

ANNUAL REPORT

2021



FCA

Finn Church Aid

Adaptation is the key to sustainability

AS I LOOK BACK ON THE PAST TWO YEARS, I see how dramatically the world has changed. The Covid-19 pandemic restricted our lives but at the same time encouraged us towards a huge digital leap. Crisis and conflicts are more multifaceted, and climate change exacerbates the situation further. More and more people need our help. And so, I have to ask, what will come next?

A message that has echoed throughout our country and field offices is the effect that Covid-19 has had. I am grateful to everyone across whole the whole organisation for working throughout it, particularly the staff who met the direct challenges posed by the pandemic and found new ways of working. Our localisation strategy puts a lot of responsibility on our country offices, and we reaped the benefit of this trust during the pandemic. Only when government restrictions in our programme countries prevented us, did our activities halt. We came out of the last two years with fresh ways of thinking and new partnerships.

Localisation must be strengthened and it should be advanced at all levels - what we need to do is ensure that our understanding of aid is shared and that we stand with those at the coalface and support local actors. Within FCA, 95 per cent of our staff are from the countries where we work; our Uganda country office is, for example, bigger than our Helsinki office.

But with all that has happened, also considering the recent escalation of the Ukraine crisis, we need to be even more prepared to face the challenges still to come. Conflicts are plenty and protracted, and they exacerbate human rights violations. Addressing difficulties requires a much broader perspective - we need to be open to new solutions, and as humanitarians, we need to do this with optimism. We have to find technical solutions that are grounded in science. We did this during the pandemic, using digital technology in education. We can do the same thing with climate change to find ways to mitigate and adapt to it.

In the Horn of Africa or countries such as Cambodia and Nepal, populations are finding it more and more challenging to adapt to climate change. People are no longer able to survive in areas where they have always lived. The places that were once difficult to live in are now uninhabitable, and these areas are expanding. Climate change is affecting all of us even more, and war, armed conflicts and unrest do not help.

In South Sudan, it seems like the country lurches from one disaster to another, and most of them are linked to the climate emergency. Our job tackling the changing climate is difficult enough, but with conflict, the task before us can seem impossible.

One thing that gives me hope is that our concerns are shared, particularly across the private sector, and this creates opportunities. Particularly in livelihoods, an example is our creative industries partnership in Kenya, where we are working with small companies, and our vocational education in Uganda that links skills-trained youth to jobs in the private sector.

We have proven that we can do things differently and that we can be an agile, responsive organisation. We started founding country offices only in 2010, and our ways of doing things are not set in stone, making it easier to adapt to changing circumstances. So, we can ask ourselves, what is the best way to work going forward? Is it to provide certain support as a private sector organisation? Working through parents' and teachers' associations in schools? Or acting as a consultant to the government? Or mixing new

elements to our modalities of work, in addition to traditional development cooperation, humanitarian assistance and peace building? This flexibility is evident when you look at our work in Asia, which is very different from how we work in for example Africa.

All of our work is made possible by our partners. Often, when people try to help, they focus their efforts on the people closest to them, sometimes forgetting the rest of the world. But, like us, our partners understand that events occurring anywhere in the world can affect us all, which is why we need to work together. We thank all our partners and donors for your unwavering support and fruitful collaboration. ■

Jouni Hemberg
Executive Director

“We have proven that we can do things differently and that we can be an agile, responsive organisation.”



PHOTO: JATU BELONOVIST



PHOTO: THOMAS NOREILLE / ACT ALIANCE



PHOTO: ANTTI YRJÖNEN



PHOTO: ESTHER RUTH MBABAZI

4-5	The world's multiple crises: Covid, conflict and climate change challenge development worldwide	23	Columns: Building inclusive local governance in Somalia Ensuring quality education through teacher training
6-7	Our work: FCA works in challenging conditions	24-25	Right to livelihood
8-11	Africa: Innovation and building trust were the keys to furthering education, livelihoods and peace in Africa	26	FCA Investments: Investing in businesses lays the ground for a sustainable future
12-13	Asia: In the face of Covid and conflict challenges, we've adapted our programmes to continue to reach people in Asia	27	Column: Tapping into the Small and Medium-sized Enterprises sector is increasingly crucial
14-15	Middle East: Education and livelihood opportunities form the foundations of recovery in the Middle East	28-29	Right to peace
16-17	Right to quality education	30-31	Volunteer networks: Volunteers were the cornerstone of our success in 2021
18	Humanitarian assistance: Emergency assistance to those most affected by disasters	32-33	Partnerships: Local and global partnerships create the foundation for sustainable impact
19	Columns: Politics must not obscure the needs in Afghanistan	34	Finances: Growth in a year of challenges
20-21	Vision: Towards a just and sustainable future	36	Profit and Loss Account
22	Advocacy Giving a voice to the most vulnerable	38	Accountability: Certification supports continuous learning and improvement
		39	Finn Church Aid Board of Directors 2021



PHOTO: ANTTI YRJÖNEN

COVER PHOTO: Rose, 21, was out of school for more than a year due to the pandemic. Her learning continued in 2021 after schools reopened in Yei, South Sudan.

Publisher: Finn Church Aid
Editor in chief: Erik Nyström
Editor: Melany Markham
Design: Tuukka Rantala
Layout: Johanna Hörkkö
Photo editor: Antti Yrjönen
Cover photo: Antti Yrjönen
Printing house: Grano Oy
Helsinki, June 2022



COVID, CONFLICT AND CLIMATE CHANGE CHALLENGE DEVELOPMENT WORLDWIDE

WE ARE IN A WORRYING AND CHALLENGING TIME where several global crises seem to reinforce each other, and those already in a vulnerable position suffer the most. For the first time since 1990, the Covid-19 pandemic caused a decline in human development and an increase in extreme poverty.

Climate change is increasing extreme weather events in places where people can least adapt. In East Africa, poor rainy seasons are increasing, meaning people are unable to recover from bad harvests. These same people have done less to cause climate change than others in rich countries. The yearly emissions of the 5.5 million people living in Finland are equivalent to those of 200 million people living in low-income countries.

Climate change puts pressure on resources, which causes conflict in nearly all places where Finn Church Aid works. Building lasting, inclusive peace becomes increasingly challenging. We need to encounter the vicious cycle of crisis with investments in education, livelihoods, and peace – which can create a virtuous circle.

The growing number of youth in developing nations holds the most significant development potential, and quality education is one of the things that can unlock it.

In fragile contexts in particular, income-generating opportunities are needed, and education needs to be linked to entrepreneurship or employment. There is a skills mismatch in many developing countries that leaves large numbers of well-educated young people unemployed. We strongly believe that quality education can make a difference even under challenging conditions: what one has learned cannot be taken away.

Traditionally, humanitarian aid and development cooperation have been something separate. With humanitarian aid, one responds to life-threatening crises, and afterwards there will be long-term development cooperation to build more permanent systems. But what if crises are recurring?

Building hope, resilience and better futures means that one cannot wait for a crisis to be 'over', which is why we increasingly deliver life-saving humanitarian aid in parallel with peacebuilding and long-term development cooperation. Despite tough operating conditions, we are supporting communities and working with partners

to provide education, build economic opportunities for young people and tools for inclusive peace. ■

Finn Church Aid supports beekeeping in Kenya to create sustainable livelihoods and keep youth away from engaging in conflict.

PHOTO: ANTTI YRJÖNEN

Tapio Laakso
Head of Advocacy

FCA WORKS IN CHALLENGING CONDITIONS

Our programme countries are in Africa, the Middle East and Asia.

Africa

1 Uganda

Uganda is home to 1.4 million refugees, more than any other country in Africa. Most of these people are women or youth under 18. Finn Church Aid implements education and entrepreneurship programmes for refugees and Ugandans.



“Agriculture is our backup. I can’t leave farming, so I continue with agricultural work, and I will be producing some food for our nation to eat.”

Samuel Asakia, 18, is an agricultural trainee in FCA’s training programme in the Kyaka refugee settlement in Uganda. PHOTO: MELANY MARKHAM

3 Somalia

Over three decades of conflict have left Somalia in poverty. Most of its infrastructure has been destroyed, and ongoing political instability and armed conflict exacerbate the effects of climate shocks. FCA’s program in Somalia includes livelihood, education and peacebuilding, to which national reconciliation and inclusive local governance are critical.



“I believe that there can be no peace without women. If women participate in the political and decision-making processes, many community problems will be addressed because women are well informed, familiar with, and aware of all social issues such as violence against women.”

Falis Abshir Guleed is a member of the Galkayo Council, Galmudug, where the efforts of FCA and the Somali Ministry of Interior helped to ensure that women were elected. PHOTO: NUR HASSAN ABDULLE

6 Ethiopia

The war and fighting in the Northern Tigray region of Ethiopia have left thousands of people dead and over 2.2 million people displaced and facing famine. FCA provided targeted supplementary nutrition, hygiene items and clean water in the most affected areas.

2 South Sudan

Political tension and conflict persisted in South Sudan in 2021, threatening national peacebuilding. In 2021, FCA launched a major peacebuilding program in Southern Central Equatoria and collaborated with the Government to strengthen the education sector.



“School has taught me that one must be courageous and study a lot so that it’s possible to make one’s own decisions in life. With the help of education, you can find work and look after yourself.”

Rose Night, 21, is a secondary school student in Yei, Eastern Equatoria, where FCA provides recently returned families with cash assistance. PHOTO: ANTTI YRJÖNEN

4 Central African Republic

For the last forty years, the Central Africa Republic has endured recurring cycles of violence, which have only worsened since the elections in December 2020. FCA’s main focus here is education.

5 Kenya

Workers in Kenya’s urban areas bore the brunt of Covid-19, with most of the gains made since 2005 lost over the last two years. Many of these people moved back to rural areas that still have no electricity or clean water. Climate change puts further pressure on these communities where our work focuses on education and peacebuilding.

7 Liberia

With support from the EU, we promote the rights of prisoners in Liberia in cooperation with Serving Humanity for Empowerment and Development (SHED), a local non-governmental organisation.

Finn Church Aid used 90 per cent, a total of €49,3 million of its operating expenses in 2021 (€54,8 million) for international aid operations.



● = Finn Church Aid's country office

More detailed financial information can be found on pages [34–37](#).

Middle East

8 Jordan

Jordan hosts the second highest number of refugees in the world per capita. FCA works with Syrian refugees supporting them with education and livelihoods training.

9 Syria

More than a decade of conflict has left many in Syria displaced and unable to access food, shelter, work or essential health services. Nearly 90 per cent of children need humanitarian assistance, an estimated 2.45 million children are out of school, and 1.6 million children risk dropping out.



“I had to survive through the desire of a better life. I became stronger than ever, with an audible voice and a role in the community that can never be taken away from me.”

Dania Hamza, 23, teaches at school in Eastern Ghouta, Syria. PHOTO: ABUTALIB ALBOHAYA

Asia

12 Myanmar

The military coup that took place in Myanmar in 2021 only compounded the challenges that the country faced due to Covid-19. While the programme encompasses education, cash transfers have also become an essential part of the programme.

14 Nepal

Over fifty per cent of the population in Nepal is under 24 years old. Almost two thirds of people rely on agriculture for their livelihood, so FCA’s work in Nepal focuses on livelihoods and education for long-term development.



“With the savings, we’re expanding our business. We can stay together again and our children can go to school.”

Basanti Rawal established a teashop with FCA’s support. Her husband can now work with her in Nepal instead of abroad. PHOTO: PRASHANT BUDHATHOK

Latin America and Europe

17 Haiti

An earthquake killed more than 2,000 people in Haiti in August 2021, causing widespread destruction and a humanitarian emergency. FCA responded with relief items such as food, hygiene kits, blankets and shelter in the most affected areas.

18 Greece

FCA supported the distribution of food packages and hygiene products to the refugees and vulnerable households affected by the pandemic. The project came to an end in October 2021.

10 Israel and the Palestinian territories

FCA’s programme in the IOPT focuses on improving the quality of education through our partnerships.

11 Lebanon

Lebanon has weathered a number of crises over the past two years. FCA has focused on delivering education, particularly to some of the 200,000 Syrian refugees who have never been to school.

13 Afghanistan

After the Taliban’s takeover in 2021, Afghanistan succumbed to a crisis where 95 per cent of the population did not have enough to eat. FCA responded with food and winter kits to keep people warm.

15 Cambodia

The easing of government restrictions helped the economy in Cambodia to recover in 2021. Yet, there is still a large poverty gap between urban and rural areas, where people rely on natural resources and agriculture as sources of livelihood. FCA’s programme focuses on youth and education as well as ensuring suitable livelihood opportunities for vulnerable households.

16 Bangladesh

Nearly a million Rohingya refugees who fled persecution in Myanmar live in Bangladesh. FCA supported women and girls in Cox’s Bazaar refugee camp with non-formal education and activities tackling gender-based violence and linked them to psychosocial support and protection. The programme came to an end in 2021.

Innovation and building trust were the keys to furthering education, livelihoods and peace in Africa

Our work in Africa epitomises FCA’s focus on livelihoods, education and peacebuilding. The fundamental role of education is reflected across our country programmes, and we design sizeable vocational training initiatives to tackle scarce economic opportunities in the region. Where conflict is prevalent, such as in Somalia, we have large peacebuilding programmes.

UGANDA. While one of the main focuses of FCA’s Uganda programme is education, students endured almost two years of school closures due to the Covid-19 pandemic. The greatest success of our programme in Uganda over the past year was our measures to ensure that students could continue to learn. This we did through the provision of home and community-based learning supported by the teachers, developing radio lessons, distributing home learning packages and establishing community learning centres. Altogether, learning continued for 132,562 students in 2021 (75,846 females and 56,716 males).

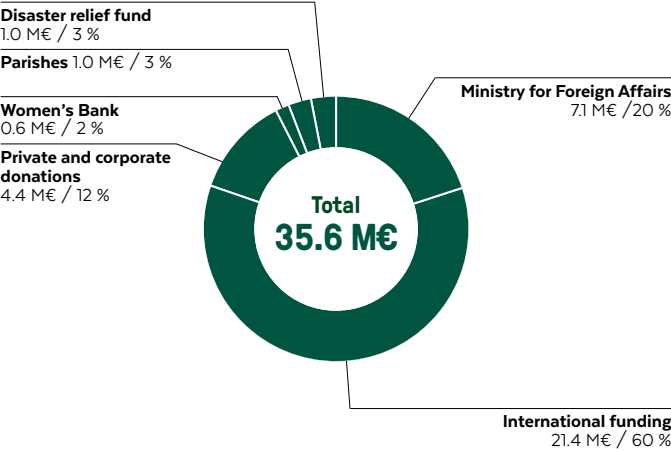
Despite the school closures, we expanded our educational facilities by completing 86 classrooms and several other structures. These included a Special Needs Education section in Kyaka refugee settlement to cater for children with severe disabilities and two fully-fledged secondary schools in Kyaka and Rwamwanja refugee settlements to address the shortage of secondary schools in these communities.

Ensuring the ongoing livelihoods of the people we work with is another focus of our programme in Uganda. Graduates of our vocational education and livelihood training, particularly women, are empowered to create their own jobs or access jobs from the private sector. We also integrate digital skills into vocational education by creating online learning and marketing platforms. Vocational training is reinforced with career guidance and counselling as well as on-the-job placements to strengthen the link between training and employment. All 1,098 youth that participated were trained in entrepreneurship and accessed internships, and our programme created 654 new jobs.

FCA contributed to women’s social and economic empowerment through income-generating activities, Village Savings and Loan Associations (VSLA) and entrepreneurship skills development. VSLAs have played a crucial role in enabling women to finance business start-ups and enterprise development at the community level. We supported 387 groups comprising 10,136 women to save and borrow on their own and engage with stakeholders to address their own challenges. Women in these groups have spearheaded issues such as household improvement, accountability, entrepreneurship and leadership.

The pandemic was the main challenge affecting our work, delaying some of our planned projects. While devising innovations to ensure that learning could continue, we also used this time to concentrate on teacher training programs such as continuous professional development, psychosocial support, career guidance and counselling, and inclusive and learner-centred pedagogy, among others. As lockdowns increased the vulnerability of children, we trained teachers to identify protection cases, such as victims of gender-based violence, and conduct referrals to enable the victims to

Funding



2,000 community members increased their awareness of disaster risk reduction and climate change adaptation. KENYA

12,000 students were supported through mobile cash transfers to purchase scholastic materials. SOMALIA

78 % of the 2,446 jobs created before 2021 were maintained despite the Covid-19 pandemic. UGANDA

access support services. We also continued to recruit and support special needs teachers to assist children with disabilities. The efforts supported the work of 2,284 teachers.

KENYA. While education remains our largest focus in Kenya, the country programme expanded its operations in livelihoods and Water, Sanitation and Health (WASH). We also strengthened our work in peacebuilding, gender equality and climate change adaptation, which cuts across our projects.

Our most extensive education program is for refugee children near the Kakuma refugee camp in Northern Kenya. In recent years, there has been a shift in policy by the Kenyan Government to increase the integration of refugees into local communities. In Kalobeyi settlement, refugees live, work and study alongside local Kenyans. Most of the refugees in Kalobeyi are from South Sudan.

Prince Mushesa, 22, fled from the Democratic Republic of Congo to Uganda in 2019. He trained in agriculture at FCA's training centre in Kyaka refugee settlement and now farms his plot of land.

PHOTO: HUGH RUTHERFORD



Lul Mohamed Nur participated in teacher training in Hudur, Somalia. She helps raise awareness for girls' education in her community, and today her class has more girls than boys.

PHOTO: ISMAIL TAXTA

In Kalobeyei, we operate seven schools and seven early childhood development centres, and our support enabled 24,703 students to access quality education. The student to teacher ratio is 1:112, on average, an issue which we addressed through training teachers in pedagogy and lesson planning, among other skills. We trained 259 teachers, but Covid-19 continued to minimise the scope of face-to-face contact. Hybrid ways of working, such as the mobile mentoring programme for teachers led by our Teachers without Borders network, have actually increased our training.

We also launched a new innovative project on digital competencies and creative industries that promotes entrepreneurship and job creation for youth in Nairobi. A partnership was also formed with the private company Taka Taka Solutions in a pilot project that empowered 80 women with access to safe, paid work as waste-pickers, a business that supports environmental protection.

The East Africa drought significantly affected our operations. Pastoralists fight for water and pasture, so they come into conflict over the little available water for livestock when there is drought. This type of conflict increased the cost of our work in the Rift Valley. Covid protocols meant that we had fewer people in peace meetings and that those who were present had to maintain social distance.

Peace meetings happened over the radio. Before the pandemic, mostly older people listened to the radio in Kenya; now, radio is again integral to our programmes in education and peacebuilding.

These ways of working have become the new normal. Still, we have learned that we can get the same output from the new hybrid way of working and, despite the challenges, we successfully expanded our program areas to Nairobi, Mombasa and Garissa in the past year.

CENTRAL AFRICAN REPUBLIC. Education is our main focus in the Central African Republic (CAR), which has endured recurring cycles of violence for the last forty years. The country's humanitarian needs increased to their highest level since 2014 following a worsened conflict after the December 2020 elections.

Persistent violence means that protection programmes, targeting for instance survivors of sexual and gender-based violence, are expanding within FCA's activities. In 2021, the protection programmes supported 1,381 persons that had suffered from violent incidents. Protection and livelihoods programmes primarily involve women – the 1,377 women we supported in developing their businesses and economic resilience reported that they now have more say in their families.

In 2021, FCA became a trusted partner of UNHCR in five districts and helped improve access to quality education for 43,646 children. At the same time, two field offices were closed due to the loss of funding. The situation in the country is considered a 'forgotten emergency' where many organisations compete for a small pool of international funding. Not having long-term funding makes planning very difficult, compounded by the escalating insecurity in many areas we work in.

For building a better future, our country programme empowered youth as active agents in their own lives and in the peaceful and sustainable development of their communities. Our peacebuilding reached 869 participants in nine sub-prefectures and 120 youth in high school peace clubs, increasing people's knowledge about the electoral process, leadership and hate speech. The programme promoted skills in dialogue and networking as well as income opportunities for youth.

SOMALIA. Although our programme in Somalia encompasses all three thematic areas, peacebuilding is the largest component of the program, and national reconciliation and inclusive local governance are critical to that. Over three decades of conflict has left Somalia in poverty, most of its infrastructure destroyed, and the country's stability is still fragile.

As the country rebuilds, district council formation helps to put decision-making power into the hands of Somalis and we are well recognised as a leader in this area. Since 2016, we have supported the formation of 5 district councils and trained 700 women in leadership. Last year, councils were formed in Jowhar and Barawe. As an organisation, we have been learning and have built a lot of trust among all stakeholders. We work with different civil society groups, religious leaders and clan elders, which has sustained the program's results. Now, we are not only forming the councils but also supporting them with service delivery.

Our efforts to strengthen the capacities of the local civil society paid off in the education sector when our vocational education partners started a business and recovery plan to promote their long-term self-financing and sustainability. We piloted our learning-to-earning model and supported two technical training institutes by designing the curricula and providing grants to help students establish their own businesses. Over the last year, 70 students (38 women) graduated from tailoring and established at least 12 businesses – many graduates started them together.

In 2021, political tensions and a worsening security environment provided specific challenges to FCA. It limited our movements and delayed some activities. Peacebuilding is dependent on our cooperation with different ministries, and when they are not able to move, our work is delayed.

We also work with education in emergencies, aiming to keep children in school by training teachers and building learning places in the hard-to-reach areas even when Covid-19 closed schools. As prices increased, these areas were even more difficult and expensive to access, impacting our education program and school construction. Despite the challenges, 10 new temporary school structures and 16 renovated classrooms increased

"FCA has trained more than 700 women leaders in Somalia in leadership and other skills", writes Senior Thematic Adviser **Paula Tarvainen**. [Read more on page 23.](#)

1,763 people gained skills in various trades, entrepreneurship and conflict management. CENTRAL AFRICAN REPUBLIC

12,757 students in 35 schools accessed quality education despite severe flooding and Covid-19. SOUTH SUDAN

access to quality education for students in Baidoa, Hudur and Elbarde – almost half of them girls.

We also found new funding sources. The Mideyee project is funded by the Ministry for Foreign Affairs, Finland. But a growing concern is the drought and the displacement caused by drought – it is harder to keep children in school.

SOUTH SUDAN. Political tension and conflict persisted in South Sudan in 2021, threatening national peacebuilding and disrupting our programmes. Despite this, we launched a major peacebuilding program in Southern Central Equatoria that focuses on locally driven solutions for social cohesion and early recovery for refugees returning to the country, internally displaced people and host communities. We also entered a more active collaboration with the National Ministry of Peacebuilding in 2021, placing us among the top partners for peacebuilding in South Sudan.

Flooding was more severe and widespread in 2021, submerging entire villages and destroying household property, farmlands, and school infrastructure. Yet, despite the floods, Covid-19 and widespread poverty, we enrolled 12,757 children and youth in primary schools and supplied them with learning materials in Fangak, Tonga and Yei. Flooding forced FCA to use tents as schools in Fangak, and our agriculture-based livelihood activities were cancelled and replaced with cash transfers. For the first time, we introduced biometric enrolment and verification to distribute cash, reaching 3,200 households, while our country programme's support for agriculture and fisheries reached 3,573 families. Women headed the majority of all homes.

Road ambushes, abductions and looting continued to displace populations, affecting humanitarian assistance and increasing humanitarian needs. The persistent depreciation of the South Sudanese Pound increased the price of food, especially for imported items such as wheat flour, sugar, and vegetable oil. Our working group for cash distributions reported that the minimum monthly cost of an average household was USD 204 in Fangak County and USD 257 in Yei County in 2021. Despite the government's effort to enforce price control and reduction, local traders maintained their prices. FCA's cash transfer program distributed the equivalent of one-third of the monthly household costs to ensure that parents in Fangak and Yei could afford a sufficient amount of food for their families.

Some of our most significant achievements in the education sector over the past year were in South Sudan. An education policy process was put in place with the government ministries, University of Juba and other stakeholders. As a result, South Sudan produced the first-ever curriculum and structure for technical and vocational education and training (TVET) and compiled its first National Apprenticeship Guidelines. The curricula were also translated into five national languages for use across the country.

In our training programmes, we enrolled 180 youth (59 female and 121 male) in two training centres in Juba. FCA was also elected to the Strategic Advisory Group in the education cluster, which helped us play a more strategic role in the education sector. ■

In the face of Covid and conflict challenges, we’ve adapted our programmes to continue to reach people in Asia

The education of children and youth and socio-economic empowerment of women are at the heart of our programmes in Cambodia, Myanmar and Nepal. Over the past year, Covid-19 restrictions, conflict and limited connectivity impeded the implementation of programmes, forcing us to reallocate funds and restrict our activities.

CAMBODIA. Our programme in Cambodia spans seven of the country’s provinces and focuses largely on youth and education, for instance through the development of teaching and leadership. We also provide career guidance and counselling to students in secondary schools. Our policy and competence framework for career counselling was officially approved at the national level by the Ministry of Education, Youth and Sports, comprising one of our key achievements in 2021. Career counsellors trained as a result of our programme gave face-to-face counselling to 8,911 students from 40 schools, increasing their confidence in making informed decisions about their career paths.

The foundation of any career is basic education. We help to create a safe and supportive learning environment by strengthening the pedagogical skills of teachers and operating reading clubs. In 2021, over 600 children participated in reading clubs which decreased grade repetition and increased their overall performance. Small grants also supported youth groups in conducting online leadership training, and 23 people (16 females) completed our course.

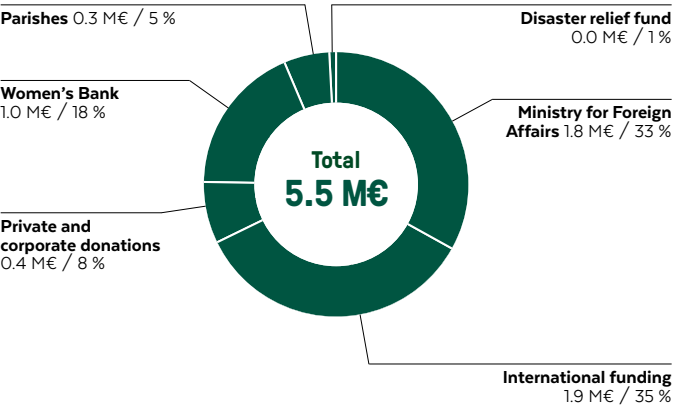
In 2021, we continued to strengthen our work in building livelihood opportunities for vulnerable households through skills development and income-generating activities. We also distributed cash and food to 241 vulnerable families to support them through the pandemic.

As was the case in many other countries, restrictions caused by the pandemic made it harder to operate. Cambodia has limited internet access, and this restricted the degree to which work and learning could be conducted online. This caused a delay in implementing some project activities and the cancellation or reduced effectiveness of others. Also, new government accounting standards and pension requirements increased in 2021, consequently increasing the cost of compliance for organisations such as FCA working in Cambodia.

We have managed to tackle some of the challenges by adopting new working methods, such as creating digital training materials. We developed for instance 60 video lessons for our vocational education program and uploaded them to a website where they are now accessible to all.

MYANMAR. The military coup that took place in Myanmar in February 2021 only compounded the challenges that the country faced due to Covid-19. The coup also impacted the banking system, causing difficulties with cash transfers and online banking, which directly affected the distribution of stipends and cash to beneficiaries and staff. Although we found an alternative way of dealing with the situation, this took time and increased the costs of our programme. Disruptions in telephone, internet and mobile communications also made working conditions precarious.

Funding



95 % of the students supported by reading clubs for children with reading and writing difficulties were promoted to their next respective grade. CAMBODIA

440 people (278 female and 162 male) enhanced their economic situation through accessing jobs. MYANMAR

17,742 people had their immediate food security needs met by FCA's Covid-19 response. NEPAL

68 private sector enterprises were created and functioning, 52 of them based on farms. CAMBODIA



“I’m castless and never went to school. Still, I run a chicken farm and can set an example that women without a cast can do this. I dream that my children will have the education I never got.”

Lakshmi Damai, 45, was supported by FCA to start a chicken farm. PHOTO: PRASHANT BUDHATHOKI



Nevertheless, we were able to continue our operations and significantly expand our humanitarian work. Our programme reached 27,234 people – 3,000 more than we initially targeted. Over 60 per cent of our beneficiaries were girls and women, and we also supported persons with disabilities.

We expanded and strengthened our programmes for women’s socio-economic empowerment in Rakhine and Kayin in close collaboration with the private sector. Our focus was on women cooperatives and market systems development rather than individual income generation and entrepreneurship. This created jobs for 278 women and 162 men and established 17 women-owned and led small businesses that focused on rice trading, fermented bamboo shoot production, cashew nut trading, soap and shampoo production, footwear production, and traditional cloth production.

The violence that occurred in areas where FCA distributed cash, learning kits and Covid-19 prevention kits created additional obstacles to our operations. Despite the significant challenges, 1,770 families received cash to meet their needs for food, education and livelihoods. Covid-19, martial law and insecurity all limited home-based learning, but through 29 trained school counsellors, we managed to support 1,971 students through phone counselling and teachers visiting their students at home. Teachers also distributed Covid-19 prevention kits with soap, masks and hand gel to 515 students.

NEPAL. Our work in Nepal focuses on livelihood and education for long-term development and disaster response and recovery. Peace is integrated throughout our work through social inclusion, participation and non-discrimination. We work in the provinces of Madhesh, Bagmati and Sudur-paschim to promote the socio-economic empowerment of marginalised women and youth so they can make a decent living.

During 2021 Nepal continued to be severely affected by the Covid-19 pandemic, restricting mass gatherings and movement and affecting our group activities, which could not be conducted. The budget for these planned activities was then redirected to relief support and cash for work.

Over the past year, we supported 638 marginalised children and youth to continue their education through community-managed coaching classes and scholarship support. We also supported women to increase their productive skills and access to finance and markets, and out of the 540 established businesses, 77 per cent were owned by women. Our efforts enhanced the livelihood of 22,515 people by supporting them to gain new or better skills or access finance through cooperatives.

When they are economically empowered, women also become socially empowered through their increased participation in decision-making within the family, community, and government. Our advocacy helped to raise and address the issues faced by ex-bonded labourers, women, children, and Dalits by securing financial resources for them from municipalities.

The challenges of monitoring projects remotely remained in 2021. Activities such as veterinary treatment for poultry, market access for produce and long-term training were not possible as physical visits were cancelled due to Covid-19. Compounding these difficulties was a prolonged monsoon which led to incessant rain, flooding, and landslides. Crops were destroyed, also impacting the people in our programme areas.

Despite significant challenges, 72 per cent of the 905 enterprises established in 2020 improved their performance with increased profits and improved market linkages, demonstrating the effectiveness of our continued support in strengthening and supporting enterprises and access to employment. ■

Education and livelihood opportunities form the foundations of recovery in the Middle East

The war in Syria has left an indelible mark across the Middle East, and our work with Syrian refugees comprises a large part of our programmes here. As the war abates, it leaves behind many children with an education gap – some who have never been to school.

SYRIA. Internal displacement and a poor economy have only increased the need for education in Syria, while our education programme in Syria has faced a reduction in funding. Despite this, we have been able to conduct classes and rehabilitate schools to help children get back into classrooms.

Considering the education gap that many Syrian children endured during the war, our education programme achieved several crucial things in 2021. We contributed to improving access to quality education for 15,380 school-aged children by rehabilitating 17 schools in Syria.

Despite the restrictions imposed by Covid-19, we managed to support 9,367 children with remedial classes for those at risk of dropping out and catch-up classes for those out of school. As a result, 92 per cent of them were able to move from their previous grade to the next one.

We offered 289 teachers (194 female, 95 male) training in protection, equipping them to deal with cases of gender-based violence, child labour and early marriage, and giving psychosocial support. The programme also prepared parents to respond to the same issues, involving 2,500 mothers and fathers in events and interactional activities at the schools.

Large proportions of the population in Syria continue to be in dire need, and we distributed kits that prepared them for freezing winter temperatures and protection against Covid-19.

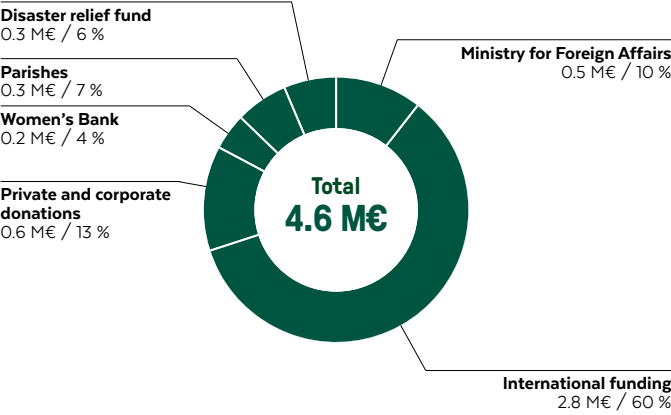
Fundamental to all results was the recruitment of highly qualified staff, such as engineers, logisticians, and programme and finance officers, who strengthened our work. Although the office was formally opened in 2019, it was not until the past year that it was fully staffed and equipped.

JORDAN. In Jordan, our focus is largely on entrepreneurship training for Syrian refugees. Due to the pandemic, some project activities were carried out virtually, while others were organised as normal.

Last year, we worked to support Syrian and Jordanian youth in several cities and refugee camps to become more self-reliant and economically active. Entrepreneurial skills training paired with cash grants that increase their monthly income supported participants in developing their business ideas. As a result, 186 people (125 female, 61 male) started new businesses, and 35 existing enterprises were strengthened and supported in expanding their business.

To enhance the status of women in their communities, 1,518 Syrian and Jordanian women living side by side met to discuss the barriers they face in accessing livelihoods. The group discussions resulted in recommendations shared with six municipalities and three ministries, advising them on actions for women’s economic rights and empowerment as well as support for women to start businesses. Women who have overcome these barriers shared their experiences.

Funding



- 685** youth increased their capacity in cyber protection. JORDAN
- 2,826** Palestinian students in six schools had access to formal education. IOPT
- 4,000** children were equipped with hygiene kits to reduce health risks due to the Covid-19 pandemic. SYRIA



“I learned how to plan and run my business and build my ideas, and I bought what I needed to get started. It was the happiest day of my life.”

Bilal al-Khalili, 33, completed a business training and received a grant to expand his enterprise in Jerash, Jordan. PHOTO: OSAMA NABEEL



Sawsan al-Rasheed, 33, fled the war in Syria to Jordan. After her business training and eight months of farming, she produces and sells different vegetables at the local market. PHOTO: OSAMA NABEEL

We also engaged the municipalities in the discussions: 68 government officials from the six municipalities participated, increasing their awareness of the challenges faced by home-based businesses and directly discussing the potential solutions with the community members.

In the Zaatari refugee camp, 1,190 Syrians took part in educational and awareness-raising sessions in English, ICT, programming and cyber and information protection. The discussions included protection of personal data, online money transactions and means of creating digital wallets. Participants gave positive feedback on their improved understanding of potential risks to their online accounts.

Due to a lack of funding, our operations in Zaatari refugee camp ended, and the operation was handed over to another organisation.

ISRAEL AND THE PALESTINIAN TERRITORIES. Our programme in Israel and the Occupied Palestinian Territories (IOPT) has a Teachers without Borders (TwB) flagship programme with experienced volunteers from the education sector in Finland. They are deployed remotely and work closely with Palestinian teachers and school administrators in public and private schools to develop inclusive education practices.

In 2021, the TwB project reached 2,826 Palestinian learners in six partner schools in Ramallah and Jerusalem. TwB experts trained 83 teachers in Ramallah and Jerusalem in these schools on distance education, learner-centred pedagogies and inclusive education, and these experts also developed a teacher training manual for distance education. Teachers genuinely appreciate the contribution of Finnish educators in IOPT as the Finnish education system has a strong reputation there.

FCA's partnership with Sadaka Reut Arab Jewish Partnership focuses on empowering Palestinian and Jewish young men and women in Israel. In 2021, 122 young people were part of long-term groups who aim to critically examine their reality and engage in social change.

At the Arab Center for Counseling and Education in East Jerusalem, we provided children with after-school activities and also mentoring for children who are at risk of being marginalised within the education system. Educational activities were provided to 67 children in East Jerusalem and Nablus through the Big Brother, Big Sister project. Older children (big brothers and sisters) helped younger students in school and emotionally

throughout the year, improving their psychosocial conditions and developing their life skills. We also offered a human rights course, taught by rabbis, to 412 Israeli youth through the Rabbis for Human Rights organisation.

The pandemic presented the same challenges as in other parts of the world: activities were affected when schools were closed or people were quarantined. Face-to-face meetings between children and volunteers conducted by the Arab Center for Counseling and Education in Jerusalem were affected. However, the staff were able to switch to virtual meetings and continue with some of the planned activities to reach almost 4,000 people, nearly all of them youth.

LEBANON. Schools in Lebanon were closed for almost two years due to Covid-19 and the country’s economic crisis, affecting every child under 18 years old. The situation forced many children into the workforce. Now 700,000 students are out of school, 200,000 of them Syrians who have never been to school.

We are working to bridge this gap and help children back to learning, but the challenges are many. For instance, teacher salaries are so low they no longer meet the cost of living, and so teachers are also leaving their jobs.

We began our program in Lebanon in response to the Beirut blast in August 2020, partnering with Norwegian Church Aid and the Rene Moawad Foundation. We started by repairing classrooms of six schools damaged by the port explosion, and our support has impacted the education of 1,064 students. To increase access to education, we also began providing catch-up classes to help students who have lost learning return to the classroom.

Thirty-eight teachers were trained in child protection, child-centred learning and psychosocial support, including the well-being of teachers. To remove the economic barrier to accessing education, we give cash for education to the most vulnerable families.

We worked to improve the well-being of children through psychosocial support, case management and recreational activities for students who have suffered from a complex crisis. There is a huge need not only to continue in Beirut, but also to expand to other areas in the north and help rebuild the education system, which had one of the highest standards in the Middle East. ■



RIGHT TO QUALITY EDUCATION



ONE OF OUR KEY OBJECTIVES IS to maximise the opportunities of children and youth to attend school and receive a quality education. Our work covers early childhood development, primary and secondary school and technical vocational education training (TVET). Besides constructing learning facilities, we ensure quality education by training teachers with the help of local professionals and volunteers from our Teachers without Borders network.

Our educational work focuses on refugees and vulnerable children and youth. In recent years, gender equality, the inclusion of persons with disabilities and climate action are increasingly visible in our education programmes. Education is crucial as it provides young people easier access to sustainable livelihoods while promoting stability in communities. For children, schools provide a safe environment amidst disasters, societal pressures and harsh economic realities that lie at the bottom of issues like child marriage and child labour.

In 2021, the pandemic continued to interrupt education across the world. For instance, Ugandan schools were closed longer than anywhere else – almost two years. Teachers worked hard to keep students learning in their communities, where self-study packages, radio lessons and digital messaging applications helped keep children involved with school. In most countries with vocational education programmes, training and community learning centres remained open for at least part of the year, enabling students to complete their education.

Challenges also create new opportunities. With new methods developed during school closures, we could actually conduct more teacher training in 2021 than in 2020. Teachers without Borders developed online training materials and worked remotely with teachers through mobile mentoring. Schools also continue using the remote learning solutions after schools have opened: the Ministries of Education in Uganda, Kenya and Somalia have adopted the use of mobile phones and radios to support students with remedial classes.

Despite our best efforts to provide alternative solutions, disruptions caused by the pandemic have affected learning outcomes for many, and the sad reality is that some learners will never return to classrooms. ■

A career counselling class in Banteay Meanchey Phnom Thom secondary school in Cambodia.

PHOTO: THOMAS HOMMEYER

EMERGENCY ASSISTANCE TO THOSE MOST AFFECTED BY DISASTERS

When natural disasters or wars cause an emergency, we offer humanitarian assistance to secure basic needs. In 2021, our new responses included Afghanistan, Haiti and Ethiopia, and we continued working with protracted crises in our programme countries.

WHEN NATURAL DISASTERS OR WARS cause an emergency, we offer humanitarian assistance to secure sufficient nutrition, basic necessities, sanitation, clean water and accommodation to people in affected areas. We prioritise education in our humanitarian work because for children, returning to school as quickly as possible is essential as it provides a sense of safety and security in a crisis.

The purpose of humanitarian assistance is to alleviate suffering in an acute crisis. According to international humanitarian principles, everyone is entitled to assistance regardless of their ethnic background, religion or nationality. When providing humanitarian assistance, we respect local cultures and traditions and work together with local people.

In 2021, the Covid-19 pandemic, ongoing conflicts, climate change and natural disasters caused over 250 million people to require humanitarian assistance. A 7.2 magnitude earthquake struck Haiti in August, following which around 650 000 people were in need. We provided emergency support, such as food, hygiene kits, blankets, and shelter to the country's most affected areas through cooperation with ACT Alliance.

In August 2021, the Taliban took control of Afghanistan, forcing many people to leave their homes. Ninety-five per cent of the population in the country did not have enough to eat, and half of the population faced acute food shortages. We started to deliver emergency aid to the northern part of Afghanistan in 2021, including food and winterisation kits to keep people warm.

The war and fighting in the Northern Tigray region of Ethiopia left thousands of people dead and over 2.2 million people displaced and facing famine. Our response with ACT Alliance partners provided targeted supplementary nutrition, hygiene items and clean water.

School-aged children in Lebanon have missed out on nearly two years of school due to a deep economic recession, the Beirut port explosions, Covid-19 and the protracted Syrian crisis. We continued to repair damaged classrooms and schoolyards and provide remedial classes and cash to families to help children and youth return to school. Our projects cared for children's well-being through psychosocial support and training teaching staff.

In Bangladesh, we supported refugee women and girls from Myanmar by providing non-formal education and activities tackling gender-based violence and protection

Humanitarian assistance supporting refugees and internally displaced people continued in our country programmes. We worked in the Central African Republic, Uganda, South Sudan, Jordan, Syria, Myanmar and Somalia, focusing on education in emergencies and humanitarian livelihoods.

In line with our values, we include beneficiaries in the assistance process – from planning and implementation to results evaluation. While offering emergency relief, we also increase people's risk awareness and preparedness for future disasters. Our goal is to combine humanitarian assistance with long-term development cooperation and peacebuilding – known as the triple-nexus approach.



1.



2.

1. FCA's partner organisation HIA-Hungary has been working in Afghanistan since 2001 to deliver humanitarian assistance and engage in development cooperation. PHOTO: HIA

2. Destruction in Camp Perrin caused by the earthquake in Haiti on August 14, 2021. PHOTO: THOMAS NOREILLE / ACT ALLIANCE

Finn Church Aid has been awarded the Core Humanitarian Standard (CHS) certification. Our partners and funding providers include the Ministry for Foreign Affairs of Finland, the Directorate-General for European Civil Protection and Humanitarian Aid Operations (DG ECHO), and many UN organisations. We are a founding member of the ACT Alliance, the global coordinator of the humanitarian assistance provided by ecumenical organisations. ■



Afghanistan has experienced 40 years of war, poverty, and drought which have left people in huge need. A water storage canal is being built near Mazar-i-Sharif. PHOTO: GIULIANO STOCHINO WEISS / HIA-HUNGARY

Politics must not obscure the needs in Afghanistan

IF PEOPLE ARE IN NEED, they must be helped. The greater the need, the more we are compelled to help. This is a powerful reason for continuing our work in Afghanistan.

FCA cares for neighbours and human life, regardless of political or economic context, and this relates to humanitarian principles. When we first considered working in Afghanistan, we thought our operation would focus on helping Afghan refugees who left the country. But when the USA withdrew in August 2021, Afghans stayed, and we needed to work within the country.

While we don't have a country office in Afghanistan, we do have partners within the ACT Alliance family. Three ACT members were working in the country, and we found that Hungarian International Aid (HIA) was driven to help in the same way we were. Our relationship with HIA dates back to the Balkans war, and we also worked with them in Haiti where they funded us. An existing high level of trust therefore enabled us to respond swiftly.

With experience from working in Afghanistan since 2001, HIA advised us that cash distributions were not possible – there are very few commodities circulating in local markets anyway. Supporting Afghans with food distribution and winterisation kits became our goal. HIA distributes



Jan de Waegemaeker
Interim Head of Humanitarian Aid
PHOTO: FCA

food for the World Food Programme in Afghanistan and demonstrated expertise in that area. We wanted to get the most out of our grant and decided to be fast and flexible in reaching out to the most vulnerable people. Our grant enabled HIA to reach areas they hadn't accessed yet, namely the Balkh province.

Our partner has a hands-on approach and we respect that. Efficiency, speed and capacity are most important, and we are in constant dialogue about how to support them in areas where we are strong.

The distributions are ongoing. People are in need now and everything indicates that it will get worse. We can't forget that there has been 40 years of war, poverty, and drought – total devastation of the country. Even if the news cycles mean that the rest of the world has mostly forgotten about Afghanistan, we haven't, and we won't. ■

“We can't forget that there has been 40 years of war, poverty, and drought – total devastation of the country.”

TOWARDS A JUST AND SUSTAINABLE FUTURE



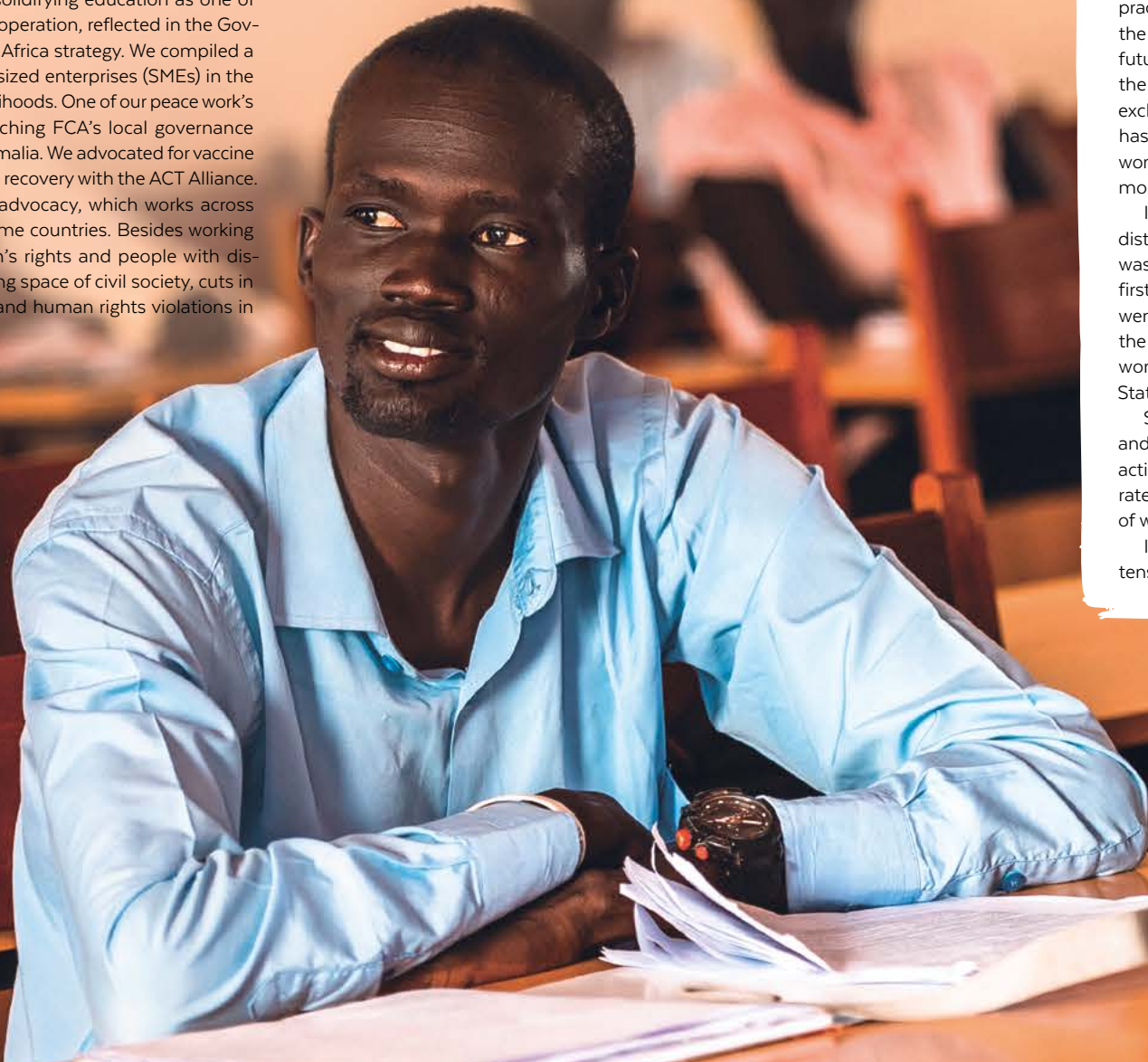
GIVING A VOICE TO THE MOST VULNERABLE

THE PURPOSE OF ADVOCACY is to support the rights of the most vulnerable people to quality education, livelihoods and peace. Our objective is to promote resilient and just societies by achieving changes in policies, attitudes and laws. We work to enable the participation of women, young people, minorities, and religious and traditional actors in decision-making.

In practice, advocacy is about keeping decision-makers accountable, having dialogues with them, building support through media, preparing background analyses, commenting on political documents, and issuing recommendations.

In 2021, our advocacy contributed to solidifying education as one of Finland's top priorities in development cooperation, reflected in the Government's development policy report and Africa strategy. We compiled a report on barriers for small and medium-sized enterprises (SMEs) in the least developed countries in support of livelihoods. One of our peace work's most significant achievements was launching FCA's local governance report that focused on state-building in Somalia. We advocated for vaccine equity and a just and inclusive post-Covid recovery with the ACT Alliance.

These are but a few highlights of our advocacy, which works across FCA in Finland, globally and our programme countries. Besides working for education, peace, livelihoods, women's rights and people with disabilities, we advocated against the shrinking space of civil society, cuts in development and humanitarian funding and human rights violations in our programme countries. ■



Mawut Chol, 32, is one of the first students to attend classes at the FCA-supported teacher training centre.
PHOTO: ANTTI YRJÖNEN

Building inclusive local governance in Somalia

OVER THREE DECADES OF CONFLICT has left Somalia in poverty, most of its infrastructure destroyed, and ongoing political instability and armed conflict exacerbate the effects of climate shocks. Women have borne the brunt of these hardships.

FCA has been supporting state-building and the establishment of inclusive local governance through district council formation in line with the Wadajir National Framework and National Reconciliation Framework. Together with the Network for Religious and Traditional Peacemakers, we worked closely with the Somali State and Federal Government, local authorities, communities, and civil society partners.

In 2021, we released a new publication on lessons learned and best practices for supporting inclusive local governance, focusing on promoting the participation of women, youth, and marginalised groups to support future state-building efforts in Somalia. As decision-making is largely in the hands of clans, which men dominate, decision-making processes exclude women, youth and marginalised groups. Since 2016, our support has resulted in the formation of five new district councils, with sixteen women elected as district council members. Furthermore, FCA has trained more than 700 women leaders in leadership and other skills.

In 2021, we lobbied for women's meaningful participation in federal and district elections. In the Barawe district of Southwest state, a new council was formed, comprising twenty men and seven women, including the first female Deputy Mayor. Twenty youth (fourteen men and six women) were also elected. In partnership with the Network, Somali Peace Line and the Ministry of Women, Human Rights and Development, we promoted women's participation in federal elections in Southwest and Hirshabelle State, advocating for a 30% quota.

Social media, radio and television raised awareness about civic rights and opportunities to participate in political processes and communication activities that FCA supported. That contributed to a 98 per cent awareness rate of district council formation, which helped increase the participation of women and other marginalised groups.

Inclusive local governance in Somalia is time-consuming and labour-intensive work, but the incentive is clear – the dividend is peace. ■



Paula Tarvainen
Senior Thematic Adviser,
Right to Peace
PHOTO: FCA

Ensuring quality education through teacher training

IN FINLAND, THE RATIO OF STUDENTS to teachers is 1:14, while the Kenyan government mandates that there should be no more than 45 students per teacher. In refugee settlements, teachers often instruct over one hundred students in classes.

The classrooms are crowded partly due to the lack of trained teachers. With poor learning conditions and additional pressures such as poverty, forced marriage and early pregnancy, many refugees do not finish high school, meaning they cannot continue to university or teacher training college.

The Kakuma refugee camp was established thirty years ago and is home to almost 197,000 people. Many of the children there were born in the camp, and half the population is under 18 years old. Providing quality education is fundamental to preventing poverty among the refugees in Kakuma. To do this, the schools need more teachers with better training, which we actively advocate for and support.

In November 2021, classes started at a teacher training centre located fifteen kilometres from Kakuma. We offer scholarships to refugees who apply to the centre, and from over 220 applications, we selected 60 students for the first cohort. The course is compressed into only one year, of which 40 per cent is online learning and the rest onsite.

Gender equity is also key to addressing the causes of poverty. Although 77 per cent of children aged 6–13 in Kakuma attend school, most of these are boys. At the early childhood level, the ratio of boys to girls is fifty-fifty. However, as you move up the grades, only one third of secondary level students are female. Girls leave school for several reasons, such as domestic work, looking after their siblings, pregnancy and early marriage.

We work to address the gender gap through affirmative action by awarding scholarships based on previous teaching experience or other courses and qualifications. Despite this, only ten teachers in the first cohort of trainees were women. It is essential to train female teachers because they are more likely than men to stay in their communities. As we train more female teachers, we hope that more girls will stay at school, slowly addressing gender inequity over time. ■



Richard Tsalwa
Project Coordinator
Kakuma and Kalobeyei refugee
settlements, Kenya
PHOTO: ANTTI YRJÖNEN

RIGHT TO LIVELIHOOD



EVERYONE HAS A RIGHT to a livelihood that enables them to support themselves and their families, increase their well-being and participate in developing their communities as equal citizens.

The Covid-19 pandemic has continued to test people's ability to earn a living in many ways. In 2021, the pandemic developed into an intense health crisis with recurring disease outbreaks and intermittent lockdowns, causing disruptions in people's lives and livelihoods.

Women and girls felt the impact of the pandemic keenly. Women's incomes typically come from work that requires social contact, such as care, services and trading, which were severely affected by restrictions. Women's economic activities faced significant challenges with increased duties at home. Disruptions in schooling coupled with poverty increased girls' early marriages and teenage pregnancies, affecting their future prospects in life.

At the same time, people showed remarkable resilience and a capacity to adapt their livelihood activities to the changing circumstances. Full recovery will, however, be a long-term task.

Community cooperatives and savings groups which provide business loans and other assistance are at the core of our livelihood work. They have fostered a financial planning and saving culture that, together with credit arrangements, proved to act as an effective safeguard. These evened out households' economic challenges during the Covid-19 crisis and prevented the feared relapse into poverty. Emergency assistance was also made available to those in the most vulnerable situations struggling for food security.

In developing countries, most jobs that pay a living wage are created in the private sector. In addition to self-employment, Small and Medium-sized Enterprises (SMEs) play a key role in job creation, which is why Finn Church Aid supports the private sector in all its programme countries. Our business and vocational education and training programmes link learning to earning by training and mentoring women, youth and refugees for gainful employment or establishing businesses.

The full impact of Covid-19 will only become apparent over a long period of time. Parallel to this, other global trends such as the advancing climate change, migration and urbanisation with their overarching repercussions on livelihoods, food security, and social stability also require attention. Thus, in 2022, our focus will shift from combatting the Covid-19 crisis towards determined action in all these areas for improved resilience and well-being of the people we work with. ■

Robinah Nakitende, 40, started her own fruit and vegetable business with the support of Women's Bank in Kampala, Uganda.
PHOTO: ANTTI YRJONEN

INVESTING IN BUSINESSES LAYS THE GROUND FOR A SUSTAINABLE FUTURE

Unlocking the productivity and growth of Small and Medium-sized enterprises requires both investments and support to develop businesses and key management practices.

INVESTING IN BUSINESS, with impact as a focus, is an efficient way for non-governmental organisations to support the economies of developing countries. In response to this increasingly important trend, Finn Church Aid's investment company, FCA Investments Ltd (FCAI), was launched in 2019 with a loan of EUR 16 million from the Finnish government.

We have a clear goal for FCAI: to ensure sufficient livelihoods and decent jobs for the growing populations of developing countries through a resilient and responsible private sector. According to the World Bank's pre-pandemic estimate, 600 million additional jobs will be needed globally by 2025. The pandemic has only increased the need for employment. Considering the scale of the challenge, conventional development cooperation alone will not be able to address all the needs.

Small and Medium-sized Enterprises (SMEs) in developing countries and fragile contexts face regulatory barriers, low productivity and challenges in accessing finance. The lack of financing is called the missing middle – financing is generally more available for large and micro-sized enterprises than for SMEs. Especially in the world's most fragile states, where investors are exposed to high risks, the financial capital required to launch a business is hard to come by. The lack of lending for SMEs is detrimental to development and job creation in developing countries because SMEs are the key drivers of growth and sustainable business opportunities.

Our mission is to make capital and skills available for economically, socially and environmentally sustainable SMEs that work to improve livelihoods, reduce poverty and build more resilient and productive communities. Unlocking the productivity and growth of enterprises takes more than money. Therefore, we provide business development services for SMEs before and after financing them to develop key management practices that reduce investment risks and funding costs.

Our key investment objectives include support for female entrepreneurs and the employment of young people and women. By the end of 2021, we invested directly and through funds in 38 Small and Medium-sized Enterprises (SMEs) in Southeast Asia, Uganda and Somalia. Most of their 3,192 employees are youth (73 per cent), and a significant part of them are women (29 per cent). So far, two-thirds of the direct investments are in the agricultural sector and food supply chains. ■

Business management skills and capital for supporting the SME sector.



1.



2.

1. FCA Investments committed a \$1 million seed investment to Ugandan fintech Ensibuuko, a digital financial services provider in Uganda.

PHOTO: HUGH RUTHERFORD

2. Photo from AMFRI Farms, an organic farming, processing and exporting company in Uganda supported by FCA Investments.

PHOTO: HUGH RUTHERFORD

Tapping into the Small and Medium-sized Enterprises sector is increasingly crucial

When speaking about Small and Medium-sized Enterprises, all we can think of is opportunities.

Inclusive economic growth in the world's least developed countries is attainable by nurturing SME ecosystems that help businesses grow responsibly and sustainably. Our aim at FCAI is to play a pivotal role in that ecosystem. We not only invest in promising and growth-oriented SMEs, but also provide business development services to advance and accelerate that growth journey.

To tackle the obstacles to sustainable growth, we have created a new service concept called the Missing Middle Opportunity Facility (MMOF). It will offer scalable business development services and capital to local SMEs. In the first phase, the MMOF will help potential SMEs grow in Uganda and Kenya by providing them with services to develop their financing, accounting, marketing, sales, digitalisation and ESG (environmental, social and governance). The ultimate aim is to ensure responsible business conduct, proper management practices, efficient operations, and investability.

We cannot stress enough the importance of the SME sector in terms of job creation, structural economic transition, and fighting against poverty and conflicts. But maybe we don't have to repeat ourselves too much; the evidence that backs our argument is robust. As the whole world, especially the least developed countries, stumble into a myriad of challenges caused by the pandemic, a changing climate and conflicts, tapping into the SME sector is increasingly crucial.

Challenging as it was, 2021 was also a year of achievements and forging partnerships. We successfully added new companies to our portfolio, approved three co-investments, and actively worked with like-minded actors to promote SME ecosystem development in our target countries.

FCAI has already made several investments in high-growth, impact-driven businesses in Asia and Sub-Saharan Africa.

PHOTO: HUGH RUTHERFORD

As the journey continues, we look forward to advancing our cause and scaling our interventions to contribute to realising the UN sustainable development goals (SDGs). ■



Jukka-Pekka Kärkkäinen
Chief Executive Officer, FCAI
PHOTO: TATU BLOMQUIST



Hani Almeghari
Chief Business Development Officer, FCAI
PHOTO: FCA

RIGHT TO PEACE



PEACE IS A PREREQUISITE for achieving human rights and sustainable development. When peace prevails, children can go to school, and adults can focus on building secure livelihoods and stable societies.

Finn Church Aid builds peace in some of the world’s most fragile countries, such as South Sudan, the Central African Republic and Somalia, and countries suffering from protracted conflicts.

In 2021, climate change and Covid-19 continued to exacerbate the effects of conflict and create new conflict dynamics. The repercussions of the pandemic include growing hate speech against minorities, a narrower space for civil society, and further limitations on the rights of women and girls. Climate change contributes to competition for scarce natural resources and forced migration.

Needs are growing, but at the same time, international resources and attention shift away from conflict prevention, conflict resolution and peacebuilding. This global attention shift shrinks the space for peace. Peacebuilding needs to adapt and provide support to local peacemakers, including digital solutions such as social media and radio, to support the active role of civil society and by linking peace to education and livelihoods.

Peace means more than the absence of conflict; we can achieve sustainable peace only if the entire community agrees to implement structural changes that support peaceful co-existence between different groups. Civil society actors in conflict-ridden countries are instrumental in creating inclusive and equitable peace, but they need long-term support.

Peace can be achieved and sustained if it is inclusive. Women, youth and religious and traditional actors are all affected by conflict and therefore also hold the solution to it. Peacebuilding processes often exclude them, which is why we want to make sure their voices are heard. ■

A district council meeting in South Galkacyo, Somalia.
PHOTO: NUR HASSAN ABDULLE

Volunteers were the cornerstone of our success in 2021

Finn Church Aid’s volunteers work with equality, food waste, education, advocacy and human rights.

WOMEN’S BANK continued to work towards women’s economic independence, rights and equality in 2021. Despite Covid-19 restrictions, we had our busiest year ever.

In 2021, our work reached more than 31,000 women in seven countries in Africa, Asia and the Middle East and supported 120,000 family members to live a more secure life. In total, Women’s Bank had 13 ongoing projects last year, including our first social enterprise, the Chiggi chicken farm in Uganda.

We offered women education and an opportunity to to establish an occupation and livelihood for themselves, for example by setting up a small business. The savings and loan groups, as well as larger cooperatives provided women with a secured saving method and access to affordable loans. In total, the capital saved by women in these groups was over 2M€ in 2021.

Women’s Bank, whose operations are fully funded from donations, increased its fundraising income by 14 per cent from the previous year to EUR 1,773,000. At the end of the year, we had 3,548 monthly donors, many of them private individuals, who regularly support our activities. In addition, Women’s Bank has 1,680 shareholders and many corporate partners that support our work.

Despite Covid-19 restrictions, also our volunteers managed to continue their activities and engage in very successful fundraising. During the year, volunteers organised three nationwide campaigns. In the summer, the Women’s Bank Golf Tournament celebrated its 10th anniversary with fundraising hitting an all-time high: EUR 55,000.

The Women’s Bank Walk campaign, which ran from June to October, consisted of events organised in multiple locations in Finland and abroad, from Athens in Greece to Rovaniemi in Finland. The Women’s Bank Read campaign went on tour across Finland and broke previous records by raising a staggering EUR 20,000. The events organised by our volunteers raised 100,000 euros, helping 3,000 women in developing countries gain an occupation.

WEFOOD, Finland’s first supermarket selling surplus food, managed to reduce food waste by 330,000 kilograms by the end of 2021. The store is located at Redi Shopping Centre in Helsinki’s Kalasatama area.

For grocery stores and shopping centres, 2021 was a time of dramatic changes and challenges. Despite the difficult circumstances, we managed to maintain regular opening hours throughout the year. As awareness of food waste increased, more and more people found their way to WeFood.

We had a large number of volunteers participating in our activities in our store, in logistics and on social media. We also continued to work in close cooperation with various educational institutions, with students from several schools completing their internships in the WeFood store. Many interesting suppliers joined the network of organisations donating goods to our store.

TEACHERS WITHOUT BORDERS is a voluntary network of Finnish teaching and education professionals. Our network offers support to Finn Church Aid to improve the quality of FCA’s education programmes abroad, and

especially to promote the professional development of our colleagues in developing countries and Finland.

In 2021, we continued our work to support quality education despite the limitations imposed by Covid-19. Volunteering in FCA’s programme countries had to be suspended due to Covid-19, but we continued to develop a new remote volunteering model to respond to the critical need to safeguard continued learning during the crisis. During the year, 25 experts and volunteers from our network supported FCA training programmes in Kenya, the Palestinian Territories, Cambodia, Myanmar and Somalia via remote connections.

Our volunteers developed materials for further teacher training to support special education and distance learning in schools, helped to design curricula in our programme countries, and mentored and trained teachers and career counsellors based on local needs. As many as 476 teachers, career counsellors, guardians or other educational professionals participated in distance training and mentoring sessions led by volunteers.

In addition, our volunteers participated in activities in Finland. This involved sharing lessons learned in our programme countries and emphasising the importance of supporting schooling and quality education during crises such as a pandemic.

CHANGEMAKER. Finn Church Aid’s youth network, Changemaker Finland, promotes global justice by educating young people on development issues and organising advocacy activities. In 2021, we organised 95 training sessions and events online and in various locations across Finland.

In our campaign to combat online harassment, we raised awareness of online harassment against young activists. We also attracted media attention by launching a satiric Social Media Guide for Angry Adults. In addition, our network advocated for corporate social responsibility legislation both at the national and EU level. We also put together a guide for global citizenship education during the year, which offers a critical perspective on the current discussion on development cooperation.

Our advocacy work, events and training sessions attracted 98 new members to our network. At the end of the year, our membership totalled 1,103. We cooperated internationally with the Changemaker networks in other countries and with the ACT Alliance’s Community of Practice on Youth network.

EAPPI, the Ecumenical Accompaniment Programme in Palestine and Israel, is an international programme that sends volunteer human rights monitors to the Occupied Palestinian Territories (OPT), the West Bank and East Jerusalem. During their three-month volunteering service, monitors support local communities and civilians by providing a protective presence and reporting on human rights violations in the territory.

Due to the Covid-19 pandemic, our volunteers were forced to leave the region, and human rights violations increased in the absence of an international protective presence. In 2021, EAPPI largely turned its focus to advocacy in Finland and abroad, working in cooperation with partners such as the World Council of Churches.

EAPPI encourages civil society organisations, political decision-makers and religious leaders to take action for global justice. In 2021, advocacy work focused on the forced relocation of the population living in the OPT. ■

“Despite Covid-19 restrictions, our volunteers managed to continue their activities and engage in very successful fundraising.”



1.



2.

1. Women’s Bank has over 3 000 volunteers who fundraise to support women globally. PHOTO: PETTERI JÄRVINEN

2. Digital connections brought together Palestinian and Finnish teachers to exchange ideas and learn from each other. In the photo, colleagues in East Jerusalem communicate with a Teachers without Borders specialist behind the screen. PHOTO: AHMAD AL-BAZZ

3. With the support of its volunteers, WeFood managed to reduce food waste by 330,000 kilograms by the end of 2021. PHOTO: TATU BLOMQVIST

4. Changemaker weekends gather youth together to learn new tools for advocacy work, get passionate about global justice, and immerse themselves in the network’s campaign topics. PHOTO: ANTTI YRJÖNEN



3.



4.

LOCAL AND GLOBAL PARTNERSHIPS CREATE THE FOUNDATION FOR SUSTAINABLE IMPACT

THE NUMBER AND NATURE of partnerships that FCA has, creates a complex network that sustains our work. Particularly in 2021, our strategy of cultivating local partners allowed us to carry on our work during Covid-19.

The breadth and depth of FCA's collaboration with humanitarian and development actors increased in 2021, reflecting the centrality of partnerships in securing sustainable impact and effective and efficient use of available resources. In addition to reinforcing our relations with traditional, long-standing partners from the intergovernmental and international non-governmental sectors (e.g. UN, EU, AU, ASEAN, GPE, ECW, INEE), FCA also enhanced cooperation with new partners, including the Lego Foundation, the private sector and academia.

We remained committed to strengthening our ability to work even more effectively with local partners and advancing localisation and sustainability. FCA's country-level presence allows a good understanding and knowledge of country contexts. It has enabled closer coordination and collaboration with local CSO partners, including religious and traditional actors, national and local government authorities, the private sector, UN organisations and different platforms. In our countries of operation, FCA works closely within the cluster system and regularly participates in humanitarian coordination fora.

In 2021, our work contributed to strengthening the capacity of civil society actors and local civil societies, as well as increasingly enhancing the capacities of the duty-bearers, such as local governments and their representatives.

The Ministry for Foreign Affairs in Finland continued to be a vital strategic partner, and utilising our UN ECOSOC consultative status, we were able to build close working relationships and partnerships with a number of UN Agencies and UN bodies. Despite the challenges caused by the pandemic (there were also opportunities) for meeting digitally, we strengthened our partner engagement through active participation in global fora, networks and working groups across our three main thematic priorities, as well as for cross-cutting areas, such as gender, youth and people with disabilities.

As the international aid organisation of the Evangelical Lutheran Church of Finland (ELCF) with an independent foundation status, FCA continued to cooperate closely with ELCF's parishes to raise awareness of global justice, promote fundraising campaigns and provide opportunities for voluntary work. We also continued close collaboration with our long-time global ecumenical partners: ACT Alliance, the Lutheran World Federation and the World Council of Churches.

Each relationship in our network is of equal importance and is foundational for our work in the future. ■

Bashir, 8, (right) plays with his sister, 6-year-old Fatima, in Kalobeyei, near the Kakuma Refugee Camp in Kenya.

PHOTO: ANTTI YRJÖNEN

Growth in a year of challenges

Despite strong operational constraints due to Covid-19 in our programme countries, projects were implemented almost as planned.

DUE TO THE GLOBAL COVID-19 PANDEMIC, 2021 continued to be a challenging year operationally. The pandemic restricted the deployment of international personnel to our country programmes for support and monitoring, which slowed project implementation in several countries. Despite this, FCA's income continued to grow, particularly through the contributions of institutional donors. This growth compensated for the decline in domestic fundraising income. Projects were implemented almost as planned, despite strong operational constraints in most countries of operation, keeping the costs within budget.

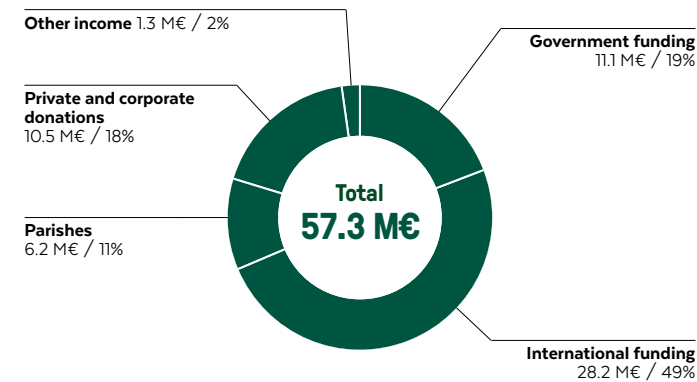
With the exception of Egg Production (U) Ltd in Uganda, the year ended with a positive result. The deficit in this operation was largely due to the difficulties that producers faced selling their products during frequent lockdowns. FCA Investments in Finland produced a positive result from the first of its investment activities. In a challenging environment where it was difficult to forecast, 2021 was a balanced year for FCA financially, laying a strong foundation for 2022 and beyond. ■



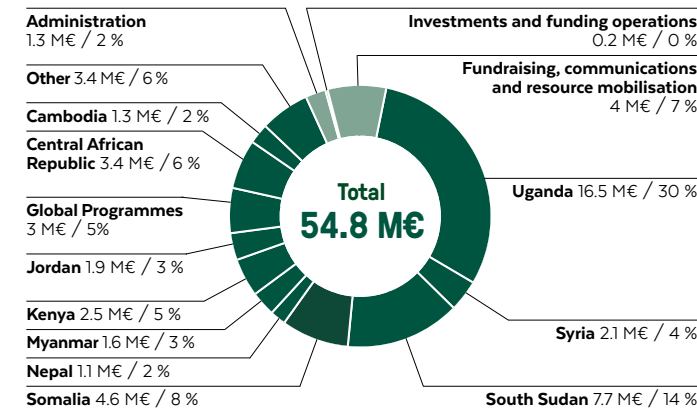
Elizabeth decided to study welding because few girls have tried to get into this profession.

PHOTO: HUGH RUTHERFORD

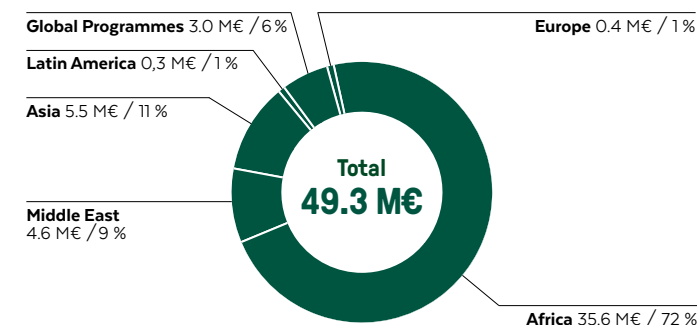
2021 Fundraising income



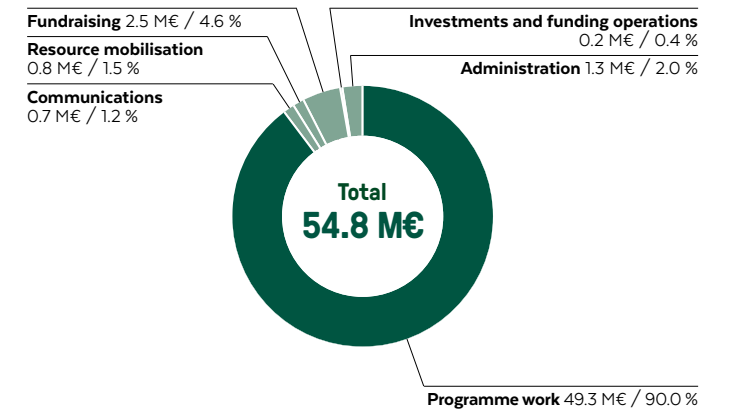
2021 Expenditure



2021 Programme areas



2021 Programme work and support functions



AFRICA	35.7 M€	MIDDLE EAST	4.6 M€
Uganda	16.5 M€	Jordan	1.9 M€
South Sudan	7.7 M€	Syria	2.1 M€
Somalia	4.6 M€	Palestinian Territories	0.4 M€
Central African Republic ..	3.4 M€	Lebanon	0.1 M€
Kenya	2.5 M€		
Ethiopia	0.3 M€	LATIN AMERICA & EUROPE	0.7 M€
Mozambique	0.3 M€	Finland	0.1 M€
Africa Regional	0.4 M€	Greece	0.3 M€
		Haiti	0.3 M€
ASIA	5.4 M€		
Myanmar	1.6 M€	GLOBAL PROGRAMMES	3.0 M€
Cambodia	1.3 M€		
Nepal	1.1 M€		
Bangladesh	0.2 M€		
Afghanistan	0.1 M€		
Asia Regional	1.1 M€		

Profit and Loss Account k€		Group	Group	Parent	Parent
		1.1.–31.12.2021	1.1.–31.12.2020	1.1.–31.12.2021	1.1.–31.12.2021
Income from operations					
AID ACTIVITIES					
Income	From the government	10 265	9 467	10 265	9 467
	Parishes	3 722	3 884	3 722	3 884
	From international funding sources	26 951	21 148	26 124	20 161
	Other income	492	19	36	8
		41 430	34 519	40 147	33 520
Expenses	Direct aid	-26 193	-22 488	-27 873	-23 671
	Personnel	-13 767	-12 168	-12 011	-10 552
	Other expenses	-9 370	-7 838	-8 190	-7 104
		-49 330	-42 494	-48 074	-41 327
Deficit		-7 899	-7 976	-7 927	-7 807
SUPPORT FUNCTIONS FOR AID ACTIVITIES					
Communications and stakeholder relations					
Income		104	154	104	154
Expenses	Personnel	-1 172	-1 076	-1 172	-1 076
	Other expenses	-317	-328	-317	-328
		-1 489	-1 404	-1 489	-1 404
Deficit		-1 385	-1 250	-1 385	-1 250
General administration					
Income		46	62	148	140
Expenses	Personnel	-2 327	-2 030	-2 327	-2 030
	Other expenses	-1 714	-1 605	-1 656	-1 588
	Appropriation to sectors	2 768	2 698	2 768	2 698
		-1 273	-938	-1 215	-920
Deficit		-1 227	-875	-1 067	-781
DEFICIT FROM OPERATIONS		-10 511	-10 101	-10 379	-9 837
Fundraising					
Income	Donations from individuals	10 111	10 384	10 111	10 384
	Donations from companies and organisations	406	445	406	445
	Donations from parishes	1 461	1 625	1 461	1 625
	Other income	382	299	382	299
		12 361	12 753	12 361	12 753
Expenses		-2 494	-2 036	-2 494	-2 036
Surplus		9 867	10 717	9 867	10 717
Investments and funding operations					
Share of profit in partly owned companies		33	-1	0	0
	Income	757	397	24	81
	Expenses	-234	-885	-42	-73
	Surplus/Deficit	555	-488	-19	9
Surplus/Deficit		-89	128	-531	889
Subsidies					
Subsidy from the Church Council		922	937	922	937
		832	1 065	391	1 826
Fund transfers					
Donation Fund		182	-465	182	-465
	Disaster Fund	-341	-733	-341	-733
	Women's Bank Fund	137	298	137	298
	Aid Fund	0	0	0	0
		-21	-900	-21	-900
Taxes for current period		3	-33	0	0
Surplus/Deficit for current period		814	132	370	925

Balance sheet k€		Group	Group	Parent	Parent
		31.12.2021	31.12.2020	31.12.2021	31.12.2020
Assets					
NON-CURRENT ASSETS					
Intangible assets	Prepayments	340	212	340	212
Tangible assets	Land and water areas	45	45	0	0
	Buildings and constructions	290	249	0	0
	Machinery and equipment	137	102	26	48
	Total tangible assets	472	396	26	48
Investments	Subsidiary shares	0	0	97	92
	Shares and other interests	13 871	14 718	76	76
	Other receivables	6 194	4 121	6 194	4 121
	Total investments	20 065	18 840	6 367	4 289
CURRENT ASSETS					
Current assets	Finished goods	5	1	0	0
	Other current assets	21	15	0	0
Total current assets		26	16	0	0
Receivables					
Non-current		75	0	478	478
Current					
Prepayments for projects		513	820	768	1 234
	Receivables carried forward	4 968	3 430	4 618	3 429
	Other receivables	1 700	633	953	679
	Total current receivables	7 181	4 883	6 338	5 343
Cash in hand and at banks		12 763	17 074	10 617	15 156
TOTAL ASSETS		40 922	41 421	24 166	25 526
Equity and liabilities					
EQUITY					
Subscribed capital		34	34	34	34
Other funds allocated to specific activities					
Donation Fund		1 087	1 269	1 087	1 269
	Disaster funds	2 887	2 546	2 887	2 546
	Women's Bank	1 768	1 905	1 769	1 907
	Aid Fund 1985	118	118	118	118
Surplus from previous periods		4 380	4 178	5 087	4 162
	Surplus/Deficit for current period	814	132	370	925
Total equity		11 088	10 183	11 352	10 961
LIABILITIES					
Non-current					
Debts		16 000	16 000	0	0
Current	Prepayments received	8 051	10 318	7 428	9 990
	Accounts payable	572	455	328	236
	Other debts	2 073	1 708	2 101	1 716
	Accrued liabilities	3 138	2 756	2 957	2 623
Total liabilities		29 834	31 238	12 814	14 565
TOTAL EQUITY AND LIABILITIES		40 922	41 421	24 166	25 526

You'll find Finn Church Aid's entire Financial Statement at finnchurchaid.fi/finances

Certification supports continuous learning and improvement



We prioritise accountability, sustainability and selecting our partners carefully. As a result, Finn Church aid was re-certified against the Core Humanitarian Standard (CHS) in 2021.

FINN CHURCH AID IS THE ONLY ORGANISATION in Finland certified against the Core Humanitarian Standard on Quality and Accountability (CHS). The CHS is based on best practices and lessons learned during several decades of aid work. It is a result of consultation with a broad spectrum of stakeholder groups, including aid workers, communities and people affected by poverty and crises, hundreds of non-governmental organisations, governments, UN organisations, donor agencies and academics. The CHS is designed to help aid organisations to measure and continuously improve the quality and effectiveness of their assistance. Most importantly, the standard puts the people affected by poverty and crises at the centre of the action, facilitating greater accountability to them and promoting respect for their fundamental human rights. External audits are conducted yearly to assess our compliance with the standard and monitor progress. Our first four-year certification was granted in 2017, which meant we were subject to a recertification audit in 2021.

CHS underpins the practical application of principles such as Do No Harm, conflict sensitivity, local capacity building, good human resource management and the duty of care. It also ensures staff competence, the effective, efficient, and ethical use of resources, and continuous learning. While applying the CHS recommendations, we have learned both about our organisation's strengths, the ways in which we operate and the gaps that we need to address. Implementing the standards has, for instance, improved our procedures for avoiding possible unintended negative effects on the communities and people we work with in our programme countries. We have also improved our safeguarding mechanisms and created safe channels for communities and other stakeholders to report potential incidents of staff misconduct. Finn Church Aid successfully passed the recertification process. We integrated the audit observations into our global management agenda for follow-up and to promote continued commitment to improving the quality and accountability of our work. ■

A majority of Cambodia's people live in rural areas, earning their livelihood from small-scale farming, fishing, casual work or micro-enterprises.
PHOTO: THOMAS HOMMEYER

The Foundation's Board convened remotely

FINN CHURCH AID IS GOVERNED by a Board of Directors, appointed by the Plenary Session of the Church Council of the Evangelical Lutheran Church. The Board has a Chair and 13 members, and it elects a Work Committee and an Audit Committee from among its members. In 2021, the Board met six times. Due to Covid-19, all meetings were held online. The FCA Board of Directors in 2021 included accountant **Tarja Kantola** as Chair, with Bishop **Kaisamari Hintikka** as Vice-chair.

Members of the Board of Directors in 2021

Tuomas Aho, Attorney
Sixten Ekstrand, Director
Atte Harjanne, Member of Parliament
Anna-Kaisa Ikonen, Mayor

Juhani Lavanko, Vicar
Reetta Meriläinen, Journalist
Ritva Ohmeroluoma, Master of Science (Econ.)
Aila Paloniemi, Journalist
Ritva Reinikka, Professor of Practice
Mark Saba, Pastor, International Ministry & Mission
Olli-Pekka Silfverhuth, Vicar
Hanna Ylikangas, Doctoral Researcher, Theology

Expert members invited to attend by the Board were Secretary-General **Larissa Franz-Koivisto**, Doctor of Theology **Elina Hellqvist**, Director **Kalle Kuusimäki** and Executive Director **Riina Nguyen**. The Work Committee was chaired by Tarja Kantola, with Tuomas Aho and Kaisamari Hintikka as members. The Audit Committee was chaired by Sixten Ekstrand with Aila Paloniemi and Olli-Pekka Silfverhuth serving as members. The Audit Committee's term of office is two years. ■

Our work is funded by:



Finn Church Aid

Eteläranta 8, FI-00130 Helsinki, Finland

Tel. +358 20 787 1201

fca@kua.fi

finnchurchaid.fi

