

2016 ANNUAL REPORT

BUILDING RESILIENCE TO
THRIVE



Lutheran
World
Relief

lwr.org



Felipe Villafaña Perez is a member of the Arhuaco indigenous community in Colombia. Here, he prepares compost to fertilize his land, where he grows cacao — the bean that becomes cocoa. Felipe is new to cacao farming, a crop well-suited to the local climate with great future earning potential. Sara A. Fajardo for LWR

MISSION

Affirming God's love for all people, we work with Lutherans and partners around the world to end poverty, injustice and human suffering.

VISION

Empowered by God's unconditional love in Jesus Christ, we envision a world in which each person, every community and all generations live in justice, dignity and peace.

OUR WORLD IS IN A TIME OF UPHEAVAL.

The worst refugee crisis since World War II is confronting us. Shifting climatic conditions are making it more difficult for farmers to grow crops they have relied on for generations for survival. And natural disasters such as hurricanes and typhoons can wipe away in an instant the hard-won progress that many of our poorest brothers and sisters are making as they struggle to work their way out of poverty.

But you are making a difference. Powered by the compassion of supporters like you, Lutheran World Relief is helping people all over the world build the resilience they need to thrive. Because of you, bakeries destroyed or damaged by the Syrian war are once again operational and providing daily bread to tens of thousands of people. Because of you, farmers in the arid Sahel region of West Africa are improving their crop production and access to markets and generating enough income to send their kids to school. Because of you, coffee farmers in Nicaragua are learning new methods to grow and process their coffee, helping them earn more income to invest in their families. And because of you, families who lost everything when Hurricane Matthew slammed into the coast of Haiti last October are now getting back on their feet.

The work that you support through Lutheran World Relief is making a difference today, but even more importantly, it is making a difference that will reverberate for generations to come. You are helping some of the world's poorest communities transform from survival to stability by focusing on lasting solutions. Because of your generosity, people like Ali, Etenine, and Graciela, whose stories you will read in this report, are able to lift themselves up and find increased stability and dignity.

At Lutheran World Relief, we envision a future where all people, in every corner of the world, can live full, dignified lives. With your support, we are helping communities adapt to the challenges that threaten their livelihoods and well-being, and making a lasting impact on hundreds of thousands of lives. Thank you for being part of our vision of a world where all people can live in justice, dignity and peace.



Ambassador Daniel Speckhard (rt.)
President and CEO

IN 2016, TOGETHER WE REACHED:

MORE THAN

3.4

MILLION
PEOPLE

IN

32

COUNTRIES

THROUGH

118

PROJECTS

WITH

96

PARTNERS

See more about our
programmatic reach at

lwr.org/impact



2016 ANNUAL REPORT

WHERE WE WORK



MUENI NDAMBUKI and her family live in a rural, dry region of Kenya. Like all farmers in the area, Mueni's greatest farming challenge is lack of rain. "We plant and we get nothing," she says. Through [Isaiah 58 – Project Kenya](#), congregations are helping Mueni's family and others in her community construct irrigation systems so they can grow food year round. *Brenda Kimaro for LWR*



JESSICA AGRA VIADOR, who lives in the Philippines, proudly shows how she charts her family's income on the back of a calendar. With your support, she and her husband have learned how to manage and track their finances. Together, they have been able to raise enough money to buy a hog for their farm and a motorcycle for transportation.



KUNTI HEMBROM lives in Bihar, India's poorest state. Kunti, her husband and their 10-year-old son struggle to afford food and survive mostly on rice. Through [Partnership Bihar](#), congregations are helping families like Kunti's learn better farming methods so they can grow vegetables like eggplant, cucumbers and peppers.





Photos courtesy Lutheran World Federation

REFUGEES FROM MALI GROW GARDENS IN THE DESERT

Ali Forach has learned how to make vegetables sprout from the sands of the Sahara desert.

Ali fled conflict in Mali and has been living in Mberra refugee camp in Mauritania since 2012. “When I arrived, there was nothing here,” Ali recalls. “From here to the horizon only hills of sand.”

Now, he is growing peanuts and watermelons in a place where the desert heat can reach 120 degrees during the day. Ali is one of nearly 5,000 people — from the camp and the local community — learning how to start vegetable nurseries and grow seedlings, prepare and use organic fertilizer, and irrigate even with the meager water reserves in the Sahara.

Where there was sand before, more than **75 acres of garden plots** have sprung up in the camp and surrounding villages.

And with more gardens comes more food, easing tension with the local community when food can be scarce. Ali says he hopes to continue using what he’s learned when he is able to return to his homeland.

“I plan to rebuild my life in Mali,” he says. “I will bring what I have learned here and share it with others ... I am a farmer. I don’t want to do anything else.”

The ripple effect of this incredible project — implemented in partnership with Lutheran World Federation — is reaching **50,000 PEOPLE** in and around Mberra refugee camp.

THIS WORK MADE POSSIBLE THANKS TO
**United States
Department of State**





NEW WAYS TO FARM KEEPS FAMILIES TOGETHER IN INDIA

BABURAM HASDA took this photo of her husband, Rommohan. The couple now produces so much rice that their haul from the field is too heavy for Baburam to carry. This is a good thing.

Baburam and Rommohan live in Bihar, the poorest state in India, where farming is the primary means of survival. When farming is not enough to satisfy the most basic of needs — like shelter, clothing, school fees and visits to health clinics — families must separate to look for work. Women usually remain home, while men migrate.

This is changing because of you. Through the LWR project in their village, the Hasdas and other families are learning how to maximize their production by carefully spacing seeds to give the rice the room and nutrients needed to flourish.

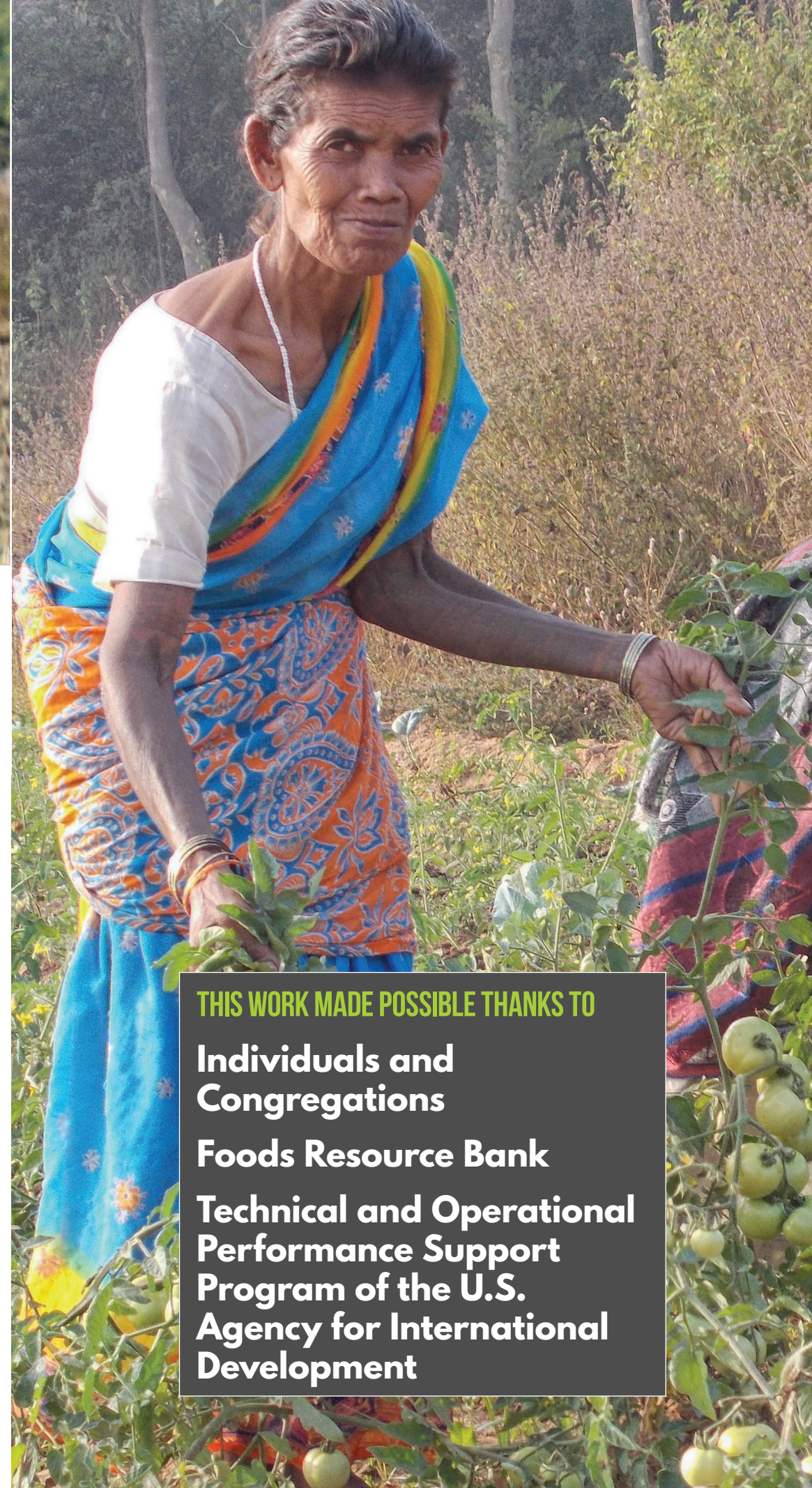
At the same time, women and men are learning how to better share household and farm responsibilities. This combination of improved farming techniques and new approaches to everyday tasks is adding up to success for the Hasdas — more food, more income and Rommohan no longer needs to leave home to find work.

This project is one example of how LWR ensures that women and men have equal opportunities to benefit from our work.

Read more about the life-changing outcomes of this work — including how family incomes increased more than 700 percent — at lwr.org/gender.



2016 ANNUAL REPORT



THIS WORK MADE POSSIBLE THANKS TO

**Individuals and
Congregations**

Foods Resource Bank

**Technical and Operational
Performance Support
Program of the U.S.
Agency for International
Development**



HURRICANE MATTHEW IN HAITI: RAPID RESPONSE SAVES LIVES

ETRENINE says she's smiling because she can send her children to school again. To her, it means everything.

Etrenine Errilus and her family live at the very last mile in Haiti. Their remote village, in the Northeast region of Haiti, is hours away from the nearest city, which is one reason Hurricane Matthew was so devastating. In October 2016, families here saw their fishing equipment and crops destroyed and their livestock perish — everything they had to support their families.

Your generous and swift response meant that Etrenine could begin rebuilding her life quickly. Your support supplied clean water, household essentials like soap and toothpaste,

emergency shelter materials and LWR Quilts and Kits. And you are helping entire communities recover by providing seeds, livestock, new fishing equipment, and opportunities to earn income by repairing storm-damaged roads.

And you don't stop there. Visit lwr.org/videos/lionel to see how LWR's existing work in Haiti continues to help the rural poor build self-sufficiency and prepare to withstand the next unexpected challenge.

THIS WORK MADE POSSIBLE THANKS TO
**Individuals and
Congregations
Thrivent Financial**

Lionel's life was changed by growing coffee. Here's how. ➡

Playback isn't supported on this device.

0:00 / 3:14

YouTube



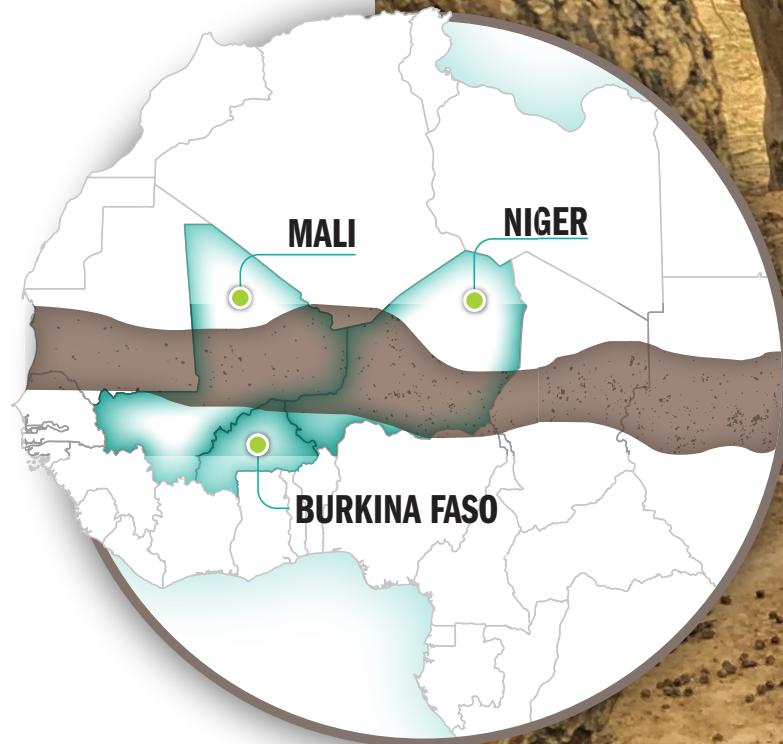
Alison Shelley for LWR

The countries of the Sahel region of West Africa struggle with recurrent food and nutrition crises and are among the poorest and least developed in the world.

LWR is launching new initiatives in the region to move poor rural families from relief to resilience. We'll reach **MORE THAN 600,000 PEOPLE** with programs totaling \$41 million over the next five years.

In Niger, we're leveraging private sector investments to increase farmer incomes through improved agricultural production and marketing, with a focus on onions, small animals, cowpeas and wheat. In Burkina Faso, we've launched an innovative project to market sesame. And across the region, we are helping families become better equipped to cope with severe drought.

We're working with funding partners that include the U.S. Agency for International Development; the U.S. Department of Agriculture; the European Union; the Margaret A. Cargill Foundation; mobile communications provider Bharti Airtel Limited; Ecobank, an African financial services provider; SH Biaugeaud, a fruit and vegetable processing firm; local farming cooperatives; and the generous support of individuals and congregations in the U.S.



NEW PUBLIC/PRIVATE PARTNERSHIPS WILL HELP **600,000** IN WEST AFRICA LIVING IN EXTREME POVERTY





**THIS WORK MADE POSSIBLE THANKS TO
Farmer Brothers**

SUPPORTING THE MOST IMPORTANT PART OF THE COFFEE VALUE CHAIN: FARMERS

Graciela Ríos makes a living from about seven acres of land in Nicaragua. She grows and processes coffee, which is then exported to roasting companies.

Most of the world's coffee is grown by individual farmers, like Graciela, who work small plots of land. These farmers depend on their coffee crops to feed their families, send their children to school, and keep a roof over their heads. But all too often, farmers struggle to do just that.

LWR knows it doesn't have to be this way, which is why we have worked with coffee farmers and their cooperatives for years. For example, we are partnering with Farmer Brothers, a U.S.-based coffee supplier and distributor that buys coffee from Graciela's farmer association, to support the most important part of the coffee value chain: the farmers and their families!

Our holistic approach is helping farmers learn how to process their coffee more efficiently, prevent water contamination from processing, and better manage their finances — all of which leads to greater stability for families. We are also training young adults as experts in coffee growing and process, to ensure that Graciela, and other farmers, continue to benefit from their farms for generations to come.

With the help of her teenage daughter, Graciela is keeping financial records for the first time and is able to plan for the next investment she'll make for her farm — a new wet mill for processing her coffee.



2016 ANNUAL REPORT

INSTITUTIONAL DONORS

Anton Jurgens Fonds

Australian Government Department of Foreign Affairs and Trade

Bethlehem Fund

Bill & Melinda Gates Foundation

European Civil Protection and Humanitarian Aid Operations

European Union

Evangelical Lutheran Church in America

Fair Trade USA

Farmer Brothers

Foods Resource Bank

Ford Foundation

Gold Fields La Cima S.A.

Government of Canada

Hilton Foundation

Inter-American Development Bank

International Center for Tropical Agriculture

International Finance Corporation

ISAGEN

Margaret A. Cargill Foundation

Osprey Foundation

Rabobank

Starbucks Foundation

Swiss Agency for Development

and Cooperation

The Howard G. Buffett Foundation

The Lutheran Church—Missouri Synod

The Osprey Foundation

Thrivent Financial

United Kingdom Department for International Development

United Nations Foundation

United States Agency for International Development (USAID)

United States Department of Agriculture (USDA)

United States Department of State

World Bank Group

World Food Program (WFP)

International Orthodox Christian Charities, USA*

Diakonia Evangelical Church of Czech Brethren, Czech Republic*

United Church of Canada*

Wider Church Ministries USA*

Presbyterian Disaster Assistance, USA*

Anglican Overseas Aid, Australia*

ICCO Cooperation*

Canadian Lutheran World Relief*

Iglesia Evangélica Española*

**Member of ACT Alliance*

BOARD OF DIRECTORS

October 1, 2015 – September 30, 2016

DR. WILLIAM J. CRAFT (CHAIR)

President, Concordia College
Moorhead, MN

JONATHAN D. SCHULTZ (VICE CHAIR)

Vice President and General Counsel,
Concordia Publishing House
St. Louis, MO

EMMA GRAEBER PORTER (SECRETARY)

President, Graeber Consulting
New York, NY

BAMBI (HILDA) ARELLANO

(BOARD DIRECTOR)
Washington, DC

EMRIED COLE, JR.

President, Gettysburg Endowment Foundation
& Executive Director, Voices of History, LTSG
Gettysburg, PA

DR. GLORIA S. EDWARDS

(term ended February 2016)
Portola Valley, CA

DR. LOUISE P. EVENSON

Alamo, CA

HONORABLE STEVE GUNDERSON

President, The Association of
Private Sector Colleges
Washington, DC

JAYESH HINES-SHAH

Attorney, Morgan, Lewis & Bockius LLP
Chicago, IL

KEN JONES

Vice President and Chief Financial Officer,
The Annie E. Casey Foundation
Baltimore, MD

DAVID J. LOSE

President, The Lutheran Theological
Seminary at Philadelphia
Philadelphia, PA

LINDA K. REISER

Grand Island, NE

THE REV. TIMOTHY RUNTSCH

Senior Pastor,
Redeemer Lutheran Church
Ft. Collins, CO

DR. TEIZAZU T. SUKESSA

(resigned September 2016)
Senior IT Technical Analyst -
Enterprise Web Services for Cargill, Inc.
Minnetonka, MN

KATHI TUNHEIM

Endowed Chair in Management & Leadership,
Gustavus Adolphus College
St Peter, MN

KRISTIN YAKIMOW

Chicago, IL

EXECUTIVE STAFF

AMBASSADOR DANIEL SPECKHARD (RT.),
President and CEO

TIMOTHY MCCULLY,
Senior Vice President, International Programs

WENDY ROTHENBERGER,
Vice President, President’s Office
and Human Resources

GERALDINE SICOLA,
Vice President, Strategic Partnerships
and External Relations

JOANN THEYS,
Vice President,
Finance & Administration and Treasurer

MICHAEL WATT,
Vice President,
International Operations

FINANCIAL STEWARDSHIP

LWR is a highly rated nonprofit, with the highest possible scores from Charity Navigator, Charity Watch, GreatNonprofits and the Better Business Bureau. LWR wisely and prudently invests our financial resources for growth, so that we may help more people living in extreme poverty build the resilience they need to thrive. In fiscal year 2016, LWR spent \$40.9 million on program expense, representing 84.9 percent of total expenses. Visit lwr.org/impact to learn more about the impact of your donation.

For LWR’s complete financial statements,
including auditor’s notes, please visit
lwr.org/about/reports-finance.

STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS

Fiscal year ended September 30, 2016 (in thousands)

SUPPORT AND REVENUE

Evangelical Lutheran Church In America	\$2,047
The Lutheran Church-Missouri Synod	563
North American Lutheran Church	12
Individuals, Congregations and Other	15,221
Bequests	4,566
Grants - U.S. Government	5,399
Grants - Foundation, Corporate And Other	2,825
Action By Churches Together (Act Alliance)	807
Contracts	988
Foods Resource Bank	155
Combined Federal Campaign	419
Total Support And Revenue - Cash	33,002
Donated Material Resources	14,280
Contributed Services	81
TOTAL SUPPORT AND REVENUE	\$47,363

EXPENSES

PROGRAM SERVICES

Africa	13,654
Asia & Middle East	8,923
Latin America	9,733
United States	2,304
Other Worldwide	2,874
Cross Cutting Program Management	3,455
Total Program Services	\$40,943

SUPPORT SERVICES

General Management	3,202
Fundraising	4,087
Total Support Services	\$7,289
TOTAL EXPENSES	\$48,232

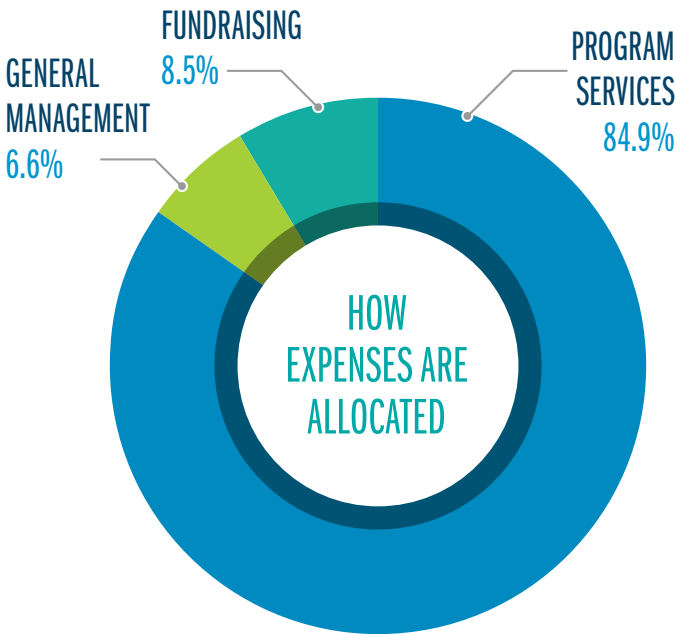
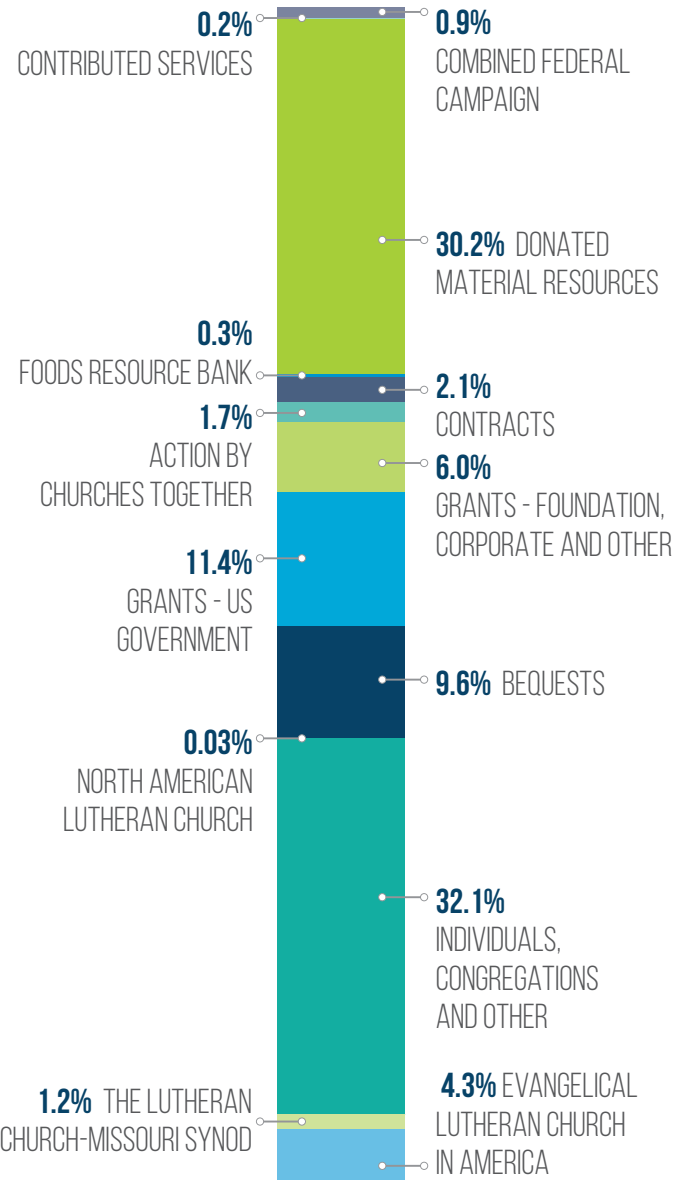
OTHER CHANGE IN NET ASSETS

Investment Returns, Net of Amounts Designated for Current Operations	2,159
TOTAL CHANGE IN NET ASSETS	\$1,290

ANALYSIS OF CHANGE IN NET ASSETS

Net Assets, Beginning Of Year	\$33,043
Change in Net Assets - Cash (Unrestricted)	1,200
Change in Net Assets - Cash (Temporarily and Permanently Restricted)	(877)
Change in Net Assets - Cash (Material Resources)	967
Total Change In Net Assets	1,290
NET ASSETS, END OF YEAR	\$34,333

SOURCES OF FUNDING





LOOKING AHEAD

TOGETHER WE ARE MAKING REAL PROGRESS

in reducing global poverty and we must continue to engage and support the communities affected by emergencies related to conflict and natural disaster. Thanks to your generosity, Lutheran World Relief is well-positioned to respond. Here are six continuing or potential hot spots that may require humanitarian action in the next year.

SYRIA AND NORTHERN IRAQ, where the attempt by the Islamic State to create a caliphate straddling northern Iraq and Syria has resulted in escalating armed conflict and is causing widespread displacement of civilians.

THE LAKE CHAD REGION OF AFRICA, including the nations of Nigeria, Niger, Chad and Cameroon, where the terror group Boko Haram has wreaked havoc through a campaign of violence and kidnapping that has caused the displacement of more than 2 million people in the region and a hunger crisis that has left more than a quarter million children malnourished in northeastern Nigeria.

THE PHILIPPINES, which because of its location in the Ring of Fire — a horseshoe-shaped belt in the Pacific Ocean where a large number of earthquakes and volcanic eruptions occur — is constantly under threat of meteorological and geological disaster.

East Africa, including the nations of **KENYA, UGANDA, SOUTH SUDAN** and **SOMALIA**, where shifting political dynamics are contributing to instability in the region. Violence in South Sudan and Somalia have resulted in large-scale displacement of people, many of whom have sought refuge in neighboring countries.

HAITI, where the recovery and rebuilding continues in the aftermath of Hurricane Matthew, which hit the country in October, killing hundreds, destroying tens of thousands of homes and ruining life-sustaining crops.

Central America's Northern Triangle, comprising the nations of **EL SALVADOR, GUATEMALA** and **HONDURAS**, which have long suffered from grinding poverty, widespread corruption and violent conflict, from the civil wars of the 1980s to the spike in gang violence in recent years.





Luisito Turtor uses a mud boat to prepare his land for rice planting in the Philippines. Your support provided an irrigation system to pump much-needed water to his drought-affected community.



Almetide Hora and her 6-year-old daughter Leaka Charles lost their home when Hurricane Matthew swept through Haiti in October 2016. Your generosity has helped entire communities recover by providing clean water, household essentials like soap and toothpaste, emergency shelter materials and LWR Quilts and Kits. *(Allison Shelley for LWR)*

COVER IMAGE: Godfrey and Irene Wotea with their children at their home in Uganda. With your help, they've learned how to grow and process quality coffee. With the success of their coffee crop, Irene and Godfrey are able to provide for their family and send their children to school. *(Jake Lyell for LWR)*



Lutheran World Relief
SUSTAINABLE DEVELOPMENT. LASTING PROMISE.

lwr.org

 facebook.com/LuthWorldRelief

 twitter.com/LuthWorldRelief

 youtube.com/LutheranWorldRelief

 lwr.org/blog

