (Israeli/Palestinian) following participation in project activities.
- Created 4 Farmer Field Schools in West Bank and 2 in Israel to demonstrate new techniques and best practices.



## FINANCIAL REPORT – FISCAL YEAR 2013

### Statement of Financial Position at June 30, 2013

#### ASSETS

Cash & equivalents	1,309,411
Grants & Contracts receivable	150,436
Accounts & loans receivable	211,076
Investments, at fair value	3,369,267
Investments in trust, held by others	3,540
Prepaid expenses	15,256
Fixed assets net	101,447
	<u>5,160,433</u>

#### LIABILITIES & NET ASSETS

##### Current Liabilities

Accounts payable & accrued expenses	287,764
Deferred revenue	650,530
Line of credit	94,127
	<u>1,032,421</u>

##### Net Assets

Unrestricted	961,169
Temporarily restricted	55,054
Permanently restricted	3,111,789
Total net assets	<u>4,128,012</u>
	<u>5,160,433</u>

Total

### Statement of Activities Year ended June 30, 2013

#### REVENUES & OTHER SUPPORT

Contributions	1,317,629
Government	4,120,829
Private Grants	431,450
In Kind Contributions	264,139
Investment income	41,108
Program related	7,618
Other income	715
	<u>6,183,398</u>

#### EXPENSES

Program Services	4,796,966
Management & General	292,921
Fundraising	98,694
Foreign Currency Adjustment	(61,646)
	<u>5,126,935</u>

Net Surplus / (Deficit) 1,056,463

## THANK YOU!

The Near East Foundation expresses gratitude to our supporters, who help us improve the lives of the most vulnerable, impoverished people in communities throughout the Middle East and Africa.

Our work is made possible by generous contributions from individuals, foundations, corporations, governments, non-governmental organizations, multilateral agencies, volunteers, and local partners.

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