



**BEYOND
HUNGER**

ANNUAL REPORT 2020

HEIFER NETHERLANDS

1 JULY 2019 – 30 JUNE 2020



1,146 FAMILIES
earn a living income



193 FAMILIES
are food secure



8,976 FAMILIES
apply climate-smart
agricultural techniques



15,771 WOMEN
have a voice in
household and
community decision-
making

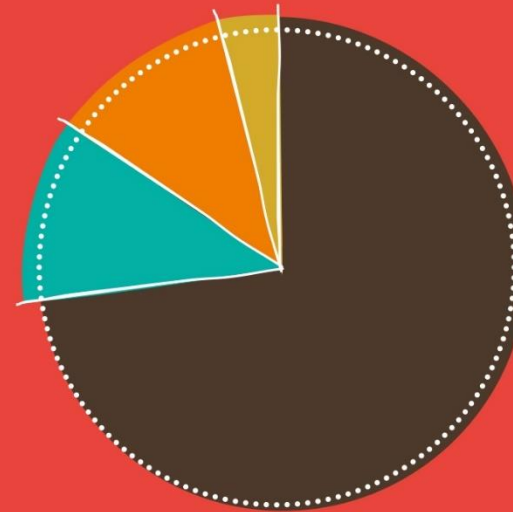


20,150 FAMILIES
sell their products on
the market

BIRD'S EYE VIEW OF 2020

Total income:
€1,090.131

Total expenses:
€ 1,196,008



- 72.5%
PROJECTS AND EDUCATION
- 12%
FUNDRAISING
- 11.9%
GRANT APPLICATIONS
- 3.6%
ADMINISTRATION AND
MANAGEMENT

October 2019

HEIFER'S ANNIVERSARY

IN OCTOBER 2019 HEIFER
NETHERLANDS CELEBRATED
ITS 20TH ANNIVERSARY WITH
ITS DONORS AND PARTNERS.

February 2020

NEW DIRECTOR

ON THE 3RD OF FEBRUARY WE
WELCOMED GOOSSEN HOENDERS
AS EXECUTIVE DIRECTOR OF
HEIFER NETHERLANDS.

March 2020

WORLDWIDE PANDEMIC

SPRING 2020, COVID-19 HAS
THE ENTIRE WORLD IN ITS GRIP.
LOCKDOWN MEASURES AFFECTED
FOOD SECURITY AND INCOME OF
SMALLHOLDER FARMERS.

PREFACE

The 21st year of Heifer Netherlands was a remarkable year. We cheerfully started celebrating our 20th anniversary on the 12th of October 2019 where we gathered on a beautiful farm with our donors and partners. Despite the dreadful weather we had a nice afternoon where we focused on Heifer's work. We reviewed the past 20 years and looked forward to our role and coming adventures.

At that moment, we could not have imagined an unknown virus would have a hold on the entire world in the beginning of 2020. I started as Executive Director of Heifer Netherlands on February the 3rd when the situation in the Netherlands was still relatively calm. A few weeks later we found ourselves in an 'intelligent lockdown' and my colleagues and I started working from home for the months to come: a challenging time that requested adaptability from all of us.

The challenge was even bigger for farming families who we are supporting in countries such as Malawi, Uganda, Tanzania and Senegal. The virus and the lockdown measures led to big distortions in the food systems of these countries. Markets were closed, weekly cash deposits of savings and loan groups were postponed and it was difficult to obtain seeds. There was also a steep increase in prices of agricultural materials. In most cases, the income of smallholder farmers was halved according to research conducted by Heifer in Uganda, and there is a food crisis looming. Especially now, we have to support these families to combat hunger and poverty. As Heifer Netherlands, we have incorporated this into our new strategy for the coming three years by focusing on creating a living income for farming families, generating employment for young farmers and supporting farming families to adapt to climate change.

It is our ambition for the next three years to collaborate with 49,500 farming families to achieve this. We cannot do this alone. Therefore, we need support from our donors and governments and collaborate with companies and other non-profit organizations. Together we can make a difference. Can we also count on you?

Goossen Hoenders
Executive Director



THIS YEAR A STRONG EMPHASIS WAS PLACED ON AWARENESS RAISING AND HYGIENE AND THE CONSTRUCTION OF TIP-TAPS TO WASH HANDS SAFELY. WE HAVE SEEN WONDERFUL INITIATIVES, FOR INSTANCE FARMER GROUPS WHO HAVE USED THEIR SAVINGS TO BUY SOAPS AND DISINFECTANTS.

HEIFER: KEY TO FOOD SECURITY

The number of people with hunger has been increasing since 2015. In 2020 more than 820 million people were under-nourished. That is one out of nine persons! A large part of them live in rural areas in Africa and depend on agriculture for a living. These smallholder farmers have the potential to produce more food by using inputs and basic technologies. We collaborate with them to enable them to reach their full potential.

FROM SMALLHOLDER FARMER TO SUCCESSFUL ENTREPRENEUR

We support poor farming families so that they can, by using their own strengths and while caring for the earth, build a future for themselves and their children; a life with enough food and a stable income.

ABOUT HEIFER

Heifer Netherlands is an independent development organization. We form part of the network of Heifer International, which as early as 1944 formally started to fight hunger and poverty through promotion of sustainable animal husbandry. At the end of the 1930's the founder of Heifer had already been involved in donating heifers to people who were suffering in the civil war in Spain and was inspired to do more. Their first-born calf would be passed on to someone else, part of a long-term solution of supporting entire families.



INTEGRATION OF LIVESTOCK AND CROPS FOR GOOD HARVESTS

- 1 Farmers learn how to cultivate their land in a sustainable manner and bring their new knowledge of animal husbandry into practice. In combination with good breeds, this provides them with enough and healthy food, a stable income and valuable manure for a good harvest.
- ✓ Farmers apply climate-smart techniques that ensure fertile soils and improved access to water without depleting natural resources.



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WHEN WOMEN EARN MORE MONEY, THE WHOLE HOUSEHOLD BENEFITS

- ✓ Talking about gender relations leads to a more balanced division of roles and responsibilities in households.
- ✓ Women own livestock and participate in decisions about money and family matters. This helps improve the family's health and children's education.
- ✓ With minimized barriers, women get opportunities to fulfill important roles in the community.

3

COLLABORATION FOR COMMUNITY DEVELOPMENT

- ✓ Smallholder farmers are organized in groups, in which they work intensively together, share knowledge and set up savings and loan systems. In this way farmers support each other and stand stronger to get access to markets.
- ✓ Central in our approach is "Passing on the Gift". Farmers pass their knowledge and resources on to other farmers in their community.
- ✓ Through partnerships with local governments, we influence and improve policy setting, including at the

4

MARKET ACCESS ENABLES FARMERS TO PROVIDE FOR GROWING FOOD NEEDS

- ✓ Through participation in well-organized producers' groups and cooperatives, farmers are linked to key market players such as banks, input suppliers and processors (e.g. dairy companies and slaughterhouses). Improved access to credit and better prices for their products leads to higher production levels. In doing so, farmers contribute to food security in their region.

IMPACT OF COVID-19

The worldwide pandemic has had severe consequences for farming families who we work with. Many families had to deal with a significant drop in income as a consequence of the (partial) lockdown measures that were needed in many countries to stop the spread of the coronavirus. However, this period also led to inspiring initiatives such as this example in Ecuador: farming families we work with are supplying food baskets directly to consumers in the cities, providing them with access to new markets.



Reduction in income and increasing costs

Because of lockdown measures, access to markets are severely blocked. Most countries have set restrictions for markets, which means that even when farmers are able to transport their produce, it is still a challenge to reach consumers. As a consequence, the income of many smallholder farmers has reduced drastically and products they could not sell piled up while in other areas food prices rose significantly. Besides that, bans on transportation resulted in higher costs for farming families. In many countries feed and seed and other agricultural material prices increased. Therefore profit margins, that were already tight, are even under more pressure.



COVID-19 LEADS TO WONDERFUL INITIATIVES IN KENYA

The fact that you can achieve more together is proven in the following example in Kenya: community facilitator Grace says: "During the lockdown markets were closed and stock in shops was limited. Especially at night, crowds of people in shopping areas were looking for food. A farmer Heifer works with had a great idea to support the families of these people by constructing a kitchen garden. In this way, we kill two birds with one stone: more people are producing vegetables, there is more supply in the area and it is less crowded around shops."

Limited access to services and training

Due to bans on gatherings, meetings and trainings were prohibited. The weekly cash deposits of savings and loan groups were also postponed. If money isn't saved, loans cannot be obtained and investments cannot be made. Access to various services were limited, such as animal healthcare. This increases the risk of disease outbreaks among animals. Farmers are worried about their animals' health and are afraid that their produce fails to comply with the required quality norms.



DOORSTEP DELIVERIES

Rosa, Margarita and thousands of other smallholder farmers from Ecuador have just one goal: providing food to people in the city. A year and a half ago, these farmers were linked to consumers in the city with support from Heifer; a new market for selling their produce. After the outbreak of the virus, millions of Ecuadorians had to stay at home and food in the city became scarce, while there was plenty of food available in the rural areas. Thereafter, Rosa and her colleagues have been engaged daily to pack their products and deliver them to people's homes with Heifer's support. A win-win: these farmers are secured of sales and earn an extra income and the people in the city have access to food once again.

Food shortages

The United Nations have warned of a food crisis and famine. Reduction in income and increasing costs have forced many farming families to skip meals. Research among Ugandan farmers has shown that one-third of these families eat just one meal a day with 40% saying they went days without food.

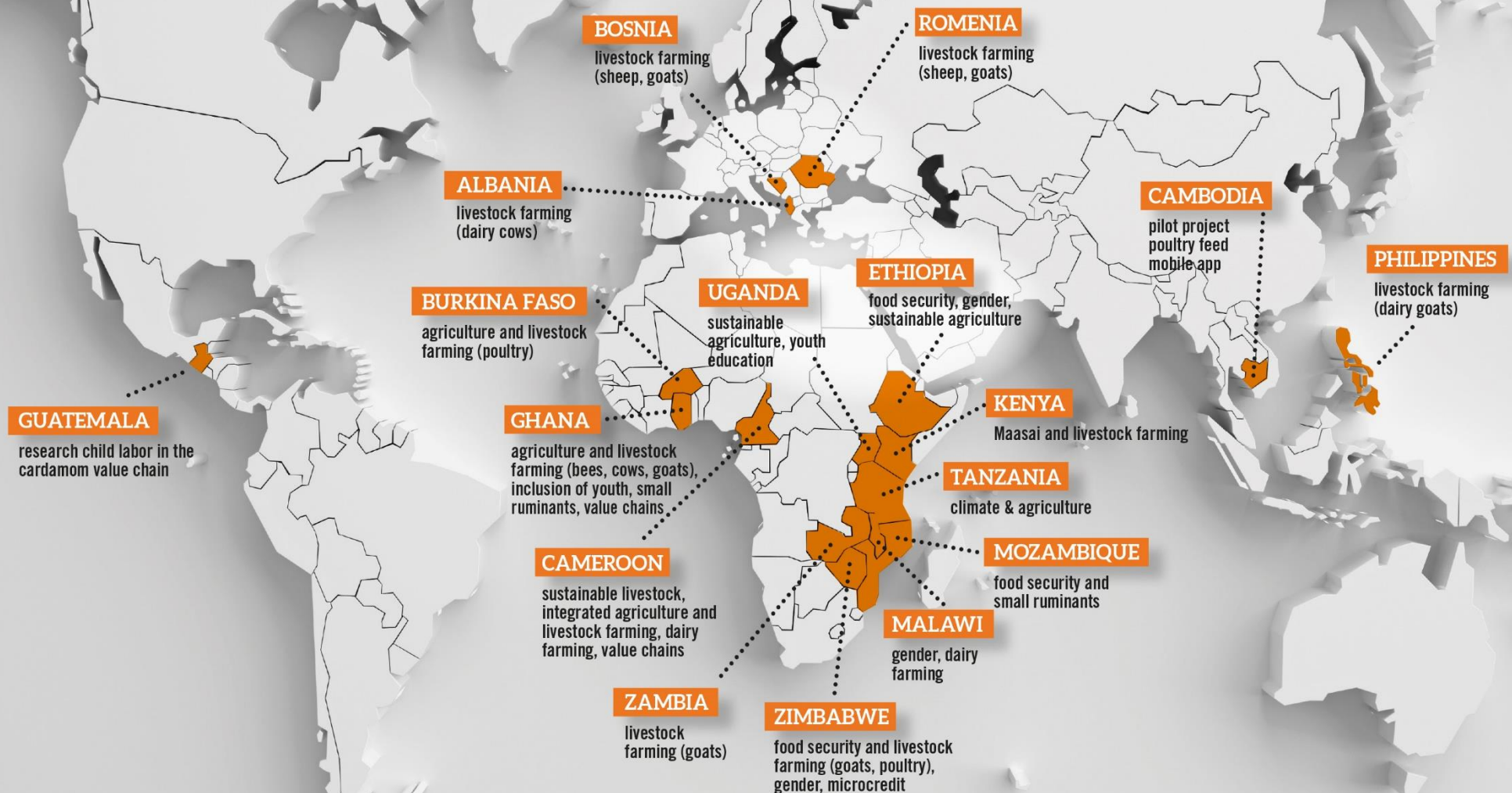
<https://www.heifer.nl/files/Rapportages/Heifer-International-Uganda-COVID-19-Report-2020.pdf>



MILK SALES HELP US SURVIVE

Mary Robert is a successful dairy farmer from Malawi. Thanks to her milk sales and a small loan, she was able to invest in a small business selling clothing and kitchen utensils. She imports these products from Mozambique, which is a very profitable business, according to Mary. Since the COVID-19 outbreak, a lot has changed. After closing the borders and import being banned, Mary's business came to an abrupt stop. "Our income has significantly reduced. Luckily, the milk sales are helping us to survive. I am worried about my kids. They were doing well at school and I don't want this situation to negatively affect their school performance."

20 YEARS HEIFER NETHERLANDS



THE EVOLUTION OF HEIFER NETHERLANDS IN 20 YEARS

1999

ANIMALS ARE PUT ON THE
PLANE
TO AFRICA OR EASTERN EUROPE



HAVING THE RIGHT KNOWLEDGE
IS INDISPENSABLE IN
LIVESTOCK FARMING
LET'S START TRAINING!



WITHOUT **HEALTHY SOILS**
WE WILL GET NOWHERE. HOW DO WE
MAKE THEM FERTILE AGAIN?



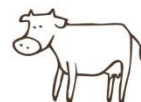
THE **POSITION OF WOMAN**
IS DISCUSSED OPENLY. THE ENTIRE FAMILY
BENEFITS FROM IT



A GOOD **HARVEST**
ALSO DEPENDS ON THE
QUALITY OF SEEDS



WHEN A **COW** IS COMFORTABLE,
SHE GIVES MUCH MORE MILK. WE START
PURCHASING ANIMALS LOCALLY.



TRAINING

IN HYGIENE, SANITATION AND WATER
MANAGEMENT GETS MORE
AND MORE ATTENTION.



CLIMATECHANGE

IS A MAJOR CHALLENGE. SINCE THIS HAS BECOME AN IMPORTANT
PART OF OUR PROJECTS, SMALLHOLDER FARMERS APPLY CLIMATE-SMART
AGRICULTURAL TECHNIQUES.



CONNECTING TO THE **MARKET**
HOW AND WHERE DO YOU SELL YOUR
PRODUCTS FOR A FAIR PRICE?




2019

IN 20 YEARS
71.267 FAMILIES
HAVE IMPROVED THEIR
INCOME AND NUTRITION BY USING
THE HEIFER METHOD.

IF WE ADD THE IMPACT OF OUR 'BIG SISTER'
HEIFER INTERNATIONAL,
OVER 32 MILLION FAMILIES
HAVE BUILT A BETTER LIFE.

RESULTS STRATEGIC PLAN 2017-2020



EVERY DAY GRACE AND HER HUSBAND BRING FRESH MILK TO THE COLLECTION CENTER, WHICH BELONGS TO THE DWANIRO COOPERATIVE. BESIDES BULKING AND SELLING MILK, FARMERS CAN ALSO BUY MEDICINES FOR THEIR ANIMALS AND OTHER MATERIALS FOR THEIR FARMS AT THE CENTER.

This annual report concludes our strategic plan 2017-2020. After four years it is timely and appropriate to take stock of your progress towards our goal of supporting 30,000 farming families on their way to a living income, so they can permanently escape hunger and poverty. Five results are linked to this goal.

Explanation:

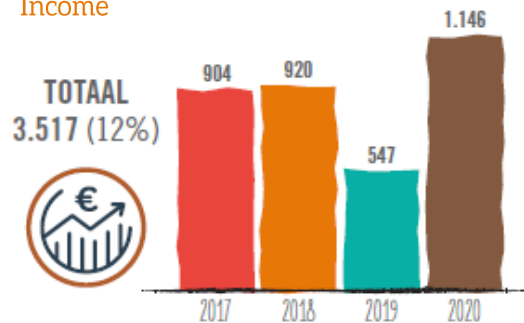
- Winning a substantial institutional grant (e.g. Dutch government and the European Commission) was crucial to support a large number of farming families. During the past four years, grant sizes got bigger but the number of grants became less, meanwhile competition significantly increased among organizations to win the bid. Therefore we were not able to secure a substantial institutional grant, which had a negative effect on a major part of the intended objectives.
- The system of measuring a living income was developed in 2017, has been perfected throughout the years and can be considered solid since the financial year 2019-2020.

Yet in the first years, the results have not been consistently measured and which probably led to lower scores than reality.

- Due to lockdown measures (such as the ban on travel and gatherings) the living income of families could not be measured properly in 2020.
- Monitoring food security is done at the household level, and due to lockdown measures the result on food security also could not be measured.
- The effect of project activities lead to results in a later stage. When training farmers, it takes some time before they internalized the knowledge, apply it on their fields and actually have higher yields.

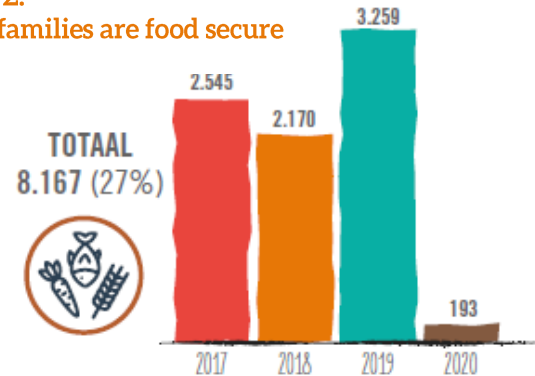
Result 1:

30,000 families earn a living income



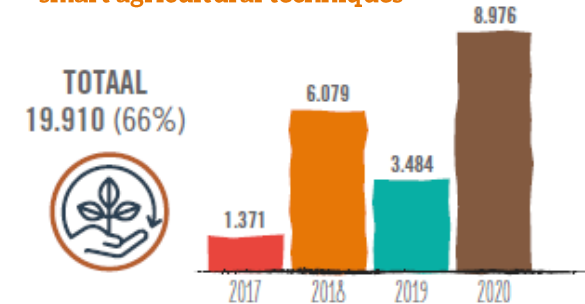
Result 2:

30,000 families are food secure



Result 3:

30,000 families apply climate-smart agricultural techniques



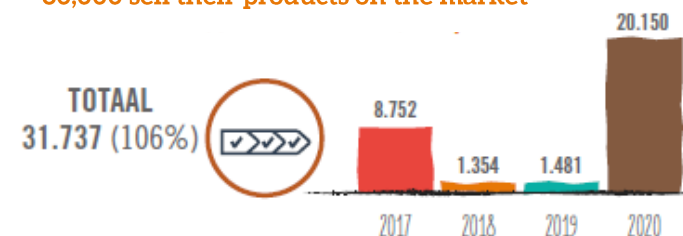
Result 4:

30,000 women have a voice in household and community decision-making



Result 5:

30,000 sell their products on the market

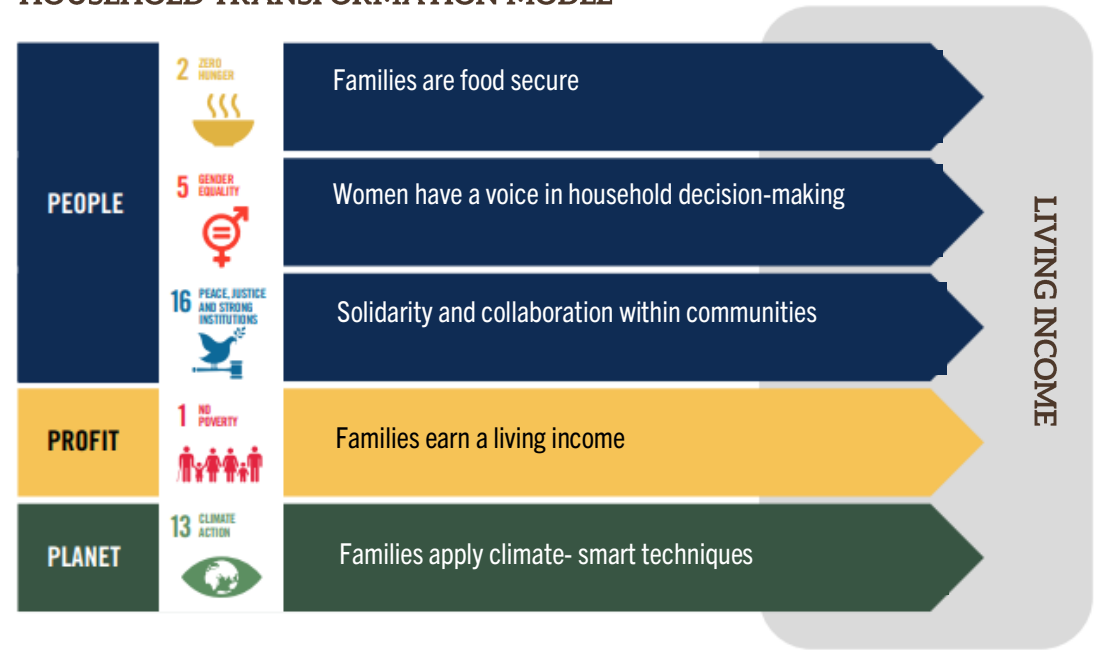


MEASUREMENT OF RESULTS

For many years Heifer Netherlands has used a solid Planning, Monitoring and Evaluation (PME) system, fed by data from countries in which we are working. In each project we closely monitor the progress. Every six months local Heifer colleagues write a progress report, in combination with a financial report, and every year projects are subject to an independent audit. In addition, they report on yearly results following a defined set of indicators, based on their own administration, interviews with households, farmer organizations and the community. These indicators show progress on our priority themes: agriculture and livestock farming, position of women, community building and access to the market. At the start of each project a baseline is conducted, followed by a mid-term evaluation (for projects with a duration exceeding 2 years) and concluded by a final evaluation.

All information is merged in Heifer’s PME-system, which subsequently provides a clear overview of all achieved results. This allows for timely adjustment if needed. Heifer Netherlands contributes to the goals of Heifer International, which are in turn linked to the Sustainable Development Goals 2030 of the United Nations. As of 2018, Heifer’s living income approach has been rolled out to all countries. This is the income that a family

HOUSEHOLD TRANSFORMATION MODEL



needs for a decent living and that keeps them out of poverty in the face of adversity. Living income includes expenses for meals, housing, education, clothing, medical care, transport and cultural events. Living income is measured in every project area, because circumstances differ between, and even within countries.

With support of Heifer the lives of farming families are improved. The main focus is increasing income (Profit). But only if you take

into account the People and the Planet, can you improve lives in the long term. With this vision, Heifer supports farming families to grow from subsistence farming to producing for the market. These families have an income that keeps them out of poverty when experiencing setbacks. Next, there are sufficient nutritious meals for the family, women have a voice in decision-making at the household and community level, there is solidarity and collaboration in the community and climate-smart techniques are applied.

FROM THE FIELD

BACK TO CAMEROON

- 20 YEARS LATER

In the summer of 2019 Heifer Netherlands celebrated its 20th anniversary. Time to look back. Our colleague Tifuntoh visited Mary Sirri and Tabi Joseph: initial project participants in Cameroon. The country where it all started for Heifer Netherlands and where founder Joep van Mierlo came in contact with Heifer.

Mary's parents were very poor, just like many other community members. There was no money for secondary school and Mary was married off at a young age. She earned some pocket money from repairing school uniforms during school holidays and she grew beans, maize and potatoes. She tried very hard but did not have the right knowledge. At home they rarely ate a decent meal and all family members were in ill health. 2002 was a turning point in their lives. After receiving her first cow she achieved remarkable successes.

How did you get involved with Heifer?

"My husband told me about Heifer. A community member, Tabi Joseph, participated in a Heifer project. We visited Tabi regularly and he told us all about the project. I loved his cows, this is what I also wanted! Only my husband was less enthusiastic. Yes, he wanted

cows, but it could not be a women's responsibility. Eventually it was him who registered, and he was allowed to participate. Our cousin would run the farm and take care of the animals. Stubborn as I am, I frequently visited other farmers to learn everything about dairy farming. In the meantime, I helped our cousin taking care of the cows. Unnoticed, step-by-step I took over his work.

I decided to form my own farmers group and in 2002 our group of 16 members requested support from Heifer. I could start preparing for the arrival of my first own cow."

While we are walking in the farmyard around her house, Mary proudly tells about her achievements. "It's going great! At the moment we have 23 dairy cows, 10 pigs and around 500 chicken. I apply the manure to the land where we grow potatoes, maize, beans, cabbage, green beans, carrots, pepper and leek. My old agricultural habits were destructive. I did not know what I was doing and was copying from people in surrounding areas. The harvest was a disaster. Now I have tripled my harvest while using the same piece of land! Almost every day we eat eggs, often we eat chicken and every day we drink milk and eat fresh vegetables from our kitchen garden. My family is healthy and strong."



How did this impact your income?

“Our income has increased 23 times compared to 20 years ago! 50% comes from livestock farming or related products, the remaining comes from agriculture. With the money earned we have already been able to buy a lot and invest, such as the construction of a waterpipe to the farm.” Without worrying – and without needing consent of her husband – Mary can buy cloths, utensils, food and even household appliances. Also, she has opened a bank account at Akum Credit Union, which is exceptional for a Cameroonian woman.

Nowadays, everyone is talking about climate change. In the past, this was not such a hot topic, isn't it?

“No, that's true. It did not occur to me to deal with the environment in a sustainable manner. I did not see the point. I even didn't know how to plant trees, how to take of the environment and kitchen gardens were hard to be found in our area. The elements of caring for the earth is now part of my work. We have to. In recent years, I have planted at least 500



trees. I increasingly use organic fertilizer and apply climate-smart agricultural techniques.”

I see that you even employ staff?

“Yes, that's true. Besides the fact that my children and husband are heavily involved in the farm, we also employ four staff members. I've also had multiple interns from neighboring agricultural schools. I even welcomed students from the Minnesota School of Education. Without this project, this never would have happened.”

Mary, you are truly beaming when you talk about it

“The support from Heifer has seriously increased my social status. That cow was my first own asset ever. I cannot explain how I felt. Barely two years later I participated in all kinds of agricultural fairs and won several trophies and awards for my role in the Cameroonian dairy development.

I hold various board positions and deliver trainings. In 2005 the Minister of Livestock



visited my farm and in 2008 I travelled to The Netherlands to attend the workshop 'Better Future'. All thanks to this project. I am so happy!”

How are your kids nowadays?

“I am very proud of them. They have all studied. Two sons are working on the farm. Another one, Clement, recently opened a shop in town. Because of my commitment to dairy, I was able to install a biogas installation with the support of SNV. These days I use gas for cooking. My fourth son is trained as a biogas expert, so my installation is well maintained. Together with my daughters and daughters-in-law I have started a second business called 'Queens Cream'. We produce and sell butter, cheese, yoghurt and ice cream made from our own milk. It is a great success!”

You mentioned your husband was not supportive of the project at first. Where does he stand now?

“I used to have little say in household matters. I was fully dependent on my husband. Things are quite different now. He also contributes his part to the farm. Together we go over the planning. I have total freedom to do what I want and have control over the expenses.” Mary's husband George: “I am very proud of her work and her perseverance. I especially thank Heifer. The different trainings she received have changed her (and our) lives.”



FROM THE FIELD

CHILLED MILK THANKS TO THE SUN

Solar power: you see it more often, also in Africa. It is cheaper as well as better for the environment. In 2018 the milk collection center Tafika, in the South of Malawi, started to run their operations on solar energy. The center has 340 members of whom 90 deliver their milk daily. It was not a sunny start and immediately successful. It took two years before the women farmers benefitted from it.

Tafika has a 1,200-liter milk tank. The factory's big lorry collects the milk, after which it is prepared for sale by supermarkets. Tafika is not connected to the national electric grid, which is known for regular power

outages. When the milk is not chilled continuously, it will spoil easily. A cooling system running on solar power provides continuity. Only during maintenance or on cloudy days you shift to using the generator. However, purchasing a solar powered system is expensive. Therefore, start-up milk centers set off by using a generator. The upfront costs are low, but the cost of petrol is not. Taking into consideration the high maintenance costs as well, a generator is more expensive in the long run. A solar energy system is very expensive to purchase but eventually cheaper: the sun is for free and shines in abundance in Malawi.

Challenges

However, a cooling center on solar power also has its challenges: correct use and proper maintenance are essential for maintaining the system. There are few technicians with the appropriate knowledge. At Tafika they had a similar experience. Their system was installed by the Malawian government. Unfortunately, soon after problems arose. The technician had not fixed the panels properly, causing some panels to fall off the roof after a few months. Hereafter, the center functioned at half-power. The members used their collective savings for reparations to replace the solar panels, but the pressure on the remaining system had already caused irreparable damage. In November 2018, the center was forced to stop its operations. The women

farmers had to walk many kilometers again to deliver their milk to a center further away. They are away from home for a long time and so have less time to work on the farm or to do chores around the house. A solution had to be found. The farmers, Heifer Malawi and Heifer Netherlands searched for funds to buy a new system. In 2019 Cyclone Idai even further damaged the system and also destroyed houses and fields. Eventually, the necessary financial support was found. The Dutch company Kyos Energy Consulting, already involved in this project for several years, was ready to contribute financially.

Several companies were reviewed for carrying out repairs and delivery of new panels. This would have finally taken place in March 2020 but due to the outbreak of COVID-19 it was postponed until August after lifting the national travel ban. Since the summer of 2020, the milk center operates again at full capacity.



Clear agreements have been made regarding repairs and maintenance, so hopefully the Tafika milk center has a bright and sunny future ahead.

Recently, Heifer Malawi visited Tafika. Our colleagues were welcomed with the following words: “Pepani mutikikirako pang’ono!” Meaning: “Apologies, you’ll have to wait!” said Chifundo, one of the managers of the center. It is busy and she first needs to help the farmers storing their milk. The women waiting in line told them about the long journey with many challenges. A difficult time where the joy of having the solar powered system did not last long. It took a long time before everything was back in working order.

Nevertheless, they never lost hope. They are proud that their center is operational again: “Every day we open at 4 am and every time we are surprised how many people turn up. There are 10 villages in our neighborhood. We think that the 1,200-liter milk tank will soon not be insufficient.”



FINANCIAL REPORT

BALANCE SHEET

	June 30, 2020	June 30, 2019
ASSETS	Euro	Euro
Equipment	15,617	1,743
	<u>15,617</u>	<u>1,743</u>
Accounts receivable	152,069	107,351
Liquidity	554,544	686,549
	<u>706,613</u>	<u>793,900</u>
Total	<u>722,230</u>	<u>795,643</u>
LIABILITIES AND NET ASSETS		
Net Assets		
• Unrestricted assets		
- Continuity reserve	444,715	445,003
- Earmarked reserve	150,000	0
	<u>594,715</u>	<u>445,003</u>
• Restricted assets		
	0	255,589
	<u>0</u>	<u>255,589</u>
<i>Total net assets</i>	<i>594,715</i>	<i>700,592</i>
<i>Short-term liabilities</i>	<i>127,515</i>	<i>95,051</i>
Total	<u>722,230</u>	<u>795,643</u>

STATEMENT OF INCOME AND EXPENDITURE 2019-2020

Allocation of Net Result 2019-2020

Additions to/withdrawals from:

Unrestricted assets:

Continuity reserve -288

Earmarked reserve 150,000

Restricted assets: -255,589

-105,877

	Realization 2019-2020	Budget 2019-2020	Realization 2018-2019
	Euro	Euro	Euro
Revenues and support:			
- Private donors	445,029	400,000	378,865
- Companies	60,157	120,000	100,904
- Churches	39,064	50,000	28,538
- Foundations	51,210	250,000	261,738
- Lotteries	0	0	0
- Governmental subsidies	93,409	860,000	0
- Affiliated organizations	365,591	360,664	531,867
- Other organizations	35,737	85,000	75,000
Total revenue and support	1,090,197	2,125,664	1,376,912
- Other income	-66		16
Total Income	1,090,131	2,125,664	1,376,928
Expenditure			
Expenditure on goals			
- Program services	529,549	1,328,100	591,570
- Awareness and education	336,424	358,133	290,034
	865,973	1,686,233	881,604
Cost of Fundraising			
- Costs of own fundraising	143,671	152,946	124,761
- Costs of institutional applications	142,848	149,869	99,904
	286,519	302,815	224,665
Management and administration			
- Costs management & admin.	43,516	45,993	77,386
	43,516	45,993	77,386
Total expenditure	1,196,008	2,035,041	1,183,655
Net Result	-105,877	90,623	193,273

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HEIFER.NL

