



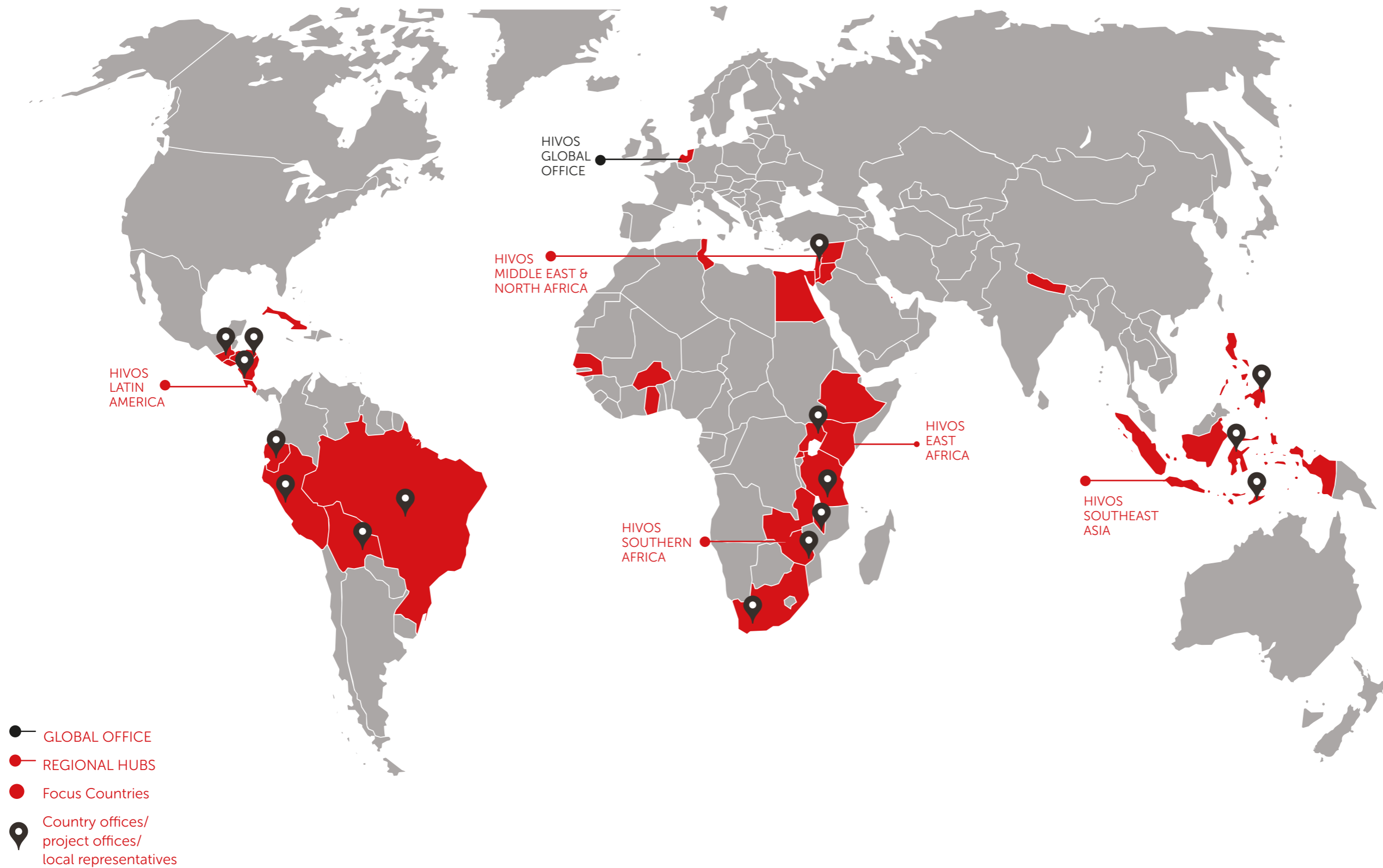
HIVOS
ANNUAL REPORT 2018



"DO **NOT FEAR** TO BE
ECCENTRIC IN
OPINION, FOR EVERY
OPINION NOW
ACCEPTED WAS ONCE
ECCENTRIC."

BERTRAND RUSSELL
(BRITISH PHILOSOPHER AND HUMANIST)

HIVOS WORLDWIDE



Focus Countries

- Bolivia
- Brazil
- Burkina Faso
- Costa Rica
- Cuba
- Ecuador
- Egypt
- El Salvador
- Ethiopia
- Ghana
- Guatemala
- Honduras
- Indonesia
- Jordan
- Kenya
- Lebanon
- Malawi
- Nepal
- Nicaragua
- Peru
- Philippines
- Rwanda
- Senegal
- South Africa
- Syria
- Tanzania
- The Netherlands
- Timor-Leste
- Tunisia
- Uganda
- Zambia
- Zimbabwe



*Hivos believes
in people's
creativity*

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1. MESSAGE FROM THE EXECUTIVE BOARD

We apologize for the late publication of the 2018 Hivos Annual Report. This was anticipated, following the delays encountered in 2017. As we wrote last year, the delay is caused due to the choice for a new approach of accounting for our income and expenditures, coupled with the implementation of a new way of working, in combination with the further decentralization of the financial management of projects in the regions in 2017. This required an overhaul of our financial and project management system, which will be ready for introduction by the end of 2019.

MAIN CHALLENGES

Although it was 70 years ago that the Universal Declaration on Human Rights was adopted by the United Nations General Assembly, there remains a lot of work to be done. Shrinking civic space remains the main concern in most of the countries where we work. For example, in the All Eyes on the Amazon program (which we lead together with Greenpeace in Brazil, Ecuador and Peru) indigenous populations protecting their rightful territories are facing much opposition, especially since the inauguration of President Jair Bolsonaro in Brazil, land and environmental rights in the Amazon are under pressure. Climate change is being ignored and deforestation increases by the day.

On 29 October 2018, the ongoing crackdown on LGBTI people in Tanzania hit a new low. This came with Regional Commissioner of Dar es Salaam Paul Makonde's announcement that he wanted to track down LGBTI persons through online surveillance.

Last year, 82% of all of the growth in global wealth went to the top 1%, whereas the bottom 50% saw no increase at all.¹ Globalization and the economic system have caused such developments, however, the alternative should not be populism, but a redistribution of wealth and people power.

In 2018, we celebrated our 50 years' anniversary. Over the years, we and our partners have developed ourselves to grow and to strive for Open and Green societies worldwide. The celebration provided many insights and reflection moments on our work and has inspired us even more. Our approach, which has not changed, is based on our frontrunners focus and consists of three elements: to ensure **multi-actor engagement**, to support **frontrunners** (local organizations and civil society actors) and **lobby & advocacy**. We acknowledge that we need to strive for more impact, to reach also those groups in society beyond frontrunners; and to move the middle to reach real transformational change in societies.

1. Oxfam Novib, 'Reward Work, Not Wealth' [https://www.oxfamnovib.nl/Files/rapporten/2018/20180122%20bp%20reward%20work%20not%20wealth%20EMBARGO%20\(1\).pdf](https://www.oxfamnovib.nl/Files/rapporten/2018/20180122%20bp%20reward%20work%20not%20wealth%20EMBARGO%20(1).pdf), p. 8.

The rise of populism and polarization around the world are disturbing issues happening worldwide. Political and religious leaders who claim to speak for 'the people' dominate the political and societal scene in many countries. They blame minorities, migrants and dissidents for economic problems and insecurity, play the identity card, and seek to impose their norms and values by authoritarian tactics. What is more, they seek to exclude women, youth and LGBTI people from full participation in their societies and fuel the growing polarization.

Political populism goes hand in hand with the closing down of spaces for population groups that these same politicians should be serving. Critical and independent voices increasingly meet repression, harassment – including online harassment – and violence. In Europe, the target population is mostly migrants. Stricter migration policies are being adopted and growing anti-migration sentiment exists, even Dutch development policy and its focus countries is determined by controlling migration.

In 1954, the first international population growth conference was held in Rome. The concern of population growth and whether there is enough food and space for the world population in 2050 or in 2100 is getting higher on the international agenda. We recognize the link between population growth, current consumption patterns and climate change. Hivos' sustainable food programs try to tackle this issue, but the population is increasing rapidly, and other measures and programs need to be implemented. Battling child marriage, keeping/allowing girls to remain in school to 18 years and beyond and wide access to Sexual Reproductive Health Rights and services are key to start. Hivos continues to lobby for and invest in access to SRHR for young women.

EXAMPLES OF OUR WORK IN A NUTSHELL

From 11 to 13 December 2018, Hivos organized the event "African Crossroads: The 4th Industrial Revolution", in Marrakech. African Crossroads can be described as a Hivos community of future-oriented African thinkers and doers to exchange and critically reflect on the most cutting-edge artistic, entrepreneurial, scientific, and technological developments anchored in African intellectual and

technological traditions. It focuses on opportunities for Africa, on the future of work, the future of our co-working spaces, but also on the future of African music and storytelling of African cities and a discussion on "a vocabulary for vernacular algorithms from beadwork to code". It was organized by our Resource of open minds (ROOM) and Local Employment in Africa for Development (LEAD) program and will be held yearly.

Furthermore, our lead program Women Empowered for Leadership program (WE4L), which operates in Jordan, Lebanon, Malawi, Zambia and Zimbabwe, focuses on equal and meaningful participation of women in decision-making. The formula combines strategies that contribute to this goal: it combines the strengthening of women's agency and (personal) leadership of women with influencing elements in the environment that determine their opportunities de facto. This leads to changes in legislation and changes in the mindsets and behavior of political parties, community leaders, trade unions and media, as well as in the norms and values in communities and the wider society.

In Latin America, the Sustainable Agriculture, Food and Environment (SAFE) Platform is more than ever up and running. It is a multi-stakeholder alliance initiated by the IDB Lab, coordinated by Hivos and co-founded by private sector participants, donors and non-governmental organizations that share a common vision: improve the livelihood of farmers through the adoption of climate-smart agricultural practices, transforming coffee and cocoa landscapes. In 2018, two new small interventions have been approved. One aims to transform coffee and cocoa production to build climate resilience, reduce emissions, achieve Rainforest Alliance Certification, and improve smallholder livelihoods for men and women through best management practices for climate-smart agriculture in coffee and cocoa value chains. The second promotes training of good agricultural practices at selected model farms with focus on: efficient use of fertilizers, the diversification of farms (agroforestry and integrated production systems), the fixation of carbon using shade trees and other similar initiatives that contribute to the NAMA Café goals of reducing GHG emissions in the production of coffee.

Right Here Right Now's newly formed platforms have received strategic lobby and monitoring training, and their Caribbean advocacy contributed to Trinidad and Tobago's High Court landmark ruling that the country's law criminalizing same-sex activity is unconstitutional. Hivos has, so far, trained four national platforms. This results in a safety and security plan per platform that is followed up by specialists. A toolkit on "Sexual Orientation, Gender Identity and Expression, and Sex Characteristics" (SOGIESC) was finalized and a training for trainers to provide training about the toolkit is being developed for early 2020.

Hivos Southern Africa had managed a Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM) program, titled 'Key Populations: Representation, Evidence and Attitude Change for Health Impact' (KP REACH). KP Reach is closed now, but successes were made on the level of behavioral change. Currently, we do not have regional programs in Africa with Global Fund anymore.

Two proposals (one lead by Article 19 the other by Hivos) have been selected by the UK Aid Connect funding mechanism. One proposal where Hivos hub South Africa leads, is called "Addressing Lesbian, Gay and Bisexual and Transgender Inclusion". With this program, Hivos and its consortium partners aim to combat the current trend where societal leaders, and particularly religious leaders, politicians, business leaders and media play a key role in shaping a negative public opinion on LGBT+ persons. The program will be implemented in five cities in Africa: "Protect", aiming to ensure civic space.

Since 2012, Women@Work has established itself as East Africa's largest structured dialogue and advocacy platform on women's labor rights. With ever-growing credibility, it works with business, governments and civil society actors to enforce change for women employees. Change to achieve decent wages, participation in decision making, leadership at management level and in trade unions, as well as safety and security in the workplace without sexual harassment. It works to improve labor conditions for women working in global horticulture supply chains (flowers, fresh vegetables, beans, avocados and chilies) through fair wages, security in the workplace and good working conditions. Empowering women remains high on Hivos' agenda.

In Indonesia, the Memorandum of Understanding (MoU) with the Ministry of Social Affairs of the Republic of Indonesia got extended for the next two years (until November 2020). Also, a new program was launched in Indonesia by a Canadian government program funding on women empowerment, called 'Women's Voice and Leadership Program – Indonesia'. The goal of the program is to support the capacity and activities of local and regional women's organizations and movements seeking to empower women and girls, advance the protection of women's and girls' rights and achieve gender equality.

The Sumba Iconic Island Initiative was funded initially from 2012 to 2018, but has received an increase from the Millennium Challenge Collaboration. The program aims to provide access to reliable and 100 percent renewable forms of energy (solar) for the 750,000 inhabitants of Sumba Island, ending their dependency on fossil fuels and supporting gender-balanced development and economic activities of the people.

Earlier challenges in the MAVC program in 2015/16 taught us not to underestimate the importance of aligning our systems, processes, skills and structure with our ambitions. This lesson is strongly interlinked with our internal change processes of the past few years, which have resulted from what probably was the most impactful transformation in our almost 50 years of existence: from a re-granting organization to an organization stimulating social change. As a consequence, we do not merely seek funding to finance the activities of our partners; we also seek funding for our staff to design and implement programs, find and encourage frontrunners, organize 'coalitions of the willing', and advocate for the environment in which innovating for social change can thrive.

OPERATIONS

Finalizing the Annual Accounts of 2017 was a tedious process in 2018 and announced similar challenges for the Annual Accounts of 2018, during 2019. Due to these challenges, we were forced to accelerate operational changes, such as exiting from Osiris (our ERP system), which encountered many obstacles. In 2019, we will adopt AllSolutions as our new software for financial and program management.

STAFF DEVELOPMENT

We encourage our staff to think out of the box, but we do demand the discipline that is needed for us to deliver on our goals. To increase the support for and understanding of these internal changes, and to facilitate the functioning of our global organization, we decided to invest more in internal communications. The Project Management Way of Working training was held in all hubs and is part of a 2-year program, which is financed by Project Management Institute Education Foundation (USA).

In 2018, we improved our human resources policies and processes. The HR team was renewed and integrating safeguarding harassment policies was one of our main goals, which every staff member, current and new, have to sign. In 2018, no report was made of a sexual harassment case.

Finally, an important staff development in 2018 was that Sanne Nolst Trenité, Director of Operations, decided to leave Hivos. The new Chief of Operations, Michel Farkas, started on 1 January, 2019.

STRATEGIC PLAN

At the beginning of 2018, following a mid-term review, the revised Strategic Plan 2016-2020 was approved by the Supervisory Council (SC). Front-runners remain at the heart of our strategy, but we have sharpened our goals to ensure that they stay fit for purpose in the coming years. Hivos will continue to identify and foster innovative solutions to make inclusion, equality, fair use of power, and sustainable use of our planet's resources a reality.

However, we need to collaborate much closer – consider to even merge – with other international NGOs and civil society organizations if we want to reach impact at scale, realize our ambitions and effectively respond to shrinking civic space, forced migration, and climate change. To this end, we will also have to consider if becoming more active on the European continent, the place where decisions are made and policies that have a significant impact on the lives and futures of people all over the globe are developed, is a strategy to implement by Hivos.

Due to the late publication of the Annual Accounts and subsequently the 2018 Annual Report, we are at the moment, able to indicate that the Annual Plan and 2019 Budget are all-in-all on track for successful implementation.

STRATEGIC PARTNERING WITH CORDAID

In 2018, Hivos was approached by Cordaid in order to examine strategic collaboration and even a merger. Cordaid was not the first organization that offered a collaboration with Hivos. Civil society organizations combining their strengths and, in some cases, merging together is not a trend, but is happening more and more on the international level. At first glance, Hivos and Cordaid are rather different organizations, although, we did see opportunities worthwhile to explore. Moreover, if we, as an originally Dutch organization, cannot overcome differences of Catholic and Humanistic roots, how serious can we demand from others elsewhere to overcome their differences. Therefore, we took it seriously, accepting a low chance of success, by not wanting to risk regret by denouncing this possible partnership.

We involved the staff as much as possible in the process. Workshops, town hall meetings, pressure cooker and the meeting between the Supervisory Councils of both organizations together provided valuable input and insights that we were not able to explore without each other. Although Cordaid has serious strengths, we decided not to continue the exploration with Cordaid, because not enough synergy existed on the concepts of empowerment, the vision and global nature of the new organization, geographic coverage and a corresponding governance structure. However, we will explore on a case-by-case basis opportunities for collaboration.

The exploration of a strategic partnering with Cordaid was our first serious attempt to partner. This will definitely help us exploring new opportunities, and to see how we can accomplish more impact by intensifying collaboration. Hivos recognizes that its legitimacy to act in the global South can be questioned. Questions have been raised by those in

power about this in the past, for example when we were promoting LGBTI rights and, currently, with Brazil's new President Bolsonaro openly questioning the legitimacy of international organizations.

Our response has always been to support frontrunners, local civil society actors and activists in the global South. From our establishment in 1968, we have tried to minimize our influence, balancing institutional support for local organizations, maximizing their freedom and trying to prevent dependency on our funding. Hivos has also made sure that it is located close to its partners and has gradually created a very diverse workforce with only a handful of expats working in the global South. In 1988, Hivos started its decentralization process, establishing its first regional office in Harare, to ensure easier access to partners, more tailor-made programming and a more diversified staff. Currently, we have four regional hubs and over ten country offices.

However, we signal a tendency that global or multi-regional programs automatically are based in the global office in The Hague, often close to the donor and with easy connections to various countries covered. While we attempt to move these programs and the global support functions, that by nature of the work are centrally organized in The Hague, to the regional hubs, we will take steps to transfer implementation of all programs and accompanying decision-making to the global South. We continue to examine ourselves to try to ensure 'ownership for sustainability'. The challenge and dream remain to

create or become part of an enhanced global organization, where our Southern partners have a majority stake in the work and make the decisions, an organization with a stronger constituency and legitimacy. The global transitions we are facing, from climate change to inequality and from discrimination to harassment, ask for global action and organizations collaborating to connect citizens and their movements to influence their future and direct those in power and hold them accountable.

We consider ourselves fortunate to have our strategic financial partners, all of whom share our aim to innovate for social change, and who encourage our ways of working with frontrunners and coalitions of the willing to develop new solutions to structural problems. We wholeheartedly thank them for their trust and co-operation. We also thank our dedicated staff, our partner organizations and our other stakeholders, ranging from government allies to private sector parties. Together we work towards a free, fair and sustainable world.

Edwin Huizing, *Executive Director*
Michel Farkas, *Chief Operating Officer*





2. VALUES MISSION AND VISION

OUR VALUES

We believe that human life in its many forms is valuable, and that people are filled with potential. Living a life in freedom and dignity, with respect for each other and the planet, leads to greater individual wellbeing and fair, vibrant societies. Hivos values are: freedom & dignity, self-determination & diversity, equality & social justice, responsible citizenship and sustainable use of our planet's resources.

OUR VISION

Hivos believes that every human being has the right to live in freedom and dignity, and that we are all free to be who we are, with respect for our individual gender and sexual identity. Living such a life means feeling free to believe and say what you want, to challenge governments and influence the established order. In exercising that freedom, we also carry the responsibility of not impinging on the freedom of others, and of respecting the natural limitations of the earth.

WE BELIEVE IN

Open societies, in which freedom and diversity are valued individually and collectively. Such a society welcomes diversity and offers equal opportunities to all. We also believe in green societies, in which the environment and the planet's natural resources are protected and used sustainably to the benefit of every living creature on the planet. Open and **green societies** are interwoven: together they create a free, fair and sustainable world.

OUR MISSION

Based on a track record of 50 years of partnering with frontrunners in daring, innovative and impactful development programs, Hivos seeks new and creative solutions to persistent global problems; solutions created by people taking their lives into their own hands.

We offer a positive counterbalancing force against discrimination, inequality, abuse of power and the unsustainable use of our planet's resources. Our mission is to innovate for social change. With smart projects in the right places, we work towards more open and green societies.



HIVOS KEY FIGURES 2018

amounts in 1,000 euros

Figures in accordance with Central Bureau on Fundraising regulations.

	2018	2017
Total income	53,676	57,818
Income from private individuals	2,091	1,622
Income from companies	333	679
Income from lottery organizations	4,239	8,371
Income from government subsidies	36,346	34,590
Income from other non-profit organizations	8,163	7,792
Income from investments	3,069	2,482
Exchange gain/loss of Operations	(820)	4,018
Other income	255	772
Spent on objectives/programs		
<i>Open</i>		
Freedom & Accountability	14,828	21,439
Sexual Rights & Diversity	9,434	13,705
Women's Empowerment	6,212	2,194
<i>Green</i>		
Renewable Energy	5,194	3,334
Sustainable Food	8,860	9,846
Total spent on objectives/programs	44,528	50,528
Spent on generating income	2,561	2,871
Management and accounting costs	11,775	9,268
Exceptional items and provisions	5,515	-
Final operating result	(10,724)	(4,949)
Reserves and funds	71,010	81,735
Solvency rate	55%	52%
Current ratio	1.8	1.5

	2018	2017
Number of partner organizations	470	484
Africa	215	201
Latin America	114	115
Asia	107	119
Worldwide	34	47

More detailed information can be found in our annual accounts 2018



3. THE HIVOS WAY

Frontrunners are at the heart of Hivos' strategy: progressive critical citizens and their organizations, enlightened governments and innovative businesses. People who operate at the frontline of developments because of their great ideas, new solutions, high impact collaborations and enormous courage. We catalyze their innovative, persistent attempts to realize social change. We support them in bringing to scale their most promising solutions. We link the parties that can, and want to, be part of these solutions. We help to create an enabling – political – environment in which these solutions stand a chance and can actually flourish. We innovate for social change.

*Frontrunners
are at the heart
of our strategy*

OUR THREE-STEP APPROACH

1. We support frontrunners and develop ideas.

We support frontrunners and develop ideas. We engage game-changing pioneers and frontrunners that inspire others. We have a keen eye for these innovators and offer them a platform, connecting them to different networks; among other things, we provide start-up funding and training.

2. We connect multiple stakeholders and co-create solutions. We connect multiple stakeholders and co-create solutions. We organize multi-actor "coalitions of the willing" that are able to transform ideas into solutions and help them grow and spread. We finance programs, ensure monitoring and evaluation, and incorporate lessons learned into future programming.

3. We influence policies and scale solutions.

We influence policies and scale solutions. We bring solutions to scale by influencing policies at all levels of government and multi-lateral institutions. We trigger media interest in alternative solutions to persistent problems. We also scale out successful solutions to other countries and regions.

OUR INSTRUMENTS

NETWORK

We have a large, diverse and global network of partners that we support and engage in everything we do.

INNOVATION AND KNOWLEDGE

We invest in knowledge and innovation to trigger change. By staying ahead of the curve in understanding social change and crises, we make our role and programs more effective.

PROGRAM DEVELOPMENT

We develop relevant multi-stakeholder programs and ensure they are financed and properly managed.

CAPACITY DEVELOPMENT

We develop the capacity of organizations to increase their effectiveness. This ranges from enhancing basic management and administrative skills, to specialized training in international advocacy, networking and fundraising.

ADVOCACY

We advocate for laws, regulations and markets to work in favor of marginalized groups. We support our partners in their advocacy and campaigning efforts and also directly mobilize citizens, policymakers and other relevant actors in the Netherlands, the European Union and at the United Nations.

FINANCING

We provide grants to partners and projects and experiment with other financing mechanisms such as crowdfunding and impact investing.



WE USE SIX INSTRUMENTS TO ACHIEVE THIS:



NETWORK



INNOVATION & KNOWLEDGE



PROGRAM DEVELOPMENT



CAPACITY DEVELOPMENT



ADVOCACY



FINANCING

ENTREPRENEURS INNOVATE FOR SOCIAL CHANGE

Support to social entrepreneurs is a part of Hivos' history. In the past decade we have stimulated coworking spaces and creative hubs in Egypt and Tunisia, enhanced the growth of biogas producers in Africa and Asia, and invested in food pioneers. Actually, our frontrunner role goes back to 1971, when Hivos' first director, an economist, introduced the Hivos Loan Fund. Other development organizations rejected the idea ("You are supposed to give to the poor!"), but Hivos thought providing people with loans instead of gifts was a perfect fit with the humanist principles of self-determination and self-reliance.

TRACK RECORD IN SOCIAL ENTREPRENEURSHIP

The Hivos Loan Fund turned out to be a great success, evolving into a risk-bearing loan fund that enabled tens of thousands of businesses to thrive. Yet the bold step we took in 1994 to cooperate with an actual bank – Triodos Bank – in Hivos Triodos Fund (HTF) really scaled things up. This revolving fund has invested over €200 million, helping millions of predominantly rural women access financial services. By the end of 2018, the fund had €67 million outstanding in 28 companies in 16 emerging markets worldwide, increasingly investing in sustainable agri-food and renewable energy businesses. In addition, Hivos has its own investing vehicle since 2015, Hivos Impact Investments, to serve early stage social entrepreneurs who demonstrate clear growth potential.

So we have built a solid reputation as a partner, willing to take high risks, and with a unique approach to thinking up solutions. Our staff is driven and creative, strongly believes in the power of people, and has a keen eye for the frontrunner entrepreneurs who can make a difference. Hivos is convinced of the crucial role of social entrepreneurs in innovating for social change. Yet, how should we scale our approach from supporting frontrunners to enable large groups of unemployed youth to start a business, is to be decided.

A SOCIAL ENTREPRENEURSHIP STRATEGY

Social entrepreneurs are people who want to help solve a societal issue by marketing a product or service that adds value for its (marginalized) users. The young farmer in North Kenya for example, who was determined to develop seeds that would grow on the dry lands of his home county. Ignoring the disbelief and laughter of his fellow agricultural students, he now owns Dry Land Seed, a company that delivers seeds to thousands of farmers in dry areas. These are the entrepreneurs who innovate for social change; these are the people Hivos wants to support.

So in 2018 Hivos set up a "Social Entrepreneurship Trajectory" to assess our options. A core team of Hivos staff, guided by two external consultants, drew up a social entrepreneurship strategy. One of their main findings was that Hivos has been running social entrepreneurship programs across all thematic areas in all hubs. The team also discovered that the main needs of social entrepreneurs - work premises, networks, access to finance, training, market access and enabling policies – were actually covered by Hivos' programs. These programs set up coworking spaces, help entrepreneurs bring their ideas to scale, provide training and guidance, connect them to relevant parties, introduce them to investors, and advocate for an enabling environment.

ACCELERATING IDEAS, NURTURING PASSION

We invite social entrepreneurs to unlock and nurture their drive and passion in our Disrupt! events for business incubation and acceleration. Hivos organized its second Disrupt!Seeds in 2018, for ethical seed companies, private breeders, and technology-based enterprises in Kenya. Although developing business plans and pitching propositions are crucial elements of these events, we start with the entrepreneurs' personal stories. What got them inspired to become an entrepreneur?

In fact, we bring together the best of traditional business training and insights and tools from design thinking in our Disrupt! events. We invite spoken word artists and musicians to offer guidance from experienced mentors and experts. This is how we help young entrepreneurs bring their business idea to the next, disruptive level. It is in this early stage of a business' lifecycle that Hivos

excels – and is very much needed. No bank or impact investor will put money into these enterprises yet. However, their societal relevance is huge: they offer new, scalable solutions to persistent problems.

RETURN ON (PUBLIC) INVESTMENT

Hivos believes that this justifies public investment in these early stages of business development. The return on investment of successful social entrepreneurs will not only mean social impact, but also hard cash. Once a business is sustainable and can attract other investors, public investments can stop (other than in civil society organizations) while society still benefits from the social entrepreneur's solutions.

HIVOS' "ECOSYSTEM" APPROACH

The 2018 strategy also identified the challenges Hivos should tackle to optimize its social entrepreneurship approach. Basically, this comes down to enhancing our concept and embedding it in the organization, looking for partners and arrive at a shared vision of social entrepreneurship. This means sharing entrepreneurial knowledge, skills and best practices with all peers. A two-year pilot "Social Entrepreneurship Hub" in our Southern Africa office has to test our approach, interest donors and find partners for scale.

SOCIAL ENTREPRENEURSHIP PROGRAMS: EXAMPLES AND RESULTS

HIVOS FOOD & LIFESTYLE FUND

The Hivos Food & Lifestyle Fund aims to stimulate healthy diets, sustainable food production and local food markets in Southern Africa by investing in food related industries. The Fund has invested in five companies: Lady Bonin, Atelier du Miel, GreenFingers Mobile, AgriLED and Hortinet. The current fund size is €1,850,000 and has received € 1,000,000 in additional commitments. It is owned by Hivos Foundation (56.8%), Welthungerhilfe (27.0%), Cesvi (8.1%) and Ayuda en Acción (8.1%) The targeted fund size is €15 million. In total, the Hivos Food & Lifestyle Fund has reviewed 414 companies. There are currently 35 companies active in our pipeline.

FEMBIOBIZ ACCELERATION PROGRAM

The alliance of Hivos and SANBio aims to achieve a Southern Africa support network for female entrepreneurs by supporting local incubators and providing young entrepreneurial women with opportunities and tools to start and/or scale their own businesses. In Season 1 (2017), FemBioBiz incubated 101 women-led businesses, and in Season 2 (2018), that rose to 150. In the past years, over 650 businesses have applied for the national training programs. Exceptional companies have received additional exposure through collaboration with the African Innovation Summit (ASAIF) and the international entrepreneurship event Slush in Finland. For 2019, we expect another 150 exceptional companies to join the program.

HIVOS' COWORKING PROGRAM MAGHREB REGION

The Hivos Coworking Program is designed to help create more job opportunities for young people between the ages of 15 and 35, in particular young women, in medium-sized towns in the Maghreb region (Algeria, Libya, Tunisia and Egypt). The program aims to achieve this by providing young men and women with opportunities to start their own businesses and earn a sustainable income. More than 150 new businesses have been created by program beneficiaries. Women founders amount to at least 35% of the newly created businesses. Also more than 1000 young men and women (40%) have been trained and placed in decent employment.



4. OUR WORK

In 2018 Hivos turned 50: an excellent reason to celebrate our longstanding relationships with loyal donors and hundreds of partners in Africa, Latin America and Asia. For five decades, we have been able to support and work with them. It is thanks to their incredible persistence, amazing actions and creative advocacy plus the trust of many donors, in particular the Dutch government, that people everywhere use our planet's resources more sustainably, and more people feel free to speak up, be who they are, and take their lives into their own hands.

We stimulate multiple stakeholders to jointly create and implement new solutions to persistent problems. Hivos brings them together and facilitates them in fruitful spaces like our Food and Energy Change Labs, African flower industry roundtables and international platforms such as SAFE. We support the creative way in which frontrunners like the young women of Copper Rose and the graffiti artists Dream Achievers fight for sexual and reproductive health rights of adolescents. And we strongly believe in the added value of the experiments of young African and MENA creatives who aim to open our minds to new ways of thinking.

People are front and center in everything Hivos does. Not surprisingly, "Citizen Agency" is the title and leading principle of four major programs that are

part of our five-year Strategic Partnership with the Dutch Ministry of Foreign affairs. Sustainable Diets for All draws directly from the lived experiences of low-income citizens, while their clean energy needs drive our Green and Inclusive Energy program. In Women@Work we support women flower pickers to demand better labor conditions, and our program Open Up Contracting enables citizens to hold governments to account for their public contracting processes.

In times of shrinking civic space, the long-term support of the Dutch government for these citizen-led and evidence-based advocacy initiatives is more important than ever. It allows us to co-create solutions with "coalitions of the willing" and build a body of evidence to influence (international) decision-makers. In 2018 we developed an advocacy toolkit for our Sustainable Diets for All partners to effectively advocate at all levels. Based on this toolkit, which had already been adopted enthusiastically by our Open Up Contracting program, Hivos will develop a generic advocacy toolkit next year.

People's lives are not divided in silos, and neither is Hivos' work. We increasingly work across our different programs, themes, and Open and Green domains to reap the fruits of cross-fertilization. A successful example of this is ENERGIA, which enables women entrepreneurs to sell clean energy

solutions to low-income consumers. On a smaller scale, our Sustainable Diets for All partner in Indonesia, Tanoker, works with the domestic workers returning from the Gulf region whom we had already supported in our Women's Empowerment program Shelter Me (in the Gulf region).

In 2018 we merged two themes that were already closely interlinked: Freedom of Expression and Transparency & Accountability. Only when we are free to speak out can we demand transparency and hold duty-bearers to account. Accountable governments that respect this freedom and are not afraid to share their power or come under scrutiny will be more effective and increase citizens' trust and agency. As this is a transition year, we present two programs under the new theme (Freedom and Accountability): R.O.O.M. and Open Up Contracting.

4.1 FREEDOM AND ACCOUNTABILITY

In December 2018 the Inter-American Court of Human Rights ruled that the State of Guatemala is responsible for the 1995 "Xamán Massacre". Military officials had brutally murdered 11 members of the indigenous Aurora community and wounded another 29. Now, after more than 14 years of seeking justice, the victims and their families finally won their case, which was submitted by Grupo de Apoyo Mutuo (GAM) and other human rights organizations. It's a landmark ruling for the many other indigenous communities in Guatemala who witnessed their loved ones slaughtered by the military. Hivos supported GAM and the Aurora community through the human rights program Nexos in Central America.

DIGITAL DEFENDERS PARTNERSHIP

The ability of citizens to hold duty-bearers to account is an important asset of an open and free society. Unfortunately, Guatemala's level of impunity and danger to human rights activists is no exception. More than ever, states are forgetting that freedom of expression and accountability are prerequisites for peace and prosperity. And freedom is not always suppressed physically, like in Guatemala. Digital



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security risks increasingly threaten the work of human rights organizations and activists, who often lack the knowledge and resources to counter them. At the same time, the methods governments and private sector parties use to monitor, surveil, and attack activists is becoming ever more sophisticated. In 2018, our Digital Defenders Partnership again proved to be urgently needed to train, fund and advise human rights defenders across the world.

Together with our strategic partners we supported 5,075 individuals and 461 organizations in countries such as Bahrain, Nicaragua and Tanzania with emergency funding. Indirectly, this safeguarded the secure communication and online security of more than 5 million at risk internet users. We supported more than 50 rapid responders, and coordinated the Rapid Responders Network of trusted actors who offer emergency advice worldwide. In our Digital Integrity Fellowship, five experienced digital security fellows were connected to 16 organizations for 10 to 12 months to increase their resilience against digital attacks. Women activists and journalists are among those most targeted; they face gender-based online harassment and violence on a daily basis. In 2018 Digital Defenders Partnership invested in their safety, supporting 2,675 women.

63,000 CHILDREN BACK TO SCHOOL

Defending the human rights of children to attend school, play, and enjoy their childhood is the *raison d'être* of the Stop Child Labour Coalition, which celebrated its 15th anniversary in 2018. Worldwide, the coalition of six Dutch NGOs and trade unions coordinated by Hivos has successfully advocated to end child labor, and put children back in school. The coalition worked with more than 25 partners around the world to create 112 child labor free zones. In these areas everyone believes that "No child should be working, every child should be in school". In the past five years alone, working closely with communities and community-based organizations, Stop Child Labour has re-integrated more than 63,000 children into the formal education system.

ALL EYES ON THE AMAZON

Brazil is facing one of its darkest periods when it comes to the rights of indigenous people and the

Amazon rainforest they protect. Already in 2018 Presidential candidate Bolsonaro made it very clear that indigenous people should either cooperate in "opening the forests to economic development", or get lost. After he was elected his new government consists of climate change deniers, an evangelical reverend who wants to convert indigenous people, and representatives of the powerful agricultural lobby – responsible for invading and destroying large tracks of indigenous lands. Indigenous people such as the Karipuna immediately suffered the consequences; increased land grabs, violence and death threats from illegal loggers.

All Eyes on the Amazon, the ambitious initiative of Hivos and Greenpeace with nine other coalition partners, supports the Karipuna and other communities in Brazil, Ecuador and Peru by every means possible. We train indigenous monitoring teams to gather evidence of forest destruction using smartphones, drones and satellite images, and have together shown the alarming increase in deforestation. All Eyes on the Amazon successfully lobbied for André Karipuna to present this evidence at a UN meeting on business and human rights in 2018, and for his brother Adriano to address the UN Permanent Forum on Indigenous People. Pressure works. A landmark legal win in Ecuador serves as an inspiring example for indigenous communities across the Amazon: the Kofan people managed to protect their waters by having 52 gold mining concessions nullified in October 2018.

ARTIVISM TAKES BACK CIVIC SPACE

Artists are increasingly being seen as political operatives by various governments that prefer to keep civic space as limited as possible. In East Africa for instance, where civic space has been under attack in 2018. Activists such as Bobi Wine were arrested and tortured in Uganda, the LGBTI community was witch-hunted in Tanzania, and media independence in Kenya crumbled. However, citizens hit back. Kenya for one, witnessed a resurgence of 'artivism': activist art that targets social issues. They use online platforms, films and videos, music, memes and hashtags to expose corruption, call for social justice and tell stories of minorities facing discrimination. Activists and artists jointly



© Adriano Karipuna

tackle the areas of civic space that are under threat, and spread messages of hope.

In focus

COWORKING WITH CREATIVES

Hivos has a long history of engaging with creatives, supporting their smart projects in the right places. Like creative hubs and coworking spaces, where young creative entrepreneurs meet, learn, and inspire each other. 2018 was the last year of Coworking for Sustainable Employment, supporting more than 10 spaces in the Maghreb region. Cogite in Tunis for instance, which was listed as the world's third best coworking space by Forbes in 2016, and hosts more than 100 coworkers daily and 90 events each year. Or The District in Cairo, Egypt's first coworking space, a vibrant community of entrepreneurs, freelancers and start-ups. We particularly promote the establishment of coworking spaces outside the capitals, like Cirta in the remote Tunisian town of Kef, which now employs 12 young people, including young men reintegrating after prison.

In focus: Resource Of Open Minds (R.O.O.M) Donors:

Swedish International Development Cooperation Agency (SIDA), The Netherlands Enterprise Agency (RVO), and the British Council
Period: 2017-2019

R.O.O.M FOR YOUNG CONTENT CREATORS

What is freedom of expression in the 21st century? How do young musicians, writers, filmmakers and other artists challenge shrinking civic space in Africa and the Middle East? How do they question dominant structures in society, create alternative narratives, imagine new realities and advocate for social justice and inclusion? These are basically the questions

Hivos is exploring in R.O.O.M (Resource of Open Minds). Plus, of course: How can we support them, and increase the “R.O.O.M” for these creative futurists?

IMAGINE... WHAT IF?

R.O.O.M follows an alternative development path by supporting, for example, Jana Traboulsi, a Beirut-based artist who produces beautiful drawings and fantastic images. Sometimes they have a clear political statement (“This is not Corruption, this is Capitalism”), but sometimes they’re wide open to interpretation. Like the colorful short animation by Traboulsi and three members of her collective about a train that stopped running at the beginning of the Lebanese civil war and is being brought back on line. Her collaborative space attracts a network of graphic designers, architects, historians, urban planners, musicians and publishers who, like Traboulsi, don’t fit in the dominant NGO “beneficiaries” box. Her work might not directly change corruption or policies, but it raises awareness of overlooked issues in society and imagines possible alternatives. The impact is visible – or maybe even tangible – and her productions reach thousands of people in Beirut.

Hivos is not afraid to give R.O.O.M to the huge number of young artists, musicians, video makers and thinkers who offer new insights and maybe even new solutions that bring about social change. Throughout the ages, creatives have helped us rethink our realities: Why not look at it from this angle? And imagine: What if...? This generation questions existing social structures, the Eurocentric narrative on the internet and the restrictive narrative on sexual expression in their countries. They replace it by their own narratives, using their own forms of expression – and appeal to a broad audience.

RAP, SKITS, GAMES AND ANIMATIONS

Others are trying to positively impact people’s lives through their art and music. For example, Stone Town Records, a grassroots music studio in Zanzibar, where artists use traditional instruments to play rap and hip hop music. They often offer a space where female artists can challenge gender stereotypes and

unemployed youth can develop their musical talents. Other examples are the Zimbabwe Deaf Media Trust that documents deaf oral literature and promotes deaf artistic work, and the youth-run media house Bustop TV that broadcasts and posts satirical skits on political and social issues affecting Zimbabwean society. And then there is the hilarious animation series Makarao made by Alex Kirui of Mfalme Productions in Kenya. It uses humor to address corruption and other social topics through its main characters: two policemen who bribe and harass average citizens for ridiculous reasons.

CONNECTING THE DOTS: AFRICAN CROSSROADS

Yet how to connect all the creative dots on this huge continent, all these small-scale but effective initiatives? Can we facilitate growing, linking, learning and inspiration by putting them into the same R.O.O.M? And if so, should that R.O.O.M be a virtual platform, or a real life venue? Hivos had learned from previous programs that online platforms are often abandoned by their inhabitants soon after their launch. Young creatives prefer chat apps like WhatsApp to exchange ideas, make plans and share news. Still, meeting once a year on a continental scale can be very fruitful.

So, in December 2018, we invited some 100 African creative thinkers and doers to connect, debate, inspire and innovate at African Crossroads in Marrakesh, Morocco. For three days, musicians, artists, entrepreneurs, academics and techies came together to discuss future trends on the African Continent. As a warm-up to the event, we hosted an online tweet chat to kick-start conversations in Kenya on issues that were also debated at African Crossroads. Such as: what influences African online content, how to sustain relevant online content, and how to make it inclusive. Over 1.5 million unique online users saw the chat, and #ContentForAfrika was viewed almost 6.5 million times. In the following days these numbers rose to almost 6.5 million and more than 29 million respectively, while in Kenya the hashtag was a top trending topic.

COLLABORATION AND TRAINING

Creative hubs and maker spaces have a lot to share and exchange, yet they often lack the money to even visit each other. Hivos’ collaboration grants fund short-term projects such as mHub in Malawi and Swahilipot Hub in Kenya. mHub runs an effective incubation program for start-ups, but lacks the experience of Swahilipot Hub to integrate arts and technology. Thanks to a collaboration grant in 2018, they could finally meet and train their teams together.

Hivos also tries to increase the outreach and impact of young creatives. We offer them professional training ranging from entrepreneurship to gamification, and fellowships that include residencies and mentoring. Meanwhile, we continue searching for answers to the questions posed above. Fifteen academic research teams from around the world are investigating examples from our network to see how art can transform people and their social surroundings. They will present their outcomes at a symposium in 2020.

In focus

OPEN UP CONTRACTING

Donor: Netherlands Ministry of Foreign Affairs

Period: 2016-2020

(Implementing) partners:

ARTICLE19, School of Data, The Engine Room and more

OPEN CONTRACTING BENEFITS ALL PARTIES

Worldwide, only six percent of governments publish their contracts in an open and transparent way. As a consequence, citizens cannot follow what happens to their tax money, or find out why the school in their village still lacks windows and a proper roof, or who profits from the badly constructed road that was supposed to give them access to the city. In seven countries around the world, Hivos and ARTICLE19 work with 21 civil society partners and

local governments to make public procurement processes more transparent, fair and efficient. We help civic watchdogs gain insight into these processes, bring different parties to the table to build lasting accountability coalitions, and closely cooperate with partners, like the Open Government Partnership (OGP) and the Construction Sector Transparency Initiative (CoST), to influence government policies and practices.

DIALOGUE AND DISSENT

In our program Open Up Contracting, civic watchdogs and partners working with governments represent the two cornerstones of the Dutch foreign ministry’s underlying policy framework: Dialogue and Dissent. Yet, what if those two get in each other’s way? In the Philippine city of Legazpi, our young tech partner Layertech built a platform for the city government to publish its procurement contracts. But while the city was uploading its first contracts, our investigative journalism partner PCIJ published several stories about dubious contracts awarded to (building) companies with close ties to political clans. That scared off Legazpi officials, who eventually stopped sharing contracts on Layertech’s platform. Hivos realized that both projects were key to open up contracting, and the PCIJ series had indeed increased people’s understanding of contracting. To restore the city’s trust, Hivos organized dialogues between city officials and national bodies that confirmed the city was backed by data procurement law. Thanks to this intervention, the authorities felt safe enough to continue publishing their contracts.

INTEGRITY CIRCLES IN THE PHILIPPINES

Transparent, fair and efficient contracting is in the best interest of all involved. Governments don’t want to lose their money because of bad planning, inefficiency or corruption. Businesses need a level playing field, and citizens want good public services. Yet the trick is to convince all parties of their mutual interests. In the Philippines, Hivos’ partner European Chamber of Commerce of the Philippines (ECCP) had initiated so-called Integrity Circles in nine subnational governments. These are platforms for business representatives, local governments and civil society to discuss integrity issues and create mechanisms to tackle them. In the city of South

Local level as a basis for success

Cotabato, where already more than 20 of such mechanisms were in place, the integrity circle proved a perfect entry point to take up open contracting. Hivos and ECCP first organized separate discussions with all stakeholders to identify needs and pressure points, and discover common ground. We then brought the issues – such as businesses not understanding the city’s contracting processes - to the table, presenting open contracting as a possible solution. This resulted in a buy-in from all parties and eventually the commitment of the local government to open contracting reforms in its new OGP Action Plan.

MAKUENI COUNTY GOES TRANSPARENT

To really engage citizens and companies, governments should not limit their transparency to publishing contracting data that only experts can understand, but make the entire public contracting cycle easily accessible. This is exactly what the governor of Makueni County, Kenya, did after several meetings with Hivos about the benefits of the open contracting approach. In February 2018 he signed a Memorandum

of Understanding with Hivos to reform procurement processes, soon followed by a sensitization meeting with his cabinet and relevant departments. They set up a technical team to roll out open contracting in the entire county. “Thanks to this new approach, anyone can see what the County government is buying and who got the contract,” governor Kibwana stated.

Makueni County is even ahead of the Kenyan government, which is a frontrunner on transparency issues in the East African region. Suffering from an annual loss of six billion dollars on corruption related to (infrastructure) contracts, the country definitely sees the need to act. Since shell companies are an obstacle in some major corruption scandals, Hivos’ partner InfoNet Africa strongly advocated for an online registry that links all awarded tenders to the companies’ real owners. In 2018 InfoNet celebrated a big win when it signed an agreement with the National Treasury to develop Kenya’s first registry of beneficial ownership. The register has already been used as source for several investigations.

LOCAL LEVEL AS A BASIS FOR SUCCESS

The successes in Makueni County and the cities of Legazpi and South Cotabato underline an important lesson the Open Up Contracting partners learned after two years of implementing the program: working at the local and regional level offers better chances of success. Here we find governments looking for new ways to engage with their citizens and build trust among businesses. Co-creating solutions, and replicating these to other cities and regions, allows us to build a body of evidence for our (international) lobby and advocacy work.

In March 2018 Open Up Contracting achieved an important success at the international level. The UN Committee on the Status of Women adopted a paragraph calling for increased benefits for rural women from procurement processes. Since all member states agreed, this result of dedicated advocacy by Hivos and partners in Africa provides global leverage for women’s organization’s demands.

We work at all levels with another transparency champion: Open Government Partnership (OGP). In OGP, governments and civil society create action plans to make governments more inclusive, responsive and accountable. Five out of seven countries we work in are a member of OGP and have committed to open contracting in their OGP National Action Plans: Guatemala, Indonesia, Kenya, Malawi, and the Philippines. This offers a wealth of future possibilities to cooperate on our mutual goal: governments that are open and accountable, and really serve and engage their citizens.

4.2 SEXUAL RIGHTS & DIVERSITY

The picture is quite gloomy when we look at the space for LGBTI persons and key populations around the world in 2018. While diversity could and should enrich communities and societies, the grim truth is that millions of LGBTI persons, people living with HIV, sex workers and (young) women face stigma and violence. They are denied the right to bodily authority/integrity and freely express who they are and to love whom they want to love. Conservative groups that target LGBTI persons are usually the same that fight against sexual and reproductive health rights (SRHR).

SAME-SEX VICTORIES

Still successes appear across the globe, mainly due to the growing strength of LGBTI organizations. An increasing number of countries recognize and respect LGBTI rights, and reflect this in laws and policies. In April 2018 Trinidad and Tobago's High Court ruled that the country's ban on same-sex intimacy was unconstitutional. In September, the Indian Supreme Court declared in a similar landmark ruling that homosexual sex is not against nature and thus not illegal. Then in December, four transgender persons in Guyana finally found justice when the law that criminalizes cross-dressing was struck down.

All these legal journeys took many years, or even decades in the Indian case, and Hivos has been part of them. In India, the Naz Foundation that started the original lawsuit was our longstanding partner. And in Latin America and the Caribbean, we oversee the grant management of the national Right Here Right Now platforms that played a crucial role in the landmark rulings in Trinidad and Tobago and Guyana. Hivos supports these platforms' planning, activities and monitoring, and has a leading role in safety and security trainings or all Right Here Right Now platforms.

RIGHT HERE RIGHT NOW

Right Here Right Now (RHRN) is a strategic partnership between seven organizations and the Dutch Ministry of Foreign Affairs, including Hivos and led by Rutgers. In 10 countries and the Caribbean region we link organizations of young people, women and LGBTI



persons and provide them with a platform. Supported by targeted training, the new coalitions jointly advocate for inclusive and progressive SRHR policies in their countries, addressing sensitive issues such as safe abortion and sexual orientation. RHRN is primarily focused on the SRHR of youth; therefore all platforms include youth-led member organizations, often in leadership positions.

In 2018 the Bolivian platform showcased its high added value in a campaign to gain support for the Family Life Agreement (AVF) law proposal, which is analogous to marriage for same-sex couples. All platform members brought their specific strengths to bear. Youth-supported LGBTI and women's organizations shared forceful messages through social media networks, while LGBTI organizations mapped decision-makers and provided advocacy messaging. Women's organizations lobbied for the new law, and young, well-trained platform members engaged effectively with decision-makers, and raised public awareness at festivals, universities and on TV shows. As a result, the number of allies in the Assembly increased and, equally important, LGBTI youth became more visible and made their voices heard.

STRONG IN DIVERSITY

Strong in Diversity targets one of the root causes of discrimination against LGBTI persons: the negative views of religious leaders, politicians and media practitioners that shape public opinion. In this bold Hivos project we support LGBTI communities to enter into dialogue with societal leaders and build alliances with them. In mid-2018 we started implementation in two polarized Kenyan regions, with two new local partners. Since most anti-LGBTI campaigns in Kenya originate from religious leaders, Hivos involved an expert to use (existing) progressive interpretations of religious texts as a starting point for dialogues with this hard-to-reach sector. In September, we convened 15 media representatives in a first attempt to have meaningful discussions about religious narratives on LGBTI issues. That same month our partner Positive Vibes trained the first LGBTI activists, building their confidence and resilience, as both are crucial for their wellbeing and for the success of Strong in Diversity.

FREE TO BE ME IN THE MENA REGION

Conservative powers are on the rise in Lebanon and Tunisia. Still, both countries have seen a rapid increase of LGBTI organizations defending and promoting their rights. In 2018 Hivos supported four organizations to join forces and broaden the regional LGBTI movement. The four decided to prioritize the decrease of harmful practices in the legal and health sector. Police randomly arrest LGBTI persons and force them to undergo anal testing, and doctors deny treatment or charge them extra. In the past year the groups jointly organized roundtables with influencers, trained 25 lawyers and 100 health and law students, set up (social) media campaigns, and held conferences and an LGBTI health week. Furthermore, the first Syrian LGBTI organization was established, and a new LGBT community outside Beirut was trained. After one year, the cooperation between the different groups has increased significantly. They are now seeing the first results of their hard work in the growing number of lawyers who want to defend LGBTI persons.

HUGE SUCCESS: KP REACH

In September 2018, 15 citizen journalists came together in South Africa to both celebrate and say goodbye to one of the most successful programs to reduce stigma and discrimination of key populations in the region: KP REACH. The 15 "Key Correspondents" played a major role in the advocacy and communication campaign of four regional networks of key populations that were engaged by Hivos to join forces. Designed by key population communities and M&C Saatchi, an innovative media campaign was launched across eight Southern African countries. Real-life stories collected by the citizen journalists were frequently aired on radio. These were heart-warming stories of LGBTI persons, people living with HIV and sex workers telling how they became accepted, and stories of compassion told by their mothers, brothers, friends and co-workers. More than 33.5 million people listened to these "Unheard Stories", which measurably improved public sentiment in all eight countries.



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In focus

THANKS TO HIVOS PRIVATE DONORS

The huge and generous support of Hivos' Dutch private donors to the LGBTI movement deserves a special mention. Thanks to their contribution, Timor-Leste witnessed its second Pride Parade ever – crucial in a country where small sparks of hope mean a lot to LGBTI persons who are widely discriminated against. In Bolivia, our private donors enabled the "Changing Gender Identities" project, supporting more than 90 transgender people to register their identities. Bolivian law allows this, but the process is costly and time consuming. Out of 70 organizations, Hivos was selected by the Confederation of Private Businesses in Bolivia and the UN for our outstanding contribution to SDG10 (reduced inequalities) through this project, and received an award in November 2018.

SRHR fund Donors: Embassy of Sweden Zambia (SIDA) and FORD Foundation.

YOUTH-LED SRHR ORGANIZATIONS BLOSSOM THANKS TO REGIONAL FUND

In East and Southern Africa many youth-led organizations are too small, unknown or unusual to be recognized and funded by institutional donors. Yet they know perfectly well what young people need when it comes to their sexual and reproductive health rights – and how to reach them. What's more, they bring in fresh ideas, use innovative models and connect to young groups that are often overlooked by the big players that do receive funding.

DREAM ACHIEVERS

Dream Achievers in Kenya are a good example. They use graffiti for advocacy purposes. Their young educators visit health centers and schools, where they discuss SRHR issues and paint murals with the students. Whenever a school director or head of a health center agrees to improve access for youth groups, Dream Achievers turn this agreement into a mural. Every time the school and health center authorities enter their building, they see a larger-than-life reminder of their commitment. The young graffiti makers even use their murals as a monitoring tool, visiting the location regularly to see if practices and perceptions have changed. And the murals also serve as an educational and awareness-raising instrument, since visitors ask questions about the paintings.

Hivos' Regional SRHR Fund was relaunched in 2018 to address the funding gap between established and grassroots organizations. The originally relatively small fund was originally set up in 2010 by Hivos and Ford Foundation as a SRHR fund for young women. Ford Foundation continued it alone after the Dutch government ended its co-funding system in 2016. Later, Hivos started talks with the Swedish SIDA that resulted in a huge boost for the fund of \$9.7 million for the period 2018-2021. We also shifted the focus to better access to SRHR services for young adolescents in general.

COMPREHENSIVE APPROACH

The renewed SRHR Fund uses its grant capacity for comprehensive support to the sector. We strengthen the capacities of youth-led organizations so they can advocate for their own SRHR rights more effectively and efficiently. We claim a more prominent role for young people in the knowledge management and research that underpin this advocacy. Because youth should be at the forefront when it comes to designing and carrying out adolescent SRHR research. And to increase their chances of success, we help them see who is best placed to take up what role, share best practices, and form a Community of Practice.

The SRHR strategy drafted by the Southern African Development Community (SADC) in 2018 is an

example of this approach. We asked what they knew about SRHR, what they wanted, and how they would feed into it.

Our SRHR Fund stimulates youth delegates to attend strategic meetings, but we want to make sure they can really make a difference. So we refuse to just tick the "attendance" box. Instead, we issue strategic calls, select young people, and mentor them to become effective delegates. Furthermore, we ask them to perform concrete actions, ranging from tweeting and blogging to asking questions during the meeting. In 2018, the first four delegates actively participated in a family planning conference in Rwanda.

YOUTH-LED RESEARCH

To place young people front and center in research on adolescent SRHR, we piloted a youth-led research initiative in Zimbabwe. Ten young people, including youth with disabilities, were trained to do research that fit in their own SRHR agenda, informed their own needs and could be used in their own advocacy. At the same time, through our special initiatives fund, we encourage researchers to be innovative and break boundaries in research to increase access to SRHR for young people. Why not explore questions like: How do we involve queer young people? or: What is it like to be young and living with disabilities?

In 2018, the Regional SRHR Fund supported 27 organizations with a total of \$1,402,000. Among these were eight youth-led organizations funded through our capacity strengthening grants that we will accompany for two to three years. The fund hugely invests in this diverse group of youth organizations, helping them to get fit for purpose. Based on their own proposals, we help them refine their project logic and connect with their fellow grantees at joint learning events. During the entire period the grantees have both capacity strengthening specialists and program officers at their disposal. Thanks to this support, a young women-led organization in Zambia, Copper Rose, was able to train Health Ministry health care workers how to respond to young people's needs, opening doors for them that until then had remained shut.

FIRST TIME RECIPIENTS

One of the exciting things, both for the fund and the beneficiaries, was that two of these eight organizations had never received any funding before. Now thanks to the SRHR Fund, they can obtain future funding from other donors. A remarkable example is young feminist organization SAFIGI (Safety First for Girls). SAFIGI is refreshingly resourceful and unconventional. The organization is all female (all under 24), has an open leadership and a dedicated volunteer network, and works to advance safety for girls through education, activism, online communities and research.

In this first year of its new focus and set-up, the Regional SRHR Fund has greatly enlarged its network and managed to effectively reach very active and promising youth-led groups. Both staff and youth organizations are eager to roll out new ideas, such as an initiative focused on queer youth. Key to the fund is that its grant mechanism will be used to include who is left out.

People
unlimited



4.3 WOMEN'S EMPOWERMENT

Looking at Hivos' programs, it is obvious that women's empowerment - or actually gender equality - cuts across all our work. As our new Gender Equality and Diversity Inclusion Strategy states, Hivos believes that gender equality is essential to make societies more just, fair, dignified, and prosperous. In our Sexual Rights & Diversity programs we make sure LBG women are involved. Women's organizations are part of the 11 platforms in Right Here Right Now. Our Sustainable Food programs all focus on women as the most important drivers of change towards healthy diets. Even the majority of winners in our Disrupt! events are women entrepreneurs. Without women, four billion people will not have access to clean and affordable energy, so we support their crucial role in delivering renewable energy solutions (at all levels). Tech girls and rappers challenging gender stereotypes are among the many female creatives Hivos supports, and we help women's rights defenders protect themselves through our Digital Defenders Partnership.

So why does Hivos have stand-alone women's empowerment programs? Because, despite progress in some areas (like more girls enrolling in school or gender-based violence getting on the public policy agenda), deep-rooted inequalities persistently disadvantage women and girls. Politics remains a man's world, the majority of employed women have low-paid jobs (on top of their household work), law enforcement on gender-based violence is often lacking, and sexual violence is systematically used in conflicts. Even women's important role in local peace-building does not resonate in most formal peace negotiations.

WOMEN EMPOWERED FOR LEADERSHIP

Women Empowered for Leadership (WE4L) supports women to attain leadership positions at all levels: as a member of parliament, union leader, school director or community representative. By the end of 2018, Hivos partners in Jordan, Lebanon, Malawi, Zambia and Zimbabwe had supported almost 2,700 (aspiring) women political leaders, trained 4,300 women to monitor elections, and had six political parties adopt quotas for women. Still, as we concluded during our

annual linking and learning event, parties do not always live up to their promises. In Zimbabwe and Lebanon, the initial success of engaging parties to nominate a substantial number of female candidates, turned into a deception shortly before the 2018 elections.

Therefore WE4L also put significant efforts into enabling women to communicate their message and reach their voters. We sensitized journalists in Lebanon and engaged 10 media houses in Malawi. We developed creative ways to raise public awareness, such as a video that went viral in Lebanon (over 200,000 views in less than 24 hours) in which well-known YouTube actors act out different scenarios of sexual harassment at the workplace. In Jordan we used innovative methods like Café Talks (youth ambassadors initiating discussions among their peers in cafés) and “kitchen meetings” (rural women talking about their needs and ambitions gathered at a neighbor’s house). And in Malawi, WE4L successfully mobilized traditional and community leaders in a patriarchal district to promote women’s leadership, resulting in more women community leaders and chiefs. Furthermore, WE4L reached out to the banking sector in 2018, performing gender audits at several banks in Zambia and Zimbabwe, and even at the Central Bank of Jordan – an unprecedented event in the MENA region.

WOMEN, PEACE AND SECURITY IN SYRIA

Almost 20 years after the UN Security Council adopted its Resolution 1325 on women, peace and security, women are still largely invisible in international peacemaking – and Syria is no exception. Still, at the local level Syrian women show what they are capable of. They successfully mediate between different groups in society, document human rights abuses, establish cease-fires and create local political councils. Together with three Syrian partners, Hivos supports women to fully participate in peace, security and democracy in Syria. In our previous “Women on the Frontline” program, we successfully advocated for the appointment of a Women’s Advisory Board to the UN-led peace process. Yet, for their work to gain ground it is essential that they are connected to Syrian women working at the grassroots level.

In our program “Syrian Women’s Participation in Peace and Security”, we link the UN track with national and grassroots tracks in the same peace process. Furthermore, we support women in communities to take up leadership roles and change the social norms, laws and institutions that hamper their full participation. In 2018, we prepared a pool of 130 trainers to educate and engage these communities, and held workshops in Syria for some 400 participants. To close the gap between UN and local initiatives, we organized dialogues and consultations with almost 500 people in advance of a conference where 55 people debated the UN peace process. We presented a paper on effective women participation in political solutions, which was drafted with the input of more than 300 Syrian women. It was the first time that all layers involved in the peace process discussed such a document.

BACK TO DIGNITY

Yezidi women and girls who were held as sex slaves by Islamic State are deeply traumatized. “The suffering they endured is unimaginable,” says Behar Ali, co-founder of EMMA, the Hivos partner that helps these women to recover their dignity. Often they have nowhere to go, either because their families were murdered or are still being held captive, or because their communities no longer accept them. EMMA helps Yezidi women with psycho-social support, and empowers them to become leaders in their own communities. In 2018 EMMA established a mobile trauma team that offered support and counseling to 700 women and provided referral services to 240. In addition, several dozen women received scholarships and training in leadership skills. A special project in 2018 was the launch of “Layla and the Nights of Pain,” a book telling the story of a former IS sex slave written by her brother, which was later turned into a moving docudrama. At the screening, EMMA and Hivos were awarded by Kurdistan TV for their hard work on empowering Kurdish Yezidi women.

In focus

WOMEN@WORK

Donor: Netherlands Ministry of Foreign Affairs. Period: 2016-2020

SAFE WORKPLACES AND A LIVING WAGE

After more than six years of advocating for better labor conditions for women in the flower industry, Hivos’ Women@Work Campaign has established itself as the largest structural dialogue and advocacy platform on women’s labor rights in East Africa. Since we extended our activities to Southern Africa in 2017, flower workers in Malawi, Zambia and Zimbabwe are also starting to benefit from the commitment and perseverance of our partners. Time to sum up some of the results of 2018 and the challenges that remain.

FIGHTING SEXUAL HARASSMENT ON THE GROUND

In the fight for flower workers’ rights Hivos has prioritized two issues: we lobby for a living wage for women workers and we influence flower farmers to adopt sexual harassment workplace policies that curb violence against women workers. In 2016 we developed a model workplace policy for flower farms on how to fight sexual harassment. As we involved all stakeholders, this model sexual harassment policy was adopted by more than a hundred Kenyan flower companies in 2017. A great result – and a first big step towards changing conditions and behavior in 2018 at workplaces, where women are harassed, denied sick or maternity leave, forced to work in unsafe circumstances and paid extremely low wages.

In Kenya our partner Haki Mashinani is one of the passionate providers of legal aid and training to women workers, educating them about their rights and giving the skills to actually claim these rights and organize themselves. With support from the exporter’s organization Kenya Flower Council in 2018, Haki Mashinani was allowed to train workers during working hours by several flower farms. When farms didn’t allow this, the training took place on weekends – and even then women turned up in large numbers. Male champions received separate training on sensitizing their male colleagues to sexual

harassment issues. Another crucial target group within flower farms are the HR managers. In 2018, we brought together managers from Uganda, Kenya and Rwanda to learn about and discuss the importance of gender conscious policies.

IMPROVING FLOWER WORKERS’ LIVES

Quick fixes don’t exist in complex, international supply chains like the horticulture industry. We have learned that it’s imperative to engage all stakeholders – even though this takes time. In Uganda, our research into sexual harassment in the flower industry a few years ago proved very convincing to the Uganda Flower Export Association (UFEA). We showed that sexual harassment not only severely harms the psycho-social and physical well-being of the victims, but also leads to absenteeism, lower productivity, and loss of consumer support. In February 2018, after several consultative meetings by Hivos partners, seven big flowers farms in Uganda adopted the model sexual harassment policy – and now lobby for other flower farms to do the same.

In Zimbabwe we closely cooperate with GAPWUZ, a labor union that really gets things done. Using baseline studies by Hivos and discussions about the most pressing issues for women workers, GAPWUZ decided in 2018 that a first step was to install women committees at the flower farms. The union trained committee members to address problems ranging from (sexual) intimidation to equal pay and breast-feeding spaces. Women committees can literally change flower workers’ lives: “Before, we did not have anywhere to turn to for work disputes. If you got dismissed from work unfairly, you did not know who to talk to.”

In Zambia, our mobile health clinics are a good entry point to raise women’s rights issues, both among workers and their employers. Workers get medical check-ups and treatment on site, including HIV counseling and testing (some key workers live with HIV and are chronically ill). Receiving treatment means securing their jobs, leaving the employer with healthier and productive workers who feel cared for through this social service. The mobile clinics reached over 1,800 workers (1,200 women) in three farms in 2018. In addition, our partners conducted 11 training sessions for 6 managers, 900 female and 530 male workers.

KENYAN FLOWER WORKERS INFLUENCE UN'S GENDER LENS

International regulations can greatly contribute to the lobby efforts of flower workers' representatives. Labor laws and requirements to foreign investors make governments effectively protect their workers. Together with our Kenyan and Ugandan partners, we brought the labor rights violations in the horticulture sector to the attention of the United Nations Working Group (UNWG) on Business and Human Rights. As a result, the UNWG visited the three areas proposed by Hivos and partners, and we facilitated the workers' interactions with the working group. UNWG released a statement on their precarious working conditions and noted the problem of sexual harassment against women, urging companies and governments to act. Following this lobby result, Hivos and its partners were asked to organize the African consultation on applying a gender lens to the UN Guiding Principles on Business and Human Rights, in October 2018.

CHRISTMAS BONUS THROUGH THE LIVING WAGE LAB

In our Dutch Living Wage Lab, set up in 2016 together with Fairfood, we bring together representatives of the government, trade unions, retailers, producers, NGOs, researchers and certification bodies. The quarterly lab sessions provide a safe space for all stakeholders to explore strategies, tools and business models to realize decent wages in their supply chains. The lab also includes big players like Achmea, Ahold and Versteegen. Hivos encouraged them to pilot concrete solutions. So Ugandan flower exporter Wagagai, its importer Selecta One, and Fairtrade decided to try and raise the salaries of Wagagai's workers. Around Christmas, Wagagai asked Dutch consumers to pay €0,045 extra for their Christmas poinsettia, and urged other players in the supply chain to refrain from adding extra costs. As a result, the Fairtrade poinsettias were sold for €0,045 extra at PLUS and Deen supermarkets in 2018, providing all 1,400 Wagagai workers with an extra month of salary.

Following the success of the Dutch Living Wage Lab, Hivos is setting up two similar labs in Uganda and Malawi in 2018. In both countries this is badly needed: the minimum wages are even below the poverty threshold of \$1.90 per day of the World Bank. Women@Work still has much to do.

In focus

VOICE (CROSSOVER SR&D)

Donor: Netherlands Ministry of Foreign Affairs. Period: 2016-2021

Partners: Oxfam Novib (lead contractor)

IGNORED VOICE(S) BELONG AT THE TABLE, NOT ON THE MENU

When it comes to civic space, Voice is more needed than ever. Civic space is seriously restricted in six of the ten countries where this innovative grant facility supports the inclusion of the most marginalized and discriminated people. In its annual CIVICUS Monitor, the global civil society alliance rates civic space in three Voice countries as repressed and in one as completely closed. To respond to this, Voice offers "sudden opportunity grants" to help fight civic space restrictions. These grants help coalitions to counter a sudden threat or open up civic space at the global or national level, among others.

LGBTI REFUGEES IN KENYA

The space for LGBTI communities in particular has shrunk significantly – even to the point that Voice cannot freely share their great work. An exception is HIAS in Kenya, which has been supporting LGBTI refugees in the country for over a decade. The Jewish charitable organization, originally founded to support Jewish emigrants fleeing Russia from the late 19th century onwards, protects refugees most at risk. In Kenya these include LGBTI persons who fled countries like Uganda and Somalia, where their lives are in danger for being who they are. In the Voice-funded project, HIAS collaborates with artists and LGBTI communities to empower LGBTI refugees, increase their ability to earn an income and educate service providers to meet the specific needs of LGBTI persons.

WOULD YOU EMPLOY HIM?

On the other hand, space for people with disabilities has opened up in all Voice countries. An inspiring example of what Voice grantees can achieve is the story of Morgan Maze, a young man from Indonesia

with Down syndrome. His mother - with other parents - founded YAPESDI, which in 2018 received its second empowerment grant. YAPESDI's dedicated team trains teens who have Down syndrome to speak better, gain more confidence and become self-advocates. Morgan is now a happy, motivated twenty-year-old who love Hip-Hop, speaks fluent English and French, and would like to become a pastry chef.

As such, he was a main character in the smart, thought-provoking inclusion campaign Voice launched on Labor Day 2018. Voice put a photo of Morgan wearing a chef's hat on Twitter and Facebook, adding the text "He dreams of being a top chef. Would you employ him?" Many people added enthusiastic comments: "Yes! Yes! Yes! I'd employ him!" An inspiring series of tweets and posts followed, including a photo of little people from Mali doing a fashion show: "They are upcoming fashion models. Would Vogue put them on the cover?" – tagging Vogue.

MAPPING THE ALBINO COMMUNITY

The ten Voice country teams also reach out to "unusual" groups that have been systematically neglected by development funding streams.

The new grantees include some gems, such as the Albinism Umbrella, founded by Olive Namutebi, a woman with albinism from Kampala. Olive wants society to become aware of the simple genetic causes of albinism, and that especially women with albinism are not a curse or a ghost. Albinism Umbrella aims to give people with albinism a joint voice, and advocate for better services, including education. Since the official censuses only register "disability" without noting the specific type, no one knows how many people with albinism live in Uganda. With an "innovate & learn" grant from Voice, Olive's organization identifies people with albinism by simply going out into the villages and using GPS mapping to create a database.

PHILIPPINE WOMEN TAKE TO THE STREETS

In the Philippines, Voice is proud to support the moms, sisters and widows of the victims of president Duterte's "war on drugs" that has already cost up to 20,000 lives. Despite the highly repressive climate, women dare to take to the streets to fight against the extra-judicial killings. CATW-AP and grassroots organization SENTRO brought these women together in the project "Violence Against Women and the War on Drugs". They provide them with psychological first aid and empowerment training, including human rights education. Now, the courageous women question the imprisonment of relatives and attend court cases. "Somehow, my trauma has lessened. I am not as scared of the police."

LEARNING FROM SENIOR LADIES

Linking and learning from and between the grantees is crucial for Voice. By the end of 2018, every Voice country had its own linking and learning facilitator. In a typical Voice move, they were also selected for their additional specialty – in filmmaking, knowledge management, social accountability, and advocacy – resulting in a fruitful extra dimension of cross-fertilization. At the beginning of 2019, they joined representatives from all countries during the second Inclusion Innovation Indaba - this time in Kenya. Honorary guests were the senior women from Indonesia, who had never owned a passport or been on an airplane, but came to Kenya to tell their story. In the Yogyakarta market they carry loads for other vendors, sometimes up to 100 kilos. With a small empowerment grant, the women started organizing and demanding toilets, better working conditions and a maximum load of 20 kilos after they reach a certain age.

Voice is proud of the diversity, inclusive practices and achievements of its grantees. The wealth of amazing initiatives is a result of its creative way of grant making, such as the fun eligibility test tool which was sharpened in 2018. But most of all, the results come to the credit of Voice's leading principle: "Nothing about us, without us."

4.4 SUSTAINABLE FOOD

At the beginning of the 20th century we had more than 7,000 varieties of apples. Today, only four dominate the global markets. In Bolivia, street vendors see instant noodles replacing the wide variety of vegetables their customers used to buy, while indigenous farmers raise the alarm about the loss of biodiversity. Similar stories are heard among their counterparts in Indonesia, Uganda and Zambia. Worldwide, only four crops – maize, rice, wheat and potatoes – supply over 60 percent of the calories people obtain from food. Diet-related health problems now exceed those stemming from undernutrition, and our food security is highly susceptible to climate-related changes. Unsustainable food production depletes our ecosystems and degrades the planet's natural resources.

TACKLING FOOD SYSTEMS

What most people find on their plates reflects what farmers grow in their fields. And it's the (small-scale) farmers who first feel the adverse effects of monocropping: a greatly reduced ability to adapt to climate change and cope with pests and diseases. (Agro) biodiversity loss now far exceeds the planet's environmental limits. All this - plus the poverty of the underpaid men and women who grow, pick and pack our food – makes up the true cost of food.

Our plates and farmers' fields are closely linked in what we call the *food system* – and this is where the solution to biodiversity loss and unhealthy diets is to be found. We have to change the *food system*. In 2018 Hivos tackled local food systems in Uganda, Zambia, Kenya, Indonesia and Bolivia with Food Change Labs. These labs involve all stakeholders to jointly explore solutions and test their workability, making sure citizens are in the driving seat. In Zambia for instance, the Lab's crop diversity group successfully lobbied for the introduction of an e-voucher system by the Ministry of Agriculture to allow farmers to get seeds for crops other than maize.

SEEDS SYSTEMS AND ENTREPRENEURS

Open source seed systems are a way to ensure smallholder farmers can freely access the seeds they need to feed their communities, preserve biodiversity and adapt to climate change. In 2018 Hivos and



multiple stakeholders successfully promoted open source seed systems in Kenya, Tanzania and Uganda. In Kenya, Hivos and the Seed Savers Network help its 40,000 farmers to register, produce and trade crops, and create a digital exchange platform for patent-free seeds. And we support farmers groups, governments and NGOs to formulate policy recommendations to enable the free exchange and breeding of seeds by smallholders.

Hivos stresses the important role of early-stage food entrepreneurs – especially women - in bringing about social change. These are businesses that cater to the needs of small farmers and low-income consumers with their products and services, while also creating local employment. Think of the East African ethical seed companies Dash Crop, CREADIS and Agrifor. All three were winners of our Disrupt! Ideathon in July 2018, and received technical and business training to further develop their social enterprises.

COFFEE SECTOR IN DISTRESS

Collaboration with all parties is also the key to the survival of the global coffee sector, as our 2018 Coffee Barometer clearly indicated. Climate change threatens coffee cultivation in major coffee producing countries like Brazil, Honduras, Uganda and Vietnam. Although the previous Coffee Barometer (2014) already raised the alarm, the sector's sustainability has not improved. The 25 million smallholder farmers who grow the world's coffee cannot invest in urgently needed adaptation measures. They don't even earn a living wage. The global retail value of coffee may be \$200 billion, but less than 10 percent of this stays in producing countries, and billions are not reinvested in farm-level sustainability. The Coffee Barometer's conclusion that it's time for the sector to stop talking and start acting attracted great media attention.

In 2018, Hivos worked in two multi-stakeholder partnerships to tackle the complex challenges facing coffee producers. In East Africa we teamed up with ECOM, one of the world's largest commodity trading and processing companies in coffee. Our 4@scale program, which will end in 2019, has enabled 80,000 coffee farmers – including many women and youth

– to create viable farming systems. The Sustainable Agricultural Food Environment (SAFE) Platform, powered by the Inter-American Development Bank and managed by Hivos, has already benefited 120,000 coffee farmers in Latin America. SAFE, where frontrunner private sector parties, donors and NGOs cooperate, greatly increased its sphere of influence in 2018. The platform expanded its coffee program to Mexico, and joined forces with the Global Coffee Platform, which unites producers, traders, roasters, retailers, government agencies, donors and NGOs worldwide.

LINKING GLOBAL TO LOCAL

Our managing role in SAFE illustrates Hivos' global position as an acknowledged authority when it comes to the coffee sector in this region. Additionally, we are co-lead of the UN Sustainable Food Systems Program (SFS), a multi-stakeholder partnership of over 150 global members. SFS is one of the six programs within the network that puts Sustainable Development Goal 12 (Ensure sustainable consumption and production patterns) into action. At the High-Level Political Forum in July 2018, engaging multiple actors to transform the food system was a hot topic. An excellent opportunity for us to present our Zambia Food Change Lab as an inspiring example of linking the global to the local.

The bottom line of food change processes is: everybody is a food consumer. Politicians, farmers, food vendors, business owners, school teachers, students all share the basic need for food. This is both a main entry point and a success factor of our Food Change Labs. Likewise, food provides many other opportunities to promote healthy and sustainable diets. In Bolivia for instance, our program SD4All works with Hivos' Open Up Contracting program to make the government's procurement process for school meals more transparent and favor healthy, sustainable food. Our Sustainable Food programs will continue to identify potential allies at the local, national and international level to help us change the complex global food system.



In focus

SUSTAINABLE DIETS FOR ALL

Donor: Netherlands Ministry of Foreign Affairs

Period and budget: 2016-2020, €11.3 million. Partners: International Institute for Environment and Development (IIED) and 10 partner organizations

HOW CITIZENS CHANGE THEIR FOOD SYSTEMS

Low-income citizens are by far the most overlooked group when it comes to finding ways to change current food systems. In many programs they do play a role as subjects of either research or awareness raising campaigns. But never as game-changing actors.

In Sustainable Diets for All, low-income citizens are key actors at all stages of the change process. They collect data about their daily diets in food diaries, which is crucial for our influencing and campaigning strategies. In our Food Change Labs, they explore food-related problems and possible solutions, together with a range of other stakeholders. And they implement solutions at the local level that provide the evidence for effective advocacy at the regional, national and even international level

LESSONS FROM ZAMBIA AND UGANDA

Citizen agency has been leading in our activities in Uganda and Zambia, and is also key in what we have achieved in Indonesia and Bolivia in 2018. An important lesson learned from our Labs is that a tailor-made approach is vital. In Zambia, the Lab participants and our partners successfully focused on influencing national food policies, resulting in a government commitment to end mono-cropping. In Uganda, change works its way up from the urban level of Fort Portal and the surrounding Kabarole district to the national level food policies. Here, it's the urban food consumers, street food vendors, small farmers, and municipal authorities who are the committed drivers of change.

WOMEN PROMOTE HEALTHY FOOD

In Jember, one of the poorer regencies in East Java, Indonesia, our partner Tanoker chose yet another approach. As a response to the unhealthy and unsustainable diets of most inhabitants, Tanoker started to teach women's groups how to make healthy meals and handcrafted snacks with traditional recipes, using natural ingredients commonly found in people's gardens. Every month Tanoker organizes a Pasar Lumpur: a community market full of fun activities, where the women sell their healthy food to an increasing number of visitors. To engage the wider community and policymakers, Tanoker organizes workshops on healthy and tasty food, but also on sustainable food policies and food diaries research.

Siti Latifah, a teacher at an Islamic-based school in Jember, was a regular participant in Tanoker's activities. She decided to pilot a canteen at her school serving healthy snacks for the children. And she organized meetings with parents to encourage them to provide healthy food at home. Latifah's initiative got the support of Jember's Minister of Religion and now serves as a regional example. In 2018 Jember was officially declared a Child-Friendly District with Primary Category by the Ministry of Women's Empowerment and Child Protection. This was mainly thanks to the efforts of Tanoker. Following this success, Tanoker was asked to contribute to the regional SDG planning and implementation - a clear recognition of their expertise.

URBAN GARDENING IN LA PAZ

In Bolivia's capital La Paz we see a striking similarity with the rural district of Jember: the central role of women in people's eating habits, and their ability to make change happen. Women buy food and cook meals for their families; women grow food and sell it at local markets or in small restaurants. In 2018 this led us to hold a women-only Food Change Lab in La

Paz, gathering food vendors, indigenous council members, farmers and academics. Some 70 women shared their stories - "There is nothing but junk food in my neighborhood" - and presented their solutions. These ranged from the reintroduction of the nutritious Andean grain cañahua to campaigning for gender equality in the kitchen. Next year, they will share their plans with La Paz' decision-makers.

To tackle these food problems, our partner Alternativas and the local government initiated a municipal food security committee in 2015. The committee consists of entrepreneurs, academics, farmers, market associations, public sector representatives and NGOs who propose municipal laws and investments to change local food systems. One of their most striking results were the organic urban gardens, where 40 low-income families from La Paz cultivate over 25 crop varieties on their own plots. In 2018, the city council of La Paz approved a law promoting this urban food gardening. By the end of the year, the municipality even included the idea of integral food systems in its development plans.

EVIDENCE-BASED ADVOCACY

How can citizens and our partners best generate evidence about their daily food experiences? And what are practical guidelines to advocate for changes based on this evidence? Major questions that we tried to answer in 2018 by publishing a paper on the role and use of citizen-generated evidence, together with an advocacy toolkit. The problem is: policymakers tend to design food policies based on unchecked assumptions about low-income citizen's needs and food consumption habits. A notorious blind spot for instance, is the informal sector, the backbone of low-income citizen's food consumption.

This oversight excludes large parts of society from healthy and sustainable diets. But evidence generated

by low-income citizens - patrons of the informal sector - in urban food maps, diaries, photo stories and videos, or derived from existing public information, can reconnect policymakers to their citizens. Supported by Hivos' training and advocacy toolkit, our partners can now successfully advocate for food systems that serve the needs of low-income citizens.

SPREADING THE WORD

The growing recognition of our innovative way of working allowed us to share our experiences at several UN meetings in 2018. As a result, the experts of UN's Committee on World Food Security recently highlighted our Food Change Labs as best practices of multi-stakeholder partnerships. This confirms two of our most important lessons learned: changing food systems can only be done successfully by involving all stakeholders, and by giving agency to low-income food producers and consumers. It takes time to explore the most effective (local) ways to operate, but it works. In Indonesia, Bolivia, Zambia, Kenya and Uganda we are slowly changing diets, increasing crop diversification, and revising food policies.

*Human life
is valuable
and full of
potential*

4.5 RENEWABLE ENERGY

In 2018 Hivos reaped the benefits of many years of consistent evidence-building and advocacy, working with strong teams, partners and networks in many countries. This has put us clearly on the map as an important international player when it comes to decentralized renewable energy and inclusion of civil society. Together with ENERGIA, we were able to influence the review outcomes on SDG7 as a member and co-host of a UN technical working group. More than ever, we have been invited to high-level meetings and asked to share our insights, for example by IRENA, the global leading UN institution for renewable energy.

BOOSTING MINI-GRIDS

In all energy programs we closely collaborate with our local partners, using their lived experiences and opening doors for them to influence policies directly. We have influential strategic partners, one of the most important being the Dutch Ministry of Foreign Affairs, which participates with us in the Brooklyn Coalition (see below). The message we mutually want to get across is clear: universal access to clean and affordable energy is only feasible by investing in decentralized renewable energy solutions. And by investing, we do not mean the small amounts currently allocated for these solutions, but adequate finance that boosts the uptake of off-grid and mini-grid renewable energy solutions.

Mini-grids and other energy access products and services for low-income groups will always require public money to get started. Yet, integrating the productive use of energy (PUE) from the beginning is crucial to ensure that people can pay for their electricity. We're exploring new ways to realize this, among others working with all stakeholders in our Energy Change Labs. At the end of 2018, we presented the evidence and experience of our work on PUE with Tanzanian partners. After two years of researching and piloting, we showed how governments and companies could increase the viability of mini-grid business models in poor, rural areas.



MYANMAR'S PEOPLE-POWERED ENERGY

Despite the acknowledgment of decentralized renewable energy as key to achieve SDG7, major funders still don't put their money where their mouth is. In 2018 we published the flagrant example of Myanmar, where international "aid" threatens to ruin the existing, people-powered energy infrastructure. Over the last 30 years, local social entrepreneurs were the driving force behind nearly 6,000 small-scale off-grid decentralized renewable energy systems that provide many rural poor with electricity. But now, the World Bank and the Japan International Cooperation Agency have arrived to support two plans established by the government, focused solely on the extension of an already dysfunctional centralized grid, powered by fossil fuels. Hivos partners with Renewable Energy Association of Myanmar (REAM), which has identified key indigenous energy practitioners and successfully facilitated dialogues with the government. Together we will build a multi-stakeholder approach, including the NGOs and local banks that are interested in scaling the existing mini-grids.

SUCCESSES OF ICONIC ISLAND SUMBA

On the Indonesian island of Sumba we see what a multi-stakeholder approach can achieve for a remote, energy-deprived population. In 2018, eight years after Hivos had started the Sumba Iconic Island initiative, the electrification ratio has increased from 24.5 to 50.9 percent, with an increased renewable energy mix from 4 to 20.9 percent. We mobilized €9 million from donors and leveraged another €45 million investment from the government and the private sector. Off-grid market-based services created 21.4 percent more jobs and raised the income of local entrepreneurs (men and women) by 20 to 80 percent. Resco, the social enterprise Hivos helped to set up in 2016, is now independent and provides maintenance and operational services to 50 solar agro-processing mills, 35 solar-powered schools and 44 energy kiosks. Currently, Resco is expanding its business to projects installed by the government and other donors. The Indonesian government, which adopted Sumba Iconic Island in 2011, has requested Hivos to replicate the Resco model on Alor Island. In 2018, Hivos provided technical assistance on sustainable energy access planning to 40 government institutions, and successfully advocated for the inclusion of gender in

the energy agenda of both local and national governments.

100 PERCENT ENERGY ACCESS IN CENTRAL AMERICA

According to data of the Inter-American Development Bank on Latin America's energy coverage, Central America is best positioned to achieve universal access by 2030. What's more, Central America could very well become the first region in the developing world to achieve 100 percent energy access for its inhabitants. In December 2018 Hivos signed an agreement with major Central American parties to aim precisely for that goal. Our alliance partners are the Latin American Energy Organization (OLADE), the Economic Commission for Latin America and the Caribbean (ECLAC), and ACCESE. This is a renewable energy network of 70 civil society organizations and small and medium enterprise initiatives. The alliance will collaborate with the governments of Belize, Costa Rica, the Dominican Republic, El Salvador, Honduras, Guatemala, Nicaragua and Panama.

EIGHT AFRICAN BIOGAS CHAMPIONS

Burkina Faso is a dedicated champion of biogas digesters as a solution in the fight against the impact of climate change. The government wants to share the remarkable results of the African Biogas Partnership Program (ABPP), supported by the Dutch government and implemented by Hivos and SNV in five African countries. Bio digester market development has resulted in the installation of 780,000 bio digesters with 60,000 under the ABPP. This has greatly improved people's energy access, health, income savings and food security – also thanks to the fertile by-product bio slurry.

At the initiative of Burkina Faso's president, eight countries in West and Central Africa formed an alliance to promote and disseminate bio digesters during a conference in Ouagadougou, in October 2018. In the light of an expected temperature rise by three to four degrees in the region, severely threatening food security, the eight countries agreed to upscale bio digester technologies and improve their collaboration to develop market-based biogas sectors. Hivos East Africa's renewable energy program manager, Jean Marc Sika, received an honorary Burkinabé award for his leading role in the uptake of biogas, most



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specifically as a linking agent between the private sector and the government. The ABPP will continue supporting the bio digester plans of the new alliance.

In focus

GREEN AND INCLUSIVE ENERGY Donor: Netherlands Ministry of Foreign Affairs Period: 2016-2020

INCLUSIVE ADVOCACY FOR UNIVERSAL CLEAN ENERGY ACCESS

Basically there are three things we cannot do without, if we are serious about getting access to affordable and clean energy for all by 2030: decentralized renewable energy, gender equality and multi-stakeholder initiatives. Hivos, ENERGIA and IIED are proud of the considerable progress we have made in all three areas in 2018 within the Green and Inclusive Energy strategic partnership with the Dutch Ministry of Foreign Affairs.

Strong partners in Zimbabwe, Malawi, Tanzania, Kenya, Indonesia, Nepal, Guatemala and Myanmar are key drivers of these advocacy successes. They range from associations of business women and health networks to young renewable energy activists and technology institutes. Together we use the energy solutions they implement, such as mini-grids that integrate productive use of energy, to show policymakers at all levels how change can really happen. This evidence-based advocacy, combined with solid research, proves an important instrument to convince both governments and private sector parties of the need to act.

TRAINING JOURNALISTS BEARS FRUIT

Working with journalists is another important element in our advocacy strategy. Journalists who produce and share powerful stories about poor people's (lack of) energy solutions can shift public opinion and boost pressure on governments. In 2018 our partners trained independent media professionals in Malawi, Zimbabwe and Nepal, organized a roundtable in Kenya, and took Tanzanian journalists on an energy safari "into the field", followed by a six-month fellowship. We invited some of them, like award-

winning Watmore Makokoba from Zimbabwe, to tell their stories at international conferences, and follow and report on the discussions.

Educating and engaging journalists clearly bore fruit. In Southern Africa we noted a marked increase in both quality reporting and public interaction. In Malawi, James Chavula's article about the devastating effects of indoor pollution from traditional cooking led to a parliamentary debate. And the weekly drama series on Radio Sagarmatha in Nepal informed its 2.5 million listeners about the affordability of renewable energy and the important role of women energy entrepreneurs.

PRIVATE SECTOR COOPERATION

The Brooklyn Coalition, initiated by Hivos in 2017, shows how cooperation between civil society (Hivos, ENERGIA, and SNV), governments (Netherlands, Kenya, Nepal) and private sector parties (Selco, Schneider Electric) can help accelerate the uptake of decentralized renewable energy. In July 2018 this multi-stakeholder initiative presented its best practices and recommendations to participants of the UN High-Level Political Forum (HLPF). Private sector company Selco taps into local financing systems to offer low-income customers solar products, while Schneider Electric trains local energy entrepreneurs. The Kenyan government successfully established regulations and quality standards, and removed taxes to stimulate energy uptake. And Nepal auctions off micro-utility projects that, among others, use tariffs adjusted to local income levels.

Cooperation with the private sector is crucial to realize the world's energy access aspirations. Yet the current way (institutional) donor funding is organized, increasingly benefits large, mainly western companies to deliver their energy solutions in developing countries, while pushing local businesses out of the market. European Union funding, for instance, requires the ability to absorb large amounts of money – which only large companies can do. Furthermore, an increasing number of donors put their hopes on the impact of “blended finance”, in which governments use public capital to mobilize private investments. Though this can definitely catalyze private money to enhance energy access, it's not a silver bullet. Decentralized energy projects for remote communities are not yet economically viable; they will continue to need public money and supportive measures to grow and become investor-ready.

CHANGE THE WAY FINANCE FLOWS!

At all levels, we notice an increased interest in decentralized energy access and inclusion of civil society. In 2018, Hivos and ENERGIA had a unique opportunity to get our message across at the international level as a member and co-chair, respectively, of UN DESA's influential technical advisory group. UN DESA supports UN member states to review their progress on the Sustainable Development Goals (SDGs). In 2018 this included SDG7 on clean and affordable energy access for all. Our hard work in the multi-stakeholder advisory group payed off. The vital link between gender and energy was included in the report of the UN Secretary-General on SDG7, while UN member states at the HLPF underscored the need to invest in decentralized renewable energy solutions.

Still, the current overall support for decentralized

renewable energy is just a first big step. What we need now is for major players such as the World Bank and climate funds to put their money where their mouth is. Although they acknowledge that we cannot achieve SDG 7 without investing in off-grid solutions in poor and remote areas, the bulk of their money continues to flow to large on-grid projects in middle income and urban areas. As the Brooklyn Coalition put it very clearly, the main problem is not a lack of finance, but how finance flows.

INSPIRING SOLUTIONS

So obviously, the next step to take is to present concrete options that development banks and other major funders could and should invest in. Think of the more than 4,000 women entrepreneurs who, supported by ENERGIA, bring renewable energy solutions to millions of low-income citizens. Or the day-to-day solutions that are being prototyped in our Energy Change Labs, around the productive use of energy. In Tanzania, large foreign companies have installed mini-grids that local communities cannot pay for. So IIED, Hivos and village communities came up with possible solutions and shared these with a wide group of stakeholders. One is: increase productivity, so people can earn the money to pay for renewable energy services. Or train local entrepreneurs, translate their appliance manuals into Swahili and provide them with tailor-made finance. In Mbaya village, for example, the mini-grid flourishes because it powers local micro-businesses where people make furniture or fresh juices. These are the solutions that can really give clean and affordable energy access to poor people; these are the solutions that major funders should invest in.

In focus

ENERGIA Donors: Swedish International Development Cooperation Agency, UK Department for International Development, Norwegian Agency for Development Cooperation and the Dutch Ministry of Foreign Affairs, Directorate General for International Cooperation, the Asian Development Bank and the Millennium Challenge Corporation.

Period: 2014 - 2019

WOMEN SCALE UP CLEAN ENERGY ACCESS

Bigger is not always better, even when tackling a major problem such as the lack of clean energy access for billions of people. ENERGIA's women entrepreneurs are very much aware of the huge impact their small-scale clean energy solutions can have on the lives of poor people. What's more, they often belong to their own target group.

Isabella for instance, a small potato farmer with four children. The electricity from the nearby grid is far too expensive for her and her fellow farmers. Trained by ENERGIA partner Solar Sister, Isabella started to sell small solar lights and charge mobile phones for a small fee. Soon she and her sons had enough business to stop working on other people's farms, and even enough cash to invest in boosting their own yield. It's an upward spiral, which also increases Isabella's self-esteem: “The community sees me differently, as if I have developed myself a little bit.”

LAST-MILE CONSUMERS

With 4,153 women entrepreneurs selling solar lanterns, clean cook stoves, solar refrigerators or energy services to 2,9 million customers, ENERGIA has successfully made the business case: women are the X factor in reaching the 800 million people that have no access to electricity or the 3 billion that have no access to clean cooking solutions. In other words, without women energy entrepreneurs the world will never achieve SDG7. Last-mile consumers place considerable importance on purchasing from people they know and trust, also when it comes to solar energy, researchers from MIT found in 2018. This is exactly what women like Isabella can offer.

ENERGIA looks at energy in a comprehensive way. Women entrepreneurs are being supported directly - at an individual level and as a group - but also indirectly. ENERGIA continuously works to improve environment so that female-led businesses can thrive. Its partners conduct national awareness campaigns, present a gender lens to managers of utility companies, and influence the policies of energy ministers and UN agencies. ENERGIA supports market development and helps create markets for the women's products and services. And ENERGIA's gender and energy research program supports policymakers with clear data and insights to design energy access policies that work.

WHAT WORKS AND WHAT DOES NOT

ENERGIA's advocacy is very much based on what it does on the ground. Apart from bringing gender and women's empowerment to the energy table at the UN level, the network also advocates for gender mainstreaming at the national level. In 2018, ENERGIA partners worked with electricity authorities in Nepal, Liberia, Benin and Ghana, and in Kenya and Tanzania with the ministries of Energy. ENERGIA assesses their institutional practices and provides them with tailor-made advice on how to become more gender responsive.

Energy utilities and rural electrification agencies form an important entry point for change when it comes to women's empowerment. In Nepal for example, male-headed households enjoy substantially greater access to electricity than female-headed households. What is going wrong here? A lot, discovered ENERGIA, but it basically comes down to one thing: these utilities and agencies tend to be gender blind. Their procedures require poor women to travel to the city, fill in complex forms and have meter boxes placed in their homes that they cannot read. So ENERGIA presented a number of simple pay-as-you-go solutions that match the women's needs and allowed the utilities to reach out to a huge number of new clients.

How does ENERGIA manage to influence these kinds of institutions? After many years of experience and networking, ENERGIA has learned that both consultation and delivering evidence of what works and what does not are key. Yet equally important is to get buy-in from management. Sometimes the managers wholeheartedly support the idea, in other cases ENERGIA plays the money card by pointing at the national gender policies of important donors such as the World Bank. Equally important are ENERGIA's good relations with energy ministers all over the world through its advocacy work.

SUSTAINABILITY IS KEY

Although ENERGIA is proud to have engaged so many women entrepreneurs, in 2018 it mainly focused on growth and making sure the women's businesses work. Sustainability is key for ENERGIA. It selects both partners and potential women entrepreneurs carefully. The women must have a business, a healthy bank account, and the capacity and will to invest in their company. What really helps to enhance sustainability is if women are already connected to savings and credit groups; if they are not, ENERGIA links them to one. ENERGIA's partners then train the women in business and technical skills, mentor them at their place of business, and link them to finance and markets.

As soon as their businesses grow, women who initially

did everything on their own start to delegate. Especially in the early growth stage, women find it easier to involve relatives, including men, rather than total strangers. Men are often more mobile and can go to the markets, or to communities that don't accept women climbing on roof tops to install solar panels. Still, ENERGIA insists that the business remains jointly or female-led. In most cases this is a guarantee that energy access does lift people out of poverty. Studies show that women reinvest 90 percent of their income in their families and communities. To empower women to stay in the lead, ENERGIA encourages them to form support groups and has a complete package to train women in leadership and independence.

INDONESIAN VLOGGERS

ENERGIA learns by doing, through its extensive research program, and by constantly sharing best practices and challenges with and between its partners. It discovered that working with "unusual suspects" can deliver unexpectedly good results. In 2018 journalists and media created new dynamics in ENERGIA's way of working. ENERGIA's partners engaged in street theater, radio programs and extended their social media activities, increasing ENERGIA's outreach to almost 39 million people. In Indonesia, ENERGIA partner Kopernik called for vloggers to work with women energy entrepreneurs for one week. This resulted in 4,000 (!) young people applying for the volunteer job, and a number of compelling video diaries that attracted a mainly young audience.

*We strive
for a free,
fair and
sustainable
world*



5. OUR PARTNERS

PARTNERSHIPS WITH INSTITUTIONAL DONORS AND FOUNDATIONS

In 2018 Hivos maintained its donor portfolio. We particularly cherish our long-term strategic financial partners: the Dutch Ministry of Foreign Affairs, the Dutch Postcode Lottery, Sweden's SIDA and the Global Fund to Fight AIDS, Tuberculosis and Malaria (Global Fund), DFID and the EU. This has led to several exciting new initiatives, such as the funding of "ENERGIA Phase 6: Empowering Women, Engendering Energy" by SIDA, "Human Rights Defenders" by the Dutch Ministry of Foreign Affairs and "Containing the Spread of HIV in Guatemala: Intensification of Preventive and Comprehensive Care Services for Vulnerable Groups and Priority Zones" by the Global Fund. We greatly value the way our relationship with these donors has grown over the years, towards more cooperation, knowledge exchange and co-creation of projects.

THE DONOR LANDSCAPE

The funding landscape has remained more or less the same with continued stable Official Development Assistance (ODA) levels. Besides their regular portfolio, European bilateral funders maintain focus on fragile states and states with strong migratory trends. Following the UN 2030 agenda for sustainable development, important themes for bilateral donors are youth employment, migration, health and entrepreneurship/jobs.

We maintain strong relationships with our core funders, but recognize that in the future we will need to significantly increase the number of funding relationships we

maintain. Further diversification of the funder portfolio and deepening existing relationships will be one of the priorities for 2019.

DUTCH POSTCODE LOTTERY

The Dutch Postcode Lottery provides long-term institutional support to organizations worldwide working in the areas of poverty alleviation, human rights, nature conservation, the environment and social cohesion in the Netherlands. Since the start in 1989, the Dutch Postcode Lottery has contributed € 5.5 billion to charity organizations. Last year the Dutch Postcode Lottery donated €357,5 million to 112 charity organizations in the Netherlands, making it again the third largest private donor in the world. We are proud to say that Hivos has been a beneficiary of the Postcode Lottery since 2007 and receives annual funding of €1.35 million. In 2017, together with Greenpeace, Hivos also received a €14.8 million contribution from the Dutch National Postcode Lottery's Dream Fund for "All Eyes on the Amazon", a program that is currently being implemented in Brazil, Ecuador and Peru and ends in 2020. We are highly grateful for the opportunity that the participants of the Postcode Lottery provided us and would like to thank them all again for their generosity.

PRIVATE DONORS

A BIG THANK YOU TO OUR INDIVIDUAL GIVERS

Private donors are of increasing importance to Hivos' work. In 2018 we continued our successful recruitment of new donors and improved our relationships with our current financial supporters. We are proud to say that the number of individual givers increased substantially from 13,563 in 2017 to 18,251 in 2018.

PERSONAL APPROACH

We inform and inspire our private donors through all available channels, ranging from weekly updates via Facebook, Twitter and Instagram to a monthly e-mail newsletter. Three times a year donors receive our "People Unlimited Post" magazine with news and background articles on our work.

In 2018 we invited our donors to a special Hivos event during the Roze Filmdagen ("Pink Film Days", the Amsterdam LGBTQ Film Festival). As an additional benefit of this face-to-face meeting, our donors shared their thoughts and ideas on Hivos' work with us. We keep in touch with our supporters via direct mail, e-mail and telemarketing, and make sure we respond to their questions or requests within two working days.

We had two fundraising campaigns in 2018: "Free to be Me" for LGBT rights and "She's got the power" for women's empowerment. Apart from street fundraising, we were successful in engaging new supporters via direct mail. We developed a campaign about our Open Source Seeds program and inserted a mail pack in the Dutch VPRO magazine and the newspaper Trouw. Almost 3,000 new supporters were recruited this way.

FUNDRAISING CLOSE TO THE HEART

In 2018, individual givers supported our work with a total of over € 960,000, an increase of some €225,000 compared to 2017 (€735,000). This includes the important five-year commitments to support Hivos' work made by 209 private donors - an increase of 14 compared to 2017. The total amount of income from legacies was €108,000 in 2018 (2017: €210,000). In line with our personal approach, our supporters can choose to donate funds for a specific issue that is close to their hearts. A special labeling procedure enables us to guarantee donors that their donation will be spent on the theme or project of their choice. Most supporters opt for a gift that

is earmarked for Hivos' work on LGBTI rights. Forty-four percent of private donor support goes to LGBTI projects, nine percent to the open source seeds project, six percent to projects on women's empowerment, and ten percent to other projects. Thirty-one percent of our private donors preferred to support Hivos' overall work.

We also received two larger special gifts. €60,000 from the foundation Op Eigen Wieken for our clean cooking program in Latin America. And €10,000 to a registered fund (Fonds op naam). In 2019 we want to improve our donor communication. For example, with thematic e-mail newsletters and the option of changing your personal preferences or donation online.

COMPLAINTS ABOUT FUNDRAISING ACTIVITIES

Fifty-nine complaints were submitted in relation to the private fundraising activities of Hivos.

- Twenty-five about the use of the ING Bank (prompted by an advertisement in the VPRO guide and Trouw that included an ING bank number).
- Ten about street fundraisers: complainants felt pressured to sign or treated unfairly, had signed under age of 18, or thought it was a one-time donation instead of a monthly one.
- Five about telemarketing: complainants received a phone call while they had told Hivos they do not want to be called.
- Six about receiving unsolicited information.

The number of complaints about our private fundraising was twice as high as normal because of the complaints about the use of the ING Bank. This led Hivos to choose a new bank for Dutch transactions: the Triodos bank. All complaints were taken up immediately, including contacting the agency organizing our street fundraisers.

PARTNER ORGANIZATIONS

We are thankful for the fact that we can build on existing partnerships and have a long, impressive track record of initiating and participating in multi-actor platforms. And we are always searching for new connections with like-minded people and organizations. In all our projects and programs we look for partners and allies to join us in innovating, developing and bringing to scale solutions to persistent global problems.

Some examples are:

The new regional alliance with OLADE, ECLAC and ACCESE (Central American Alliance for Energy Sustainability), and the governments of SICA (Central American Integration System) member countries, aimed at closing the energy access gap in Central America to achieve 100 percent coverage for the entire population.

The Bloomberg Media Initiative Africa and the Ford Foundation that awards grants to ten non-governmental organizations across Kenya, Nigeria and South Africa to strengthen community media and citizen journalism in Africa.

The collaboration between Conservation International, COSA, Hivos, Oxfam-Worldshops, Solidaridad, and the SAFE Platform, with 95 participating entities, 19,000 direct beneficiaries and 143,000 indirect beneficiaries.

In 2018 we have worked together with 470 partner organizations. We would like to thank from the bottom of our heart the passionate people all over the world who on a daily basis, often in very challenging circumstances, are committed to make the world a better place for the generations to come. Together we will continue to work towards a free, fair and sustainable world for all.

NETWORK PARTNERS

Hivos is one of the founders of Alliance2015 and jointly fights poverty with its member organizations: ACTED (France), Cesvi (Italy), Concern Worldwide (Ireland), HELVETAS Swiss Intercooperation (Switzerland), People in Need (Czech Republic) and Welthungerhilfe (Germany). Ayuda en Acción (Spain) joined the alliance in 2018.

Alliance2015 is our principal strategic partnership in Europe. Its strength lies in influencing policies and public opinion in Europe through campaigning and advocacy. And we are looking for more ways to cooperate. In 2018 Welthungerhilfe, Cesvi and Ayuda en Acción invested in Hivos Impact Investments. And we are implementing the 'Addressing Root Causes' program in Lebanon with Alliance partners ACTED, Cesvi and Concern. Hivos also is a member of the Humanist Alliance, a network of Dutch humanist organizations, which includes the Humanist Association, Humanitas, HUMAN Broadcasting and the University of Humanistic Studies.

TRIODOS BANK

Hivos has worked closely with Triodos Bank since 1994, mainly through the Hivos Triodos Fund (HTF) and the North-South Savings Plan. In 2016, the HTF shifted from supporting microfinance institutions to pioneering loans to small and medium enterprises for sustainable food and energy, further elaborating on Hivos' innovative strategy. While Triodos manages the fund, Hivos nominates four of the six members of the Supervisory Council. The North-South savings plan ended in 2018, but our unique 25 year partnership with Triodos will keep on strengthening and contributing to our goals.

STRATEGIC PARTNERING

In line with the strategy we revised in 2017, Hivos has been examining the desirability and feasibility of strategic partnering. Based on our analysis of trends, our own strengths and weaknesses, and the challenges and opportunities in our sector, we started to explore strategic partnering at the end of 2016, both nationally and internationally. In 2018 a thorough exploration was done together with Cordaid to see if a strategic partnership between the two parties could lead to an extensive cooperation. In the beginning of 2019, both Cordaid and Hivos concluded that there was not enough synergy between the two parties to emerge as a stronger entity together nor to build a new entity including our southern partners. We will continue the search for more structural and long term collaboration with our peers, and do not exclude merging.



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6. HOW WE ARE ORGANIZED

In Chapter 3, The Hivos Way, we outlined our strategy to realize open and green societies. Here we describe how we organize our operations, monitoring and learning, communications, and supporting processes and systems in such a way to deliver on these strategic ambitions. In 2018 Hivos continued to move forward in its process of changing from a re-granting organization into a more entrepreneurial driver of social change. This not only requires a huge effort in terms of time, money and energy, but also in terms of an organizational learning process and culture change.

6.1 ORGANIZATION

GOVERNANCE

Hivos' governance is organized according to a two-tier model, a structure that provides the necessary balance between flexibility, proper accounting and effective control systems. We have a set of internal and external checks and balances in place to safeguard this balance. The Supervisory Council oversees the policy of the Executive Board and the general course Hivos follows. It provides advice on and approves Hivos' multi-annual strategy, budget, annual accounts, safeguards organizational continuity and is the employer of the members of the Executive Board.

The Executive Board in 2018 consisted of Executive Director Edwin Huizing, and until June, Director of Operations Sanne Nolst Trenité, who was entrusted with finance, HR and internal organization manage-

ment. The Executive Director is the chair of the Executive Board (EB). The EB is supported by a Management Team consisting of 2 program directors, 5 hub directors and managers of support units. Edwin Huizing is a board member of Power of Art House and of the Supervisory Council of the Hivos Triodos Fund. Sanne Nolst Trenité was a board member of Stichting Global Inside. Hivos has several local entities and is registered in several countries as an organization, with Articles of Association and a Board.

After the departure of Sanne Nolst Trenité, Hivos was very pleased to appoint Michel Farkas as our new Chief Operations Officer (COO). Over the last 15 years, Michel has built up extensive experience in the aid and development sector, with a strong focus on change and transition processes. He started his career in the commercial sector, in started working for Médecins Sans Frontières (MSF) as Head of Human Resources and later as Director of Resources. In 2011, SNV appointed Michel as Managing Director of Global Support Services/CFO. In this position he was one of the driving forces in the transition SNV made from an organization subsidized by the Dutch Foreign Ministry into an entirely project-financed international NGO. Michel took up his position as COO on January 1, 2019.

INTERNAL ORGANIZATION

We strongly believe in operating in the close vicinity of our partners and other stakeholders in the countries where we work. We are very aware of how donors organize their funding at global, regional and/or

national level, which helps us improve our organizational agility. Together, these factors explain why Hivos operates in a decentralized structure. Increasingly, we work with global teams that have a collective goal and responsibility while operating from different Hubs.

DECENTRALIZING

In 2018 most programs were managed from our four regional Hubs, located in Indonesia, Kenya, Zimbabwe and Costa Rica. Given the current regional context, our program in the Middle East and North Africa is still being managed from our Global Office in The Hague. But in 2018 preparations were made to transition to Beirut at the end of 2019. In 2018 we also had country offices in Bolivia, Ecuador, Guatemala, South Africa, Malawi, Zambia, Uganda, Lebanon and Timor-Leste. They implement and manage large-scale programs which are mainly financed by institutional donors.

GLOBAL OFFICE

We manage our global programs from the Global Office. These include advocacy activities and campaigns to make laws, regulations and markets work in favor of marginalized groups. The two main program departments at our Global Office are Open Society and Green Society. Open Society programs are clustered around four focal areas: Transparency & Accountability, Freedom of Expression, Sexual Rights & Diversity, and Women's Empowerment. During 2018 Transparency & Accountability and Freedom of Expression were merged into Freedom and Accountability. The Green Society focal areas are Sustainable Food and Renewable Energy. A full overview of all our programs can be found on our corporate website hivos.org. Two departments support our

organization: Finance, Support & Control, and Strategy, Communication & Innovation. In addition, we have a HR unit and a Controller – these report directly to the Executive Board.

COMMUNICATION

With our communication efforts we raise awareness about our work and that of our partners, mobilizing supporters for social change and informing donors about our impact. We focus on clear messages, transparent information, and inspiring stories that put people center stage.

NEW WEBSITE

In 2018 we launched an upgraded version of our hivos.org website. The new website focuses more on making our work visible through storytelling. The communication team works as an "editorial board" where a core team is responsible for creating and/or writing all content for the corporate websites and social media. As a result, the page views of our new website and outreach of our social media increased significantly in 2018.

Offline we engage with our stakeholders during events, network meetings and conferences, but also with our private donors through our People Unlimited Post. Via op-eds, free publicity and campaigns we also raise awareness about the threats to open and green societies and about the creative and bold solutions that Hivos and its partners implement to counter these threats.

BRAND IDENTITY

We have created an internal communication toolkit with guidelines, templates and tools, accessible for all staff. The platform presents Hivos' identity and positioning and contributes to a more profound internal involvement with Hivos' vision and mission throughout the organization.

In 2019 we will focus on adjusting the Dutch hivos.nl website (to increase its effectiveness as a fundraising channel) and improving our internal communication. We will also maximize our external visibility by actively searching for online platforms to showcase our work and ideas.

INSPIRING SOCIAL INNOVATION

Hivos innovates for social change – that is why we innovate. How we innovate in practice, is illustrated by the way we work, the partners we support and the programs we develop. The Strategy, Knowledge, Innovation and Learning (SKIL) team is the in-house engine to support social innovation

CREATIVE THINKING

Ever since the launch of the Hivos Culture Fund in 1995, Hivos has dared to fund art for art's sake and support creative frontrunners and their breeding places. In this tradition fits the "What if...?" pilot to stimulate staff to think differently, unlock unconventional perspectives while designing their programs. A shining example is the inspiration, innovation and debate that characterized our first African Crossroads event that connected many different partners and Hivos staff.

SKIL SUPPORTS AND ENGAGES

SKIL will increase Hivos' ability to learn, create clear track records and collect solid evidence to feed into program design. To that end, design, monitoring, evaluation and learning (DMEL) are crucial. Together with our worldwide DMEL team, and based on our extensive track record, SKIL will coordinate the design and implementation of an organizational M&E framework, and facilitate a Hivos-wide Community of Practice focused on DMEL.

IDEA ACCELERATOR: PLANS AND LESSONS

Two closely related funding and support mechanisms also help unlock and make use of Hivos staff's innovation potential: the Idea Accelerator (IA) Pilot and the Idea accelerator (IA) Program. IA Pilots are quick experiments for Hivos staff to test assumptions and bold ideas, and cost no more than €20,000. An IA Program helps Hivos to explore new ground and develop something that didn't exist before: these are full-size, long-term innovation programs in which Hivos invests around €100,000. The main objective of the Idea Accelerator is to facilitate learning in a safe space, and boost Hivos' impact and potential to innovate for social change.

Online Outreach KPI's Corporate channels Global Office

	End 2018	Plus/min
Hivos.org page views	1,036,879	+7%
Facebook @hivos	32,220	+106%
Twitter @hivos	16,760	+10%
LinkedIn @hivos	9,161	+36%
Facebook @LGBT	4,428	+84%
Instagram @hivos	1,890	+334%

6.2 OUR STAFF

In 2018 the HR department at the global office was expanded, and the role of Strategic HR manager was added as a member of the management team. The Southern Africa hub hosted the first Global HR team meeting in 2018, also with the goal of establishing a sound staff and talent management structure within the whole organization in 2019.

EMPLOYEES

Hivos aims to cultivate a diverse and inclusive workforce through equal employment opportunities for all. Teamwork and leadership help to create a positive working environment and to maintain our common core values and goals. Staff development is another key element in managing employees and helping them realize their full potential.

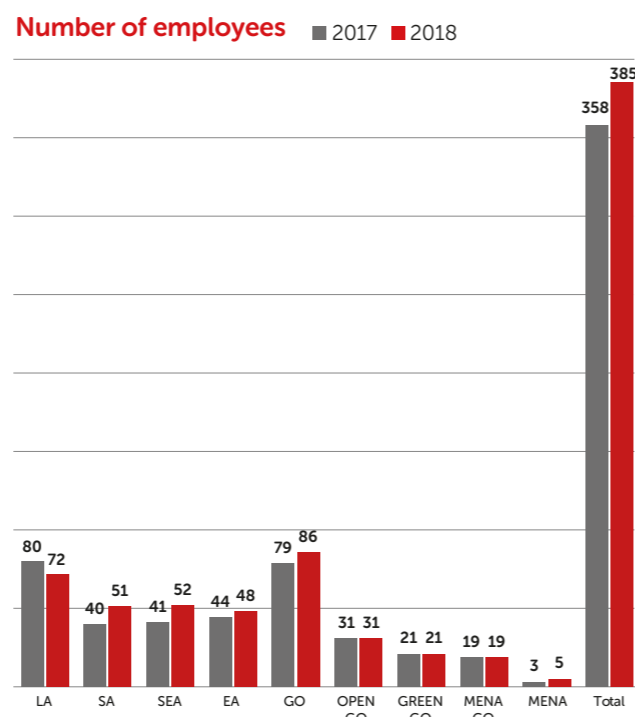
TURNOVER

Staff turnover was quite high in 2018 because project staff employment depends on the availability of funding. Hivos prefers to hire staff for longer periods; whenever we have a vacancy, priority is given to existing staff. To prepare our staff better for their next career steps, we have included employability in our performance management cycle. This way staff can match their training to suit their future plans, especially now that budgets for individual training have been decentralized to the unit level.

Turnover	Total	GO	Hubs
Employees leaving Hivos	76	28	48
Employees joining Hivos	103	35	68

STAFF FIGURES

In 2018, Hivos had a total of 385 employees (2017: 358), of whom 157 were based at the Global Office in The Hague (2017: 150) and 228 worked in the regions (2017: 208).



LA: Latin America, SA: Southern Africa, SEA: Southeast Asia, EA: East Africa, GO: Global Office

ABSENTEEISM

Hivos employees are deeply involved with their work. Although this is a positive attitude, it can also lead to overwork and stress-related illnesses, increasing absenteeism. We are alert to initial signals and offer adequate support. At the global level it is difficult to compare figures on sick leave due to differences in national legislation and regional sick leave administration.

DIVERSITY, INCLUSION AND EQUALITY

Hivos places a high value on diversity, inclusion, equality (with room for individual differences), transparency and social justice. And we make sure to apply these principles when we recruit new staff. Of course the position always goes to the most suitable candidate, but we explicitly do not exclude anyone from the hiring process. From a global perspective, Hivos has proven to provide a safe environment for pluralism and LGBTI people. Our induction program is designed to ensure that everyone embraces this diversity, which we see as an asset.

Sick Leave percentage	South East Asia	Latin America	Southern Africa	East Africa	Global Office
	5%	6.3%	0.4%	0.6%	4.91%

STAFF DEVELOPMENT

Hivos encourages staff development in various ways, including through the performance management cycle, which emphasizes results-oriented working and professional development. This cycle includes discussions between managers and employees, and considers both the organization's objectives and the employee's ambitions. Training and coaching, both at the team and the individual level, are Hivos' primary means of supporting staff development, but "on-the-job" training is also being done. In 2018, we continued organizing training (globally or at Hub level) on the project management way of working, financial resilience, managerial skills & leadership, safety & security, and team dynamics.

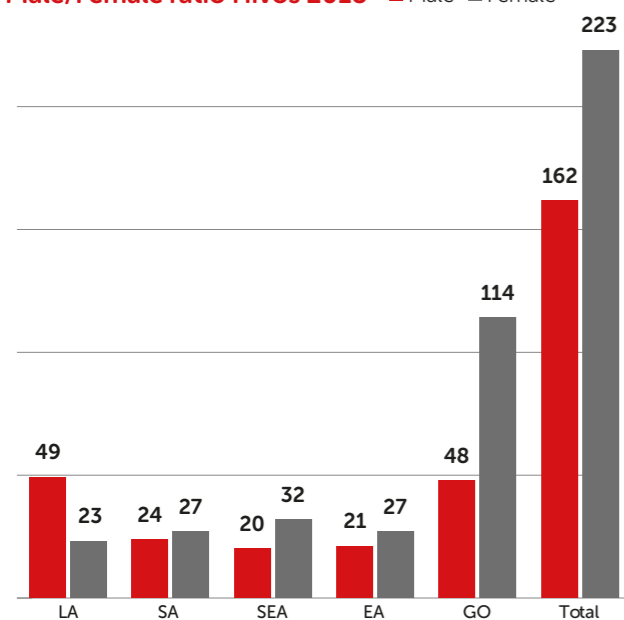
In 2018, Hivos developed a Hivos Gender Equality and Diversity Inclusion (GEDI) Strategy. Recently we appointed a project manager to implement it, not only within our own organization, but also in our programs and among our partners. The policy includes striving for diversity in ethnic backgrounds, age and a balanced ratio of men and women, especially in our Management Teams. A range of nationalities work at all our offices, although most staff come from the countries and regions where they work. Numbers range from three different nationalities at the Southeast Asia Hub to twelve at Hivos' Hub in Latin America. In Southern Africa our Hub has staff of four different nationalities, while the East Africa Hub has mainly Kenyan staff and employees from Tanzania and Uganda. At the Global Office we are proud to have 15 different nationalities.

Diversity, inclusion and equality

Range by Age	South East Asia	Latin America	Southern Africa	East Africa	Global Office	Total
20-30 yrs	12	21	5	4	20	62
31-40 yrs	23	18	27	31	52	151
41-50 yrs	14	17	12	11	46	100
51-60 yrs	3	13	7	2	33	58
61+ yrs	0	3	0	0	11	14

Just as in recent years, female staff greatly outnumber their male colleagues at Hivos in 2018: globally we count 224 women and 174 men.

Male/Female ratio Hivos 2018 ■ Male ■ Female



LA: Latin America, SA: Southern Africa, SEA: Southeast Asia, EA: East Africa, GO: Global Office

INTEGRITY AND SAFEGUARDING

Hivos adheres to the highest possible integrity standards in all its operations. Our staff policy principles – justice, legal security, openness and clarity, individual responsibility and room for initiative, diversity and creativity – serve as the basis for our new Safeguarding policy.

To explicitly state our stance on integrity and to prevent integrity violations, Hivos developed an overarching Safeguarding policy, approved in February 2019. It consists of a code of conduct, a complaints procedure and a whistle-blower procedure, amongst

others. There is also a specific Sexual Harassment Policy within the Safeguarding policy. All our staff have signed and all our partners and suppliers must comply with this policy.

An international Safeguarding Taskforce has been set up to guide implementation and monitoring of the policy, and a Safeguarding Manager and Safeguarding Focal Persons will be appointed in 2019 at our global office and regional offices, respectively. All staff will be trained in Hivos' vision of integrity and safeguarding and how to recognize and report incidents.

Hivos realizes that integrity is not a matter of simply drawing up rules and procedures. Attitude and the inherent wish to "do things properly" are also important aspects of integrity. Integrity has a hard side, consisting of internal and external regulations, and a soft side, which is determined by the organizational culture. We believe that integrity within an organization is defined by openness, mutual respect, honesty, and having senior staff set a good example.

Since 2017 an external confidential counselor has been available, to complement the internal confidential counselor at Global Office. In 2018 the first steps were taken to provide each Hub with their own confidential counselor. They support and advise employees who are confronted with unacceptable behavior, helping them handle the situation. They advise on how to prevent a conflict; provide a listening ear, emotional support and advice; and give referrals to professional care providers. They can also guide the staff towards legal processes. In 2018 there were nine reports to the confidential counselor at the Global Office. None of them have led to a formal complaint.

The Safeguarding policy and related documents are available on the Hivos website.

WORKS COUNCIL GLOBAL OFFICE

Good working conditions and satisfied staff are key ingredients for a healthy organization. The Works Council believes that significant organizational changes should be in balance with a stable working environment for all employees. The Works Council represents Hivos employees by carefully monitoring and discussing these changes with the Executive Board. Throughout 2018 the Works Council regularly advised the Executive Board to help them create a better working environment for all employees. For example, by ensuring the availability of a confidential counselor and advising on HR policies and other significant changes that influence working conditions. The Works Council was also closely involved in the relocation of Hivos Global Office, the appointment of the new COO and the exploration of the possible strategic partnership with Cordaid. The Works Council met six times with the Board and twice with the Supervisory Council.

SAFETY AND SECURITY

Hivos innovates for social change, working with front-runners on sensitive topics in risk-prone areas and repressive countries. Obviously, safety and security

issues are intrinsically linked to our work. In 2018 civic space decreased even further around the globe, while threats related to digital security increased. A growing part of our daily lives is being recorded, assessed and processed, so that personal threats now include identity theft and fraud, destroying credit histories or ruining reputations. For the communities of LGBTI people, women, migrant workers and human rights defenders with whom Hivos works, these digital threats can easily translate into physical harassment or imprisonment.

HOLISTIC APPROACH

In order to prevent this, Hivos is working with a holistic approach towards safety and security, aimed at physical and digital security but also personal wellbeing. Together with Center for Safety & Development (CSD), Hivos is upgrading its current security policies and requiring all staff who travel to follow a practical security training course that will prepare them for risky situations in the countries where they work. Security focal points have been appointed at every Hub to lead the security process in each region so all staff can continue their work safely.

“ For Hivos, safeguarding means promoting and protecting people's health, well-being and human rights, and enabling them to live free from harm, exploitation and abuse. It is an approach that identifies and minimizes the risk of harm to children and (vulnerable) adults – such as disabled or LGBT+ people – from Hivos' staff, representatives and partners. Safeguarding can also help us outline best practices for safeguarding those within our organization, including protecting staff from inappropriate behavior such as bullying and harassment.”

6.3 QUALITY AND ACCOUNTABILITY

QUALITY MANAGEMENT

Hivos is dedicated to delivering high-quality services and being transparent and accountable. This is why we developed the Hivos Quality Objectives. These include conducting a convincing dialogue with stakeholders about substance and processes, and improving the reliability, availability, transparency and accountability of results. Delivering high quality means ensuring that financial partners and donors are satisfied. It means developing good relationships with donors and partners and receiving positive reviews from them. Other important aspects are: maintaining a proper balance between direct and indirect costs, uniform work methods, and achieving a high proposal success rate.

ACTIONS IN 2018

In 2018 Hivos invested in improving the implementation of existing procedures. For example, new training for staff on the Hivos Project Management way of working thanks to an external grant given by PMI Educational Foundation. Training sessions were given by internal Project Management way of working ambassadors across all Hivos offices.

Hivos also visualized these procedures and published them per position group on the home page of the digital procedure and policy database, accessible for all Hivos staff. Furthermore, a start was made to produce an e-learning module for internal staff on grant management procedures. Results will be available in 2019.

Another important step taken was the further improvement of our Risk Based Grants Management. Financial intakes were introduced for private entities receiving grants. And a broader range of sampling methods for the verification of financial reports was introduced.

A third major action was the formation of an international internal quality auditor team. The Operations Manager from Hub East Africa and a Program Development Manager from Hub Latin America were trained in the theory and in practice of conducting

audit visits at other Hivos offices. The dialogues about working methods across positions and offices facilitated cross learning on work practices and culture. Also the fact that audits are not held top down by the Global Office is in line with Hivos' vision of its internal working relations.

Another major project concerned the introduction of the GDPR, the new European privacy legislation.

EXTERNAL QUALITY CONTROL

Ensuring that our work is of the highest quality also implies that we have a thorough external control mechanism in place: ISO 9001:2015. For many years Hivos has worked with the ISO 9001 quality management system, which guarantees continuous self-reflection and improvement. In 2018 Hivos moved to a new audit firm. There were no non conformities. The certificate is valid until September 14, 2021.

PARTOS 9001

Besides ISO 9001, Hivos complies with Partos 9001, a sector-specific quality seal developed by Partos, the Dutch membership body for organizations working in international development. In 2018 a recertification took place by DNV GL. The new certificate is valid until September 14, 2021. Hivos also signed the Partos code of conduct, a Dutch sector-specific quality norm based on ISO 9001.

CBF

The Dutch Central Bureau on Fundraising (CBF) checks Hivos' compliance with the CBF norm for charities. The CBF promotes trustworthy fundraising and expenditures, and monitors fundraising by charities. The Wijffels Code on good governance of Dutch charities is an integral part of the CBF certificate. In 2016 the CBF framework changed, and Hivos was among the first to receive the revised certificate, which was renewed in 2017 and is still valid. An administrative control revealed no issues.

DESIGN, MONITORING, EVALUATION AND LEARNING

Design, Monitoring, Evaluation and Learning (DMEL) staff are central to supporting program quality. At the end of 2018 a global coordinator was added to the team, which then consisted of 18 people spread across the Hubs and Global Office. They mainly sup-

port individual programs, but also work on cross-cutting DMEL issues. Examples of the latter include the development and implementation of co-creation methodologies for multi-actor Theory of Change (ToC) processes, and working on a peer-based system for monitoring and evaluation.

Central to the work of all DMEL staff is the question of what works, what does not work, and what this means for our ambition of an open and green society. This is important at the level of individual programs: Are we doing the right thing in this specific context? But it's also crucial at organizational levels where Hivos is working to improve its evidence base to see the impact it has across our work. Does our support to frontrunners, and bringing together usual and unusual suspects to influence policies, have the effect that we expect? What value are we adding to our partners' work to help them achieve their objectives for more open and green societies?

Hivos uses an array of methodologies to design and investigate the impact of its work. The Hivos ToC Guidelines "Theory of Change Thinking in Practice", published in 2016, are an important resource for designing programs that critically look at the assumptions that underlie what we do. In June 2018 Hivos trained DMEL and other program staff to facilitate the use of the ToC approach in program design and implementation. Outcome harvesting is used in several Hivos programs to map intended and unintended outcomes and assess how Hivos contributes to them. And in 2018 Wageningen University & Research and Hivos developed and tested the Narrative Assessment methodology.

This new method to monitor, evaluate and communicate about advocacy helps bring out processes behind the outcomes that are recorded in outcome harvesting. It gives insight into the long-term and non-linear work underlying advocacy results. The half-day seminar on Narrative Assessment organized by Partos in November 2018 drew a large number of people from the development sector interested in better methods for monitoring and evaluating their advocacy work. Narrative Assessment is one of the results of Hivos' Idea Accelerator program. This was set up to allow Hivos staff to test innovative ideas and gather evidence about what works, with mentoring

support from dedicated staff. The methodology will be tested more extensively in 2019.

Hivos also seeks to more effectively monitor results at an organizational level. For this purpose we are working on an organizational results framework that brings together results across Hivos programs and thematic areas. A first draft of a broad results framework was finalized early 2018, and is now being adapted to allow its incorporation into a new project management, monitoring and evaluation system. The new framework is expected to be in place by the end of 2019, go live during 2020 and will make it easier to access data about Hivos' work at project, program and organizational level. This information can be used for further planning, in-depth evaluations, and internal learning. Internal learning is furthermore guided by the Knowledge Management and Learning Strategy 2018-2020, developed in 2018.

OUTCOME HARVESTING CITIZEN AGENCY CONSORTIUM

By September 2018 there were 209 harvested outcomes in the Citizen Agency Consortium Strategic Partnership (SP), a five-year program with the Ministry of Foreign Affairs. An analysis of these outcomes, and comparison with the theory of change of the strategic partnership, was used as an important ingredient for the midterm reflection of the Citizen Agency Consortium. One component of this analysis is the assessment of the changes reflected in these outcomes, using the categories of agenda setting, policy change and practice change. Without suggesting a simple sequence between these categories, it is clear that most processes of advocacy require patient investments in agenda setting. Policy change is important and attracts much publicity, but what counts in the end is implementation: practice change. Midway through the implementation of the Citizen Agency Consortium Strategic Partnership program, 141 outcomes (67%) were characterized as agenda setting, 36 as policy change (17%) and 32 as practice change (15%).

RISK MANAGEMENT

Not only does Hivos operate in risk-prone regions, but we work on sensitive topics such as LGBTI issues, sexual and reproductive health rights, open contracting and digital safety. Moreover, our approach to

innovating for social change implies that there will be failures, partial failures, and unexpected effects. Taking calculated risks is in our DNA; we are convinced that without the courage to make mistakes there can be no innovation. It is important, however, that we admit to having made mistakes that we learn from them and that we are transparent about the lessons learned.

UPDATE ON THE IMPROVED GRANTS CONTROL FRAMEWORK

The first half of 2018 was dominated by the implementation of the Grants Control framework introduced in late 2017. This led to additional risk-based financial intake procedures for the assessment sub-grants that (alongside the donor requirements) form the basis of contract conditions, monitoring and external audit options. During the course of 2018, Hivos made the framework more flexible and efficient.

To minimize negative impacts on the intake of new partners and assessment of financial reports from partners, Hivos adjusted upwards the thresholds for financial intake procedures and also introduced an option to apply sample based expenditure verification for assessing financial report for projects that have a higher risk appetite (based on the donor requirements). Hivos also introduced some flexibility to apply lighter forms of intake instruments on certain partners dependent on donor risk appetite, our prior experience with a partner, reliance on intakes by other donors and outcomes of our previous intake assessments.

One of the most important lessons drawn from implementing the new control framework was the use of capacity building support as an important risk mitigation measure. It has enabled Hivos to continue working with emerging and nascent partner organizations with measures for mitigating the risks and assuring full accountability of third party funds. This is an important strategy for Hivos' work in risk-prone regions and its work to support partners that work on sensitive topics. Such partners do not always have adequately developed capacities in financial and administrative operations. A negative outcome that was mitigated in 2018 and 2019 was that the introduction of the new control framework increased workload and lead to delay in contracts and payments of/to partner organizations.

In the second half of 2018, the Hivos Executive Board and Supervisory Councils took steps to strengthen our overall risk management framework by developing a more explicit policy that defined Hivos risk management strategies (avoidance, reduction, transferring and sharing) and identified all the key risks associated with Hivos key cycles (as summarized below), identifying the key controls that currently mitigate each risk. This improved framework provides a more effective tool for assuring all stakeholders on how the organization manages risks across the main facets of our operations.



In 2019, Hivos aims to define our risk appetite which will define the amount and type of risk that Hivos is willing to take in order to meet its strategic objectives. This will provide an important foundation for our enterprise risk management approaches.

FRAUD AND FINANCIAL IRREGULARITIES

During 2018, Hivos maintained a zero tolerance policy towards fraud and corruption. However we did not experience any new reports of fraud or other forms of financial irregularities. We have continued investing in processes required to close the two fraud cases that had occurred in 2017 in Tanzania and Uganda. This takes time because it's often reliant on the commitment and actions of third parties (partners, government, forensic auditors, prosecuting authorities, etc.) to obtain criminal justice or civic restitution of the misappropriated project resources.

These processes will continue in 2019. In the meantime, Hivos has taken steps to apply our revised general conditions (which include minimum standards for financial management and partner obligations to implement adequate antifraud, corruption and bribery measures) to all our consortium partner agreements. This will ensure that all our project partners exert maximum efforts towards enforcing our policy of zero tolerance for fraud, corruption and bribery.

Until the end of 2018, Hivos maintained an internal managed whistle-blower facility. This will be strengthened in 2019 through an external whistle-blower facility that will provide a protected channel for reporting incidences of fraud (or its suspicion) by employees, partners, suppliers and stakeholders. This new outsourced whistle-blower facility will also provide a confidential channel for reporting incidences of safeguarding violations that may occur within our projects. This has recently become a major area of concern in the aftermath of the Oxfam Haiti scandal.

FINANCIAL ADMINISTRATION

During 2018, we decided to replace the Hivos ERP system. Subsequently, preparations were made to phase out the current system (based on Compière

software) and roll out new finance and project management software (provided by Allsolutions) during 2019. Hivos looked for a solution that was compatible with other software and data portability. The new system provides a balance between functionality and an implementation that doesn't require major adjustments to existing software and costs.

The objective, apart from phasing out legacy software, is to further strengthen Hivos' capacity to plan (project) resources and report in a timely and rigorous fashion to both internal and external stakeholders. The process includes a review and adjustments or reconfirmation of existing processes and policies, and will facilitate embedding in the organization. The replacement of the ERP-system is also a response to the delay in delivery of the 2017 annual accounts and is caused due to the choice for a new approach of accounting for our income and expenditures, coupled with the implementation of a new way of working, in combination with the further decentralization of the financial management of projects in the regions in 2017. This required an overhaul of our financial and project management system, which will be ready for introduction by the end of 2019. This new solution is better equipped for global entities with decentralized operations. After the introduction of the risk-based grants management control framework in 2017, reviews were done in 2018 of all existing partners, and use of the framework is now part of selecting and onboarding all new partners.

CORPORATE SOCIAL RESPONSIBILITY

In keeping with its core humanist values (see chapter 1), Hivos adheres to high standards when it comes to integrity, diversity, equality and environmental stewardship. This includes good employment practices, which we apply to our own organization, partners, financiers and suppliers.

MONITORING OUR PERFORMANCE

To monitor our environmental performance, we use the Envirometer (see illustration), which analyses the annual data we collect on business traffic, waste and water use, and electricity consumption. One chal-

lenge Hivos has yet to solve is that the exact data on electricity use and waste for some of our Hubs is difficult to obtain (since it is included in the total rental price). In such cases we make a reasonable estimate. Based on all available data, we then produce a carbon footprint report and compensate all carbon emissions through our own biogas program in Cambodia, which is registered under the Gold Standard.

Hivos' Carbon Footprint



Source: Envirometer

Some of the environmental measures already in place are:

- Duty trips are planned carefully, a videoconferencing system replaces a number of flights, and rail travel is strongly recommended for duty trips within Europe.
- Coffee and tea are fair trade and organic; paper coffee cups are reused and recycled.
- Floor coverings are sustainably produced.
- Waste paper, batteries, printer cartridges, old computers and office furniture are sent for recycling whenever possible. The Latin America Hub works with a computer recycling specialist.
- Certified paper with an eco-label is used for copying and printing.
- Offices are cleaned with biodegradable products.
- Where possible, Hivos has installed water-saving toilets, water leakage sensors, energy-efficient lighting, and motion sensors.

- The Southern Africa Hub runs partly on solar energy, and the Latin America Hub has saved energy since moving to a new building with more natural light.
- Hivos entered into a partnership with Dutch social enterprise Parkoers in 2018 to cater the lunch at the Global Office. Parkoers offers youth with disabilities training and work experience to foster their development and career. Parkoers uses seasonal and fair trade products whenever possible.
- In 2018 Hivos introduced several policy papers on its responsibility towards stakeholders.
- At end 2018, printing with a personal code was introduced at the Global Office to minimize paper use.
- CSR aspects were part of the criteria used in selecting the new Hivos House Bank for 2019 onwards.
- In 2019 Hivos Global Office will move to a more energy-efficient building with Energy Label A and a BREEAM-NL design certificate of "very good".
- Possibly add that we moved our account for private donors to Triodos Bank?

Hivos Carbon footprint

	2016	2017	2018
Total amount of CO2 produced (tons)	1,990	2,119	1,789
Total amount of CO2 compensated (tons)	100%	100%	100%
CO2 per employee (tons)	5.18	5.79	4.86

All the people living
life in peace



7. SUPERVISORY COUNCIL REPORT

2018, again, was a year of change for Hivos and for the communities it serves. As Hivos is reviewing its running programs in relation to its strategic objectives, the Supervisory Council assures a critical eye to help the organization reach more strategic and programmatic focus and impact. Shrinking civic space, the social impact of climate change and digitization, as well as a tight donor market are major factors impacting Hivos' field of activity going forward.

The Supervisory Council is critical, but positive about the direction in which the organization is heading and approved the revised Strategic Plan, early 2018. It encouraged the Executive Board to put even more emphasis on programmatic focus, strengthening its innovative power and differentiating capabilities, as well as reaching for scale by collaboration with others. The Supervisory Council aims to accompany the Executive Board and managers to assess the related risks carefully. The goal is to ensure that Hivos stays true to its values and focused to its mission, while, at the same time, improving operational management and the management of complex multi-stakeholder programs, such as "All Eyes on the Amazon" and the strategic partnership program of the "Citizen Agency Consortium" with the Dutch Ministry of Foreign Affairs, Art.19 and IIED. Risk management in general remained an important theme, throughout the reporting year.

Nowadays, digital security and physical security are considered equally important and very much inter-

twined. Internet and social media have made the world flatter. However, it is not a level playing field as long as there is no equal opportunity for those of different genders, colors, religion, political, social or sexual orientations. Organizations like Hivos should be prepared to fight the proliferation of inequality due to ill-devised algorithms and the attacks on democracy and human values through the spread of fake news. The Supervisory Council initiated discussions with the Executive Board on, on the one hand side, the increased threat of digitalization and algorithms and, on the other hand side, new opportunities that digitization may bring to realize Hivos' ambitions.

During 2018, the Supervisory Council formally convened six times face-to-face, including two 1,5 days strategic sessions, in the presence of the Executive Board members. The Supervisory Council also engaged in the informal exchanges with the international management team and the Works Council of the global office.

It is regrettable that the completion of the 2017, as well as 2018 annual accounts, took much longer than planned, due to systemic challenges. The Supervisory Council discussed the progress several times with the Executive Board, as well as with the external auditor, while the Audit Committee was involved on a monthly basis. The Supervisory Council supported the Executive Board's conclusion that lack of clear and consistent accounting principles and a change in 2018 accounting principles that also reflects on for-

Hivos believes in people's competency

mer years, in combination with an outdated operating system, were the main causes for this delay. Subsequently, the Supervisory Council supported the decision to initiate a complete overhaul and introduction of a new accounting and project management system, to be finalized in 2019. The Supervisory Council concludes with the Executive Board that, generally, 'house in order' is crucial to improve during 2019.

The Supervisory Council continued its review of Hivos' governance structure, amongst others in relation to setting up new legal entities in Lebanon and Indonesia. The Executive Board seeks to strike the right balance and interaction between controlling the organization from the center, and placing responsibility and ownership at the regional level. Sometimes, legal requirements of countries in which Hivos operates impose governance models in which Hivos cannot have full control. While the political dynamics in countries may call for specific formal structures, our aim is to ensure that the mandates and accountability are clear and that the chosen setup allows Hivos to realize its vision and mission in the societies where human rights are most under pressure. The Supervisory Council monitors the relevant checks and balances.

We consider strategic partnering a relevant option for Hivos to increase its impact and secure its longer term viability. During 2018, the Supervisory Council became engaged in the exploratory talks of Hivos and Cordaid to form a strategic partnership. In spite of the mutual best efforts, early 2019, both organizations concluded that there was insufficient common ground for entering into a far-reaching form of collaboration.

Mid-2018, several Supervisory Council members paid a visit to Zambia and Malawi. They participated in a "Disrupt!" event in which selected social entrepreneurs in the Food & Lifestyle sector pitched their business proposals. Also, a flower farm exhibiting Hivos "Women@work" program and an intense discussion with the LGBTI community about the local challenges they face were part of the program. In Malawi, women rights were discussed with a variety of civil society partners of Hivos' "Women Empowered for Leadership program", as well as citizen involvement in government spending with partners from the "OpenUp Contracting" program. Furthermore, a cultural youth activity was visited. A delegation of the Supervisory Council visited investees of Hivos Impact investment "Food&Lifestyle Fund", in Malawi and in Johannesburg.

The Supervisory Council operates with two permanent committees – the Audit Committee and the Remuneration Committee – to which it has delegated the preparation of specific tasks. The Audit Committee has two members, Marcel Karman (chair) and August Mesker. In 2018, the Audit Committee met several times and discussed the management information, the budget and the control environment. In addition, the Audit Committee discussed intensely and often with the Executive Board the process and content of the annual accounts.

The Remuneration Committee consists of Anja van Gorsel (chair) and Johan van de Ven. The Remuneration Committee prepared the evaluation of the functioning and remuneration of the Executive Board in its entirety, as well as that of its two members individually. To that end, the Remuneration Committee held several meetings with the Executive Board to discuss the dynamic context of Hivos and its functioning and effectiveness within this context. As detailed in the Annual Accounts, the Executive Board remuneration is in line with the Dutch Standards for Remuneration Act, as well as with Hivos' pay scales. In early 2018, the Remuneration Committee, assisted by an outside search bureau, led the process of recruiting a Chief Operations Officer. Based on the unanimous recommendation by the Committee, the chair of the Executive Board, a delegation of the management team and the Works Council,

the Supervisory Council appointed Michel Farkas as effective January 2019. The Supervisory Board recognizes the additional tasks taken up by the chair of the Executive Board and several team members in the months between the departure of the previous Director of Operations and the arrival of Michel Farkas.

The Supervisory Council regularly evaluates its own functioning by way of a self-assessment. Although the country visit and regular staff presentations in Supervisory Council meetings provided some exposure to Hivos staff beyond management team level, enhanced interactions with staff would be welcomed by the Supervisory Council members. Also, the expressed wish of the Supervisory Council for more involvement and visibility of (non-financial) risk and control, will receive more attention. The Supervisory Council members appreciated the level of involvement in Hivos' exploratory partnership discussions with Cordaid.

Balancing the interests of continuity and fresh eyes, during the year, the Supervisory Council decided to renew the terms of August Mesker and Johan van de Ven, to recruit one or two new members and to formally bring the maximum number of terms down from three to two. As of October 2019, the Supervisory Council is pleased to include Marianne van Kimmenade as a new member.

COMPOSITION OF THE SUPERVISORY COUNCIL /SCHEME OF RESIGNATION

First appointment	Name, position, term (max. Three terms)	End of current term	Occupation and other positions
2012	Jan Ernst de Groot Chair (2nd term)	2020	Chief Legal Officer, Ahold Delhaize; Executive board member VNO-NCW; Supervisory board member ADG Dienstengroep; Board member Hermitage Museum Amsterdam.
2013	Anja van Gorsel Vice Chair (2nd term) Chair, Remuneration Committee	2021	Partner, Wesselo & Partners; Chair of SC Tappan; Member of SC Staedion.
2006	Michiel Baud (3rd term)	2020	Professor in Latin American studies, University of Amsterdam and Centre for Latin American Research and Documentation (CEDLA).
2011	Marcel Karman (2nd term) Chair, Audit Committee	2019	Advisor, Dubois & Co. Registeraccountants; member, Supervisory council Hivos Triodos Fund; supervisory council Stichting Juridisch Loket, board member Stichting Living Landscapes.
2010	August Mesker (3rd term) Member, Audit Committee	2022	Economist; Member European Economic and Social Committee (EESC); former senior advisor VNO-NCW (Confederation of Netherlands Industry and Employers); former Chair of the Transport Committee Business Europe.
2010	Johan van de Ven (3rd term, Member Remuneration Committee)	2022	Chief Technology and Innovation Officer and Member of the Executive Management Committee, Bosal International; strategy partner and chair investment committee, sustainable private equity association Oraxys S.A.
2016	CR Hibbs (1st term)	2020	International consultant in grant-making, strategy development and organizational capacity; board member, American British Cowdray Hospital, Mexico City; board member, Mexican Institute for Competitiveness (IMCO).
2018	Elizabeth Lwanga (1st term)	2022	Innovations in Development Advisor; Search for alternative approaches to Africa's development; Leadership development; Creative talent promotion; Gender and development
2018	Claudia Surjadjaja (1st term)	2022	Executive Director ALERTAsia Foundation; Project Director/ Principal Investigator US Centre of Diseases Prevention and Control, Global Health Security Agenda; Regional Adviser for Asia Pacific UNAIDS Technical Support Mechanism, Board Member Yayasan Gerakan Sayang Ibu (Safe Motherhood Program); Public Health Specialist and Monitoring & Evaluation Expert the Global Fund for AIDS, Tuberculosis, and Malaria (GFATM) through PricewaterhouseCoopers and UNOPS; Peer reviewer WHO Bulletin; Lecturer in Medical Ethics and Environmental Health; independent consultant for various donor agencies
2019 As of October, 2019	Marianne van Kimmenade	2023	Chartered Accountant, senior policy advisor fraud and governmental auditing at the Royal Netherlands Institute of Chartered Accountants and former partner of EY.

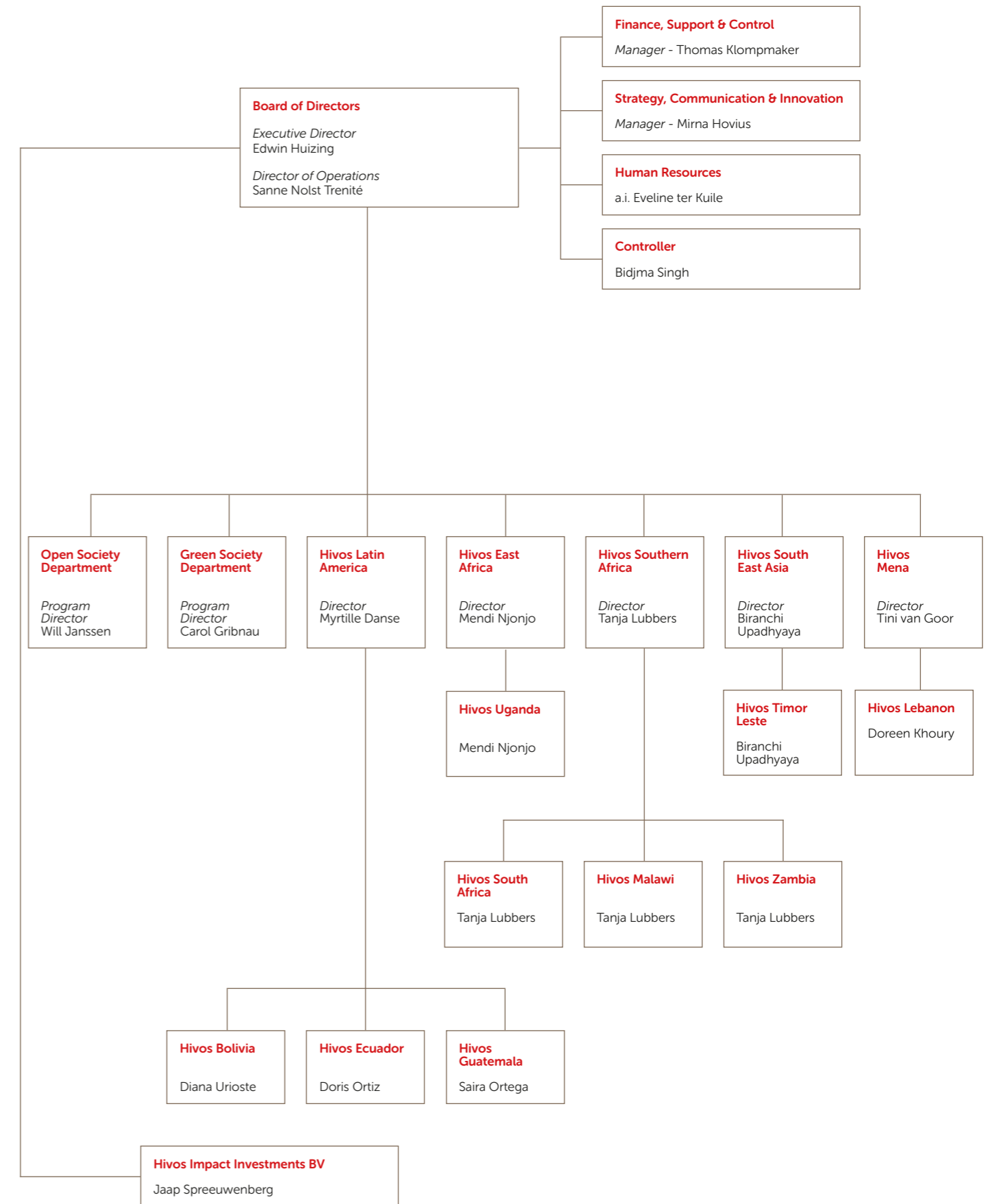
In accordance with the guidelines of the Dutch Central Bureau on Fundraising (CBF) and the Dutch Good Governance Code for Charities and Cultural Organizations, it was established that, during 2018, none of the individual Supervisory Council members held primary or additional occupations that were in conflict with their supervisory role at Hivos.

On behalf of the Supervisory Council, I would like to thank the Executive Board and all employees and partners of Hivos for their continued efforts towards a free, fair and sustainable world.

The Hague, 19 November 2019

For the Supervisory Council,
Jan Ernst de Groot, chair

ANNEX 1. ORGANIZATIONAL CHART 2018



Hivos innovates
for social change

Colophon

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