



ANNUAL REPORT | 2018





OUR MISSION

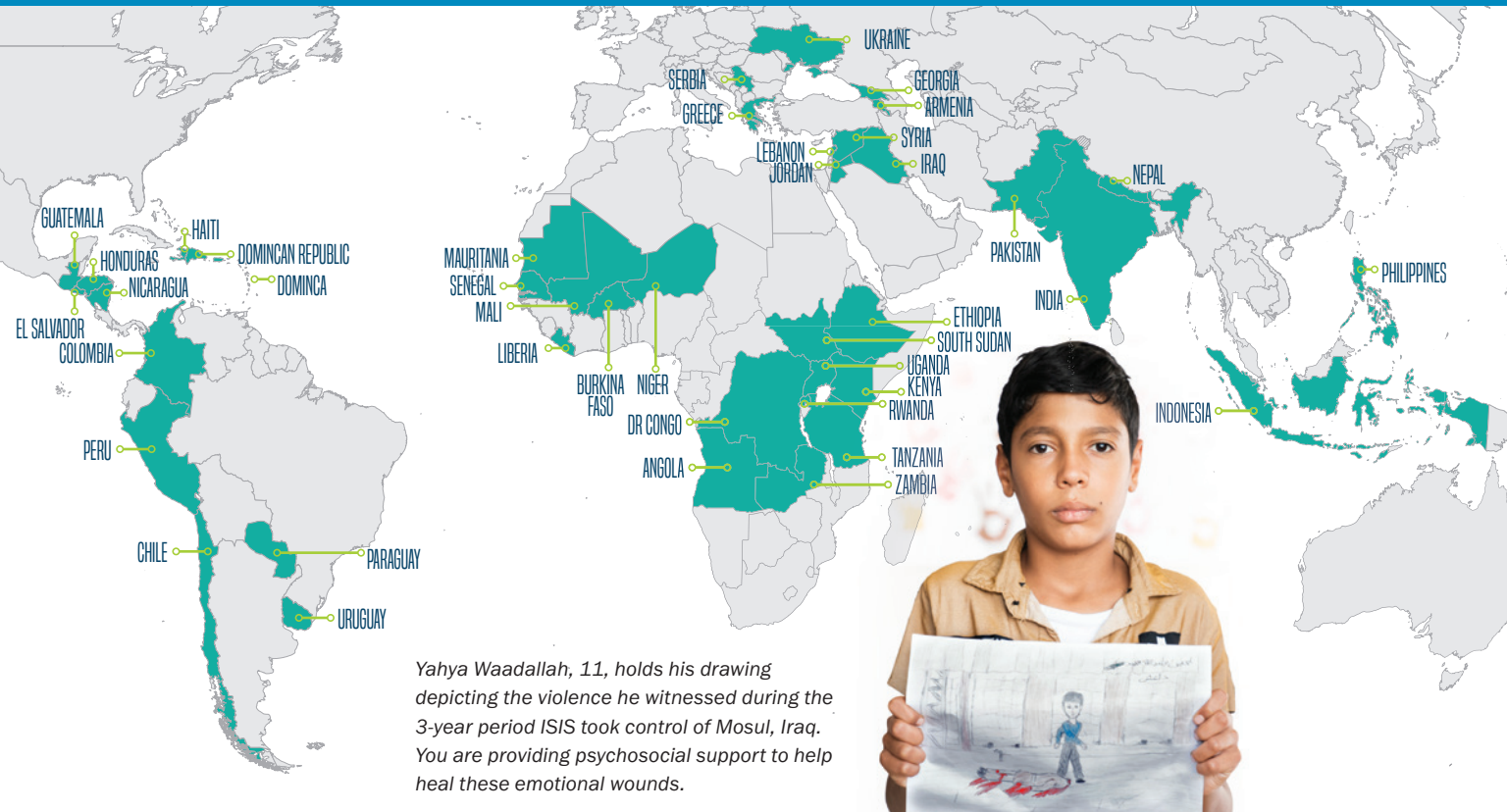
Affirming God's love for all people, we work with Lutherans and partners around the world to end poverty, injustice and human suffering.

OUR 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.

A girl smiles in Puerto Ramirez, El Salvador, where you're creating meaningful future opportunities for young people.

WHERE WE WORK



Yahya Waadallah, 11, holds his drawing depicting the violence he witnessed during the 3-year period ISIS took control of Mosul, Iraq. You are providing psychosocial support to help heal these emotional wounds.

IN 2018, TOGETHER WE REACHED

MORE THAN



2.8

MILLION PEOPLE

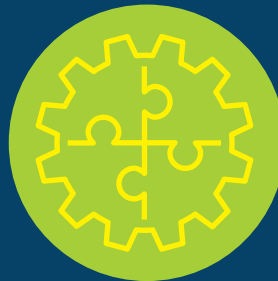
IN



42

COUNTRIES

THROUGH



133

PROJECTS

WITH



105

PARTNERS

DIPLOMA PROGRAM OFFERS PROMISING FUTURE FOR YOUNG FATHER IN EL SALVADOR



Oscar Leiva Marimero for LWR

“I’m making three times the money I was before ... I’m not risking my life migrating to another country,” says Williams Saravia, a cocoa farmer in El Salvador.

Williams, a 30-year-old father, can now stay in his home country, is able to feed his family of four and is even saving money to build a house.

His life was much different just a year ago. Unable to afford to complete college, he took a job as a farm laborer. Working from sunup until sundown, Williams earned \$6 a day. He farmed his own small plot of land on the side.

With no other opportunities for work near his home outside San Miguel — El Salvador’s second largest city after San Salvador — Williams says his only option was to migrate to the United States.

The entire trajectory of his life changed when he enrolled in a diploma program designed to prepare young farmers to be the next generation of entrepreneurs in El Salvador’s burgeoning cocoa industry. The program integrates training in cocoa cultivation, business management and life skills, like decision making, problem solving and critical thinking.

Today, Williams is running a successful small business making and selling tablets for hot chocolate. He buys fermented cocoa beans, toasts them, grinds them and mixes

them with sugar and spices to make a delicious product. His wife, Margarita, and children, 11-year-old Williams and 6-year-old Merci, help to package the chocolate tablets. The tablets have been so popular that Williams produces a fresh batch almost daily to meet demand.

“This has gotten this migrating idea out of my head because I know there’s opportunity here in the country,” he says.

This project builds on our work as part of the Cocoa Alliance, an initiative to reactivate El Salvador as a producer and exporter of high-quality fine aroma chocolate and is funded by the **U.S. Agency for International Development** and the **Howard G. Buffett Foundation**. ■



IN POST-WAR IRAQ, KHADIJA CARRIES HER FAMILY FORWARD

Khadija Jameel Mustafa and her family lost nearly everything during the bitter battle to liberate Mosul, Iraq, from the Islamic State's 3-year reign of terror.

They fled from their home, which was destroyed in the battle. Bombing and street-to-street fighting killed 18 members of her extended family.

And her husband's taxi, the family's source of income, was crushed by falling debris. With Mosul in ruins, there were few opportunities for employment.

Thanks to your generosity, help was literally around the corner. Your gifts support three community centers in the devastated neighborhoods of Mosul. The community centers, sanctuaries for the city's traumatized residents, are reassuringly named Ana-fi-Aman, Arabic for "I Am Safe."

The centers offer free vocational training in a variety of trades including sewing, mobile phone repair, computer skills and hair styling that help people create their own jobs. The centers also provide much-needed psychosocial trauma counseling for children and teens, helping them to express and process their emotions and fears through art, storytelling, music, dance and other activities.

For Khadija, who liked to sew as a hobby, the opportunity was a blessing. She knew that with some training she could start a small dress-making business in her home.

Khadija now sews with the machine she received as a prize for finishing at the top of her class. She sews her own dress designs and is fulfilling several requests for school uniforms, which are once again in demand.

Khadija says she now has hope for the future, for her family and for her healing city.

"I hope that we can live in peace and for my sons and daughters to complete their education and be successful in life," she says. "And for reconstruction and stability in Mosul. That's all I want." ■



‘LIKE BROTHERS.’

SYRIAN REFUGEE AND LEBANESE FARMER BECOME BUSINESS PARTNERS AND FRIENDS

The war in Syria forced **MOHAMAD NAASAN** and his family into life as refugees in neighboring Lebanon.

The influx of more than 1 million Syrians into Lebanon, a country of just 4 million people that is roughly the size of Connecticut, has raised tensions with the increasing competition for jobs and scarce resources.

Thanks to your compassion and generosity, Mohamad, a 42-year-old father of two, and his new Lebanese neighbor have developed an incredible partnership that is producing income and friendship — all by way of a greenhouse.

Here’s how the partnership works: Greenhouses fashioned out of clear plastic stretched over steel tubing are erected on the property of a Lebanese farmer. The partners receive training in greenhouse growing techniques and benefit from a market analysis that helps them grow the most profitable crops.

Mohamad, an experienced farmer, is working with 63-year-old Lebanese farmer **ELIAS DAISY**.

Elias says he is looking forward to growing and selling vegetables the entire year.

“This will improve our productivity, because the vegetables that don’t normally exist in winter will exist with greenhouses,” he says.

And their partnership has the added dimension of bridging a religious divide that has long bedeviled Lebanon. Elias is Christian and Mohamad, like most Syrian refugees, is Muslim. But that is of no consequence.

“I don’t discriminate between Lebanese and Syrian. We are all family,” Elias says.

Mohamad echoes the feeling. “He and I are like brothers,” he says. ■



JOSEPHINE NO LONGER DEPENDS ON FOOD RATIONS IN SETTLEMENT FOR SOUTH SUDANESE REFUGEES

JOSEPHINE ACHOLA harvests okra from a small garden next to her home in the Palabek refugee settlement in northern Uganda. She lives here in a small, mud hut-style house on a 30 by 30-meter plot with her three children. The 35-year-old mother is one of more than 2.5 million people who have fled South Sudan in search of a safe haven from war, violence and widespread food shortages.

She and her children left South Sudan quickly to escape marauding rebels, and she was separated from her husband. “I don’t know if he is alive or dead,” she says.

Josephine had no way to earn income when she arrived at Palabek. Like the tens of thousands of other refugees at Palabek, Josephine had to rely solely on food rations for meals.

Funded entirely by your generosity, **1,600 families in Palabek** started planting household gardens in January 2018. You provided seeds, tools and training to help them get the most out of the small plots of land. Now refugee families are growing beans, cowpeas, sweet potatoes, tomatoes, eggplant and okra.

The harvests have been abundant. Families are growing enough to sell for income, which has led to the formation of a bustling street market.

And the project potential is growing. With high demand for okra both nationally and internationally, farmer groups are forming among the refugees and local farmers to focus on okra production. Josephine and her children are eating much healthier meals because she is able to trade with other refugees and provide her family with a wider variety of food.

“My life is much better here,” she says. ■





— Jakey Lyell for LWR

IN BURKINA FASO, A FARMER'S MOST SUCCESSFUL HARVEST IS LIFE-CHANGING

This year, **FOROZA DAKUYO'S** harvest surpassed his harvests from the previous seven years — combined.

This is no small feat in Mouhoun Province, a region of Burkina Faso where climate conditions change quickly and where most families rely on what they grow from their small farms for food and income.

Foroza grows sesame, a cash crop valued for its seeds and oil. He started growing sesame seven years ago, knowing that it had the potential to be a lucrative crop if he could grow enough high-quality product. But a typical harvest brought in virtually no income, leaving him with little to feed and support his family.

Foroza's determination was met by opportunity when he learned about Lutheran World Relief's initiative in his community that was all about sesame production. Since that time, he's learned how to make natural pesticides

and apply organic fertilizer. He also learned how to better prepare his land for planting and how to space seeds. He even gets regular visits from expert sesame farmers, who bring him specific instruction and advice to further improve his production.

And perhaps the most significant boost to Foroza's production came from planting a new seed variety that requires less growing time, making the sesame less vulnerable to sudden dry spells and increasing the amount that can be grown every season.

This year's harvest afforded Foroza the ability to buy three motorcycles to transport his sesame to market, bring electricity to his home for the first time and pay school fees for his children.

Foroza is not alone in his success. Lutheran World Relief is reaching **500,000 people across Burkina Faso** with the support they need to produce high-quality sesame. And we're creating a robust sesame supply chain by bringing together sesame producers and buyers and opening the door to lucrative international markets.

This project receives support from the **U.S. Department of Agriculture/Foreign Agricultural Service's Food for Progress Program.** ■

FAMILIES FLEEING TURMOIL IN VENEZUELA ESTABLISH THEIR LIVES IN PERU



Morgan Arnold for LWR

JOSE GREGORIO and his family knew it was time to flee Venezuela when food became so hard to find that it threatened the life of his infant daughter.

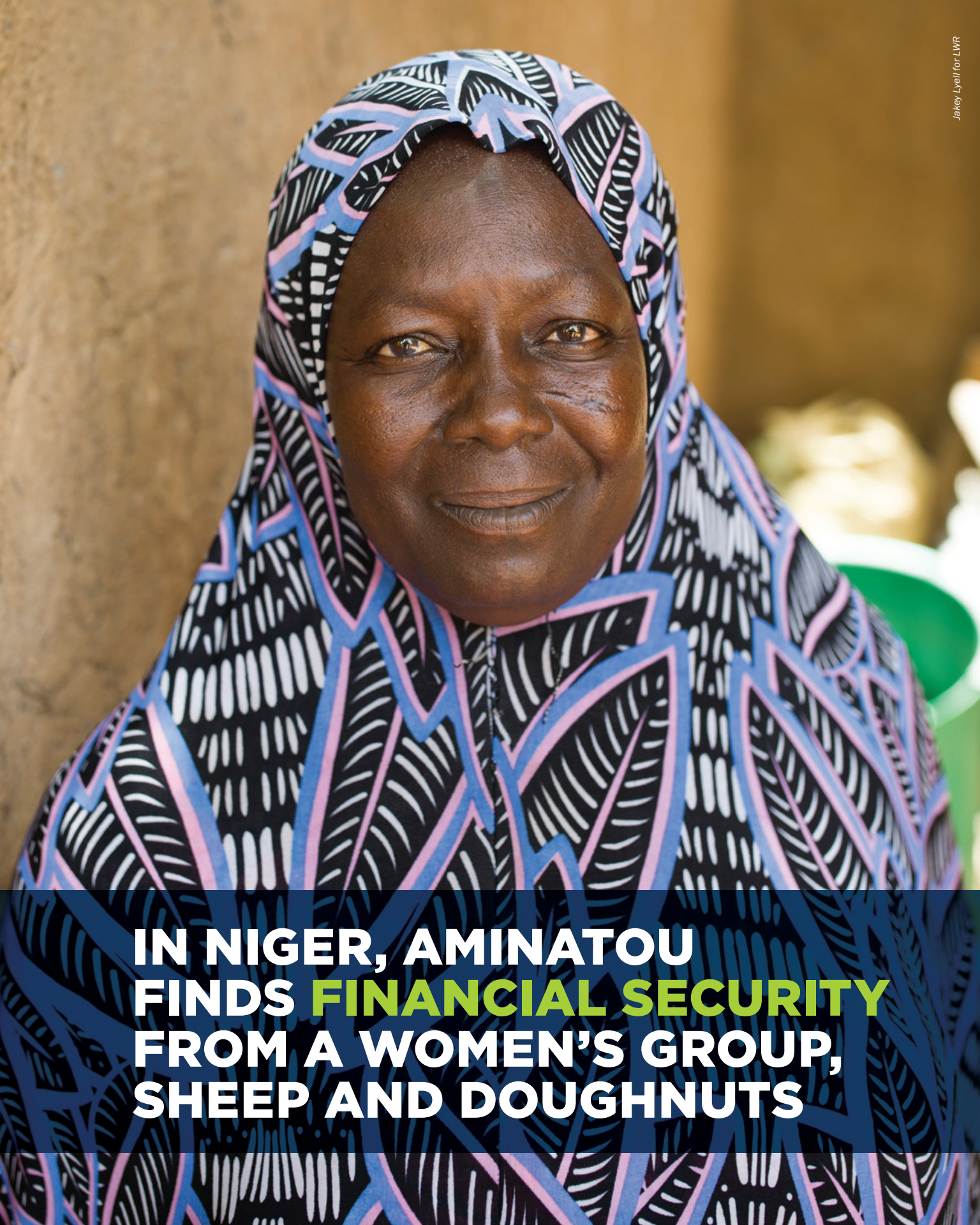
They faced a harrowing weeks-long journey — much of it on foot in blazing sun and soaking rain — through Colombia and Ecuador, before reaching the threshold of Peru, which had opened its doors to refugees. They arrived hungry and exhausted, with painful sores on their feet from the long walk.

Thanks to your generosity, they received food, shelter and help in navigating the immigration process so they could settle in their new country.

In Lima, in addition to providing shelter, Jose is receiving help in applying for permission to work. He's using Ven Informado, a digital platform created by Lutheran World Relief that offers practical information and real-time advice — on subjects like immigration, laws and customs, and life in Peru — that newcomers from Venezuela need to navigate their new life in Peru. The platform is accessible through Facebook, Instagram or What's App.

Jose says he feels that returning to his farm in Venezuela is but a dim dream. He hopes to open a small store in Lima where he and his wife, Marianeylin, can sell arepas, the Venezuelan grilled cornmeal cake stuffed with meat or cheese. His immediate goal is to make enough money to rent an apartment and make sure his children go to school.

This project receives support from the **Evangelical Lutheran Church in America.** ■

A close-up portrait of a woman, Aminatou, wearing a vibrant headscarf with a complex geometric pattern in shades of blue, pink, and black. She has a gentle smile and is looking directly at the camera. The background is softly blurred, showing a textured wall and a hint of a green object.

**IN NIGER, AMINATOU
FINDS **FINANCIAL SECURITY**
FROM A WOMEN'S GROUP,
SHEEP AND DOUGHNUTS**



Jakeye/Action LWR

It's a sunny Thursday afternoon in Berni-N'Konni, Niger. **AMINATOU SALIFOU** collects a small amount of money from each of her neighbors at their weekly savings and loan group meeting. She makes her financial contribution, then they discuss the week's business, which includes new loan requests.

After the meeting, Aminatou returns to her small business at the nearby street market, where she sells fresh doughnuts. It's a new venture for 53-year-old Aminatou, and one she expects to grow.

Her business was born as a result of Lutheran World Relief's 12/12 Alliance, a comprehensive initiative aimed at helping farming families in rural regions of Niger achieve year-round food security. We're working with families to increase the quality and yield of their crops, improve their resilience to recurring drought, access sources of credit

and sell their produce in bigger and more profitable markets — while simultaneously helping the private sector meet its business objectives.

Through the 12/12 Alliance, Aminatou got the initial capital she needed to purchase, care for and breed sheep — valued for their wool, milk and meat. She quickly grew a small herd and sold two sheep.

Aminatou used the profit to purchase another ewe and contributed the rest to the savings and loan group.

The group consists wholly of women from the community. They pool their contributions in a shared savings account to support each other when they need a loan for medical care, school fees or — in Aminatou's case — a business investment.

Aminatou's loan allowed her to launch her doughnut business without having to borrow money from a high-interest money lender. Meanwhile, she continues to grow her herd of sheep, pay back her loan and contribute to the group savings.

With two income streams — in addition to the income she may earn from selling crops — Aminatou is more financially secure than ever before.

The 12/12 Alliance receives support from the **U.S. Agency for International Development and Margaret A. Cargill Philanthropies**, and is reaching more than 100,000 people across Niger, at least half of whom are women and girls. ■

INSTITUTIONAL FUNDERS

Action by Churches Together
Alliance Secretariat

Aldea Global

Bill & Melinda Gates Foundation

Bioversity International

European Union

Evangelical Lutheran Church in
America

Farmer Brothers

Ford Foundation

Global Resilience Partnership

Gold Fields La Cima S.A.

International Finance Corporation

Margaret A. Cargill Philanthropies

Osprey Foundation

Stichting Progreso Foundation

Swiss Agency for Development
and Cooperation

The Howard G. Buffett Foundation

The Lutheran Church—
Missouri Synod

United States Agency for
International Development

United States Department
of Agriculture

United States Department of State

World Environment Center

World Vision International Indonesia

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STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS

Fiscal year ended September 30, 2018 (in thousands)

SUPPORT AND REVENUE

Evangelical Lutheran Church In America	\$ 1,209
The Lutheran Church—Missouri Synod	50
Individuals, Congregations and Other	17,523
Bequests	3,129
Grants - U.S. Government	6,831
Grants - Foundation, Corporate And Other	4,448
Action By Churches Together (Act Alliance)	105
Contracts	789
Foods Resource Bank	150
Combined Federal Campaign	171
Total Support And Revenue - Cash	34,405
Donated Material Resources	13,419
TOTAL SUPPORT AND REVENUE	\$47,824

FINANCIAL STEWARDSHIP

Lutheran World Relief is a highly rated nonprofit, with the highest possible scores from Charity Navigator, Charity Watch, Great Nonprofits and the Better Business Bureau. We wisely and prudently invest 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 2018, Lutheran World Relief spent \$45.3 million on program expense, representing 83.5 percent of total expenses.

For complete financial statements, including auditor's notes, please visit lwr.org/annual-financial-reports.

EXPENSES

PROGRAM SERVICES

Africa	17,663
Asia & Middle East	8,665
Latin America	9,242
United States	2,768
Other Worldwide	3,235
Cross Cutting Program Management	3,710
Total Program Services	\$45,283

SUPPORT SERVICES

Management and Operations	5,743
Fundraising	3,196
Total Support Services	\$8,939

TOTAL EXPENSES

\$54,222

OTHER CHANGE IN NET ASSETS

Investment Returns, Net of Amounts Designated for Current Operations	2,246
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TOTAL CHANGE IN NET ASSETS

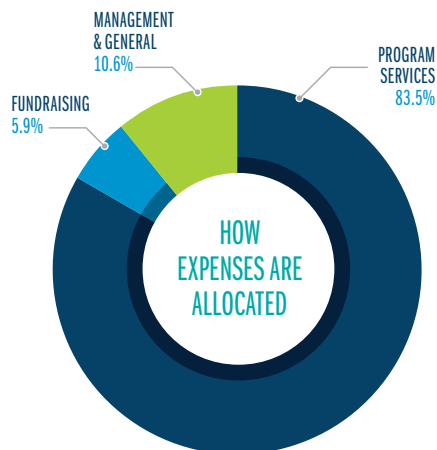
\$(4,152)

ANALYSIS OF CHANGE IN NET ASSETS

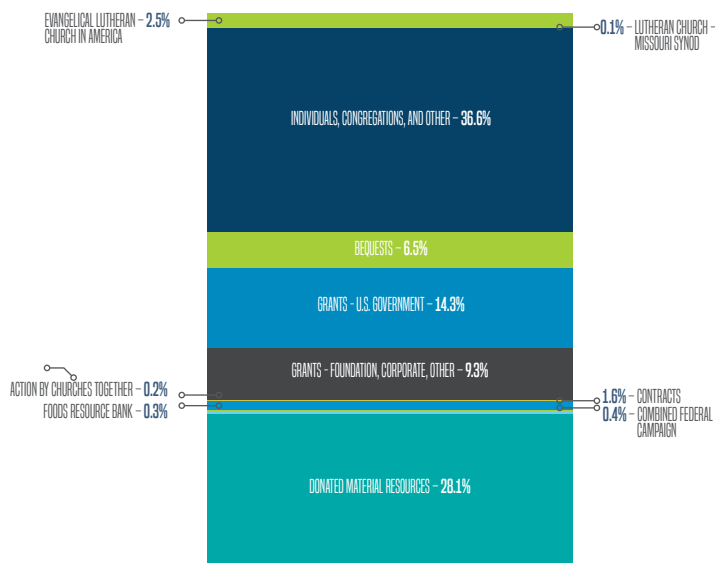
Net Assets, Beginning Of Year	\$38,631
Change in Net Assets - Cash (Unrestricted)	(2,177)
Change in Net Assets - Cash (Temporarily and Permanently Restricted)	(1,934)
Change in Net Assets - Cash (Material Resources)	(41)
Total Change In Net Assets	(4,152)

NET ASSETS, END OF YEAR

\$34,479



SOURCES OF FUNDING





LOOKING AHEAD

Over the past several years, two consistent factors have driven the world's most significant humanitarian crises: **conflict** and **climate**. Armed conflict continues to cause widespread suffering and has uprooted an unprecedented **65.3 million people** from their homes. Meanwhile, climate change is already threatening lives as rising temperatures ruin harvests, increase hunger and foster the environment for diseases like dengue fever to flourish. These factors play into the areas we're monitoring over the next year.


The tragedy continues in **YEMEN**, widely considered to be the world's worst humanitarian catastrophe as the U.N. warns that upward of 14 million people could be at risk of starvation. The fighting, which has destroyed crucial infrastructure and targeted civilian targets, has claimed as many as 60,000 lives, displaced at least 2 million people and has left 17.8 million people suffering from hunger, in addition to triggering an epidemic of cholera.

The **DEMOCRATIC REPUBLIC OF CONGO** is reeling from renewed conflict. An outbreak of Ebola in North Kivu is only compounding the suffering. Continued violence and displacement exacerbate the problem by working against efforts to control the outbreak.

In the **MIDDLE EAST**, a cut of \$25 million in U.S. aid to the East Jerusalem Hospital Network, part of a larger halt in U.S.-Palestinian assistance, is threatening a vital source of health care to a vulnerable population. This punitive use of foreign assistance is out of step with the previous U.S. approach to the provision of critical health services in conflict situations.

The crisis in **VENEZUELA** is pushing as many as 100,000 people per month to flee to neighboring countries. The influx of refugees is straining the capacity of host communities to meet the arrivals' needs for housing, health care and employment.

Finally, a worsening regional crisis in the **LAKE CHAD BASIN** is affecting more than 17 million people across northeastern Nigeria, Cameroon's Far North, western Chad and southeastern Niger, fueled by violent conflict, extreme poverty, underdevelopment and climate change. In this area, one in three families is food insecure and malnutrition rates have reached critical levels. ■

A young boy and girl are standing outdoors in a rural setting, likely San Pedro Sula, Honduras. The boy, on the left, is wearing a red and white striped polo shirt and dark pants. He is holding a large, green and white plaid drawstring bag. The girl, on the right, is wearing a white and pink striped dress and is holding a yellow drawstring bag. Both children are smiling at the camera. In the background, there are wooden structures and a dirt ground. A dark blue text box is overlaid in the upper right corner of the image.

A brother and sister smile with their new LWR School Kits in San Pedro Sula, Honduras. Thanks to you, more than 14,000 children receive School Kits every year in Honduras in communities where many families can't afford basic school supplies.



Five-year-old Haro Kadjatu and his sister Lankuande Larba, 7, hold baby goats their family bred in Burkina Faso. Your support helps families earn alternative forms of income through goat sharing, breeding and selling.

On the cover: Rachele Yanfoni sorts freshly harvested sesame on her family's farm in Burkina Faso. Lutheran World Relief is reaching 500,000 people in the country with the support they need to produce high-quality sesame and sell within lucrative international markets.



Lutheran
World
Relief

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twitter.com/LuthWorldRelief

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lwr.org/blog