



Contributing towards a Society in which Extreme Poverty becomes something of the past

Annual Report, February 2011-February 2012

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EXECUTIVE SUMMARY

This report presents a narrative summary of work conducted by IED during the first year of its operations in the Democratic Republic of Congo (DRC). Specifically, it covers the period from February 2011 to February 2012. It encompasses updates on IED's organizational development and each of IED's four core activities – Training and Consultancy, Development Projects, Research, and Policy Advocacy.

More specifically, the report includes a detailed outline of organizational development, a summary of activities undertaken and outputs achieved in each core activity and a summary of developments in IED's working relationships with key stakeholders. It is structured as follows. Section 1 gives an introductory note on IED. Section 2 reports on organizational development while Section 3 presents the progress made in each of our four core activities.

This report has been prepared by IED's Executive Director, Projects Coordinator and other key staff, and is submitted both to IED's Board of Directors and major partners. It constitutes part of IED's public documents, published on the annual reports page of IED's website at www.iedcongo.org.

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ACRONYMS AND ABBREVIATIONS

AC-AF	Africa's Children – Africa's Future
ACCO	Association des Chauffeurs du Congo
ASNAMOC	Association Nationale des Motards du Congo
BDS	Business development services
BMZ	German Development Cooperation
CADEF	Community based action against widespread deforestation in Fizi District
CBO	Community based organization
CELA	Centre for Youth Development and Adult Education
CEPROBID	Centre for entrepreneurship promotion and business development
CIHF	Congo Infrastructure Hedge Fund
COOPAC-FIZI	Coopérative des Projets d'Autonomisation Communautaire de Fizi
CV	Curriculum Vitae
DRC	Democratic Republic of the Congo
FEC	Fédération des Entrepreneurs du Congo
GIZ PP	UNHCR and BMZ partnership program
HIV/AIDS	Human Immunodeficiency virus/Acute Immunodeficiency Syndrome
ICT4D	Information Communication Technologies for Development
IED	Entrepreneurship Learning and Development Initiative
IFES	International Federation for Electoral Systems
IMF	International Monetary Fund
M&E	Monitoring and Evaluation
MONUSCO	Mission des Nations Unies pour la Stabilisation au Congo
NED	National Endowment for Democracy
NGO	Non-governmental organization

PIREFID	Public integrity restoration in Fizi District project
PRI	Program Related Investment
PTF	Partnership for Transparency Fund
R&D	Research and development
REACT	Response to reasonable and accountable priority setting project
RSD	Research on Sustainable Development
SCOSEP	Sweeping corruption in secondary schools project
SFCG	Search for Common Ground
TTT HG	Tucson Transatlantic Trade Inc. Holding Group
UK	United Kingdom
UN	United Nations
UNDP	United Nations Development Program
UNHCR	United Nations High Commissioner for Refugees
US	United States
VEPESUD	Voter education for peace building and sustainable development
WILMA	World Institute for Leadership and Management in Africa
YELP	Youth entrepreneurial leadership promotion program
YiN	Youth's time is now project

1. Introduction

IED is an innovative young organization bringing a fresh approach to the challenges of poverty alleviation. IED's overall goal is to raise the living standard of the Congolese populace while contributing to the reconstruction of the DRC by providing business development services (BDS) and carrying out development projects, research and policy advocacy. Four broad overall strategies are used to achieve this. First, we conduct training and consultancies on BDS and entrepreneurship in particular to community groups including women, youth and farmers' groups, community-based organizations (CBOs), non-governmental organizations (NGOs), government institutions and businesses. Second, we develop and demonstrate innovative approaches to combating social, economic, political and cultural ills contributing to extreme poverty. Third, we conduct research on sustainable development issues to inform IED projects' formulation and implementation as well as policy advocacy. And fourth, we carry out advocacy on the national policy environment affecting poverty reduction efforts. IED envisions a society in which extreme poverty becomes something of the past.

2. Organizational Development Update

IED's main focus during the period between February 2011 and February 2012 has been on organizational development and growth. This was a period of rapid growth and development for the organization that included, amongst other things, the achievement of several major organizational development milestones. This includes review of IED's constitution, formal registration, development of IED's business and strategic plans, submissions of various fundraising proposals, creation of a world class website, establishment of a strong Board of Directors, improvement of office environment, and creation of both local and international partnerships.

2.1 IED Registration

On 17 February 2011 IED became a newly registered non-governmental organization (NGO) capable of conducting its development work throughout the DRC. It was registered under the NGO Act 004/2001 of 20 July 2001 of the laws of the DRC. IED's registration number is 150/04/IT.DR/TF/SK/2011. This registration has been very important as it has increased IED's credibility to the Government and the community it serves. It has also opened various opportunities for IED in terms of fundraising, partnership creation, piloting of development and research projects and conducting local advocacy campaigns.

2.2 Fundraising and Income Generation

Throughout this period IED's development work has largely depended on its members' contributions. The most important of contributions made by members has been their personal, strong commitment towards IED goal and vision. However, in the real world as well as in the business of NGOs, good intentions alone are sometimes not sufficient to enable

organizations to meet their objectives. Recognizing this fact, IED has been very aggressive in its fundraising and income generation efforts, thus exploring all areas. These efforts have focused on three elements namely writing and submission of grant proposals, conducting consultancies, and development of business plans for program related investments (PRIs).

We developed and submitted a number of grant proposals to various funding organizations. These proposals included, but were not limited to: 'Center for entrepreneurship promotion and business development project (CEPROBID)', submitted to the German Embassy in the DRC; 'Public integrity restoration in Fizi District project (PIREFID)', submitted to the US-based National Endowment for Democracy (NED); 'Sweeping corruption in secondary schools project (SCOSEP)', submitted to the New York-based Partnership for Transparency Fund (PTF); 'Youth entrepreneurial leadership promotion program (YELP)', submitted to the Canada-based Africa's Children-Africa's Future (AC-AF); 'Voter education for peace building and sustainable development project (VEPESUD)', submitted to the UNDP DRC Office, International Federation for Electoral Systems (IFES) and UN Mission for Stabilization in DR Congo (MONUSCO); 'Youth's time is now project (YiN)', submitted to MONUSCO; and 'community-based action against widespread deforestation in Fizi District project (CADEF)', submitted to the UK-based Rufford Foundation.

These fundraising efforts had mixed results. Some proposals were not able to attract the intended funds while others enabled IED to create important strategic partnerships and be awarded consultancies.

IED consulted to local and international organizations. Specifically, IED trained GIZ PP¹'s beneficiaries (carpenters, mechanics and bricklayers) and COOPAC-FIZI²'s village economic groups in Baraka, Mboko, Kananda and Kasakwa on entrepreneurship, team building and time management skills. Also, IED conducted a three-month English course to secondary school students in Baraka. The importance of these consultancies on IED's work was twofold. First, they provided IED with needed cash and helped build networking with awarding organizations. Second, by contributing to the improvement of communities' wellbeing, IED increased its community and local government's recognition and acceptance.

In addition to consulting on various BDS to organizations, IED initiated plans and took steps that will lead to the establishment of IED-led PRIs in terms of social businesses. Up to the time of writing, IED's focus has been on the development of business plans for potential PRIs/social businesses and only one business plan was completed and submitted to the Congo Infrastructure Hedge Fund (CIHF). The business plan in question was entitled 'Mshilwa goat farming project'. Mindful of the increasing unreliability and unpredictability of donor funding and these aspects' negative effects on NGO work, IED is very much committed

¹ GIZ PP stands for UNHCR and BMZ Partnership Program in the DRC

² COOPAC-FIZI stands for Coopérative des Projets d'Autonomisation Communautaire de Fizi

to succeeding in its social investment efforts so as to achieve greater organizational financial self-sufficiency.

2.3 IED Website

One of the IED's major organizational developments was the development of its website. The website has helped to make IED's vision known to various stakeholders the world over. It has also helped IED in its fundraising, income generation and partnership creation efforts. Furthermore, the website is equipped with social media links including facebook and twitter. Given the ever growing popularity of the use of these social media in the DRC, these links will enable IED to engage people from all over the DRC in its advocacy campaigns. They will also be a means to sell IED's work internationally. The website development went hand in hand with the designing of IED's logo. The website and logo were developed thanks to the generous and unconditional support from IED's Board member, Mr. Julian Metcalf.

2.4 Human Resources

During this period, IED succeeded to establish a strong Board of Directors. The current IED Board is composed of members with diverse educational background and substantial professional experience. Some have founded and led organizations for decades while others have had management positions in internationally-acclaimed business and not-for-profit organizations and multilateral agencies. The current complete Directors' list for IED's Board of Directors is as follows:

Name	Position	Brief CV Summary
Dr. Paul Armington	Director	President and Co-founder of World Institute for Leadership and Management in Africa (WILMA); Economist in the Research Department at IMF
longwa Mashangao	Director	Executive Director of IED; Administrative Council Member and Advisor at COOPAC-FIZI; Consultant
Joseph T. Dossen	Director	Head of field Office/Operations Manager at GIZ PP DRC Program; Logistics manager at GTZ-PO Chad Program
Julian Metcalf	Director	Associate Analyst at Moody's Investors Service; Project Advisor at Empire State Development Corporation
Prof. Alex Dely	Director	Contracts Manager at Raytheon Missiles; Founder/President of TTT Inc. HG
Washikala Malango	Director	Projects Coordinator of IED; Administrative Council Member and Secretary at COOPAC-FIZI; Field Coordinator at REACT

At the start of IED's development work in the DRC, five staff took up positions with IED namely longwa Mashangao (Executive Director), Washikala Malango (Projects Coordinator), Mwendalonge Lusambya (Secretary), Matayo Sudi (Monitoring & Evaluation Officer) and Augustin Mutabesha (Finance and Administrative Officer). Due to their academic

undertakings in Tanzania, three of the IED staff have not been so far able to join IED team in the DRC. To overcome this challenge, IED has deliberately developed a human resource policy that promotes volunteerism within the organization.

As a result, university graduates and secondary school leavers have been regularly accepted to volunteer as Secretary and M&E Officer. One of our long-serving volunteers is Etungano Adolph. The duties and responsibilities of the Finance and Administrative Officer have been added to those of the Projects Coordinator. To deal with emerging circumstances and respond to the organization's needs, the position of Projects Advisor was created and has since been held by Prof. Alex Dely. The list of IED's professional employees is as follows, including both staff already in post and those already appointed but who had not yet started work formally:

Name	Position	Organization's core activity
Iongwa Mashangao	Executive Director	All
Washikala Malango	Projects Coordinator	All
Prof. Alex Dely	Projects Advisor	All
Mwendalonge Lusambya	Secretary	All
Augustin Mutabesha	Finance and Adm. Officer	All
Matayo Sudi	M&E Officer	All

2.5 Office Environment

Upon the commencement of IED's development work in the DRC, an office building was found and opened within a couple of weeks on the outskirts of Baraka city. Being located on the outskirts of a relatively small town started having a toll on our work. With no major transport facility (vehicle or motorcycle), IED staff had to make many forth-and-back trips daily between the office and the city centre for such services as internet. And without power supply in the area, we incurred unnecessary fuel-related cost for services such as running of computers, printing and photocopying.

To alleviate some of these problems, it was necessary to move from our previous outskirts-based, small office to a larger, down-town based office building. Our new office is found in a newly constructed building and, as such, it is still undergoing few final touches. The office has been furnished with locally made furniture and equipped with additional office materials donated by GIZ PP. Building improvements have been underway to make the office meet our needs.

The major outstanding challenges facing smooth and effective running of IED office include unreliable electrical power and internet connectivity, lack of transport facility, and insufficient office equipments. Public electricity supply is nonexistent in Baraka. During the Nov. 2011 electoral campaigns, the Government brought a generator but it is not operational yet. As a result, most Baraka residents, businesses and local NGOs rely on power

provided by the UNHCR and private-owned generators. IED occasionally uses a small generator – an expensive undertaking – while lobbying to get IED office connected to the UNHCR grid is underway.

IED has enjoyed internet access from its partners like GIZ PP and Search for Common Ground (SFCG). Although this internet connection is fairly quick, it is unreliable, often susceptible to ever-changing rules and regulations and only available during the organization's project lifespan. Mobile internet through Vodacom, a slower and often going down for days but less expensive alternative to local cybercafé, is used as a backup. Given IED does not have any transport means at its disposal, daily movement of staff is reliant on the public transport system dominated by motorcyclists (locally known as *motards*). Also, the office is still to be fully equipped and furnished.

2.6 Partnerships

Like in any other development efforts, the importance of partnership in poverty reduction is well recognized at IED. We have aggressively pursued our policy of partnership creation at local, national and international level. Our efforts have so far borne encouraging results, with the creation of strategic partnerships at all levels – crucially important for IED development. Organizations with which IED has entered strategic partnerships include AC-AF, CIHF, GIZ PP, WILMA, SFCG, COOPAC-FIZI, Association des Chauffeurs du Congo (ACCO), Association Nationale des Motards du Congo (ASNAMOC), Fédération des Entrepreneurs du Congo (FEC), and Center for Youth Development and Adult Education (CELA).

The full list of IED strategic partnerships including years of partnership creations, names of partner organizations, levels of partnerships, and areas of partnerships is as follows:

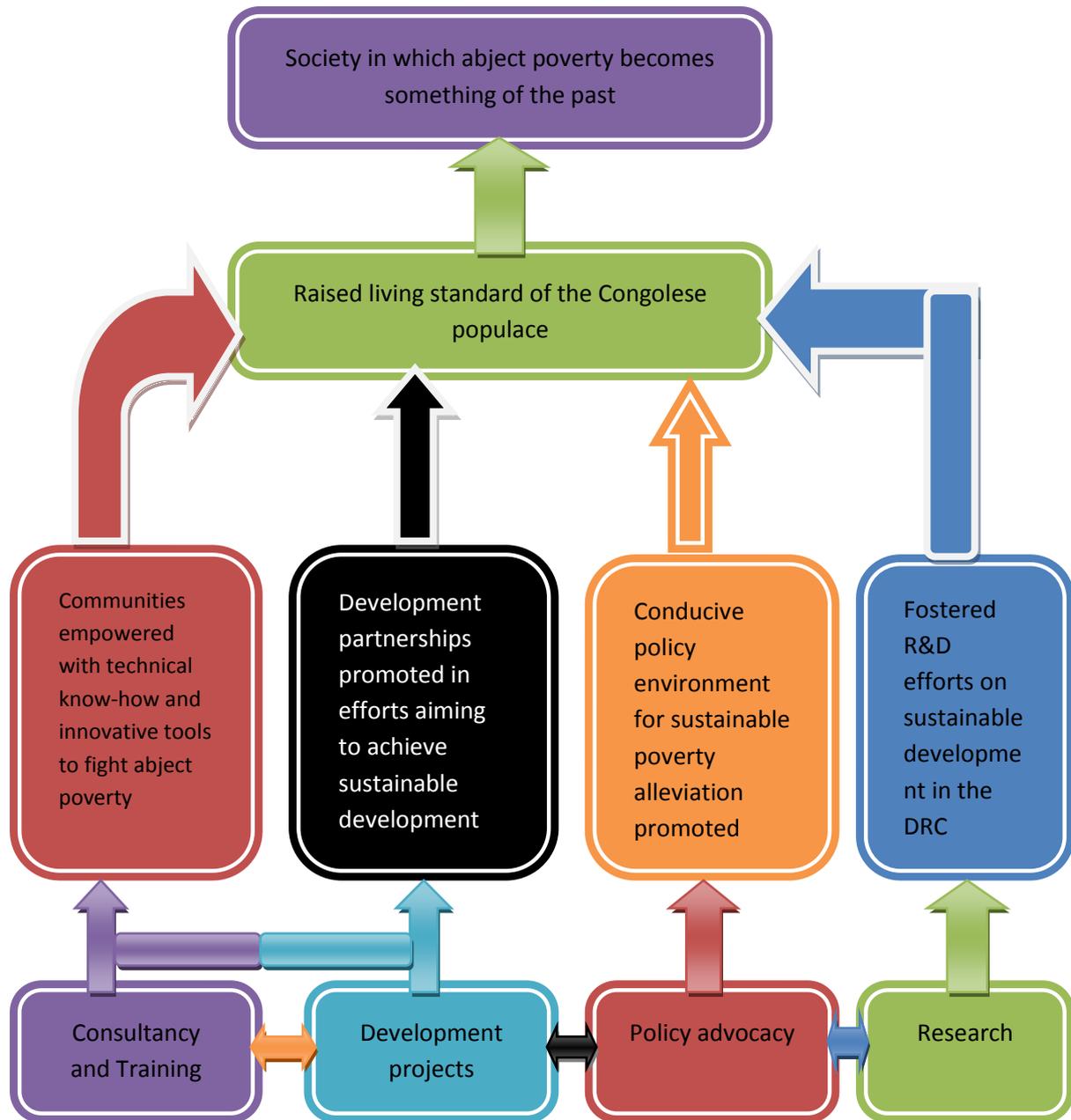
Year	Organization	Level	Area of partnership
2011	AC-AF	International	Implementation of an international youth HIV-AIDS education programme in the DRC
2011	ACCO	Local	Development and implementation of youth-based (motards) savings, loan and training scheme in Fizi District
2011	ASNAMOC	Local	Development and implementation of youth-based (motards) savings, loan and training scheme in Fizi District
2011	CELA	Local	Youth entrepreneurship promotion in Fizi District
2011	CIHF	International	Development and implementation of social businesses in the DRC
2011	COOPAC-FIZI	Local	Capacity building of village-based economic groups on entrepreneurship, team building and time management skills
2011	GIZ PP	Local	Capacity building of GIZ PP beneficiaries on entrepreneurship, team building and time management skills
2011	Sec. schools and Radio stations	Local	Youth entrepreneurship promotion in Fizi District, advocacy promotion and campaigns
2011	SFCG	Local	Youth entrepreneurship promotion in Fizi District
2011	WILMA	International	Development and implementation of social businesses in the DRC

3. Core Activity Context and Implementation Update

To achieve its overall goal – *raising the living standard of the Congolese populace while contributing to the reconstruction of the DRC* – and vision – *a society in which absolute poverty becomes something of the past* – IED follows a four-legged development strategy. This strategy consists of training and consultancy, development projects, research and policy advocacy. These four strategy areas underpin our four strategic objectives namely:

- ✚ To empower the community with the technical know-how and innovative tools to fight abject poverty through, amongst others, establishing and sustaining micro, small and medium enterprises,
- ✚ To promote development partnerships in efforts aiming to achieve sustainable development in the DRC,
- ✚ To promote a conducive policy environment for sustainable poverty reduction focusing on advocacy for more youth and women’s participation in business activities, self-employment, and self-reliance, and
- ✚ To foster R&D efforts on sustainable development in the DRC.

The figure below shows how each strategy area contributes towards our vision, overall goal and strategic objectives.



Updates on each of the above strategy areas are given below.

3.1 Core Activity Update – Training and Consultancy

Using CEPROBID to help communities help themselves by empowering them with entrepreneurial skills and knowledge

Our on-the-ground experience is increasingly indicative of the fact that millions of people in the DRC are living in abject poverty not necessarily because they lack means of generating incomes rather they often lack entrepreneurial skills and knowledge to either identify local

opportunities or effectively use the income they earn from day-to-day farm and non-farm activities. Driven by this reality, IED has conducted training and consultancies on such poverty reduction skills and knowledge as entrepreneurship, team building and time management to different groups in the community. We strongly believe that by empowering communities with these skills and knowledge, we help them help themselves.

IED has trained more than 200 men, women and youth throughout Fizi District and consulted to two organizations (GIZ PP and COOPAC-FIZI) on entrepreneurship, team building and time management skills. Our training efforts have helped community economic groups to run effectively and individual persons to diversify their income sources. Beneficiary testimonies also indicate that our training efforts are having tangible impacts on people's saving habits, hence increasing their incomes. Although not as big and many as those undertaken in big cities, our consultancy engagement has provided us with much needed financial resources and network that have contributed to keep IED activities afloat.

The above successes notwithstanding, we have faced many challenges in undertaking our training and consultancy activities. Being located in a relatively rural area has both advantages and disadvantages. Consultancy opportunities have generally been few and fees paid for IED services very low. Also, due to people's low income status, IED efforts to make its training sustainable by making people contribute some of the training running cost have often been faced with resistance. People are used to training workshops and seminars by other NGOs in which they get refreshment and food allowances in addition to skills and knowledge. This has resulted into the devising by IED of innovative training approaches such as 'free training, yes but bring your food' and making training sessions as short as possible.

The establishment of CEPROBID is our aim and we are seriously working towards it.

3.2 Core Activity Update – Development Projects

Using innovative, multifaceted approaches and tools in the fight against extreme poverty

Given its multifaceted nature, it is well recognized that the fight against extreme poverty should be carried out at different fronts. Environmental degradation, for instance, affects disproportionately the world's most marginalized, underserved and disadvantaged communities. IED is committed to developing innovative, sustainable tools and approaches which empower communities to fight extreme poverty. Our poverty reduction tools and approaches target such areas as entrepreneurship, health, education, energy and environment, water and sanitation, agriculture and local governance.

As discussed in earlier sections of this report, much of our efforts have focused on organizational development in terms of fundraising and income generation amongst other things. Thus far, little has been done in terms of project implementation except for the piloting of how community can be mobilized and public debate as well as civic engagement be promoted. This was done for six months (the period leading to the holding of the 2011 general elections) as a way of piloting our VEPESUD project. It involved educating the

community on electoral issues. The approach used was the creation of partnerships with two local FM radio stations in Baraka namely Radio Umoja and Radio Baraka. Taking advantage of the sprouting of mobile technology, two interactive radio programs were held on each radio station every week.

Project results substantiated the power of community radio as an effective tool for community sensitization and mobilization. Elections were largely held peacefully in a District relatively unstable for most of its recent past. The turnout was also bigger than the 2006's. Results also signaled the potential for both using mobile technology to promote public debate and raising community awareness on civic engagement. We did face a couple of challenges though, which are worth highlighting. People were not responding positively to call-in radio programs. We learnt that text-in radio programs work better than call-in ones in rural setting. Text messaging is increasingly becoming cheaper in rural DRC. We also learnt that much still to be done to promote the rights of minority groups, the disabled, the old etc. before, during and after elections.

In early 2012, steps that will lead to the implementation of a Savings, Training and Loan scheme were initiated. They involved meetings between IED and COOPAC-FIZI and important project stakeholders namely motorcyclists and their umbrella organizations (ACCO and ASNAMOC) as well as the local government. The project will target motorcyclists and be implemented jointly by IED and COOPAC-FIZI.

Moreover, to ensure its own financial self-sufficiency and sustainability of its development work, IED, in collaboration with CIHF and WILMA, has been exploring opportunities for establishing PRIs in the DRC. As noted in sections above, we have so far developed and submitted one PRI business plan to CIHF management team. We also identified other potential areas for PRIs in eastern DRC and were assured about the availability of 500 ha of land by government authorities and local chiefs.

However, the major challenge that we have been facing in developing world-class business plans is IED's limited resources to conduct feasibility studies and other prerequisite due diligence procedures. To overcome this, IED plans to involve interested investment partners in developing world class business plans for viable PRIs.

3.3 Core Activity Update – Research

Strengthening R&D efforts for evidence-based development work

A major component of IED work is to conduct research on sustainable development (RSD) in the DRC. This is partly to inform our own work, but also alert other stakeholders on key areas of concern. No major research activity was carried yet although initial partnership talks with a local university's research centre and independent researchers have been underway.

3.4 Core Activity Update – Policy Advocacy

Policy change at local and national level for sustainable poverty reduction in the DRC

As no research activity was conducted, no major policy advocacy campaign was also carried out. Based on our own observation and analysis of social, economic and political issues and developments though, we did conduct advocacy campaigns at the local (District) level. We advocated strongly for youth participation in conflict resolution and peace building processes undertaken by NGOs, UN Agencies and local government in Fizi District. Further, we advocated for more local government involvement in public health promotion.

As a result of these campaigns, there has been an observed increase in awareness among the community, local government, NGOs etc. on the importance of youth participation and the problems associated with its absence. Based on advice and pressure from IED, local government in Baraka mobilized NGOs and the community to take part in an exercise to repair intercity roads – already in a state of total disrepair – and clean up the city so to reduce mosquitoes' safe heavens. NGOs – including the UNHCR – responded positively and the exercise became a success. IED advocacy work has received an encouraging welcome from local government so far. Whether or not this will remain so, especially when we start advocating for more contentious issues, remains to be seen.

In strengthening IED's identity as an innovative and technologically-savvy organization, IED is exploring potential uses of ICT for development (ICT4D) in the DRC. Our aim is to become an active member of the Congolese blog and social media sphere, with a presence on facebook (www.facebook.com/iedcongo) and twitter (www.twitter.com/IEDCongo). This is partly a way of exploring how these tools can be used to conduct our advocacy work and promote youth entrepreneurship and civic engagement throughout the DRC. But it is also for networking purposes, a means of overcoming the physical distance between our office in Baraka and the civil society and donor networks concentrated in Kinshasa.