



ANNUAL REPORT 2003

Joint Development Associates International



...equipping the nations





After a very active and busy year of aiding thousands of returning refugee families in Afghanistan in 2002, we found it difficult to obtain funding in 2003. We saw how the war in Iraq diverted international attention as well as funds away from Afghanistan. Other development organizations were affected as well and some pulled out completely, and most have at least downsized. JDA submitted concept papers and project proposals to partner organizations and applied to new sources for funding with little response.

The Afghan people are and remain incredibly thankful for the defeat of the Taliban by the Western Alliance, but they are also deeply concerned about their future. Decades of conflict and its devastation to the people, their land and their culture can only be reversed by a long term commitment of development assistance. I believe every nation and their people have the capacity for sustainable development.

European funding was made available through a German partner for well drilling in Uzbekistan. Implementation started in the spring as soon as the winter weather broke. This project lasted for most of the year employing our Uzbekistan staff and providing operational funds for our offices.

It was a year where our staff grew in vision and direction and we learned how to be creative with less funding than what was available in previous years. By the end of the year, we found it necessary to refocus our strengths so that we could maintain our commitment to the long term mission and vision of JDA.

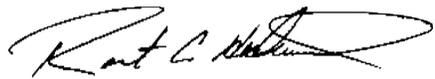
One of the ways we are doing this is by taking key successful pro-

MESSAGE FROM THE FOUNDER/CEO

grams from one region and promoting them in others where we are already working. We are using the experience and skills that have already been developed in our national staff and they are applying them and teaching them to others.

Change is inevitable in transformational development work. Individuals change, their communities change, and nations change. Intentions with no action results in nothing, but when intention is followed by action there is change and progress. We want to be an organization willing to accept and embrace change. We want to continue to grow and to be ready to meet the challenges of an ever changing world.

My hope is that as you read this report, you too will want to be part of this fascinating work of transformational development. As we begin to see lives changed and communities transformed, there is a great challenge before us. We need more partners willing to join us. Can I challenge you to become a partner with us?



Robert C. Hedlund
Founder/CEO



Man baking bread—business started with micro credit program



WATER DEVELOPMENT

SODIS

(Solar Water Disinfection)

For two years, the SODIS water disinfection technique using discarded plastic bottles, painted with black paint, and exposed to sunlight has been introduced and taught in ten villages of the Rishton and Sokh district of the Ferghana valley in Uzbekistan.

We focused on reaching large segments of the rural population, equipping local

volunteers and eventually seeing a decline in the incidents of water - borne diseases in the project villages.

An important component of the project was to involve children in the dissemination process. Our SODIS promoters went to the schools in the villages to teach SODIS methodology. They emphasized the relationship between SODIS and good hygiene behavior. Children proved to be much more open to new ideas, and they

were effective in motivating their families to implement it at home.

Puppet shows and creative games were used to “train” the students in preparing plastic bottles, filling them, and exposing them to sunlight. The materials are readily available and the technique simple.

The project addressed many of the health needs in the communities and received a positive response. A health impact survey was done in

October 2003 after the season came to an end.

After two years of SODIS dissemination in the villages, cases of water - borne diseases in the project communities were reduced by 66 percent. Diarrhea in children under the age of five, decreased by 50 percent. In contrast, villages that did not have the SODIS program reported an increase by an average of almost 30 percent in the number of children under five contracting water - borne diseases.



TRANSFORMATION

“I hope you teach this method next year to more people.”

Vasila Umirzakova, age 35

“Thank you for presenting this method. I appreciate that you have been helping us and were concerned about our people’s health.”

U.Yusupov, age 40

“I wish the women in our villages would use SODIS all the time; it helps us to prevent sickness from many water - borne diseases.”

Sh. Madibragimov, age 25

LOOKING AHEAD

SODIS faces a number of challenges from the social, political, institutional, technical and financial perspectives. New technology, even as simple as SODIS, can be difficult to introduce. New habits and attitudes towards water take time to be established and government agencies are reluctant to recognize the need for cleaner water.

However, the Ministry of Health of Uzbekistan and its health workers have agreed

to assist us in further expansion into 5 other rural provinces. We will also expand into northern Afghanistan where we will begin to train volunteers to bring this technology to villages there.

We are looking forward to short term volunteers from Engineers Without Borders who will add additional technical expertise to our SODIS staff.



Trying out the SODIS technology preparing a SODIS bottle.



WATER DEVELOPMENT

PROVISION OF WATER

Water – its quality and availability in the rural communities of Central Asia is the key, not just to the survival of the community as a whole but, to the development of the individuals within those communities toward reaching their fullest potential.

European funding through German Agro Action made it possible for JDA to drill 260 wells in 3 districts of Karakalpakstan, an arid region characterized by the saltiness of

its ground water, the Kyzyl Kum (Red Desert) and shrinking of its Aral Sea. Once fed by a river whose source is the Tien Shan mountains in China, the land is now dusty and parched. This year, the water from the Amu Darya reached the village of Muynak (once a prosperous seacoast town), but still a long way from flowing to the receding shoreline of the Aral Sea.

An additional thirty wells were drilled in the Muynak area, through a single donation from an individual from

2003 water project sites	# of wells	Average depth	Beneficiaries	Cost/well	Cost/beneficiary
Karakalpakstan	290	9.7 m	44500	\$360	\$2.3
Northern Afghanistan	31	17 m	22116	\$234	\$0.3
Total	321	13 m	66616	\$346	\$1.7

Dayton, Ohio, to supplement the community's dwindling source of drinkable water.

In Afghanistan, 31 wells in two village areas were dug thanks to funds provided by individuals. Five thousand families, whose main source of water is from open canals, have benefited.

Primary health care training

and first aid accompanies much of our water development. Behaviors that are prompted by superstitious beliefs and unsafe habits that contribute to disease and accidents are challenged by our trained staff. Providing education and demonstrating good health practices are slowly making a difference.



TRANSFORMATION

In the year 2003, a shallow well was drilled near a children's sport school in Mynak, Karakalpakstan. About 100 children now have access to clean water for drinking and washing. Before the well was drilled, they had to carry water from some distance and the water didn't meet clean quality standards. The school officials and children invited a reporter from the local news paper to tell about this present from a western organization.

LOOKING AHEAD

Applications for funding for any projects are submitted and approved the year before implementation. JDA was not able to obtain any funding for more well drilling for the next year.

We will continue to maintain our relationships within the communities where we have provided new sources of water and focus on training and education.

SODIS technology will be an integral part of introducing clean safe drinking water in the remote arid regions of Uzbekistan and Afghanistan. Additional health education will be implemented.



JDA drilling crews

POVERTY ALLEVIATION

MICRO CREDIT

The villagers of Karnop, continue to benefit from a micro credit (MC) program started in 1998. Small business loans to the very poor provide opportunities for creative solutions to unemployment and poverty.

The Karnop fund grew steadily this year to 158 members and expanded its influence to a near by village known for its carpets. Two groups of women are now in business weaving brightly

colored carpets made from local wool, dyed with the natural ingredients found in their area.

The Karnop fund also experimented with collectively raising, processing and selling beef. The discovery of gypsum (the main ingredient in plaster of Paris), a natural resource, is being promoted by the program.

Our micro credit program is in its third year in Muynak, once a thriving seaport on

Total number of disbursed loans	626
Average value of loans	\$125
Number of active clients	185
% women clients	77%
Businesses started	185
Repayment rate	100%

the Aral sea now located 80 km from the receding shoreline.

Despite economic intervention, the workforce continues to dwindle as men and women seek employment in other cities. For those remaining, we continue to provide encouragement and the means to the very poor who

wish to start a business. Our program includes components of health care as well as business management principles. Pilot projects were implemented to judge the profitability of raising cows and goats. Our staff work closely with borrowers to ensure a profitable outcome to their business plan.

Plaster business



Sheep raising



TRANSFORMATION

For two years Dilnoz has been participating in the MC program. She sells food items at the central bazaar in Karnop. With the proceeds of her business she was able to provide her family with food and to invest in her own education. Dilnoz attended 3 months of vocational classes, acquiring sewing skills. "My plans are to open a tailor shop in Karnop. It would be good and profitable to have more service businesses in Karnop. If people take a micro loan, they can save some money for their education too."

LOOKING AHEAD

Mushroom growing with the simplest of technology – a plastic bag – will be introduced next year and made available to borrowers. A pilot project will be aided by a local businessman from Turkmenistan who has offered his time and experience to train our staff in Karnop on mushroom growing technology. If successful, it may be used in Afghanistan and Termez as we expand our micro credit program to other regions. Termez, situated on Uzbekistan's southern border and

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the gateway to the Friendship bridge into Afghanistan, will be our focal point for micro credit expansion. Its people are eager to develop their skills and to improve their financial situation through JDA's help. Credit in the form of soy seeds, mushrooms and cash will be introduced. Villages in northern Afghanistan will benefit from JDA's Uzbek trained staff as micro credit opportunities will also be made available to them.



Bread making



Carpet making in Karnop

POVERTY ALLEVIATION

POULTRY PROJECT

JDA's Poultry Project, started in 1999 in southern Uzbekistan, serves to alleviate poverty by providing very poor families with chicks and protein rich feed produced from soy beans.

The families are trained in the proper care and feeding of the chickens which are ready for market in 45 days, providing income for the family and enough profit to purchase chicks and feed for the next cycle.

The project continues to be the only safety net in the southern region of Uzbekistan that is addressing the economic needs of the region's most vulnerable people: women-led household and their children. More than just income, the project helps to restore their dignity, gives them skills and leads towards long term financial well-being. Communities are stronger as trust and cooperation are included in the approach.

Although the program is subsidized in some areas, JDA continues to move toward local sustainability.

In an effort to do this, we have registered an agricultural business to encompass the many small businesses and local initiatives spawned by this project. The business is called, Yangi Hayot Agro (New Life Agro) and will encompass the hatchery, the processing of chickens, feed purchase and in the future, soy bean growing and processing.

Soy meal, produced from soy beans, is the primary ingredient in the feed for the chickens. Currently the supply of soy beans in Uzbekistan is not enough. This is due in part to government control over irrigated land and the difficulty in getting farmers to try something new. MASHAV (Israel) and Winrock International (USA) have partnered with JDA in the hopes of establishing soy bean growing and have provided specialists who have trained national farmers on growing soy beans.



TRANSFORMATION

At the age of 40 with 7 children to care for, Bouston lost her job at a kolkhoz (a collective farm) after doctors diagnosed her with anemia. Minimal government child support, coupled with her \$2 per month profit from sewing Uzbek-style men's gowns and her husband's bimonthly salary of in-kind flour and oil wasn't enough to cover even the family food needs. "Thanks to the poultry project my family life has drastically changed. I can now provide food and clothing for my children."

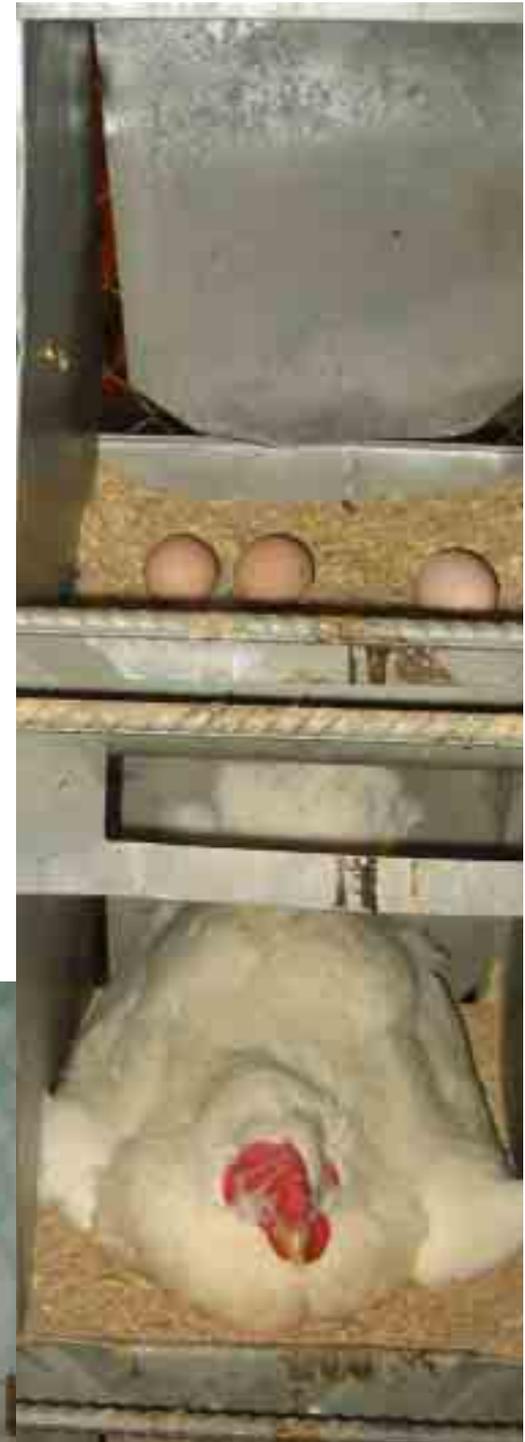
LOOKING AHEAD

As our program has expanded to benefit more poor families, it has become increasingly difficult to find enough soy bean meal to sustain the program. This is one of the major constraints to a sustainable operation. In 2004 we will see the first results of planting 180 hectares of soy beans. Ninety farmers will benefit from the new crop. Our farmers in Afghanistan and Uzbekistan have overcome tremendous opposition to switching crops. Poppy growing in Afghanistan

guarantees income. In Uzbekistan, farmers are under pressure to meet required government country-wide quotas for cotton production. We are recruiting volunteers to source and obtain donated feed mill equipment, suitable for processing soy beans into chicken feed and oil. Technical advice will be sought proper assembly and operation of the mill, which will start a new enterprise that will provide additional employment.



Sharing the room with growing chickens



HUMANITARIAN AID

CONSTRUCTION

Construction of primary schools in Gurjak, Mimlik and Casaba villages in Northern Afghanistan was completed during the latter part of 2003, providing classroom facilities for approximately 1800 students. These were built and completed by the workforce in each of the communities under the supervision of our engineering staff from Mazar-i-Sharif. Even though we paid good wages to our skilled workers

in the villages, the people are so impoverished that we lost all of our workers during the poppy harvest.

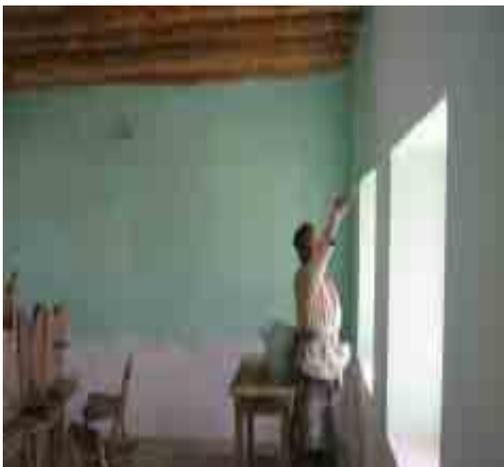
At the end of the year, there had been threatening letters directed to school officials in one of the villages, in which death was the penalty for those responsible for educating girls. But village leaders and parents continue to send their daughters to school. They believe that education will contribute to peace.

Tuberculosis (TB) is endemic in Uzbekistan and

children often are sent to “sanatoriums” for treatment which can last for 6 months.

The Nukus TB sanatorium treats as many as 2500 children at a time for as long as 6 months, ages 8 to 18, most of them coming from families where all members are infected. The facility is a fenced in campus with a dormitory, school, gym, outside play area and dining hall separated by trees and gardens. The British - Uzbek Society partnered with JDA and donated the money to re-roof the school building.

For many years it had been leaking down through walls and ceilings, ruining furniture and creating an unhealthy atmosphere in a school that was intended to provide a healthy environment for children suffering from TB. The damp environment had kept teachers from using their exhibits and teaching materials. Even before the roof was completed, they began to equip their classrooms again. Using locally available materials, the flat tar roof was replaced with a peaked roof.



Building school in Gurjak district, Afghanistan



Teachers in new uniforms

TRANSFORMATION

Nafasgul
(Breathing
Flower)



A 9 year old girl, a student from one of our schools, was disfigured with an infection and blindness in her right eye. It was a result of measles, three years ago.

Her family could not afford to seek medical attention and medical services are limited in her remote part of Afghanistan. Medical facilities were found in Mazar-i-

Sharif and Nafusgul had her eye removed. She now has a new prosthetic eye, a new smile, and self confidence to replace her shame.

Growing up with a disfigured eye, Nafasgul might have been considered “damaged goods” when she reached marriageable age. Now, not only is she beautiful in the physical sense, but a minor operation has allowed her spirit and character to begin to flower and grow to their fullest potential.

LOOKING AHEAD

Sultan Abraham High school in northern Afghanistan will be completed in May 2004. The 12 room building will serve the 2000 Afghan students surrounding villages. It will be constructed with reinforced walls and ceilings so that a second story can be added later. Other donors have provided the means for JDA to employ 25 local seamstresses to sew uniforms for the girls and craftsmen to construct desks and chairs.

Water leakage in
Nukus TB school



New roof on TB school



Joint Development Associates International Annual Report 2003

Joint Development Associates International

Consolidated Financial Statement ¹

For Calendar Year Ending December 31, 2003

(All figures in U.S. Dollars)

SUPPORT AND REVENUE

OPERATIONS REVENUE

Cash contributions	516,547
Contributed services ²	462,200
Fee revenue	36,735
Sales and other revenue	7,783

TOTAL SUPPORT & REVENUE 1,023,265

Notes:

1. Combined entities include:

JDA International Inc. (US)
 JDA International Ltd. (UK)
 JDA International (Afghanistan)
 JDA International (Uzbekistan)
 Yangi Hayot Agro (Uzbekistan)

2. Contributed Services

Support revenue raised by volunteer staff to contribute to their work with JDA.

EXPENSES

PROGRAM SERVICES

Construction/Humanitarian Aid	
Cash operating expenses	273,114
Staff salaries and benefits	52,299
Contributed goods	
Contributed services	273,450
Total Construction/Humanitarian Aid	598,863

MicroFinance

Cash operating expenses	89,493
Staff salaries and benefits	15,375
Contributed services	188,750
Total MicroFinance	293,618

Total Program Services 892,481

SUPPORTING SERVICES

General and Administrative	
Cash operating expenses	65,272
Staff salaries and benefits	84,216
Total General and Administrative	149,488

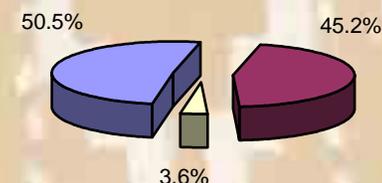
Total Supporting Services 149,488

TOTAL EXPENSES 1,041,969

SUPPORT AND REVENUE

Cash contributions	50.5%
Contributed services	45.2%
Fee revenue	3.6%

Support and Revenue



EXPENSES

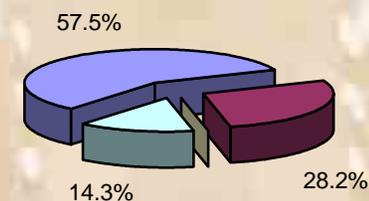
Program Services

Construction/Humanitarian Aid	57.5%
MicroFinance/Others	28.2%

Supporting Services

General and Administrative	14.3%
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Expenses

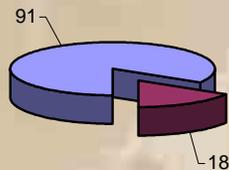


Our Employees

Employment Data

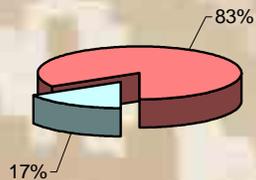
Regions	# of staff
Afghanistan	
Mazar-i-Sharif	18
Uzbekistan	
Tashkent	22
Shakhrisabz	18
Kokand	13
Jizzakh	3
Termez	2
Karnop	3
Nukus	12
Muynak	16 ¹
Samarkand	2
Total	91

**Number of Staff in
Afghanistan and Uzbekistan**
Afghanistan 18
Uzbekistan 91



**The ratio of Central Asian staff
and foreign staff**

Central Asian staff 83%
Foreign Staff 17%



Notes:

1) Includes 12 well drilling contractors

Our most valuable asset is our staff.

Our national staff assess the needs of rural communities , and work closely with the local leadership and the citizens and together, plan how to address and implement projects to solve the core challenges facing them.

Our foreign staff live and work in rural communities, learning the customs, language and help develop our national staff

Donors

We gratefully acknowledge the donations and other contributions that make it possible to carry on our work in Central Asia. In addition to many individual donors, the following organizations have provided substantial monetary grants or gifts-in-kind during 2003:

German Agro Action

Tearfund (UK)

SOLAQUA Foundation

EKU AG

MASHAV

Winrock International

Habitat for Humanity International

International Organization for Migration

British - Uzbek Society

Central Asia Microfinance Assistance Fund

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iThemba Aids Foundation
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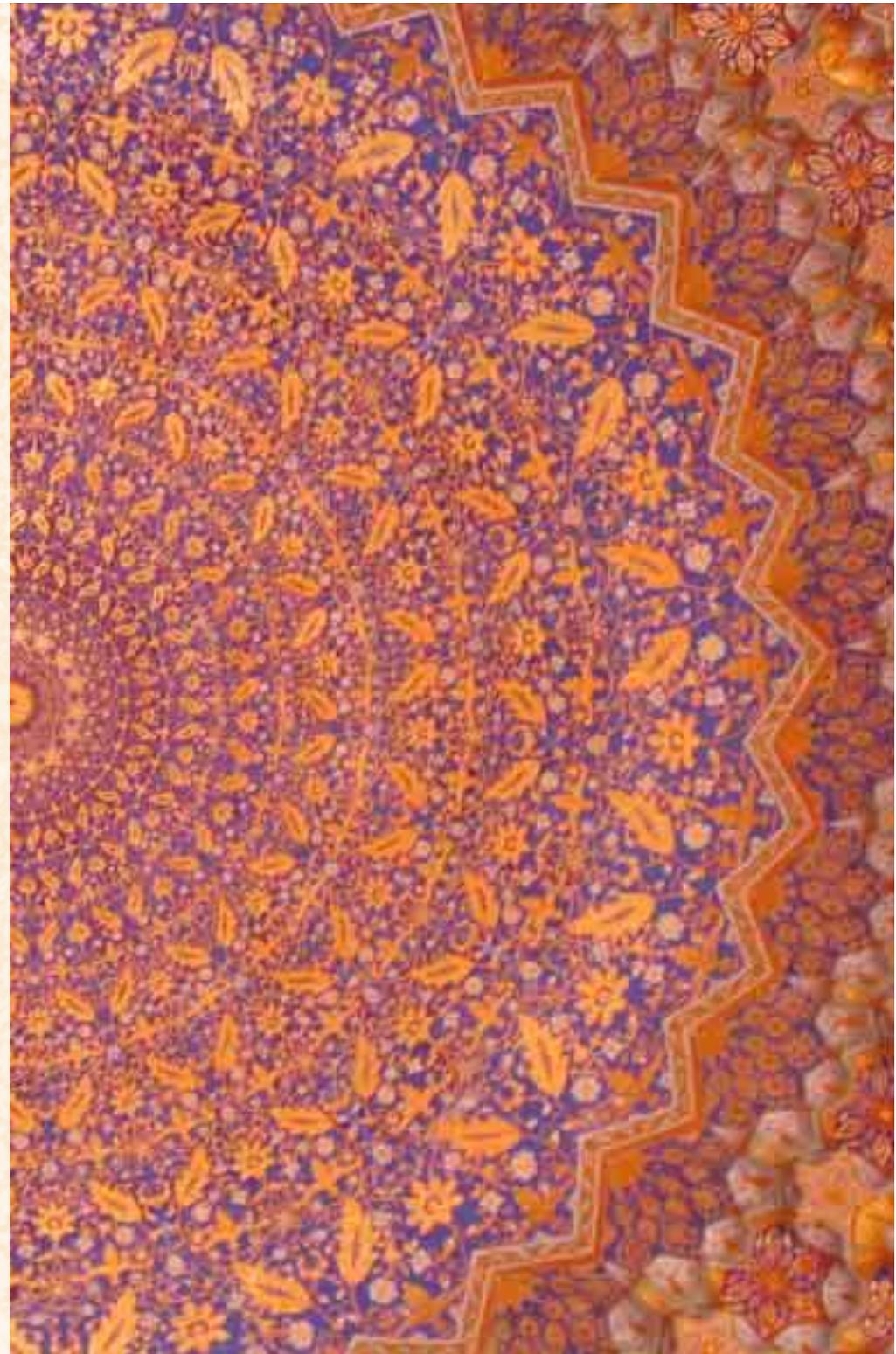


MISSION

JDA will assist in the transformational development of Central Asia through constructive interaction with individuals, groups, governments, and other organizations to promote and facilitate education and economic development, social well-being, physical and spiritual health, a just society, and restoration of ecological systems.

VISION

JDA provides integral community development, education, health services, and humanitarian aid that result in equipping the nations for transformation.





JOINT DEVELOPMENT ASSOCIATES INTERNATIONAL

DEVELOPMENT AND HUMANITARIAN AID FOR EQUIPPING THE NATIONS

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