



2013 Annual Report

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EASTERN CONGO INITIATIVE

Four years ago, I founded ECI because I believed in the promise of the Congolese people to rise above their circumstances. In 2012, those circumstances were challenging and at times dire. In my 2012 annual report letter, I shared stories of inspiring Congolese organizations and entrepreneurs who, amid the worst surge of violence in years, worked to build a better future for themselves, their families and their communities.

I am pleased that we can share a more hopeful and uplifting story in this year's annual report. While 2013 was by all accounts a challenging year for the people of DRC, it was also one of small yet powerful victories.

After sustained advocacy efforts from ECI and our partners, the U.S. government alongside the international community took bold steps to bring peace and stability to the people of DRC. Both the Obama Administration and United Nations appointed high-profile special envoys who bring extensive experience credibility to their positions. Celebrated by advocates and the Congolese people, these appointments demonstrated renewed international engagement and commitment to a prosperous, peaceful Congo. Acting on that commitment, the U.N. Security Council unanimously voted to expand the mandate of the long-standing regional peacekeeping force, MONUSCO, to go after and eliminate armed groups from further acts of violence and impunity.

What is clear is that steps taken by the international community have yielded profound results when we've needed them the most.

In November 2013, through the combined efforts of the Congolese army and a special African-led U.N. force known as the Force Intervention Brigade, the M23 militia surrendered. A signed peace agreement a year after the same militia besieged Goma and forced the staggering and unimaginable displacement of hundreds of thousands of Congolese continues to hold.

Congolese have started to return to their homes and are cautiously hopeful in the promise of sustained peace and security.

These efforts were conducted with the full support of the international community, it's important to remember that this victory was led by the Congolese army and a force comprised of troops from three African nations. Their success reinforces an important

truth, that when the Congolese people rise to the moment and the international community invests in their abilities, these challenges are in fact solvable.

While there is much work to be done, it is encouraging to see that the international community is once again focused on DRC. Policymakers at the highest levels in Africa, Europe and the United States are working in partnership with the Congolese Government on electoral, judicial and security sector reforms. With still much to accomplish, ECI is proud to have played a pivotal role in these early successes and we remain committed to the long road ahead.

As we look to the future and continue to develop powerful and effective partnerships, I am pleased to announce a structural transition for ECI that will provide even greater focus and leadership to our Goma headquarters, the heart of ECI's operations. On behalf of our Board of Directors, I am delighted to announce that Dario Merlo will serve as ECI's Country Director and interim Executive Director. Dario will be based in our Goma office and will guide all aspects of ECI's grant-making and advocacy efforts. From DRC, Dario is an entrepreneurial leader, passionate advocate and experienced manager who brings a decade of leadership experience in community-based programming. Dario will manage ECI's very capable Congolese team and oversee all of our activities in the region, building on the remarkable successes of our grantees and team.

From the rapid expansion of our cocoa development work with Theo Chocolate, to the first-ever graduating class from our university grantee UCBC, the stories contained in this report are real life examples of the Congolese people shaping their own future. They inspire us and remind us of what is possible. ECI will continue to do our part to support and champion their work and help ensure that lasting peace and stability remain within sight for all Congolese.

On behalf of our Congolese team and our Board of Directors, it is an honor to present to you the 2013 annual report.

Ben Affleck
Founder and Chairman of the Board



The Congo is not hopeless:
Ben Affleck
at TED 2013



Ben Affleck
collaborates with
TOMS to help Congo



Seattle, Congo
and the
chocolate trade



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Security: Fragile Progress



2013 was a year of important, but fragile progress for the Congolese security sector, including the signing of the Peace, Security and Cooperation Framework, the deployment of the United Nations Force Intervention Brigade, the appointment of two high-level international representatives and ultimately the surrender of the M23 armed group.

During this period, ECI remained steadfast in its efforts to amplify the voices of the Congolese people through high-level advocacy and engagement with leaders in the DRC, the U.S. government and the international community including NGOs.

In August, in the wake of a tragic surge in violence in and around Goma, ECI Board Member Cindy McCain hosted the largest ever delegation of U.S. senators to visit the DRC. Led by Senator Lindsey Graham, the ranking Republican on the Appropriations Subcommittee for State and Foreign Operations, and joined by Senators Chambliss, Blunt, Thune, Johanns and Barrasso, the delegation met with ECI representatives at UN headquarters in Goma, received a briefing from the head of the MONUSCO peacekeeping force, and discussed the critical role that the U.S. can play in securing long-term peace for the region. While in Goma, Senator Graham also sat down with ECI grantee Mutaani FM, the largest independent radio station in Goma, for an exclusive interview on his impression from the visit and his hopes for the region.



"I came home inspired by [ECI's] hard-fought projects, and by the impact they're having on the lives of the Congolese people. I also know that the efforts of individuals and organizations on the ground ultimately depend on the long-term stability of the security sector, and on the long-term commitment of the United States. I can say with certainty that it is in the interests of all Americans to continue supporting this cause."

-Congressman Adam Smith, D-WA

2013 Highlights



Across two trips, a bi-partisan group of six U.S. Senators and Rep. Adam Smith, the ranking Democratic member of the House Armed Services Committee, traveled to the region with ECI, meeting with UN and FARDC officials and seeing first-hand the remarkable progress of ECI's grantees.



With support from the Open Square Foundation, ECI conducted a total of seven national and regional opinion surveys as part of a multi-year project which represents the broadest, longest-running effort to track the opinions of the Congolese people to-date. In aggregate, since these surveys began, over 6,000 Congolese individuals were polled on a broad range of key issues including security, the economy, health, democracy and elections, access to information, the role of international actors and the use of technology.



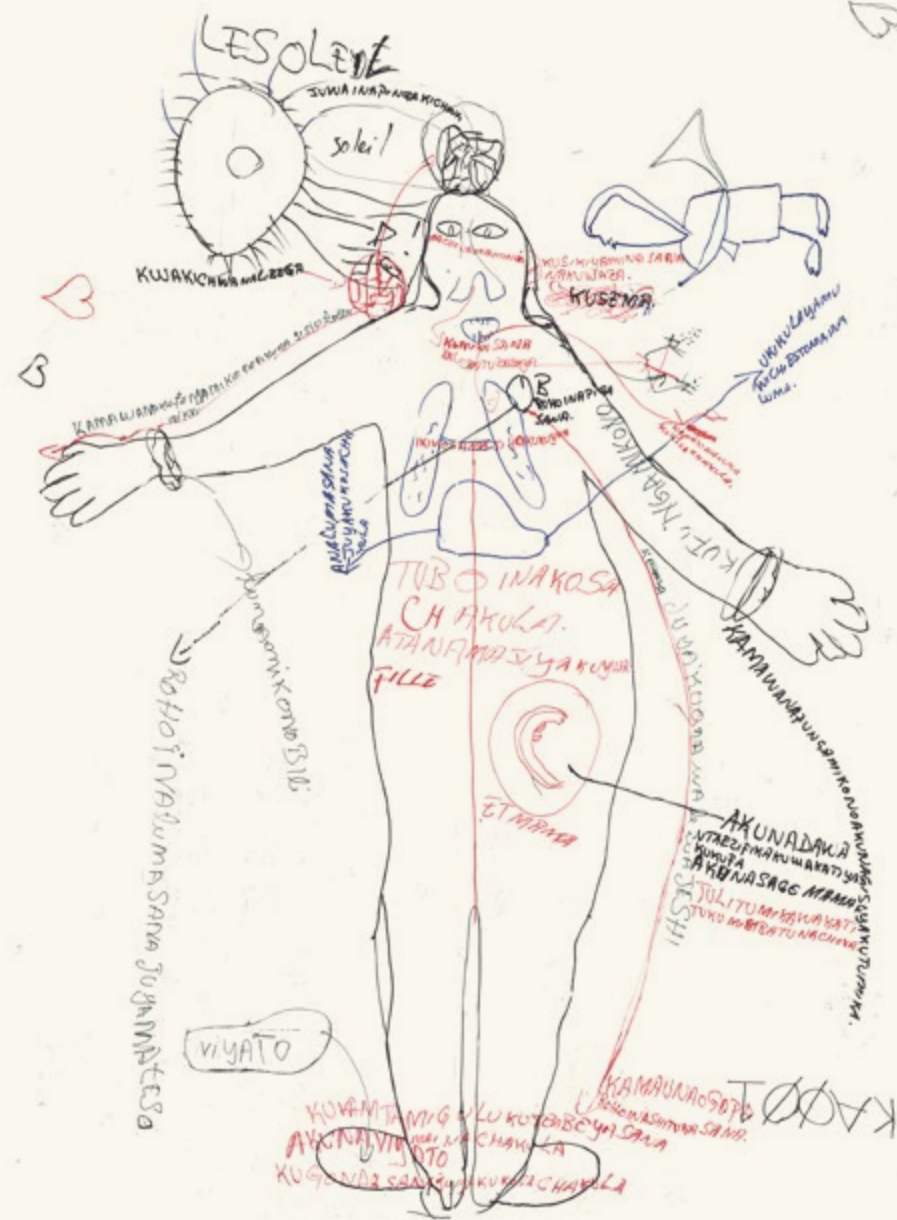
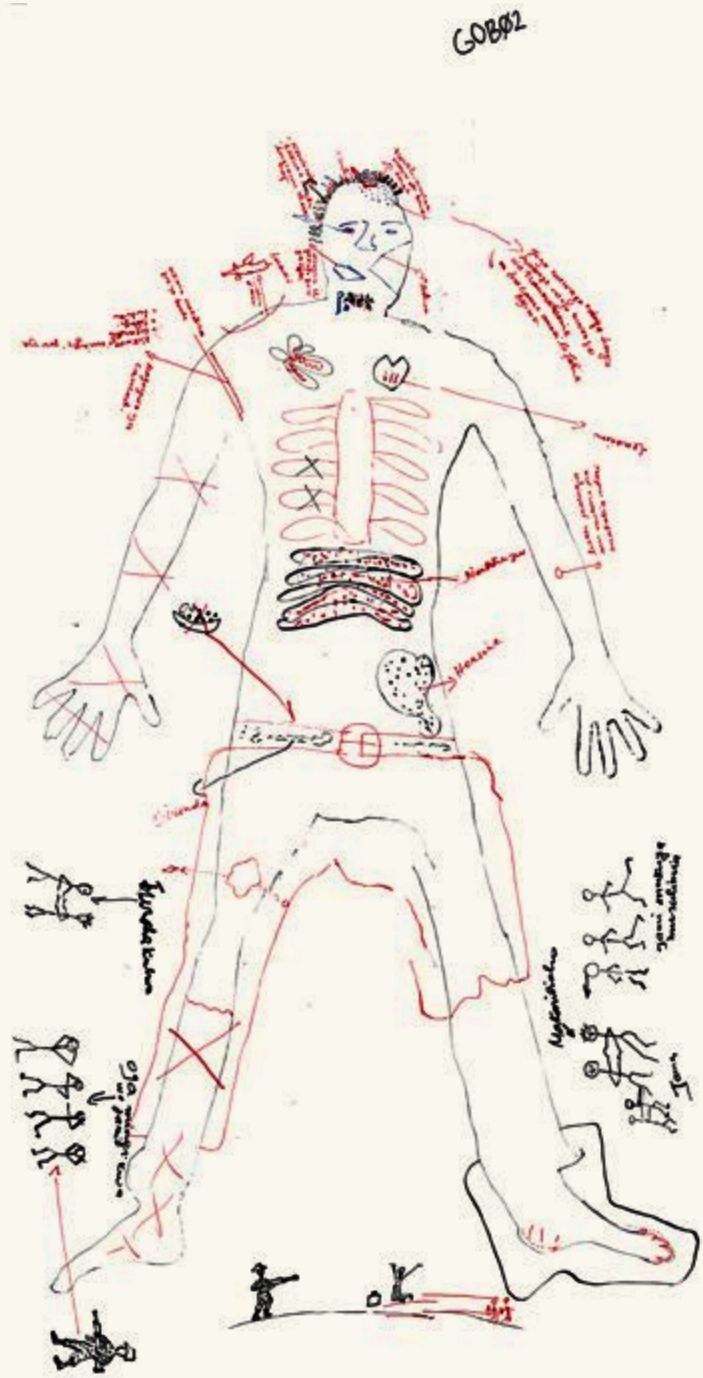
In December, ECI joined USAID Administrator Rajiv Shah, U.S. Ambassador James Swan and a delegation of senior Administration officials traveling to eastern DRC, meeting some of ECI's remarkable grantees and discussing the need for continued U.S. investment in the region.



At Clinton Global Initiative 2013 ECI held its third annual Advocacy Breakfast. Headlined by newly-appointed Special Envoy to the Great Lakes Region Russ Feingold, ECI convened nearly 70 influential members of the DRC advocacy and philanthropy community to bring sustained attention to the region and discuss the steps necessary to effect long-term change.



In partnership with Harvard Humanitarian Initiative and six Congolese community-based organizations, ECI completed a two year research project examining the experiences of children formerly associated with armed groups attempting to reintegrate, socially and economically, across eastern Congo.



“When we got the ability to come back, we came back with empty hands. We came back in the village just like little children. We were given a warm welcome and a place to stay. Villagers started taking care of us. They even looked for ways to take us back to our parents or relatives who might be available in the village; just to make sure we are back in our homes. Unfortunately, things became bad once [we were] in our homes for some of [the] others. For others, things were good. To leave the army was not easy. It was just through determination.”

We Came Back with Empty Hands

ECI supports local organizations training vulnerable youth and children formerly associated with armed groups in basic education, psychosocial support and professional skills to help them create a stable economic future for themselves and their families. Many of these children have little formal education and few qualifications. As a result, few are able to find a sustainable source of income and struggle to integrate socially or economically into the local community. For former child soldiers, many are forced to return to armed groups after failing to reintegrate.

In partnership with Harvard Humanitarian Initiative and six Congolese community-based organizations, ECI completed an extensive multiyear research project to examine the experiences of children formerly associated with armed groups attempting to reintegrate, socially and economically, across eastern Congo. **Researchers from ECI and HHI traveled throughout the region, visiting unstable and remote areas of North Kivu, South Kivu and Orientale Provinces,** working with local communities to learn about the challenges former child soldiers face.

The study relied on visual and qualitative methods such as photographic narratives and “body mapping,” a powerful visual technique that allows the individual to draw their physical emotional experiences on the outline of the human body.

The resulting report, *We Came Back with Empty Hands*, examined the weaknesses and shortfalls of many current programs working to reintegrate from child soldiers, and provided a clear set of recommendations for how the Congolese government, NGO community and donor countries can improve their work in this critical area.

Access to Justice



The culture of impunity surrounding sexual violence in DRC – including rape, forced marriage, domestic abuse and intimate partner violence – remains one of the great challenges facing the country. The perpetrators seldom face punishment or any legal consequence as a result of their actions, with survivors stigmatized and highly vulnerable in the wake of the attack. ECI supports local organizations facilitating access to social and legal aid services for vulnerable populations, particularly girls and women, and provides community-level legal and human rights education.

Female Lawyers' Movement (DFJ) was founded in 2001 by a committed group of female lawyers based in Goma, who decided to take action to protect vulnerable women from sexual and gender-based violence. Passionate about women's rights, DFJ educates and informs local populations – both men and women – on Congolese law and the consequences of rights violations, with a particular emphasis on women and girls. DFJ also supports

the survivors of sexual and gender-based violence in the region, providing legal assistance to women across North Kivu province.

In 2013, ECI partnered with DFJ to support 30 survivors of sexual and gender-based violence, providing legal assistance for these courageous women to navigate the Congolese judicial system and to prosecute the accused perpetrators. Working through its extensive network of community leaders, DFJ also organized a series of community engagement events to provide training to local residents in Goma, Nyiragongo and Masisi on women's rights as guaranteed by national and international human rights laws. **Over the course of the year, well over 1,000 local men and women attended these training sessions.**

Grantee Spotlight: Female Lawyers' Movement (DFJ)

30 cases brought to court, with 15 verdicts delivered

28 survivors of sexual violence in need of emergency medical care were referred to local facilities

1115 people attended information and training sessions on women's rights

92% of beneficiaries are women



Success Story: Sylvie

Sylvie (name has been changed) was just 16 years old when she was raped by a soldier in the Congolese army (FARDC), resulting in a pregnancy. A year later, she sought out DFJ's support through the rural legal clinic in Masisi – a town severely affected by conflict between armed groups and the FARDC.

Sylvie worked with paralegals trained by DFJ to gather evidence, prepare testimony and build the legal case against her attacker.

Battling the odds, with significant delays resulting a provincial 're-shuffle' of judges, the accused soldier was found guilty in November. Speaking after the conclusion of the case, Sylvie said, 'I have to thank DFJ for all of their help. I feel stable today and this helps me to go on and live my life.'



Economic Development



DRC has enough arable land to feed a third of the world's population, yet as a result of limited investment and inadequate infrastructure, a mere two percent of this land is currently used for agricultural production.

We believe DRC holds remarkable potential to become the breadbasket of Africa. Acting on this belief, **ECI works with smallholder rural farmers to improve the quality and quantity of crops like cocoa and coffee,** which can be sold at increased prices and help provide a sustainable means of improving quality of life for some of the most vulnerable families in the region.

In 2013, ECI continued to expand its successful partnership with Seattle's Theo Chocolate, the fastest-growing organic, fair trade chocolate brand in North America. Theo imported more than 350 tons of high-quality cocoa from smallholder farmers in North Kivu during the 2013 harvest, and committed to importing an additional 640 tons in 2014 – the majority of all cocoa in Theo's products. The premiums paid to these smallholder farmers help provide a steady source of income and the resources to do things like send their kids to school, access proper medical care for their families and pay for mosquito nets to stave off malaria. ECI is now working with local partners in South Kivu to replicate these efforts in the coffee sector.

Coffee was first introduced to North and South Kivu provinces in the 1940s, and **the region's ideal growing conditions yield the subtle, complex flavors desired in prized Arabica beans. However, ongoing conflict has prevented many coffee farmers from maintaining their plantations,** and they continue to face challenges bringing their product to the international market due to improper training and input, under-developed infrastructure and limited government support.

ECI works with three cooperatives in South Kivu province, including more than 3,000 smallholder coffee farmers, to improve the quantity and quality of their crops, and create access to new, global markets. ECI invests in technical and agronomic training, coaches the cooperatives in small business best practices, helps secure access to financing, and offers market linkages to drive global demand for these crops.

We have secured strong market interest in Congo specialty coffee and developed critical private sector partners to ensure a consistent supply of quality coffee where farmers receive premium prices.

The return on investment in Congolese coffee will reverberate far beyond the roasters profit and coffee fields. As the quality and supply of the coffee improves, household incomes significantly increase, giving families the opportunity to send their children to school and improve their access to healthcare.

ECI believes that the Congolese coffee sector can become a model for long-term agricultural success in DRC, a source of great pride for the Congolese people, and a treasure shared with coffee lovers around the world. We are here to help them do just that.

Grantee Spotlight: Kahawa Bora ya Kivu

2,687 coffee farmers in South Kivu are participating in ECI's specialty coffee project, Kahawa Bora ya Kivu, expanding to 5,000 after new washing stations are installed this year

Access to Education & Information



ECI supports local organizations that equip promising young students, particularly girls and women with academic opportunities and access to technology and media.

“Being Transformed, to Transform”

Founded in 2007 by Dr. David Kasali, Christian Bilingual University of Congo (UCBC) integrates academic rigor with active community participation in order to educate and train the next generation of Congolese citizens and leaders.

Since 2011, ECI has invested in the development of UCBC, helping to establish the university’s vibrant student-led radio station and partnering with Theo Chocolate to provide twelve female communications students with scholarships to complete their undergraduate studies. UCBC economics students have also played a leading role in ECI’s cocoa revitalization initiative.

2013 was a banner year for UCBC, culminating in the school’s very first graduation ceremony – a colorful and vibrant African ceremony to celebrate the achievements and graduation of 78 students.

ECI continued its legacy of partnership with UCBC by helping to develop the university’s I.T. and research facilities with the completion of the UCBC Library and Research Center. **UCBC now boasts the best computer-to-student ratio in the entire Democratic Republic of Congo**, and this facility has supported UCBC faculty in their research efforts.

UCBC is truly shaping the next generation of Congolese leaders, and **the Congolese Government has praised UCBC as an example of great potential to inform the revitalization of the national higher education system.**

Grantee Spotlight: Christian Bilingual University of Congo

531 students and 52 staff members benefited from ECI’s support in 2013

96% of students passed their exams, 78 out of 79 graduating students successfully defended their theses

41% of beneficiaries are women

5:1 - the student-to-computer ratio at UCBC after the completion of the Library & Research Center, the best ratio of any college in the country.



Success Story: Hulda

Hulda celebrated her graduation from UCBC in September. Having grown up in nearby Butembo, Hulda came to UCBC to study media and communications with the dream of becoming a professional journalist. She received a full scholarship from ECI and Theo Chocolate, and went on to manage the UCBC radio station, reporting on news and events in Beni and managing a team of fellow student journalists. “I love going into town, meeting people, hearing their experiences and telling their stories on the radio,” said Hulda.

Having gained several years’ work experience at the radio station to complement her studies, Hulda is now well-placed to forge a career as a journalist. “I’m really excited about the opportunities available to me now,” said Hulda. “This scholarship has really made all the difference, I’m so grateful. Without it, I could never have paid the tuition fees or finished my studies. I’m really excited about the opportunities available to me now!”

2013 Financial Summary



In just a few short years, ECI has built a lean and efficient fiscal operation. Good financial stewardship and accountability are core values that drive our work and our team ensures that our efforts result in maximum impact for the Congolese people.

In 2013, 83% of ECI's funds went directly to our programmatic work in Congo.

ECI 2013 Expense Allocation

Programs & Grants.....	\$2,650,608
Administrative	\$481,155
Fundraising	\$58,028
Total	\$3,189,791

2013 Assets

Cash	\$1,048,101
Pledge Receivables	\$111,520
Prepaid Expenses & Other Assets.....	\$1,916
Total Assets.....	\$1,161,537

2013 Liabilities & Net Assets

Total Liabilities	\$830,847
Temporary Restricted Net Assets	\$384,941
Unrestricted	(\$54,251)
Total Net Assets & Liabilities	\$1,161,537



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