Partners for Development
Annual Report 2007

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Letter From PfD’s Chairman

For this 2007 Annual Report, I am honored to report on some of the important results that Partners for Development (PfD) and its local partners in Bosnia and Herzegovina, Cambodia, and Nigeria achieved in our mission to improve quality of life for poor and vulnerable populations in underserved areas of developing countries.

Cambodia

Working with our international and local community partners, and with funding from the Global Fund to Fight AIDS, Tuberculosis, and Malaria, PfD has expanded its extensive anti-malaria programs, including a large increase in the use of insecticide-treated nets (ITN). Use of these nets significantly reduces rates of malaria, a disease that still kills more than one million children and adults world-wide annually. PfD has introduced innovative hammock nets that can be carried and easily used by migrant workers who travel frequently. Reports indicate a sharp decline in malaria in those areas where such bednets are in use.

Following training in malaria control, village health volunteers (VHVs) in rural communities familiarize their neighbors with the ABCs of malaria prevention and treatment. This time-tested model of village volunteers has created a sustainable presence of well-informed and respected local residents who both help to prevent malaria and ensure early identification and treatment.

In 2007, PfD entered a partnership with the University Research Corporation – with funding from the U.S. Agency for International Development – that addresses the special problem of highly virulent and drug-resistant strains of malaria now appearing in western Cambodia. This new three-year, pilot project will be watched closely by malaria experts: with increased international travel in today’s world, this type of malaria, left unchecked, could have impact outside Cambodia’s borders.

Bosnia and Herzegovina (BiH)

Working closely with veterinary faculty from the University of Sarajevo, with a European Community-funded Veterinary Adviser, and with funding from the U.S. Department of Agriculture (USDA), PfD has led an international effort to establish Bosnia’s new National Quarantine Station (NQS) Project. The NQS Project, in collaboration with veterinary public health partners, drafted the regulations for border veterinary inspection for Bosnia & Herzegovina (BiH), helped strengthen the State Veterinary Office (SVO), and trained Bosnian veterinary doctors and staff. BiH, a post-conflict country with a still evolving and complex political system, now faces major challenges in controlling its borders and in the movement of animals, meat, and meat products. In 2008, PfD and its Bosnian government partners will complete two, large border veterinary inspection posts (BVIP) which will go a long way to protect both animal and human health. The USDA has been extremely supportive in the implementation of this project.
(Chair’s Letter -- Bosnia and Herzegovina Continued)
The mountainous areas of central BiH had traditionally been a rich source of high quality herbs and mushrooms in great demand in Europe. The factories that had flourished in this region were damaged or destroyed during the war of 1992-95. PfD has helped form a multi-ethnic independent farmers’ association (IFA), with support from the USDA. For its members, the IFA facilitates access to credit and to new markets for members’ traditional produce as well as their newer high-value produce such as raspberries, a fruit promoted by the PfD project and one leading to significant, additional household income for many Bosnian families.

Hope, which had seemed to disappear with the war, has begun to show a tentative rebirth in a land where dignified hardworking people ache to make new lives out of shattered old ones. PfD is proud to be part of that process.

Nigeria

With generous support from the Packard Foundation, PfD has successfully expanded its efforts to integrate reproductive health activities through Nigerian micro-credit networks, with more than 90% of such borrowers being women. PfD made the decision to expand this pilot project following an independent evaluation which concluded that:

(a) When micro-credit helps women’s businesses thrive, their greater contribution to family income leads to gains in marital harmony and family planning decisions.

(b) When messages on HIV/AIDS penetrate barriers of fear and stigma, people living with AIDS are welcomed back into their families and communities, and

(c) When partners build their capacity through working with PfD, these new skills are also applied to improve and expand their agencies’ other services to communities.

These findings validate PfD’s participatory approach to the planning and implementation of rural development activities. Community participation also assists the populations we work with to develop a clearer vision of how to resolve complex problems. Also, with USDA support to promote rural development and facilitate market expansion, PfD continues to work closely with local government authorities and communities to provide technical assistance and materials to build or improve access roads and small bridges that connect rural farmers and communities to Nigeria’s main road system. An independent evaluation found that when rural roads were upgraded so public transport reaches isolated villages, fewer women die in childbirth, and secondary schools are no longer out of reach. This benefit is additional to the improved incomes of both producers and sellers who have gained greater access to buyers, multiplying economic growth and strengthening food security.

I would like to extend our deep appreciation to all our partners, donors and staff. Through their cooperation and commitment, PfD has created partnerships that have improved the lives of many underserved families and communities.

Charles Sykes
Chairman of the Board of Trustees
Partners for Development

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Partners for Development: Mission & Programs

PfD’s **mission** is to work with underserved populations in developing countries to improve quality of life.

The **central criterion for assistance is need**, without regard to race, religion, age, sex, or ethnic group. We work in a manner such that local partners help design, implement, and assess programs to the greatest degree possible.

PfD’s approach of collaborating with local counterparts leads to skill-development in key areas. For example:

- Training local primary health-care providers in prevention and treatment of health problems.
- Providing technical assistance in start-up and support of small enterprises.
- Promoting the growth and capabilities of local partner community-based organizations (CBOs) and non-governmental organizations (NGOs).

Partners for Development (PfD) is an **American, private non-profit organization** currently managing self-help programs in Cambodia, Bosnia & Herzegovina, and Nigeria. PfD also had programs in Somalia and Rwanda and will open a program in Tanzania in 2008.

**Cambodia:** Since 1992, PfD has worked with community residents on priority issues. With its local partners, PfD has addressed poverty, malnutrition, and preventable diseases through integrated activities in public health, safe drinking water and sanitation, and agricultural development. More specifically in health, PfD has worked in malaria and dengue fever, maternal mortality and child survival, school health education, HIV/AIDS, and reproductive health.

**Bosnia & Herzegovina (BiH):** From 1993 and for most of the 1990s, PfD assisted several central Bosnian municipalities devastated by the war in key areas: agricultural, economic, and environmental rehabilitation and development; reconstruction, shelter, and winterization; public health; and facilitation of ethnic reconciliation. In recent years, PfD’s work in BiH has evolved toward support of agricultural production and marketing, priority sectors identified by the government. Current program interventions include addressing poor infrastructure, lack of market linkages, and technical support for local farmers. A key mechanism to empowering the local farmers has been the formation of an Independent Farmers’ Association that offers small loans to its members, who can also use joint procurement options to buy equipment and animal fodder at reduced prices.

**Nigeria:** Since 2000, PfD has been implementing an integrated program in central and northern Nigeria. Working with several Nigerian NGOs, PfD promotes improved agricultural production, processing, and marketing and enhanced health care. PfD’s support of local NGOs strengthens such groups and therefore enhances local capacity; it also enables the program to have a broad reach as many of our local partners have fairly extensive networks in their own right. Geographically, the program works in Benue, Nassawara, Bauchi, and Kaduna, with expansion to other states projected later in 2008-2009. A key PfD innovation in Nigeria has been to incorporate reproductive health education among borrowers in a large micro-finance activity.
**Bosnia and Herzegovina**

Program Goal: promote the development of the agricultural sector in order to increase economic opportunities for poor, rural and peri-urban producers

**Project Profile: Upper Vrbas Agriculture Development**

**Agriculture Producers Organizations**

- Establishment of the Independent Farmers’ Association (IFA), with four branches in four municipalities which resulted in better communication with members;
- Provision of training and technical assistance to the IFA which resulted in the development of administrative manuals and an organizational strategic plan;
- Creation of three municipal information centers for provision of better services to farmers in the region;
- Development of the Upper Vrbas Agriculture Council which brought together 11 members including municipalities and agriculture producers organizations;
- Seven project initiatives submitted to authorities by the Upper Vrbas Agriculture Council.

**Economic Development**

- Collection of wild-grown herbs and berries;
- Established five herb collection centers for the purchasing of wild-grown products throughout the Upper Vrbas region where the unemployment rate is over 40%);
- Generated more than $425,000 in income among 450 rural and peri-urban households through the collection and sale of wild-grown products;
- Created 15 seasonal jobs in the herb and berry sector;
- Organized training for mine awareness and the sustainable collection of wild food products;
- Organized training and certification for KRAV (Swiss) organic standards;
- Used value chain assessment methodology to find market-based solutions to those constraints among Bosnian small enterprises.

**Background**

The 1992-1995 complex emergency in Bosnia & Herzegovina (BiH) led to thousands of deaths, destruction, and the displacement of some 1.5 million people both inside and outside the country.

Following the signing of the Peace Accords in Dayton, Ohio in late 1995, much physical reconstruction has been achieved, but unemployment remains high.

The war destroyed or seriously damaged many of the country’s factories, thus slowing economic recovery for years following the war’s end.

Partners for Development has worked in BiH since 1993, during the war itself.
“One of the most satisfying elements of our work in Bosnia and Herzegovina is the opportunity to collaborate with highly qualified local technicians and experts on the ground in all of our programs. I have learned a lot from working with them and believe they are the key to Bosnia’s success and eventual integration into the European Union and long-term development.”

- Bill Graham, PfD Country Director in Bosnia and Herzegovina

Ljubica Rados: Profile of a PfD Partner in Bosnia

Emerging entrepreneur Ljubica Rados calls her company Flores. Now linked to six collection stations in nearby mountains, Flores directly or indirectly employs over a hundred people. Wild mushrooms, wild blueberries, and aromatic and medicinal herbs are gathered by nearby villagers, who sell them to collection station managers. The managers then take them to Flores for cleaning, grading and processing before export. Everyone along this supply chain earns income.

Ljubica, of ethnic Croat descent, employs Bosnians of different ethnic and religious groups side by side in Flores, though these groups were at war in the same area just a decade ago. She insists that they visit each others’ homes and celebrate each others’ holidays. “It never occurred to me not to have everyone together,” she says. “We are one family.”

PfD helped Flores grow from a tiny operation and owning just one scale to a thriving small enterprise with five brightly-painted vehicles, chillers and dryers, and storage rooms. At crucial points in this four-year-old business it has needed micro-loans and equipment, which PfD and its partners have provided. As demand grows throughout Europe for these forest products, Ljubica still runs Flores out of the lower floor of her home. “Maybe some day we can get a warehouse,” she says. “I cannot thank PfD enough for what it has done,” says Ljubica Rados. “It has given us hope and a new future.”

Since the war, the BiH government has identified agriculture as a comparative advantage to be economically rehabilitated, and so PfD made it a priority for its development efforts. PfD has initiated numerous agriculture programs which have increased production, forged new linkages along the value chain of production, processing and marketing, and provided technical assistance to producers.

PfD has published technical guidance and partnered with the BiH government to strengthen local institutional capacities.

Micro-credit from PfD has provided over 1,000 loans for the benefit of the agriculture sector.

PfD helped form a multi-ethnic agricultural producer’s organization and facilitated their access to credit and new markets for their agriculture produce, such as raspberries. Today PfD promotes value-chain analysis that allows Bosnians to identify constraints in the herb, berry, and natural products sector, thereby applying market based solutions to their recovery.

Hundreds of families increase their incomes by collecting forest products and selling those to local processors, with the latter having secured credit from the PfD project in order to increase their processing capabilities.
PFD Assists via Use of Value Chain

What is the value chain framework?
The “Value Chain” is the full range of activities to bring a product or service from conception through production to final use. Value chain analysis identifies the major stakeholders and their roles in the supply links from collection, production, processing, trade and sales.

Why has PfD embraced value chain methods?
In 2006 PfD began using value chain analysis to improve the livelihoods of the poor. PfD has found that by increasing the efficiency of producers, merchants and entrepreneurs, poverty can be reduced in a long-term manner where the whole community grows. PfD uses this value chain approach as part of its strategy to reduce poverty by seeding grassroots economic growth that is sustainable because it involves horizontal and vertical links to the larger economy.

Bosnia and Herzegovina: Wild Foods & Herbs
PfD has been working in the enterprise development sector in Bosnia and Herzegovina since 1998. The objective of supporting enterprise development is to generate income for the rural poor who are often cut off from opportunities in the formal economic sector due to poor infrastructure, education or other reasons. PfD has focused on helping those whose livelihoods rely in some way on herbs and other natural products. PfD helped in the drying of these goods and in organizing joint purchases and sales which led to better pricing for its partners. The herb and berry program created more than 15 seasonal jobs, and incomes were increased.

In BiH, PfD has assisted local producers to identify market constraints and then to develop commercially viable market based solutions. In the end, PfD’s partners have increased the prices they receive and reduced their expenses.

Nigeria:
In Nigeria, PfD has applied value chain analysis to identify opportunities to assist rural agrarian households to become entrepreneurs. PfD has examined opportunities in honey, cassava, tomatoes and peppers markets in eastern Nigeria. PfD is partnering with the Beekeeping Extension Society (BES), a Nigerian organization specializing in improved beekeeping technologies. As one example, PfD helped one mid-level beekeeper to develop a professional business plan.

Cambodia:
In 2007, PfD’s outreach to farmers in rural, northern Cambodia introduced new varieties of rice, which dramatically increased rice yields. Approximately 1,000 plots in Kratie and Stung Treng improved production each month through 2007. Mungbeans, forage shrubs (for livestock feed), acacia and fish farming for carp and tilapia were also extended into new areas, with PfD inputs.
Despite plentiful resources and oil wealth, approximately 70% of Nigeria’s 140 million people live in poverty. Most rural Nigerian families work in the agricultural sector.

Nigerian families face limited access to: credit, inputs, knowledge, markets, and social services. Rates of malnutrition and infectious disease – including malaria and AIDS – are high. Women generally have even worse access to social services, including to health care. Fertility rates are very high in much of rural Nigeria.

To help address these central challenges, PfD has been implementing an integrated program in central and northern Nigeria since 2000. Working with several Nigerian NGOs, PfD promotes improved agricultural production, processing, and marketing and enhanced health care.

PfD strengthens local community-based organizations (CBOs) and non-governmental organizations (NGOs) with funding, training, and technical assistance which enhances the capabilities of Nigerian villagers to work together.

PfD’s work through these partners enables the program to have a broad reach as many of these local partners have extensive networks of their own.

PfD’s Key objectives in Nigeria include:

- Strengthening the capacity of Nigerian partners;
- Improving food security and livelihoods of rural agricultural households by provision of technical assistance and microfinance services for agricultural production, processing, and preservation;
- Increasing income-generating opportunities among poor farming households through small loans, small business development services and road improvement projects;
- Increasing the adoption of family planning and STI/HIV prevention by working with local communities, their clinics, health workers, community leaders and local partner organizations;
- Improving nutrition and health service delivery, including to those affected by HIV or AIDS.
Some Key Achievements in Nigeria:

**Institutional Development**
- Strengthening the skills of twenty-five local NGO partners in financial management and reporting; community mobilization and advocacy; fundamentals of small enterprise development (SED); management and maintenance of infrastructure improvement projects; and reproductive health education;
- Training five agriculture lending NGOs on “Best Practices” in Agricultural Financing and Joint Enterprise Management;
- Expanding and building in-house capacity to provide Business Development Services and Training to groups engaged in agri-business.

**Small Enterprise Development**
- Establishing revolving micro-credit loan fund programs with sixteen NGO partners;
- Disbursing over 35,000 loans, totaling more than $1 million USD to approximately 24,000 borrowers;
- Providing credit and business development services to more than 25 agricultural producers for food processing and preservation activities in 2007;
- Disbursing over 1,600 agricultural loans ($200 USD average) in 2007.

**Infrastructure & Marketing Development**
- Identifying and training seven NGO partners in community mobilization to assist local groups in planning, managing and maintaining infrastructure improvement projects;
- Completing upgrades on 17 roads, 50 culverts, and two bridges, totaling 227.2 kilometers and benefiting over 600,000 inhabitants from 116 different communities.

**Reproductive Health & HIV/AIDS**
- Reaching over 100,000 community members and 1,046 community leaders with reproductive health and HIV/AIDS educational messages;
- Training over 140 community voluntary care givers to provide care for 3,646 People Living with HIV/AIDS and their families;
- Training eighty-three male health outreach workers to advocate accurate reproductive health and HIV/AIDS information;
- Supplying contraceptives to 5,764 microcredit clients;
- Training 120 community based distribution agents to disseminate reproductive health information to over 24,000 borrowers as well as to other community members.

Geographically, PfD works in Benue, Nassawara, Bauchi, and Kaduna, with expansion to other states projected later in 2008-2009.
CAMBODIA

Cambodia had been among the world’s worst emergencies (war, genocide, mass displacement) during the 1960s, 1970s and 1980s, until peace accords were signed in 1991. PfD began work in 1992 in underserved northeastern Cambodia, focusing initially on clean-water supply in Kratie province. The cornerstone of all PfD projects is community participation, with emphasis on building local capacity through peer education and by working through existing structures.

Building on this early work, PfD has subsequently implemented a variety of innovative community level programs in public health, water and sanitation, agriculture/food security, and school-based health and hygiene education in Kratie, Stung Treng and Koh Kong provinces.

Under the Northeast Cambodia Community Development Program (1996 - 2002), PfD assisted in the formation of Village Development Committees, installed community and household water points and latrines, rehabilitated rural schools, and set up community rice banks and gardening.

The Northeast Cambodia Child Survival Program (2000-2004) focused on improving control of diarrheal disease, infant feeding practices, and vaccination coverage among children under five years of age in Kratie Province. The Spien Sokhapheap (Bridges for Health) program, (2002-2006), saw the expansion of PfD’s health focus from child survival to integrated community health in Kratie and Koh Kong provinces, where activities focused on maternal and child health and nutrition, reproductive health and HIV/AIDS, and infectious disease control.

In 2006 and 2007 PfD built on its long track record in Cambodia in strengthening primary health care systems, focusing more specifically and deeply on malaria prevention and control. PfD expanded its implementation under the Global Fund for HIV/AIDS, TB and Malaria, working along with the USAID-funded Mekong Malaria Project and in collaboration with University Research Corporation and the Cambodian Government in the northwest provinces of Battambang, Banteay Meanchey and Oddar Meanchey, which are focal points in the global crisis of multi-drug resistant malaria. [The photo above is of PfD’s social marketers of insecticide-treated malaria-preventing bednets]

Some important innovations from PfD’s work in Cambodia:

- The Malaria Network: the linchpin are the Village Health Volunteer (VHVs) who each educate up to 50 mainly rural & poor households on malaria control & prevention; PfD has trained over 1,200 VHVs
- Development of a hammock net (like a bednet) that migrant Cambodians can employ on travel for malaria prevention;
- Village Net Distributors, who are trained two to a village to support and monitor bed net distribution, and reimpregnation with insecticides;
- The Tuk-Tuk for Health program, in which 3-wheeled motorcycles speed people with malaria to rural medical clinics and therapy earlier in the course of illness.
PfD Achievements in Cambodia

Community Development in Cambodia
- Established 300 Village Development Committees in Stung Treng & Kratie with 2,128 members trained;
- Rehabilitated 199 rural schools, serving over 40,000 students and teachers in Stung Treng and Kratie;
- Rehabilitated four health centers serving 42,000 villagers in Stung Treng & Kratie;

Community and School-based Hygiene and Sanitation program
- Constructed 1,631 family and school latrines serving over 17,200 persons;
- Trained over 1,900 teachers and more than 40,000 students in improved water use and hygiene;
- Trained over 30 school food vendors in improved food and environmental hygiene practices.

Reproductive Health and HIV/AIDS in Rural Cambodian Communities
- Trained 727 Community Based Distribution agents to sell condoms and oral contraceptives;
- Trained 455 Influential Male & Female Educators in STI and HIV/AIDS prevention from 2003-2006;

Drinking Water in Rural North-East Cambodia since 1996
- Provided clean water to approximately 150,000 people in Stung Treng & Kratie;
- Completed construction/rehabilitation of over 970 drilled and hand-dug wells;
- Trained 4,000 pump repair personnel;
- Constructed 4,812 household water filters benefiting 25,000 people.

Agriculture and Livelihoods
- Introduced new varieties of rice in Stung Treng & Kratie, increasing yield by 33% and price by 40%, effectivly doubling farmers’ incomes in some project areas;
- Enabled year-round domestic vegetable cultivation utilizing a “bamboo basket” as an alternative to conventional gardens.

Maternal and Child Health and Nutrition
- Quadrupled Vitamin A coverage among children under five years in Kratie Province from 2003-2005;
- Achieved 95% coverage in complete immunization for children in Chhlong District of Kratie in 2005;
- Tripled the percentage of children receiving appropriate diarrhea treatment in Koh Kong from 2003-2005;
- Trained 1,294 village health volunteers and 250 traditional birth attendants from 2000-2006.

Control of Malaria
- Contributed to the reduced incidence of reported malaria by 70% in Koh Kong Province since 2004;
- Supported the distribution of over 53,000 family bed nets in Kratie & Koh Kong since 2006, covering nearly 122,000 people, along with a five-fold increase in impregnated hammock net sales to forest migrants in target areas.
**PfD capabilities and experience:**

**Local capacity building**
- Institutional capability strengthening and mentorship for community based organizations and non-governmental organizations

**Public health**
- Primary health care
- Family planning and reproductive health
- Communicable disease (malaria and dengue) control
- HIV/AIDS prevention and care
- Veterinary care and zoonotic disease surveillance, training, guidelines and policy
- Nutritional care and education
- Health system strengthening & laboratory support
- Advanced training

**Livelihoods, Food, and Agricultural Development**
- Food processing, and agricultural marketing
- Aquaculture, seeds and agriculture
- Food aid monetization

**Microfinance**
- Micro-credit and agricultural loans
- Value chain support

**Infrastructure**
- Road and culverts
- Bridges, dams
- Border veterinary inspection stations

**Water/Sanitation**
- Water availability, well drilling, water pumps
- School & village sanitation education

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**PfD Pioneers Innovative Uses of Microfinance**

PfD’s value-chain approach amplifies the effectiveness of PfD’s loans and support to small enterprises. In Nigeria, PfD provides micro-credit loans to groups of entrepreneurs and traders. PfD and its partners then work with these same groups to promote better reproductive health and child spacing. PfD has pioneered this innovative integrated approach to improve both household livelihood and health. Thus, PfD leverages the outreach that microfinance provides to also address family planning and health issues, including HIV/AIDS. PfD hopes to extend this joint programming of microfinance with reproductive health and livelihood recovery both in Nigeria and other countries. In BiH, PfD has sponsored trade fairs and marketing that multiply the benefits of its small loans to over 820 agriculture producers.

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“In the second half of 2007, a new non-governmental organization was incorporated in Phnom Penh, Cambodia, intended to be able to expand into and beyond the same programs that have been pioneered by the U.S.-based international Partners for Development. The new, independent entity was named “Partners for Development-Cambodia” (PFDC) at its inaugural meeting, pictured here with invited guests. PFDC’s primary work will be malaria control programs, working with PfD and the Global Fund for HIV, TB and Malaria.
Treasurer’s Summary

I am pleased to present a summary of Partners for Development’s revenue and expenses for 2007 as derived from the external audit undertaken by the CPA firm of Gelman, Rosenberg & Freedman.

In 2007, PfD continued to strengthen its financial management systems and capabilities, thereby leading to improved response to appropriate proposal-opportunities and better positioning PfD for growth and enhanced impact in 2008 and beyond.

Richard Westebbe
Treasurer of the PfD Board of Trustees

Summary of Audited Financial Statement as of December 31, 2007

Revenue and Support
- Grants $2,044,832
- Contributions $33,265
- In-Kind $72,774
- Interest $293,042
- Other $75,646
Total Revenue and Support $2,519,559

Expenses
- Programs
  - Bosnia and Herzegovina $1,364,713
  - Cambodia $808,815
  - Nigeria $1,080,660
- General and Administrative $409,383
Total Expenses $3,663,571

Other Items
- Exchange Rate Gain $720,257
- Changes in Net Assets ($451,862)

Net Assets at Beginning of Year $8,920,832

Country Program Expenditures in 2007

- Nigeria, $1,080,660
- Bosnia and Herzegovina, $1,364,713
- Cambodia, $808,815

Activity Level Expenditures by Sector, 2007

- Infrastructure building 6%
- Veterinary 17%
- Agriculture 10%
- Health care 29%
- Capacity building 19%
- Microcredit and value chain 5%
- Other 9%
INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Partners for Development
Silver Spring, Maryland

We have audited the accompanying statements of financial position of Partners for Development as of December 31, 2007 and 2006, and the related statements of activities and changes in net assets, functional expenses and cash flows for the years then ended. These financial statements are the responsibility of Partners for Development's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Partners for Development as of December 31, 2007 and 2006, and its changes in net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated July 9, 2008 on our consideration of Partners for Development's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

July 9, 2008

Gelman Rosenberg & Freedman
Supporters

2006–2007 Supporters

- Australian Agency for International Development
- Canadian International Development Agency
- David and Lucile Packard Foundation
- Family Health International
- Global Fund to Fight HIV/AIDS, TB, and Malaria
- Margaret and Paul Marrkand
- McKnight Foundation
- Nancy Beam
- PhD Board of Trustees
- Private Anonymous Contributor of $20,000
- United Nations Fund for Population Activities (UNFPA)
- U.S. Agency for International Development (USAID)
- United States Department of Agriculture (USDA)

Major Past Supporters

- Allen Foundation
- Australian Foundation of Asia & Pacific (AFAP)
- Canada Fund
- Catholic Relief Services (CRS)
- Christopher Reynolds Foundation
- Department for International Development (UK)
- European Union (EU)
- Feed the Children/UK
- Food and Agriculture Organization
- Government of the Netherlands
- Guernsey Isle Chamber of Commerce
- Helen Keller International
- International City/Counsel Management Association
- International Federation of Red Cross/Red Crescent
- International Rescue Committee (IRC)
- Irish Embassy of Nigeria
- Irish Trocaire
- Japanese Embassy of Cambodia
- John Snow Incorporated (JSI)
- Lawrence M. Gelb Foundation
- LeBrun Foundation
- Levi-Strauss Company
- Marie Stopes International
- Netherlands Embassy of Nigeria
- Netherlands Refugee Committee
- Oxfam /UK
- Pitcairn Trust
- Population Services International (PSI)
- Saint Paul Foundation
- Semi-Arid Food Grain Research and Development
- Soros Humanitarian Fund for Bosnia & Herzegovina
- United Nations Children’s Fund
- United Nations Development Program (UNDP)
- United Nations High Commissioner for Refugees
- World Bank
- World Food Programme (WFP)
- World Health Organization (WHO)

Partnerships

Cambodia:

- Cambodia Ministries of Health, Education, Youth, Women's and Veteran's Affairs
- Cambodia National Malaria Center (CNM)
- Cambodian Red Cross
- Cambodia Rural Development Team (CRDT)
- CARE
- German Agency for Technical Cooperation (GTZ)
- Khmer Association for Development of the Countryside
- Kratie Women’s Welfare Association
- MEDiCam
- Médecins sans Frontieres
- Nomad Recherche et Soutien International (RSI)
- Provincial Department of Agriculture
- Reproductive and Child Health Association (RACHA)
- Reproductive Health Association of Cambodia (RHAC)
- University Research Corporation (URC)

Bosnia and Herzegovina:

- Action For Enterprise (AFE)
- Bugojno Municipalities
- Central Bosnia Regional Development Agency (REZ)
- Equi-Libre
- Independent Farmers Association of Upper Vrbas
- Indirect Taxation Authority BiH
- KLAS, Ltd.
- Lider MCO (Micro-Credit Organization)
- Lions Club International/California Chapter
- Microfin MCO
- ProCredit Bank
- State Veterinary Office BiH
- Universities of Sarajevo; Mostar; and Banja Luka
- UPI Bank
- Upper Vrbas and other Bosnian Municipalities

Nigeria:

- Anglican Diocesan Development Services (ADDS)
- Catholic Women’s Organization (CWO)
- Center for Peace and Rural Development
- Country Women Association of Nigeria (COWAN)
- Dass Women’s Cooperative Union
- Development Exchange Center (DEC)
- Ecumenical Commission for Justice and Peace
- Family Health Care Initiative (FAHCI)
- Fantsuam Foundation
- Gerewa Foundation
- Health and Development Organization (HADO)
- Lift Above Poverty Organization (LAPo)
- National Association for Women and Youth Culture
- Methodist Health Services
- Methodist Women Association
- Nongu u Kristu u ken Sudan hen Tiv Health Services
- Ohonyeta Care Group (OCAG)
- OSA Foundation
- Otia Development Foundation (ODF)
- Primary Health Care (PHC)
- Project-Agape
- Rahama Women’s Group (RAHAMA)
- Women in Nigeria (WIN)
- Wurno Kowonaka
- Young Men’s Christian Association (YMCA)
PfD Offices

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