



ANNUAL REPORT 2006



Editorial

Our 2006 annual report focuses chiefly on our missions, since we believe that action is at the heart of humanitarian relief work, to provide real assistance for people and communities whose lives are threatened.

Our action is founded on strong convictions which serve the great hopes offered by humanitarian solidarity: commitment, respect for the dignity and cultural identity of victims receiving aid, and independence, an essential condition for impartial action.

During 2006, we have reinforced our organisation to enable greater reactivity, to improve the quality of our programmes, to strengthen our leadership, to take account of and structure our growth.

During 2006, we have provided essential aid to 1.5 million people in 12 countries, in the fields of access to drinking water, food security and reconstruction, through the implementation of 94 programmes representing a budget of 28.4 million euros.

These actions were accomplished through the commitment and humanitarian expertise of SOLIDARITES' members, through generous individual donations, through support from companies, and through long-standing partnerships with many institutional donors, all of whom we would like to thank.

Finally, our campaign for access to drinking water and sanitation for all continues to grow (1). Thank you for supporting this humanitarian combat which is essential for so many people.

Alain Boinet.
Founder and managing director

Pierre de La Bretesche.
President.

(1) www.votregouttedeau.org

COUV : SOLIDARITES/JULIE PUDLOWSKI

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Who are we ?

SOLIDARITES is an international humanitarian organisation which has been providing aid to victims of armed conflict and natural disasters for the past 27 years.

Our mission is to meet vital needs – food, water, shelter – from emergency situations through to reconstruction.

We are particularly committed to fighting waterborne diseases, which are the most frequent cause of death in the world (8 million deaths per year (1)), and we have built up expertise in the field of access to drinking water and sanitation facilities.

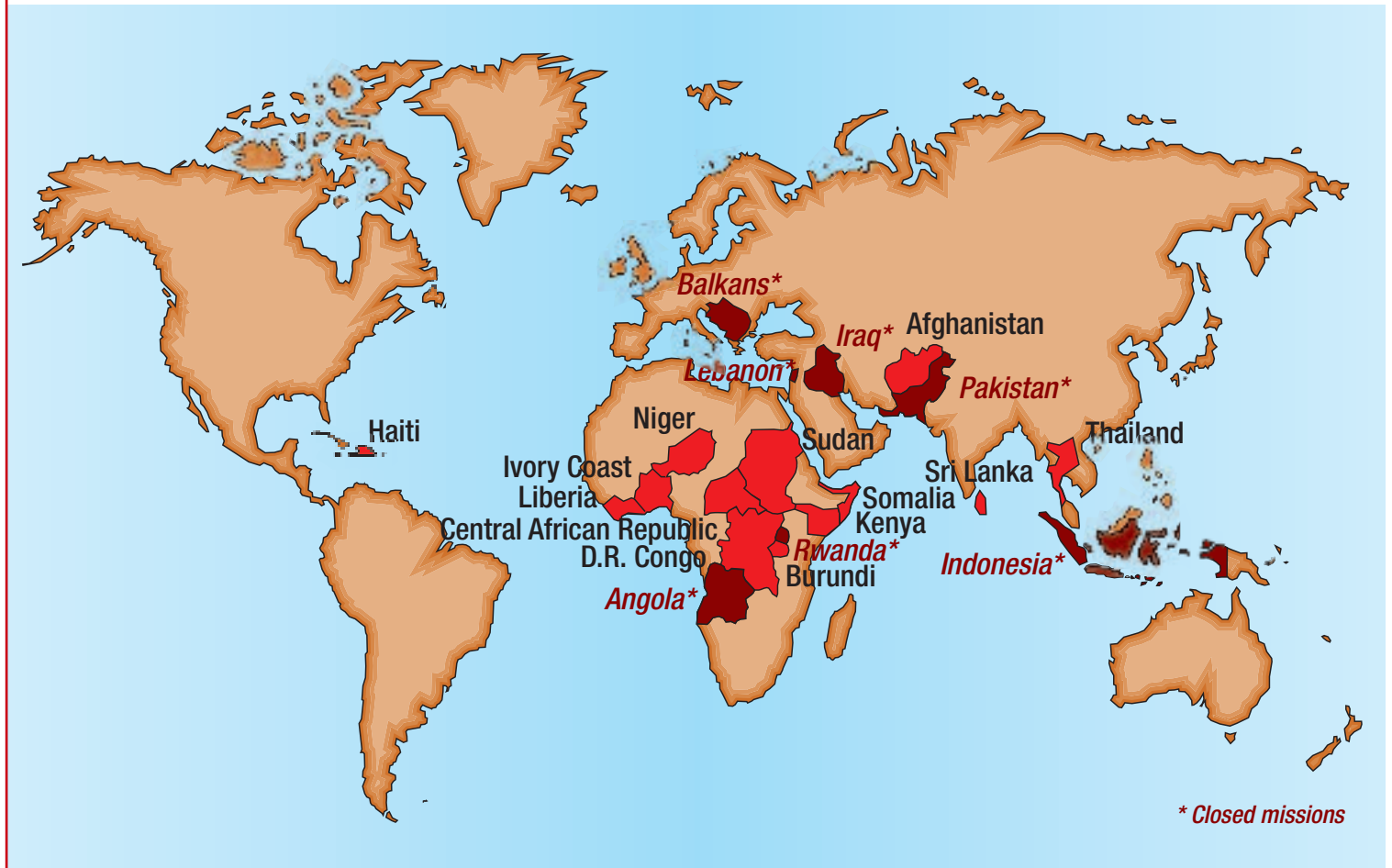
Our programmes respect the cultural values and dignity of the populations we assist, and are carried out by 150 volunteers and 1500 local staff.

SOLIDARITES is a charitable organisation formed under the French law of 1901, and as such holds an Annual General Meeting once a year, has a Board of Directors (15 members) and a Steering Committee (6 members). The organisation's Founder and Managing Director is Alain Boinet, and its President is Pierre de La Bretesche.

During 2006, SOLIDARITES provided aid in 12 countries (Afghanistan, Burundi, Ivory Coast, Haiti, Indonesia, Lebanon, Liberia, Niger, Pakistan, DR Congo, Sudan, Sri Lanka). Previously, SOLIDARITES was present in Iraq, Albania, Serbia, Kosovo, Macedonia, Bosnia, Romania, Rwanda and Angola.

(1). L'eau. Michel Camdessus. Robert Laffont. 2004.

SOLIDARITES' missions :



KEY PRINCIPLES FROM OUR CHARTER

■ **Our humanitarian commitment:**

To provide aid to individuals and populations who are threatened by armed conflict or natural disaster.

■ **Independence and impartiality:**

Our independence is an essential condition for us to provide an impartial and inclusive response to humanitarian needs.

■ **Respect for dignity and cultural identity:**

Our action must respect the dignity of those receiving aid, as well as their cultural identity.

■ **Quality of aid:**

We must systematically strive for quality in our humanitarian action, in order to make optimum use of resources and to provide the best possible response to the population's needs. To this end, we use various quality tools.

■ **Coordination of action:**

On the basis of these principles, we cooperate with other humanitarian organisations, institutional partners, local authorities, as well as the local population and their representatives.

■ **Informing about humanitarian crises:**

We bear witness to the needs and distress of the populations whom we assist, in order to alert and mobilise public opinion.



SOLIDARITES : OUR MISSIONS FROM 1980 TO 2007

1980: our first mission in Afghanistan where we are still present after 27 years, from the Soviet invasion to their withdrawal, from civil war to the Taliban regime, from American intervention to Hamid Karzai's government, from emergency to reconstruction, with and for the Afghan people.

Romania, for 10 years from **1989** to 2000, we carried out many projects to assist the large numbers of orphans in state institutions.

Iraq, in **1992,** we sent aid convoys as one million Kurdish refugees fled Saddam Hussein's troops. Once again, in 2003 and 2004, we rehabilitated water treatment stations to the south of Baghdad.

Africa, the Great Lakes region: in **Rwanda (mai 1994 – 2000)** in response to the horrors of the genocide and to aftermath of the conflict. Then, in neighbouring **Burundi** since 1996 and in **Democratic Republic of Congo** (Kivu, Ituri, Katanga) since August 2000, two troubled countries where we are still very active.

In the **Balkans,** since the beginning of the conflict in **Bosnia (été 1992 – 2000),** then in **Kosovo** (summer 1998 – 2001) **Macedonia** and **Albania** to assist the 800,000 Kosovar refugees and finally for refugees in **Serbia** (krajinna, slavonie).

West Africa: in **Ivory Coast** when conflict broke out in **2003** and in neighbouring **Liberia** (janvier 2004), where our humanitarian action continues today.

Sudan, since **February 2004,** a difficult mission in **Darfour** to provide aid to victims of numerous exactions who have been driven out of their villages.

Natural disasters, with the **Tsunami** on December 26, 2004 in **Sri Lanka** and **Indonesia,** then severe drought in **Niger** (August 2005), hurricane Jeanne in **Haiti** (September 2004), and the horrific earthquake in the **Pakistani Kashmir** region on October 8, 2005.

During the summer of 2006, a temporary emergency in **Lebanon,** then in 2007, new humanitarian missions in **North Kenya,** in **Southern Sudan,** in Thailand to assist **Burmese refugees,** in the **Central African Republic (CAR)** and in **Somalia,** a stateless country which has suffered from many years of conflict.



Humanitarian aid, from emergency relief to reconstruction

Over the past 27 years, SOLIDARITES, an international humanitarian aid organisation, has developed the ability to respond to complex situations where emergency, post-emergency and reconstruction phases follow one after the other, and sometimes run in parallel. Our action meets ever-changing needs, is adapted to fit every context and respects local populations and cultural values. Our approach is based upon humanitarian commitment and the pursuit of efficiency, and is carried out by volunteers who apply recognised skills in our fields of operation: access to drinking water and sanitation, food security and reconstruction. The following are some examples:

Darfur: providing food and water in an emergency situation

In a semi-desert region, torn apart by violence, 66 new drinking water points were drilled or rehabilitated, and 1,560,205 food rations (20,423 tons) were distributed to 160,000 people who had fled the exactions and looting...

DR Congo: simultaneously meeting emergency and post-emergency needs

In the heart of a country where violence rubs shoulders with a democratic peace process, essential products were distributed to 20,000 vulnerable people in Katanga; the needs of hundreds of thousands of displaced persons in North Kivu and Ituri were met (emergency access to drinking water and hygiene, distribution of non-food items, education); wells, fountains, water distribution networks and latrines were built or renovated for 120,000

people in Katanga, North Kivu and the eastern province; 67,500 people returning home in Ituri and Katanga received assistance through economic reintegration programmes and the rehabilitation of 38 schools and 3 bridges...

Afghanistan: reacting to the water emergency in Kabul, providing food security in rural areas

Over 25 years of war in one of the poorest countries in the world, rural populations ripping up the land to survive, and an over-populated capital city where polluted water spreads disease. SOLIDARITES has drilled 98 wells, distributed 2,810 hygiene kits, built 2 reservoirs and 263 latrines for 53,400 people in Kabul. At the same time, in the most isolated areas of central Afghanistan, we have rehabilitated rural infrastructure and provided long-term support for farmers...

Sri-Lanka: rebuilding after the Tsunami

In the wake of the big wave, among the ruins and distressed survivors, we restored access to drinking water and hygiene for 28,200 people by building 30 wells, 882 latrines and water supply networks. 65 fishing areas were also cleared to enable 4,215 fisherman to feed their families...

Ivory Coast: rebuilding living conditions for forgotten war victims

As the country recovers from years of war, SOLIDARITES has rehabilitated 145 km of tracks and bridges, 274 wells, schools, medical centres and markets, to help deprived individuals rebuild their lives. Farmland was also redeveloped and training was provided for farm labourers...



SOLIDARITES

OUR COMBAT: ACCESS TO DRINKING WATER FOR EVERYONE

In developed countries, water is inexpensive and on tap. In poor countries which have suffered from natural disaster or armed conflict, drinking water is a rare luxury. Either there is an insufficient quantity of water, or it is polluted and harbours deadly diseases.

This silent killer claims 15 innocent lives every minute in countries with which we are familiar: Sudan, Democratic Republic of Congo, Burundi, Afghanistan, Liberia, Niger and many others.

8 million people die every year due to impure water, half of whom are children (source: « L'eau » by Michel Camdessus, Robert Laffont 2004). It is the primary cause of death in the world. In response to this tragic situation, SOLIDARITES has focused its energies on fighting for access to drinking water for everyone. This combat has been going on for many years, during which we have launched several information campaigns to alert the general public and political decision-makers.

2006: our action in figures

20 423 tons of food aid distributed in Darfur

744 wells built or renovated

117 drinking water supplies rehabilitated

7 700 latrines built

69 schools rehabilitated

FOOD SECURITY, AN ADAPTABLE FORM OF ACTION

Despite the fact that current world food production could feed all humanity, eight hundred million people do not have enough food to meet their daily needs. Armed conflict, bad governance and the destruction of natural resources are the main factors which cause food insecurity.

Food security or insecurity is determined by:

- availability of staple food products (both in terms of quality and quantity)
- stability and regularity of food supplies
- access for the whole population.

In the field, our agronomists and technicians are faced with various types of food crises, and they tailor our action to fit these needs. When there is a severe crisis and food stocks are non-existent (famine, population movements, refugee camps...), targeted food distributions are necessary to provide the essential daily 2100 Kcal needed by every human being (balanced rations of flour, oil, sugar and salt). As soon as the situation allows, the goal is to enable the population to take charge of their own food needs once more.

Our teams analyse existing local agrarian systems in order to provide appropriate assistance for the resumption of agriculture and pastoral farming. The first step is to supply the farmers with the necessary seeds, tools and advice to launch a new agricultural activity. The support we provide can also take the form of rehabilitating hydraulic and agricultural installations or reconstituting herds of livestock.

Our action also includes market gardening, nutritional training, rehabilitating access routes or support for local farmers' organisations.



SOLIDARITES



SOLIDARITES

MANAGING INSECURITY AND ENSURING SAFETY FOR OUR TEAMS: ESSENTIAL KNOWLEDGE FROM EXPERIENCE

Since its inception, SOLIDARITES is committed to providing humanitarian aid for victims of armed conflict. The ability to take a certain level of risk in order to help human beings who are in danger is part of our vocation.

Our teams therefore often work in complex, conflict-ridden situations. Insecurity is therefore a factor that we have learned to manage. Over 27 years of action and experience in all kinds of emergency situations have resulted in proven methods: before they are posted abroad, our volunteers receive training in the management of difficult situations, as well as regarding security regulations and information source monitoring. In addition, each mission has a security plan and operational procedures, which are continually adapted according to changing security risks. Managing insecurity and ensuring safety for our teams, every day we need to monitor and adapt our action.



SOLIDARITES

Solidarités in figures

12 missions in 2006

94 humanitarian aid programmes

Aid provided to over 1.5 million people

145 volunteers in the field

245 expatriate volunteers posted abroad

Over one thousand local employees and managers

36 employees at the Paris head office

60 000 private donors

28.4 million euros of humanitarian aid

87% of funds devoted to assisting destitute populations



SOLIDARITES

Mission in Sudan

War ☐ Emergency ☐ Displaced persons ☐ Access to water and sanitation ☐ Food aid



SOLIDARITES/WILLIAM DANIELS

Team:

40 volunteers and 294 Sudanese employees

Volume of aid in 2006: 8 172 000 euros

Partners: European Union (DG ECHO), DFID (GB), OFDA (USA), DAH/MAE/CIAA (France), United Nations agencies: WFP / UNICEF / UNJLC / FAO

Context and humanitarian situation

The Abuja peace agreement in May 2006 gave hope that the conflict in this western province of Sudan would stabilize, however violence returned to Darfur during the second half of the year. Humanitarian access was greatly reduced, particularly in the bush. Renewed fighting and banditry have resulted in an even greater exodus among the rural population,

who have already been hard hit by the violence since 2003. The total number of displaced persons is estimated at around 2.1 million, some of whom have been displaced several times in 2006. These new population movements in the bush, in combination with reduced humanitarian access, have caused a new food insecurity emergency. Lack of access is the main obstacle to humanitarian operations in Darfur. Less than 80% of the 4 million people affected by the conflict can be reached. This is mainly due to insecurity, targeting humanitarian workers directly, which has obliged us to suspend, reduce or reorientate our programmes. Access to drinking water is a top priority. Water-borne diseases are widespread in Darfur. During 2006, cholera epidemics broke out once again in highly populated areas of Darfur.

During 2006, SOLIDARITES' action in Sudan covered the outskirts of Khartoum, and in particular southern and western Darfur. Our operations were carried out from 6 bases: 1 coordination base in Nyala and 5 operational bases (Khartoum, Nertiti, Muhajeria, Shaeria, El Daein). In response to the emergency situation facing displaced populations in the bush, SOLIDARITES focused part of its humanitarian action on these rural popula-

Our action

tions. We provided humanitarian relief for 318,000 people through 23 aid programmes, in the following fields:

tions. We provided humanitarian relief for 318,000 people through 23 aid programmes, in the following fields:

- Food aid: 1,560,205 food rations were distributed by SOLIDARITES in 2006, to meet the needs of 160,000 people per month. This represented 20,423 tons of aid distributed at camps in Muhajeria, Labado, Motowred, Ngabo and Shag Hassan in southern Darfur.
- Access to water and sanitation: installation of 18 new water points (drilling, traditional wells), maintenance and rehabilitation of 48 water points, construction of 2,171 latrines, emergency supply of drinking water to Seleah by truck.

- Distribution of basic essentials: 128,054 products (blankets, jerry cans, plastic sheeting, soap, mats, buckets, clothes...) were distributed.
- Food security: 137,810 animals were vaccinated in western and southern Darfur, and 27,921 seed kits were distributed in Shaeria, Muhajeria, El Daein and Nertiti.
- Education: rehabilitation of 3 schools and construction of 6 pre-schools in western Darfur, construction and rehabilitation of 39 classrooms within 2 schools in southern Darfur.



SOLIDARITES

Missions in Sri Lanka – Indonesia – Pakistan

Natural disaster Post-emergency and reconstruction Access to water and sanitation Food security



SOLIDARITES/WILLIAM DANIELS

Sri Lanka

Team:

8 volunteers and 68 Sri Lankan employees

Volume of aid in 2006: 957 000 euros

Partners: European Union (DG ECHO), Seine Normandy Water board, Fondation de France, French Red Cross.

Context and humanitarian situation

2006 marked a transition from one emergency to another: a resurgence of armed conflict between the state army and the LTTE in the second half of the year resulted in an emergency humanitarian situation within

combat zones and isolated areas like Jaffna peninsula and northern Batticaloa. Since July 2006, these combat zones include coastal areas which were hard hit by the tsunami in December 2004, and humanitarian workers are also being affected by the climate of insecurity.

Our action

Our programmes in 2006 are a continuation of previous programmes carried out by SOLIDARITES since January 2005 in eastern Sri Lanka (Ampara and Batticaloa districts) in response to the tsunami. These programmes will have a long-term impact since the beneficiaries will be able to use the resulting infrastructure on a permanent basis. Following the resurgence of armed conflict,

SOLIDARITES decided to focus its action on displaced populations, who are mainly located in the numerous camps in Batticaloa district. Over 30,000 people received aid in 2006, through the implementation of 3 programmes in the following fields:

- Access to water and sanitation: in Ampara district, provision of drinking water, construction and extension of drinking water networks, building and rehabilitating 30 wells, installation of 882 latrines, hygiene awareness and information sessions. Over 28,200 people benefited from these activities.
- Clearing the sea bed: 65 traditional fishing areas were cleared, benefiting 4,215 fishermen in Ampara and Batticaloa districts.

Indonesia

Team:

10 volunteers and 58 Indonesian employees

Volume of aid in 2006: 2 413 000 euros

Partners: Fondation de France, French Post-Tsunami Interministerial Delegation (DIPT), Midi Pyrénées Regional Authority, Corrèze Regional Authority, Schneider, Sanofi-Aventis, Michelin, European Union (DG ECHO), St Paul de la Réunion, Seine Normandy Water Board, Rhine Meuse Water Board.

Context and humanitarian situation

Considering the extent of the damage caused by the December 2004 tsunami in Indonesia and especially in Sumatra, the NGOs working in the area have enabled many reconstruction projects to be completed: restoration of living conditions for local residents (water supplies, housing and infrastructure), economic revival, reorganisation of local communities in affected areas. On May 26, 2006, a violent earthquake measuring 5.9 on the Richter scale shook the island of Java in central Indonesia. Eight districts in Yogyakarta province and two neighbouring districts in Central Java province were severely affected by the quake. This natural disaster claimed the lives of 5,736 people and 78,206 were injured.

Our action

Our programmes in 2006 are a continuation of those initiated following the tsunami, especially our projects to provide water and sanitation for affected populations. Concerning our action in Java, SOLIDARITES wanted to help to reduce health risks among the population affected by the May 26 earthquake. To achieve this, SOLIDARITES ensured that the whole population covered by the programme had access to a sufficient quantity and quality of water. Our action in Indonesia (Sumatra, Nias island and Java) comprised 5 programmes, in the following fields:

- Emergency access to drinking water and sanitation in Java: in Bantul district (Yogyakarta province), cleaning and rehabilitation of 582 wells, rehabilitation of 663 latrines, 220 septic tanks and 736 washing areas, distribution of 4,250 jerry cans. These projects benefited over 17,000 people.
- Access to drinking water and sanitation in Sumatra (Aceh province) and Nias: construction and rehabilitation of 120 water points, construction of 1,300 latrines, construction and rehabilitation of 15 km of water networks, distribution of 6,500 hygiene kits. These projects benefited over 53,000 people.
- Programmes to rehabilitate farmland and agricultural production systems in Sumatra: in Aceh province (Nagan Raya, Aceh Barat and Aceh Jaya districts), rehabilitation of 1,200 ha of farmland, provision of agricultural fertilisers for over 800 farmers, rehabilitation of 33 km of canals and ditches in 16 villages, studying and drawing up maps of 145 km of drainage canals. These projects benefited over 19,300 people.
- Rehabilitation and reconstruction of schools in Sumatra: in Aceh province (Meulaboh area), reconstruction of 7 schools, supply of furniture and school materials.



SOLIDARITES/WILLIAM DANIELS

Pakistan

Team:

8 volunteers and 35 Pakistani employees

Volume of aid in 2006: 836,000 euros

Partners: DFID (GB), UNICEF, European Union (DG ECHO)

Context and humanitarian situation

On October 8, 2005, there was a severe earthquake measuring 7.6 on the Richter scale to the north of Muzaffarabad in Pakistan, which left 73,000 dead and 69,000 injured. Those who survived the quake took shelter in official or informal camps.

Our action

SOLIDARITES worked in two official camps (Mera and Batera) and also rehabilitated water installations in devastated villages where informal camps had formed. Our action then focused on reconstruction programmes and assisting affected communities to return to their villages. Once the situation had improved, SOLIDARITES decided to cease its activities in Pakistan on December 31, 2006. Our action in Pakistan in 2006 comprised 2 programmes:

- Emergency access to drinking water and sanitation for earthquake victims in Mera and Batera camps and in Besham valley: distribution of drinking water, rehabilitation and construction of over 43 water networks,



SOLIDARITES/JEROME DEYA

construction of 400 latrines and 179 washing areas, waste management, hygiene awareness and distribution of hygiene kits. These projects benefited over 49,000 people.

- Rehabilitation of water and sanitation installations in rural villages and informal camps in Allai Tehsil valley: restoration of 6 primary water networks and 49 secondary water networks, protection of water springs and water quality analyses, construction of 1,200 latrines, constitution of 108 hygiene committees and 55 water committees. These projects benefited 37,000 people.

Mission in DR Congo

Armed conflict Emergency and post-emergency Access to water and sanitation
Emergency aid Reconstruction and assistance for returnees

Team: 35 volunteers and 316 Congolese employees

Volume of aid in 2006: 6 106 000 euros

Partners: European Union (DG ECHO, EuropeAid), OFDA (USA), Pooled fund, United Nations – UNICEF, OCHA, FAO.

Context and humanitarian situation

The democratic transition initiated by the Sun City peace agreement in 2003 was concluded by the election of president Joseph Kabila in November 2006. As the DRC starts down the road to a certain level of stability, pockets of instability have developed in

the East of the country. Local populations living in these areas are therefore regularly forced to flee insecure zones, adding to their already fragile living conditions. During 2006, there were an estimated 1.1 million displaced persons in eastern DRC, in comparison to only 300,000 people returning home.

Our action

In eastern DR Congo, SOLIDARITES is faced with a situation where emergency and post-emergency needs overlap. The populations receiving aid are either residents, displaced persons or in the process of returning home, and their primary needs are access to drinking water and food security. Our action

in 2006 comprised 18 programmes, in the following fields:

- Rapid Response Programme for displaced populations: needs assessment and rapid response to emergency situations involving vulnerable populations in North Kivu and Ituri: access to drinking water and sanitation, distribution of non-food items, construction of temporary schools and distribution of school kits. These activities targeted 500,000 displaced persons.
- Programmes to provide access to water and sanitation: construction and rehabilitation of water and sanitation infrastructure (wells, springs, water fountains, latrines, water supplies, management committees, hygiene training...) in the territories of Kalemie (Tanganyika district, Katanga province), Beni (North Kivu province), Irumu and Djugu (Ituri district, Eastern province). These programmes benefited over 120,000 displaced persons and returnees.
- Institutional support programme for the concerted local management of the new drinking water network in Beni, which was built by SOLIDARITES in 2004/2005 and provides water for over 170,000 town residents. This programme seeks to improve local technical, administrative and financial skills in order to prepare for the planned extension of the network by SOLIDARITES in 2007/2009.



SOLIDARITES/JULIE PUDLOWSKI



SOLIDARITES

- Return assistance programmes for displaced persons: assistance in economic reintegration enabling over 5,500 people to return to Ituri. Assistance for populations returning home through the rehabilitation of 38 primary schools in Ituri district, which benefited over 13,000 children. Assistance for populations returning home through the reconstruction of 3 bridges, which benefited over 25,000 people in Tanganyika district (Katanga province).
- Assistance for returnees: multi-sector assessments of return zones for 25,000 families wishing to return to their home regions.
- Distribution of essential products to 20,000 vulnerable individuals in Tanganyika district, Katanga province.

Mission in Afghanistan

Between war and peace □ From emergency to reconstruction □ Access to water and sanitation □ food security

Team: 11 volunteers and 154 Afghans

Volume of aid in 2006: 1 632 000 euros

Partners: European Union (EuropeAid, DG ECHO), MRRD (Afghan Ministry of Rural Rehabilitation and Development), DAH/MAE (France), JICA (Japan International Cooperation Agency), WFP (United Nations), Helvetas (Swiss NGO).

Context and humanitarian situation

2006 was the bloodiest year in Afghanistan since the fall of the Taliban in 2001. The democratic process initiated by the Bonn agreement in 2002 is still uncertain, and

decreasing humanitarian access is a growing concern. There has only been a relative improvement in the humanitarian situation. Mountainous areas in central Afghanistan once again suffered from drought during the summer of 2006, which affected rural families' food security. Water is a rare commodity. The population of Kabul has exploded since refugees returned home, and access to water and sanitation facilities is a major problem in the city.

Our action

SOLIDARITES has been present in Afghanistan for 26 years, and in 2006 we consolidated the transition from emergency to reconstruction which was initiated in 2005. However, it is still imperative that we retain the ability to respond to sporadic humanitarian crises. SOLIDARITES increased its commitment to provide access to water and sanitation in Kabul (SOLIDARITES resumed these activities in 2005, after having worked extensively in this field from 1995-

98). Our action in Afghanistan in 2006 involved the implementation of 7 programmes, in the following fields:

- Emergency programmes for access to water and sanitation in Kabul (Districts 7 and 13): construction of 2 reservoirs and a pumping station, drilling 98 wells fitted with hand pumps, rehabilitation of 14 hand pumps, installation of 263 latrines, construction of 6 waste storage areas, formation of 10 water committees, distribution of 2,810 hygiene kits and organisation of 588 hygiene awareness sessions. These projects benefited around 53,400 people.
- Emergency road rehabilitation: 25 km of roads were rehabilitated in Roy-e-Doab district (Samangan province), which provided income for 2,312 families affected by drought.
- Food security programmes: in Bamyan province (Bamyan, Saighan, Kahmard and Yakawlang districts) and Samangan province (Roy-e-Doab district), we provided support for around 4,600 farmers by producing and distributing seeds, building greenhouses, nurseries, stables and cellars, constructing dams and holding basins, rehabilitating community infrastructure and training farmers.
- National Solidarity Program: SOLIDARITES has been a partner of the NSP (National Solidarity Program) since 2005. This programme is supervised by the Afghan



Ministry of Rural Rehabilitation and Development, and aims to promote local democracy by setting up elected community councils who are responsible for community projects. During 2006, SOLIDARITES facilitated the election of 67 councils, who represent the whole population of Roy-e-Doab district.

Missions in Niger – Haiti



SOLIDARITES

Niger

Drought □ **Poverty**
Water access and food security

Team: 2 volunteers, 4 Nigerian employees and 6 Nigerian members of the NGO TADRESS

Volume of aid in 2006: 277 000 euros

Partners:

Seine Normandy Water Board (AESN), Véolia foundation

Context and humanitarian situation

According to the United Nations 2006 Human Development report, Niger has the lowest

human development ranking in the world. Nearly 90% of the population make their living from agriculture or pastoral farming.

Population growth is one of the highest in the world (3.4%). Pastoral farming communities in the Tadress area (central Niger) were severely affected by the 2005 food crisis, following a year of drought.

Following this drought, heavy rains fell across much of the Tadress region. The rains damaged or destroyed many traditional wells upon which local communities depend for their survival and pastoral activities. Their herds, which had already been weakened by drought, were decimated.

Our action

SOLIDARITES' action in 2006 included the rehabilitation of 38 traditional wells, which benefited 1,469 pastoral farming families (10,283 people). In addition, 885 families (6,197 people) were familiarized with the risks surrounding the use of water. An essential part of our action was carried out by the Nigerien NGO Tadress, which was created in 2001 by a group of pastoral farmers.

Haiti

Natural disasters □ **Political instability** □ **Chronic poverty** □ **Access to water and sanitation** □ **Education**

Team: 3 volunteers and 35 Haitian employees

Volume of aid in 2006: 791 000 euros

Partners: DAH/MAE (France), European Union (EuropeAid)

Context and humanitarian situation

In 2006, Haiti completed its democratic transition by holding presidential, legislative and local elections. The United Nations stabiliza-

tion mission in Haiti (MINUSTAH) maintains peace and stability. The humanitarian situation is still uncertain. Continuing environmental destruction has major consequences on the loss of arable land and increases vulnerability to natural disasters. Drinking water is more and more scarce (in rural areas, around 60% of the population does not live close to a source of water). Access to food is also difficult for vulnerable categories of the population (45% of Haitians experience food insecurity due to insufficient income, 75% of whom live in rural areas).

Our action

During 2006, the SOLIDARITES team in Haiti completed the programme instigated in 2005 in the Artibonite region. In addition, SOLIDARITES carried out a schools rehabilitation project to increase educational capacity in the northern and north-western regions. Our action in 2006 consisted in the implementation of these two programmes:

- Access to water and sanitation in rural areas in the Artibonite region: rehabilitation of 28 wells and 6 reservoirs, drilling of 14 water points, construction of 181 family and school latrines, hygiene training. 11,150 people benefited from these projects.
- Rehabilitation of schools in the northern region: 5 schools, including an agricultural training school, were renovated and fitted out (buildings, classrooms, latrines, kitchens, water supplies). Over 2,230 pupils benefited from this project.



SOLIDARITES

Missions in Ivory Coast – Lebanon



SOLIDARITES

Ivory Coast

Armed conflict □ **Post emergency and reconstruction**

Team: 6 volunteers and 26 Ivorian employees

Volume of aid in 2006: 702 000 euros

Partners: European Union (DG ECHO, EuropeAid)

Context and humanitarian situation

SOLIDARITES has been working in Ivory Coast since 2003. The ongoing crisis over the last 4 years has resulted in the deterioration of basic infrastructure, especially drinking water installations. In rural areas, 70% of village water pumps are broken, forcing women and children to walk for miles to fetch water which may not be safe to drink and which

endangers children who are already weak and under-nourished. Finally, 49% of school-age children are not enrolled at primary school, and this percentage may be as high as 70% in the worst affected areas.

Our action

In one of the most fragile areas in western Ivory Coast, the Middle-Cavally region, SOLIDARITES commenced its action in 2006, which consisted in the implementation of two multi-sector programmes:

- Programme to rehabilitate infrastructure and provide access to water and hygiene in Bolequin province: rehabilitation of 145 km of tracks and bridges, renovation of basic infrastructure (schools, health centres, markets), rehabilitation of 130 wells, hygiene awareness activities. These projects benefited over 100,000 people.
- Programme to rehabilitate schools, access to water and hygiene, and support for agriculture in Toulepleu province: this programme commenced in 2006 and will be completed in 2008. It involves the rehabilitation of 26 schools, 144 wells and 46 pumps in 41 villages and neighbourhoods, as well as the creation of water management committees, the redevelopment of arable land and training for farmers. Nearly

40,000 beneficiaries are targeted by these projects.

Lebanon

War □ **Emergency** □ **Displaced persons** □ **Access to water and emergency aid**

Team: 6 volunteers and 5 Lebanese employees

Volume of aid in 2006: 50 000 euros

Partners: DAH (France), United Nations (PAM, UNICEF), Véolia Water Force.

Context and humanitarian situation

In response to the situation following the Israeli army offensive launched on southern Lebanon on July 12, 2006, SOLIDARITES decided to take emergency action. At the end of July, the United Nations estimated that 700,000 Lebanese had been displaced, out of a total population of 3.5 million. A cease-fire was signed on August 14, and hostilities ceased.

Our action

Our team arrived in Beirut on July 27, and carried out SOLIDARITES' programmes in the Zahle area, then in southern Lebanon (Kham and Bent Jbail), where tens of thousands of displaced persons needed assis-

tance. Our programmes assisted 20,000 people, and consisted in the following:

- Emergency access to drinking water: 6 flexible water tanks and 3 motor-pumps were made available to displaced populations.
- Provision of food aid and basic essentials: distributions of over 80 tons of flour, meat, biscuits and oil, and hundreds of hygiene kits, cooking kits, jerry cans, tents and blankets.

Although this conflict resulted in large-scale population movements, thankfully it did not cause a major humanitarian crisis due to the advanced level of socio-economic development in Lebanon. SOLIDARITES therefore discontinued its programmes on September 6, 2006. Our organisation is however ready to take further action should there be another humanitarian emergency.



SOLIDARITES

Missions in Burundi – Liberia

Fragile crisis recovery □ Post-emergency □ Access to water and sanitation □ Food security



Burundi

Team:

8 volunteers and 92 Burundian employees

Volume of aid in 2006: 1 277 000 euros

Partners: European Union (DG ECHO, EuropeAid), UNICEF, FAO (United Nations)

Context and humanitarian situation

September 2006 saw the signature of a cease-fire agreement in Dar es-Salaam. Despite this cause for hope, the political situation in Burundi was tense during 2006. In humanitarian terms, food insecurity remained prevalent, as did the need for access to drinking water and sanitation. The return of Burundian refugees from Tanzania was slowed down by food shortages in many areas from January to March.

Our action

SOLIDARITES' action in Burundi comprised three programmes:

- Programme to provide access to water and sanitation in Muramvya, Mwaro, Bujumbura Rural, Gitega, Bururi and Cankuzo provinces: rehabilitation of 11 water supply systems, construction of 31 latrine blocks, emptying latrines in 31 schools, 9 health centres and a camp for asylum seekers, building 150 water springs, rehabilitation of a health centre, hygiene information sessions in 14 schools, support for 16 local water boards. 85,800 people benefited from these projects.
- Food security programme in Muramvya, Mwaro and Cankuzo provinces: distribution of enhanced manioc and sweet potato seedlings, distribution of wheat and sorghum seeds, distribution of potatoes, beans, sweet potatoes, maize and agricultural tools. 17,050 people benefited from these distributions.
- Emergency programme to distribute essential products in Cankuzo province: distribution of cooking kits, blankets, buckets, soap, plastic sheeting, jerry cans, protein-enriched biscuits, mosquito nets and clothing to 3,000 refugees, displaced persons and repatriated refugees (women and children represented 70% of the beneficiaries).

Liberia

Team:

7 volunteers and 85 Liberian employees

Volume of aid in 2006: 1 065 000 euros

Partners: European Union (DG ECHO, EuropeAid), DAH/MAE (France)

Context and humanitarian situation

The civil war which raged between 1989 and 2003 destroyed Liberia's infrastructure. The humanitarian situation is still fragile in 2006: 35% of the population are under-nourished and the lack of public health services, drinking water infrastructure and sanitation facilities adds to the spread of diseases. Malaria is the primary cause of death among children.

Our action

Following our activities in rural areas since 2003, SOLIDARITES' action in 2006 focused on returnee and displaced populations, demobilised ex-soldiers, as well as the local population. This action took the form of two programmes:

- Programme to provide access to water and sanitation in Maryland

and Grand Kru counties: construction and rehabilitation of 70 wells, a rainwater reservoir, 493 latrines and a road. Hygiene promotion activities in 28 schools, training for Liberian volunteers (maintenance of sanitation equipment, health and hygiene rules), formation of 58 community water and sanitation committees. These projects benefited over 81,500 people.

- Food security programme in Bong county: distribution of seeds and agricultural tools, support for 15 fisheries and 30 pig farms, construction of 4 pig farms and 5 bridges. These projects benefited 11,115 people.



And in 2007, 2008...

In 2007 and beyond, our action is continuously evolving in response to emergency situations as they occur.

Southern Sudan

Partners: DAH/MAE (France), CHF (Common Humanitarian Funds), European Union (DG ECHO), United Nations (Unicef)

During 20 years of war, between 2 and 4 million people in Southern Sudan have been displaced and 500,000 have taken refuge in neighbouring countries. The 2005 peace agreement led to the return of many refugees, which has increased the population's vulnerability to waterborne diseases and food crises. In this context, SOLIDARITES is carrying out the following essential activities:

- Emergency access to drinking water and hygiene in the town of Malakal (Upper Nile state): distribution of water, building latrines...
- Emergency access to water and sanitation in isolated rural areas in Jonglei state
- Rehabilitation of the road between Malakal and Nasir (Upper Nile and Jonglei states): this road is the main artery supplying Southern Sudan.

one of the poorest countries in the world, has forced 212,000 people into exile. In response to this situation, SOLIDARITES has distributed essential products to 3,800 people in the Kabo area (Ouham province). We are also providing assistance for 10,000 displaced persons: building shelters, distributing seeds and food products.

Northern Kenya

Partner: DFID (GB)

In the deprived North Horr province, SOLIDARITES is carrying out a programme to improve the population's living conditions: distributing milk in schools, producing fodder, rehabilitating wells, building latrines.

Central African Republic (CAR)

Partners: DAH/MAE (France), United Nations (UNDP)

The destabilizing influence of the Darfour conflict and an internal conflict in the CAR,

Somalia

Partners: DAH/MAE, CIAA (France), DFID (GB)

Civil war has ravaged Somalia since 1991, and the country is too poor to be ranked in the United Nations Development Programme's human development index. We are carrying out a food security programme (rehabilitation of 60 irrigation pumps, distribution of seeds and agricultural tools) in Bardera province, together with a "rapid response programme" involving the distribution of essential products in Afmadow province.

Thailand

Partners: European Union (EuropeAid), Swiss Cooperation

In Tak province, SOLIDARITES is responsible for sanitation facilities in the Mae La Burmese refugee camp, which accommodates 12,000 people. Our activities include building latrines, distributing hygiene kits, hygiene training, monitoring epidemics...



SOLIDARITES

And in 2007, 2008...



SOLIDARITES

Syria and other emergencies...

1.4 million Iraqis have taken refuge in Syria. These refugees need access to drinking water and hygiene. SOLIDARITES hopes to provide them with assistance as soon as possible. In parallel, we are carrying out needs assessments in the Palestinian Territories, in order to determine the most appropriate form of aid and how it may be provided. Finally, SOLIDARITES remains at the ready to respond to any other humanitarian emergency which may occur, as we have always done.

Mission accomplished...

In May 2007, the SOLIDARITES mission in Indonesia was closed, following the completion of scheduled programmes. In addition, our missions in Niger and Haiti were suspended in January and March 2007 respectively.

Drinking water for all: a campaign to mobilise public opinion

Since the beginning of 2007, SOLIDARITES has launched a campaign for drinking water for all throughout the world. The objective of this campaign is to mobilise the media and the general public on this vital issue and to urge political decision-makers to turn words into actions. At the heart of the campaign is the web-

site: www.votregouttedeau.org, where visitors are invited to sign a PETITION. This petition will be sent to political leaders, in particular the President of France, the President of the European Commission and the UN Secretary General, on World Water Day (March 22, 2008).



Financial report 2006

Significant Events 2006

2006 is a year marked by a stability in the volume of activity compared with 2005, despite a reduction in tsunami-related funding. Fundraising changes and stricter management of donor projects contributed to a historic surplus in 2006, allowing the association to increase its reserves and continue its development in 2007 and subsequent years.

A number of factors are involved:

- **A stability in the number of missions:** the 11 missions operational at end 2005 remained so at 31 December 2006. A mission in Lebanon was operational for one month in August 2006
- **New exploratory missions:** in Kenya, Central African Republic, Thailand (Burmese refugees) and Southern Sudan for a start of activities in 2007
- **Two large «emergency» missions maintained:** in Darfur and in Eastern DRC, both in financial terms and in terms of donations in kind
- **A considerable effort applied to fundraising activities:** a change of agency, a finer analysis of the donor database and a powerful message
- **A strengthening of the head office:** 10 new positions opened during the year, of which half were due to the creation of a new Emergency Desk.

This performance is all the more satisfying, knowing that in February 2006 a fire seriously damaged the head office and required two months of refurbishment.

Statement of Sources and Application of Funds

In 2006, the accounting principle of Dedicated Reserves was applied for the second year running. Comparatives now allow an analysis of both the total funds for the period and the total funds applied. Both totals appear in the Statement of Sources and Application of Funds.

The total funds for the period represents new funding obtained during the year. This funding may concern projects which last several years. The total funds applied represents the funds used for humanitarian projects in the year 2006, whether the funding contract was signed in 2006 or an earlier year.

Sources of Funding

The funds applied in 2006 remain stable at 28.4M€ compared with 2005. The total funds for the period fall from 35M€ in 2005 to 30.4M€ in 2006 due to a reduction in new funding for countries affected by the tsunami and a reduction of donations in kind in Sudan.

Total funds applied of 28.4M€ are broken down as follows:

- 18.2 M€ of institutional funding (15.9 M€ in 2005, an increase of 15%)
- 5.6 M€ of donations in kind (8,4 M€ in 2005, a reduction of 33%)
- 4.3 M€ of private funding, of which 2.8 M€ are funds received from the general public and 1.5 M€ from businesses and other private funds (3.7 M€ in 2005, an increase of 16%)
- 0.3 M€ of other income (0.4 M€ in 2005)

The breakdown of institutional funding varies between the total funds applied and the total funds for the period and underlines the transitional year following the tsunami. In both cases, the European Union remains the most important partner and DG ECHO holds first place with a third of all institutional funding.

The signature of a 2 year contract, for a value of 2.4M€, with EuropeAid in the Ivory Coast increases its proportion of total resources for the period to 25%, compared to 15% of applied funds. The application of United Nations funding increases once again from 2.9M€ in 2005 to 3.8M€ in 2006. The largest contract remains the

«Rapid Response Mechanism» in partnership with UNICEF in DRC. UN partnerships also continue in the form of donations in kind. The 2006 accounts show a value of 5.6M€, of which 3.4M€ concern foodstuffs for Darfur, compared with 8.3M€ in 2005.

The majority of French government funding, 8% of applied funds, concern actions following the tsunami (3% of total funds for the year 2006).

The number of contracts with a value greater than 1 million Euros grew from 1 in 2005 to 6 in 2006. These are funded by the EU and UN but also by USAID which increased from 0.8M€ in 2005 to 1.9M€ in 2006.

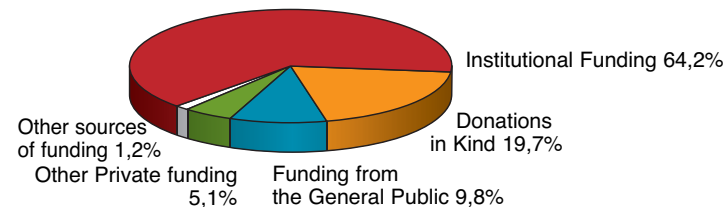
There was no reduction in the amount collected from individual private donations in 2006 after the tsunami in 2005. On the contrary, a powerful message concerning the crisis in Darfur and a

larger use of direct debits allowed a 7.5% increase in donations from the general public from 2.5M€ in 2005 to 2.7M€ in 2006. The donations allocated to the tsunami carried forward into 2006 (125K€) were fully used at 31 December 2006. Funding granted by the French Red Cross and the «Fondation de France» are reclassified as Other Private Funding for 2006 and the 2005 comparatives.

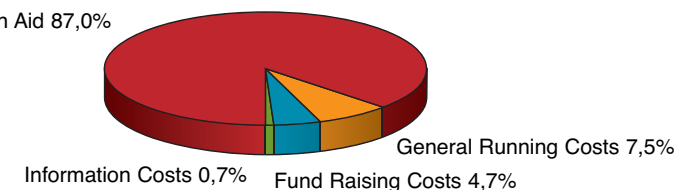
Apart from one project co-financed in Niger, all private funding granted in 2006 supports follow-up projects in countries affected by the tsunami, Indonesia and Sri Lanka.

Private funding makes up 18.6% of monetary resources (excluding donations in kind) on the basis of total funds applied in 2006 compared with 18.2% in 2005, and 14.7% of the total funds for the period (16.8% in 2005).

Breakdown of Sources of Funding Utilised in 2006



Breakdown of Expenditure 2006



Expenditure

The Association's total expenditure is 28.0 M€ in 2006 compared with 28.3M€ in 2005 and includes investment at head office level to develop its activities.

- 87.0%, or 24.4 M€, dedicated to humanitarian aid (89.5%, 25.3M€ in 2005)

- 4.8%, or 1.3M€ of fundraising costs (4.6%, 1.3 M€ in 2005)

- 0.7%, or 0.2 M€ for communication (0.8%, 0.2M€ in 2005)

- 7.5%, or 2.1 M€ of general running costs (5.1%, 1.5M€ in 2005)

Continuing from 2005, the conflicts in Sudan and eastern DRC represent 59% of funds applied to humanitarian aid, or 14.3M€ In purely financial terms, 8.8M€ has been devoted to these missions. Indonesia is in third place (10%) with a continuation of school reconstruction activities started in 2005 and the implementation of a new 1.4M€ contract covering the areas of Meulaboh and Nias.

In 2006, 74K€ have been invested in exploratory missions to new countries, the first step in preparation of openings in 2007. The countries concerned are North Kenya, Somalia, Southern Sudan and Thailand (Burmese refugees).

Fundraising costs total 1.3M€ in 2006, an increase of 3% compared with 2005, and correspond to a ratio funding costs / donations of 49.1 %. This ratio is improved from 2005, despite additional charges incurred during the transitional period of changeover between the two direct marketing agencies.

Information and communication costs fall by 31K€ in 2006 compared with 2005, or 13%. This reduction is temporary, activities having slowed in 2006 to concentrate effort on fundraising and because of the fire.

The increase in general running costs from 1.5M€ in 2005 to 2.1M€ in 2006 is explained by an increase in head office costs and an increase in finance costs and exceptional charges.

Head office costs of 1.6M€ increase by 32.5% compared with 2005, reflecting an increase in salary scales for head office staff as well as the creation of new positions aimed at strengthening operational capacity. Nevertheless, head office costs remain very reasonable considering the volume and complexity of the activities managed. The number of head office employees, full time equivalent, grew from 26 to 33 at the end of 2006. Finance costs increase due to exchange losses and overdraft interest on

STATEMENT OF SOURCES AND APPLICATION OF FUNDS

APPLICATION OF FUNDS			SOURCES OF FUNDING		
(Euros)	2006	2005	(Euros)	2006	2005
Afghanistan	1 632 034	1 543 286	Donations from the general public	2 707 605	2 479 482
Indonesia	2 412 951	1 468 258	Legacies and Bequests		39 549
Pakistan	836 445	145 945	Other Support		
Sri Lanka	957 349	2 416 268	FUNDING RECEIVED		
Ivory Coast	702 431	1 221 198	FROM THE GENERAL PUBLIC	2 707 605	2 519 031
Liberia	1 064 942	808 843	% of total funding for the period	8,9%	7,2%
Niger	276 576	76 217			
Sudan	8 171 695	9 149 265	Company and other private funding	923 768	1 933 387
Burundi	1 277 158	1 547 169	Membership fees	1 083	1 688
DRC	6 106 568	5 974 202	Other	3 278	24 854
Haiti	790 967	325 688	OTHER PRIVATE FUNDING	928 128	1 959 929
Lebanon	49 827		% of total funding for the period	3,1%	5,6%
Kenya, South Soudan, Thailand	73 587				
Missions closed before 2006	8 613	661 467	Institutional funding - France	979 863	3 691 378
HUMANITARIAN AID	24 361 143	25 337 808	Institutional funding - European Union	12 033 828	11 009 143
% of total application of funds for the period	87,0%	89,5%	Institutional Funding - UN	3 559 272	3 393 570
			Institutional Funding - Other governmental	4 054 980	3 334 338
			Other	191 696	271 304
Fund raising costs	1 155 262	1 110 303	INSTITUTIONAL FUNDING	20 819 639	21 699 734
Donation processing costs	173 728	180 417	% of total funding for the period	68,5%	62,0%
TOTAL FUND RAISING COSTS	1 328 991	1 290 720			
% of total application of funds for the period	4,7%	4,6%	Donations in Kind WFP	3 399 221	6 164 280
			Other donations in Kind	2 191 058	2 186 141
PUBLIC RELATIONS AND INFORMATION COSTS	203 254	234 323	CONTRIBUTIONS IN KIND	5 590 279	8 350 421
% of total application of funds for the period	0,7%	0,8%	% of total funding for the period	18,4%	23,9%
Head office costs	1 573 460	1 187 914	Other operating income	21 716	143 282
Interest and Financing Costs	217 000	93 183	Financial Income	171 921	83 081
Provisions	203 465	100 098	Release of Provisions	88 821	185 352
Exceptional Items	108 735	60 409	Exceptional Income	48 010	38 903
GENERAL RUNNING COSTS	2 102 660	1 441 604	OTHER SOURCES OF FUNDING	330 469	450 619
% of total application of funds for the period	7,5%	5,1%	% of total funding for the period	1,1%	1,3%
TOTAL APPLICATION OF FUNDS FOR THE PERIOD	27 996 049	28 304 455	TOTAL SOURCES OF FUNDING FOR THE PERIOD (3)	30 376 119	34 979 733
	100,0%	100,0%		100,0%	100,0%
Unused Committed Income for the period (1)	8 197 568	6 620 680	Utilisation of prior period		
			Unused Committed Income (4)	6 220 323	
TOTAL APPLICATION OF FUNDS (2)	36 193 616	34 925 135	TOTAL SOURCES OF FUNDING	36 596 442	34 979 733
Surplus for the period	402 826	54 598	Loss for the period		
TOTAL GENERAL	36 596 442	34 979 733	TOTAL GENERAL	36 596 442	34 979 733
TOTAL APPLICATION OF FUNDS UTILISED (2) -(1)	27 996 049	28 304 455	TOTAL SOURCES OF FUNDING UTILISED (3)+(4)-(1)	28 398 874	28 359 053

STATUTORY AUDITORS' REPORT (Financial statements for the year ended 31 December 2006)

In compliance with the assignment entrusted to us by your Annual General Meeting, we hereby report to you, for the year ended December 31, 2006, concerning:

- the audit of the accompanying financial statements of SOLIDARITES
 - the justification of our assessments,
 - the specific verifications and information required by law.
- These financial statements have been approved by the Supervisory Board. Our role is to express an opinion on these financial statements, based on our audit.

1. Opinion on the financial statements

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform the audit 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 the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of the association at December 31, 2006 and the results of its operations for the year then ended, in accordance with the accounting rules and principles applicable in France.

2. Justification of our assessments

In accordance with the requirements of Article L. 823-9 of French Commercial Code relating to the justification of our assessments, we bring to your attention the following matters:

Your Association accounts for Dedicated Reserves according to the Chart of Accounts for Associations.

- Section VII – DEDICATED RESERVES – of the Notes to the Accounts details the accounting principles applied, as well as the movements in these reserves during the year ended 31 December 2006. In particular, on the basis of legal documentation provided and the verification of expenses incurred, we have ascertained that the dedicated reserves are correctly determined at the year end;

- As explained in the section of the Notes to the Accounts «Provision for Risks», your Association constitutes provisions to cover the risks associated with its activity. On the basis of information available to date, our assessment of these provisions and amortisation is based on: an analysis of the processes put in place by management to identify and evaluate the risks; a review of the risks identified and their estimated financial impact and a review of subsequent events to confirm these valuations;

- Section XV of the Notes to the Accounts explains the basis used to establish the Annual Statement of Sources and Application of Funds, as provided for in Article 4, Law n°91-772, 7 August 1991. Within the scope of our assessment of the accounting principles applied by your Association, we have verified that – in the absence of accounting rules related to the establishment of the Annual Statement of Sources and Application of Funds – the method retained is correctly described in the Notes to the Accounts and corresponds to the rules applied in the prior year accounts. Lastly, we have ascertained the correct application of these methods to establish the Annual Statement of Sources and Application of Funds.

These assessments were thus made in the context of the performance of our audit of the annual financial statements taken as a whole and therefore contributed to the expression of our opinion in the first part of this report.

3. Specific procedures and disclosures

We have also performed the specific verifications required by law in accordance with professional standards applicable in France.

We have no matters to report regarding the fair presentation and the conformity with the annual financial statements of the information given in the Treasurer's Report and in the documents addressed to the members with respect to the financial position and the annual financial statements.

Le Chesnay, 1 June 2007

**IDF Expertise et Conseil
Yves Kerveillant & Eric Chapus
Statutory Auditors**

treasury advances granted to the association by a banking pool. These advances reflect the increased activity in the field and the financing terms applied by donors in 2006. In general, a lengthening of the donor project cycle is noted. Exceptional charges relate to losses following thefts suffered by the missions, more and more

frequent in the field in DRC and Sudan, and bad debt losses. The provisions concern exchange risks, doubtful debts and the head office move in 2007.

Conclusion

In 2006, SOLIDARITES has maintained the same level of aid implemented as in 2005 with a sur-

ASSETS (Euros)	31/12/06		31/12/05		LIABILITIES & RESERVES (Euros)	31/12/06		31/12/05	
	Gross	Depreciation	Net	Net					
Intangible Assets	97 613	75 865	21 748	4 664	Prior Year reserves	441 736	387 138		
Tangible Assets	448 616	416 065	32 550	61 862	Net retained surplus	402 826	54 598		
Financial Assets	62 420		62 420	55 845	Capital Reserves	844 562	441 737		
Total Fixed Assets	608 649	491 930	116 718	122 372	Provisions	347 525	207 236		
Stock	51 741		51 741	34 345	Dedicated Reserves	8 597 925	6 620 680		
Debtors - Donor contracts	8 975 121		8 975 121	7 669 458	Short term Borrowing	137 933	269 231		
Other Debtors	78 899		78 899	101 082	Trade Creditors	667 536	939 700		
Short Term Investments	1 998		1 998	1 998	Personnel / Tax and Social Security	451 216	289 636		
Bank and Cash	1 770 638		1 770 638	1 015 607	Other Creditors	104 190	311 329		
Current Assets	10 878 397		10 878 397	8 822 490	Total Creditors and Loans	1 360 875	1 809 896		
Other (inc Prepayments)	172 350		172 350	262 561	Exchange Differences	16 578	127 873		
TOTAL ASSETS	11 659 395	491 930	11 167 465	9 207 422	Other Liabilities	16 578	127 873		
					TOTAL LIABILITIES AND RESERVES	11 167 465	9 207 422		

INCREASED CONTROL OF OUR FINANCIAL RESOURCES AND EXPENDITURE

The number of external audits increases every year, with 25 contracts audited in 2006 for a total value of 7M Euros. The forecast for 2007 is estimated at 30 contracts, valued at over 13M Euros.

The projects implemented following the tsunami were the focus of special attention with a control by the National Audit Office following audits by the French Red Cross, the "Fondation de France" and the Seine-Normandy Water Agency. The

reports concluded that funds had been used according to objectives. EuropeAid tops the list of institutional donor audits with 7 contracts for a total value of 3M Euros. Other donors concerned are OFDA, OCHA and HCR. In addition 4 internal audit visits were carried out in the field in 2006. The independence of the Internal Audit function was reinforced in 2006 passing under the responsibility of the new Executive Director and the recruitment of an additional post.

plus for the period the largest since its creation. This surplus allows an almost doubling of Capital Reserves, rising from 0.44M€ in 2005 to 0.84M€ in 2006.

Nevertheless, one needs to remain watchful, the 2006 result remains modest in comparison with the level of activity and operating conditions

remain unpredictable. The evolution of financial management tools is a constant objective to increase efficiency of humanitarian aid in the field.

Paris, 29 May 2007
Gildas Poirel, Treasurer

Communication

SOLIDARITES' communication activities in 2006 were tailored to a specific context: one year after the Tsunami. We established and developed our combat for drinking water around World Water Day, above and beyond the exceptional mobilisation generated by the tidal wave in South East Asia. It was also an important year for our relations with private donors and partners.

- World Water Day, March 22, 2006: SOLIDARITES organised events in Paris, Brussels and Mexico City to raise awareness about drinking water access for all.



Around the symbolic "Innocents' fountain" in Paris, volunteer actors represent the 15 people killed by contaminated drinking water every minute. World Water Day 2006.

Paris:
- Around the symbolic "Innocents' fountain" in Paris, volunteer actors represented the 15 people killed by contaminated drinking water every minute. This scene was filmed and placed on our website. This film "Water kills" was publicised by banners on high visibility websites who offered free advertising space.

The operation was a success: over 100,000 people visited our website in one month.
- This event also formed part of a special press file produced by the agency "Rouge", which was sent out in December 2005. Over 600 journalists were contacted in the lead up to World Water Day on March 22, 2006.

- A banner campaign using the slogan "Water kills" was used to publicise an appeal for donations via SMS and a special World Water Day page was created on our website www.solidarites.org
We also presented a photographic exhibition showing our water programmes in Indonesia at an event organised by the city of Paris on the Hôtel de Ville square.

Brussels:
Our photographic exhibition Water emergency in Darfur was presented at the European Parliament on March 29-30, 2006.

Mexico City :
SOLIDARITES attended the 3rd World Water Forum, and gave a joint conference with AESN on: "The effectiveness of an emergency partnership: a Tsunami example" on March 18 in the French pavilion.

- A special report "Water: a humanitarian emergency"
was produced and sent to 1,000 opinion leaders. Following World Water Day 2006, we launched a press campaign "H2O, cholera: water kills" during the summer of 2006, to



Our special report "Water: a humanitarian emergency", which was sent to 1,000 opinion leaders

continue to raise awareness among the French public about our combat for drinking water access throughout the world. The following media offered us free advertising space: Les Echos, la Presse de la Manche, Presse Océan, le Courrier de l'Ouest, le Midi Olympique, le Journal du Centre... and the campaign was designed for us free of charge by the BDDP et Fils agency (Groupe TBWA).

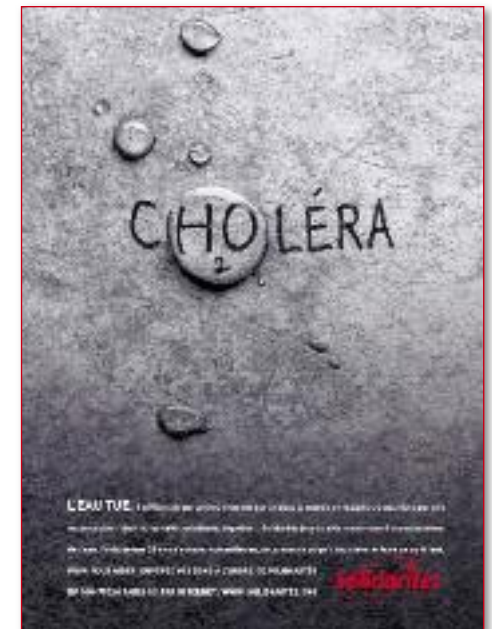
- A strong relationship with our partners

During 2006, our partnerships on the theme of water continued to develop, with activities as follows:

1 - Cause-related marketing:
the Livret Agir Urgence Eau (savings account) in partnership with the Crédit Coopératif bank generated more than 20,000 euros of annual revenue. This product has long-term development potential.

2 - Financial partnerships:
ESN (Seine Normandy Water Board), AERM (Rhine Meuse Water Board), Véolia and Sanofi-Aventis provided funds for emergency projects in Niger and Java (Indonesia).

3 - Skills partnerships:
Aquaassistance provides technical expertise for our water programmes in Beni (DR Congo), BDDP et Fils (Groupe TBWA) designs our campaigns to raise public awareness about our combat for drinking water.



Poster from our campaign "H2O, Cholera: water kills", which was designed for us free of charge by BDDP et Fils (Groupe TBWA)

- Closer ties with our private donors

During 2006, a new agency was nominated for our private fund raising activities. With the support of our agency Adfinitas, we have established closer ties with the 60,000 individual donors who faithfully support our work. The result is a substantial increase in net resources, which were 12% higher than in 2005. This outcome was achieved through the promotion of donations via direct debit, optimal segmentation of our donation appeals, and the continuing growth of online donations. Our donors receive our quarterly journal, which informs them of our humanitarian action. In addition, we regularly send out an email newsletter to nearly 6,500 subscribers.

- The media, an echo for our action

We send out around ten press releases per year to inform the media, and our action is often mentioned in the press: numerous



A slideshow showing our emergency activities in Java (Indonesia), which was published on our website www.solidarites.org



The press file produced by the agency "Rouge", and sent to over 600 journalists in the lead up to World Water Day, March 22, 2006.



Internet banners for our video clip "15 deaths every minute", which was shown during World Water Day 2006

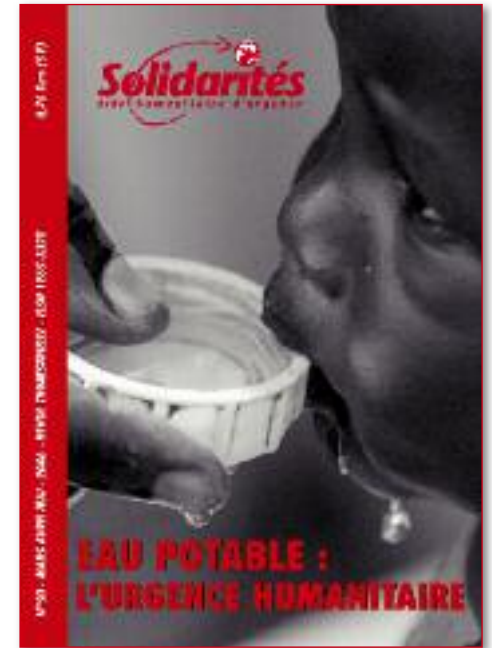
newspaper articles, radio programmes and television documentaries. During our emergency action in Lebanon the summer of 2006, an appeal for donations was published in the *Nouvel Observateur* and the *Parisien* (with a daily readership of over 2.5 million people).

- On the web

Our website www.solidarites.org, is a rich, continuously updated insight into what we do. It is updated and develops as we respond to new humanitarian emergencies.

- An annual report, to reflect our commitment:

3,000 copies of our 2005 annual report were printed and sent to our major donors, to our partners (companies and organisations), to opinion leaders and to journalists who support our action.



Our quarterly journal, of which over 60,000 issues are sent out to our donors



The "Livret Agir": a cause-related savings account which was created in partnership with the Crédit Coopératif bank

Thanks - Contacts



SOLIDARITES/ALAIN BOINET

MANY THANKS TO:

- The 60,000 private donors who faithfully support our humanitarian action

Institutions :

- The French Ministry of Foreign Affairs (DAH, CIAA) and the Post-Tsunami Interministerial Delegation (DIPT)
- The Seine Normandy (AESN) and Rhine Meuse (AERM) water boards
- The European Commission (DG ECHO and EuropeAid)
- DFID (United Kingdom)
- The Japanese International Cooperation Agency (JICA)
- OFDA and USAID (United States)
- United Nations (UNICEF, WFP, HCR OCHA, FAO, UNDP, UNJLC)
- CHF (Common Humanitarian Funds)
- MRRD (Afghan Ministry of Rural Rehabilitation and Development)
- Midi Pyrénées Regional Authority
- Corrèze Regional Authority
- St Paul de la Réunion
- French Red Cross

Foundations, companies:

- La Fondation de France
- Veolia
- Crédit Coopératif
- Sanofi-Aventis laboratories
- Schneider Electric Foundation
- Michelin
- Aquassistance
- BDDP et Fils and Groupe TBWA

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