

ASSOCIATION EUROPE – THIRD WORLD

2006 REPORT

This report describes the activities of the Europe–Third World Association for the financial year 2006, its thirty-eighth year of existence.

1. FINANCIAL SITUATION

The financial statement 2006, which indicates income and expenditure for 2006, appears in table 1 enclosed. Table 2 describes in detail the expenditure carried out by project in 2006 in the three continents: Africa, South America and Asia. Table 3 shows all the new commitments decided in 2006. The chronological development of income and expenditure during the last six years (2001 to 2006) is shown in table 4. Table 5 traces the decisions and payments during the years 2003 to 2006. The accounts certified 31/12/2006 (table 6) and the list of commitments for 2006 for which payment is deferred to 2007 (table 7) are also included in the annexes.

1.1. Income

In 2006, the **income** of the Association fell considerably to a total of € 140,393.09, against € 218,965.51 for the previous year. This apparent reduction (see table 4) is explained mainly by the exceptional collection of funds in 2005 for emergency and rehabilitation projects in the aftermath of the Tsunami which struck South-East Asia at the end of 2004.

As every year, **members' contributions** made up the principal source of income (95%). Amounting to € 134,421.26, they are slightly lower than in 2005. The initiatives of the last few years, to make colleagues (old and new) from all European institutions more aware of the existence of the Association, were intensified during 2006 and are likely to bear fruit in the short term (see chapter 4).

The amount of **gifts** received in 2006 (€ 2,674.46) is at the same level as in 2005.

Bank interest (€ 2,497.37) decreased in 2006 due to lower savings during the year, as a result of an increase in expenditure in relation to income.

It should be recalled that since 1998, part of the reserves of the Association (a "security blanket") has been placed on a high-interest account with TRIODOS bank. TRIODOS finances projects and companies respecting at least three basic criteria: sustainable development, human dignity and quality of life. These criteria match ETW's objectives.

1.2. Expenditure

The **total amount paid for projects** (micro-projects and emergency aid) amounts to €194,409 in 2006 (for details see tables 2 and 4). This result reflects the growth in the number of financing requests submitted to ETM in the past, in particular for projects in

support of Tsunami victims. Given the increase in expenditure in 2006, these by far exceed the income of the same year, and thus brought down the reserves to a more normal level. Examination of expenditure by project (see table 2) underlines clearly the predominance of projects in Africa, compared to South America and Asia. Of the 2006 commitments, 83% were paid in the same year; while a balance of € 23,500 remains to be paid in 2007 (see table 7).

Apart from expenses incurred for organizing the General assembly, **the Association's overheads** accounted for 1.08 % of actual expenditure. In terms of the overall 2006 budget, this percentage amounts to only 0.69 %¹.

2. FINANCING OF PROJECTS AND OTHER AID

In 2006, the Association decided to finance 18 new projects (see table 3) for an amount of € 133,388. If one adds to this amount the payments relating to commitments made in 2005 but not paid before 31 December 2005, € 194,409 was devoted to project funding in 2006.

Although lower than the sum that was actually paid in 2005 (€ 213.110), this is definitely higher than in 2004 and even more so than the unusually low 2003 level (cf. table 4).

This results from the support granted in the aftermath of the Tsunami of December 2004, which was committed during the 2005 financial year, but actually paid during 2006. When focusing on projects "traditionally" supported by ETM, 2006 can be considered a rather modest year, clearly lower than the previous year though much higher than that of 2003.

The **geographical distribution** of financing for 2006 is as follows (cf. table 2):

- **Africa: 17 projects in 11 countries for an amount of € 119,283**
- **America: 5 projects in 4 countries for an amount of € 27,200**
- **Asia: 4 projects in 2 countries for an amount of € 47,926**

Africa, with almost 62% of financing, benefited most from our support.

The relatively high overall amount granted to Asia is explained by the financing of large-scale projects as part of the rebuilding operations after the December 2004 Tsunami .

Other than this large-scale financing, the average of financing by projects is around €7.400. This results from our deliberate choice of limiting our support to relatively small projects which, precisely because of their small size, have difficulties finding other sources of funding.

The **main activities** supported in 2006 are as follows:

- agriculture and livestock-farming, and the conservation, marketing and processing of agricultural products (4 projects);
- vocational training (5);
- water supply and cleansing (3);
- safeguarding the environment: urban waste recycling (1), reforestation (1),

¹ It should be recalled that ETM benefits from the hospitality of the community institutions.

- various sectors linked to improvement of living standards: food stalls (1), rural roads and bridges (1), marsh rehabilitation (1) and one health care project for children.

2 of the 18 new projects benefited women primarily and 6 benefited young people.

3. MONITORING OF AID

As usual, the Project Group used its weekly meetings to **welcome promoters**, either to give them the opportunity to report on the implementation of projects supported by ETW, or to present proposals for new projects. They were 15 in total and the countries concerned were Bolivia, Cambodia, the Congo (DRC), Ethiopia, India and Madagascar.

During the year, 28 projects were the subject of an **internal evaluation**, in the form of a "follow-up report" assessed by a member of the Project Group, and **were deemed completed**. This concerned 24 normal development projects, 1 of emergency aid from ETW own resources, for victims of the Tsunami, and 3 rehabilitation projects for tsunami victims supported jointly by ETW and the European Commission Staff Committee.

Though the degree of success differed from one project to another and though the impact of certain projects has to be measured in the long term, the conclusion of all evaluations was positive, except for a project for the production of table fowl in Cameroon, which suffered from competition from highly subsidized chickens imported from the European Union.

4. AWARENESS-RAISING AND COMMUNICATION

This year again, the need to welcome new members was a major concern for the Committee. The attempt to renew our PR material (booklet, leaflet...) with a more modern and dynamic design with the help of the IHECS students did not bear the expected results, and the Committee felt the need to re-focus and stimulate these efforts.

The 'awareness-raising group' was therefore created. Acting under the aegis of the Committee, its role is to coordinate the various activities that aim to raise awareness among officials and other agents of the institutions of the problems associated with development questions, and to increase the number of new members.

In acknowledgement of the fact that efficient communication requires financial resources to secure expert help (graphic artists, better quality printing, etc.), the Committee, for the first time in the history of the Association, released a budget which, though tiny, enabled us to ask qualified persons to work on the design of a model pamphlet and the transforming of our intranet site into an internet website at the beginning of 2007.

Similarly, the general information booklet was updated, and will be printed and distributed to all EU institution staff in 2007.

The Association also continues to produce its "**information letter**" which it regards as a privileged means to make its existence and its activities better known to the staff of the European Institutions.

Finally, the "**Letter to new officials**" was sent to the new recruits of the various Institutions of the European Union to stimulate new membership.

5. ANY OTHER BUSINESS

5.1. List of partner NGOs

For the last few years, Margarete TROBERG, a member of the Committee and of the Project Group, has been updating a list of NGOs which ETM has sponsored in the recent past. This list has been an increasingly useful source of information.

5.2. List of members

A small ad-hoc working group composed of both treasurers and both secretaries continued the task consisting of updating the list of members of the Association. Members who pay very modest amounts or who do not pay at all were invited to rectify this situation. The result of this initiative is encouraging.

5.3. Collaborators

In accordance with the decision taken by the General meeting of last year, the Committee welcomed 2 new members; Karine THERER, and Marianne WACK.

Jacques COLLART continues to give the treasurers invaluable support..

The Association has also benefited from the generous, intensive and effective work of Claudine TONDREAU and Edith BONNET in the secretariat.

The Association is grateful to all these members, and to all those who contributed their enthusiasm and competences.

As a reminder, the address of the secretariat is as follows:

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Annex: financial report