



spark

annual report 2015

Preface by the Board of Directors

As an organisation focused on facilitating access to higher education and developing entrepreneurship in fragile and conflict affected states, SPARK's areas of operation have repeatedly shifted geographically over the past 21 years. As millions of Syrians flee their country and the wider flow of (forced) migration from the conflict affected Middle East and North Africa continues, SPARK has become increasingly involved in the MENA region. Furthermore, hundreds of thousands of young Syrian refugees are left without access to higher education.

SPARK has therefore scaled up its Syria programme (Higher Education for Syrians – HES) in order to enrol thousands of Syrian youth into local universities in subjects that will enable them to contribute to post-war reconstruction. Coupled with dedicated training in leadership and entrepreneurship, we will better equip them to play leading roles in the reconstruction after the war. In Northern Africa and the Horn SPARK has also increased its efforts. At the end of 2015 SPARK began LEAD (Local Employment in Africa for Development), a large SME development programme aiming to create jobs for youth in Libya, Tunisia and Somalia.

Due to this geographical shift of SPARK's activities, Arabic has now become an important language for SPARK staff, which prior to 2015 had not been a significant requirement and represents a transition in the organisation's development and culture. SPARK's work with Syrian refugees has also resulted in a shift in donor funding with HES being partially funded by the Qatari Al Fakhoora Foundation. Despite these organisational and geographical changes, HES is indicative of SPARK's original mission – to provide education in conflict affected areas. SPARK's initial programmes ran in the former Yugoslavia and HES is a strong return to this thematic focus. Since its inception in 1994, SPARK has been focussing on some of the world's most conflict affected zones; the Balkans, some countries in Sub-Saharan Africa and now the MENA region.

Working in fragile and conflict affected states is never without its challenges. The International Business College Mitrovicia (IBCM) has experienced decreasing enrolment rates and funding problems and its aim of social cohesion between the two sides of the divided city remains an uphill effort. In Yemen and Burundi project activities had to be amended because of the returning conflicts. The ever complicated and dangerous environment in Syria forced us to change the location of one of the six higher vocational institutes that SPARK established and supports inside the country.

Despite these barriers, results have been positive; 68% of our entrepreneurs were from vulnerable groups, 54% of scholarships awarded to Syrians to study in the region were young women. Across all of SPARK's entrepreneurship and economic empowerment related projects, 2566 jobs were created in 2015. Between October and December 2015 SPARK enrolled 1517 Syrian youth in higher education and 543 students attended the six institutes inside Syria.

2015 also saw the end of SPARK's two biggest programmes, the Enterprise Development Programme (MFSII) and the Youth Empowerment Programme (YEP). The five-year MFSII programme spanned 5 fragile and conflict affected states and aimed to alleviate poverty through empowering entrepreneurs. YEP, which ran for four years focused on creating an enabling environment for youth in order to improve and advocate for their socioeconomic position. SPARK will continue to build

on the results achieved in these countries with local partners.

SPARK's third INGITE! Conference was attended by over 300 guests, including Her Majesty Queen Maxima of The Netherlands in her capacity of United Nations Secretary General's Special Advocate for Inclusive Finance for Development (UNSGSA). The conference also engaged a wide range of international organisations, such as the African Development Bank, UNDP, World Bank, local NGO's and companies. IGNITE is the flagship of SPARK's communication strategy and it underlines the relevant network that we have built over the years and the expertise we are mobilising. Thus, we are gradually positioning ourselves as an organisation with significant knowledge and expertise in entrepreneurship, economic empowerment, access to higher education and leadership in fragile settings.

2015 has been an eventful year for SPARK with a significant part of our work hampered by political unrest or armed conflict. This has compelled our team to continuously adapt our programmes to the rapidly changing environment in which we operate in order to overcome emerging obstacles.

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Creating market opportunities for young African apparel producers.



**Rebuilding
educational
infrastructure inside
Syria's conflict zone.**



**Pioneering a
business training
for illiterate youth in
Yemen.**



**Uniting ministers
from rival Somali
factions during
diplomatic mission
to Europe.**



**Challenging mutual
perceptions
between Turkish and
Syrian youth.**

**BUSINESS START-UP
CENTER MONROVIA
(BSCM)**



**Introducing Dutch
trade delegation
to Monrovia
entrepreneurs.**

AWARD CEREMONY

GAZIANTEP YOUTH ENTREPRENEURSHIP PROGRAMME

RI FOUNDATION

GAZIANTEP
NİVERSİTESİ

Target

spark
ignites ambition

Helping young
Syrian refugees to
start businesses.





Larson

CENTRE OF ENTREPRENEURSHIP

Empowering
post-Ebola youth
entrepreneurship in
Liberia.



Stimulating
innovative sweet
potato products in
Rwanda.



**Developing dairy
value chains in
war-torn Yemen.**



**Putting youth
economic
empowerment
in FCAS on the
international agenda.**

SPARK 2015 in brief

Vision

SPARK believes that inclusive economic growth and poverty eradication, through access to education and the creation of decent work for youth, women and marginalised groups, make a major contribution to promoting sustainable peace in fragile states.

Mission

SPARK develops higher education and entrepreneurship to empower young, ambitious people to lead their conflict affected societies into prosperity.

Strategies

- Capacity Building of economic and educational partner institutions
- Access to higher education through scholarships, curriculum development, e-learning solutions and facilitation of diploma recognition
- Direct Poverty Alleviation through business growth and employment Generation
- Policy Making & Advocacy to create enabling business environment & support more effective participation of partners

Underlying principles in SPARK's work

A **demand-driven approach** to pinpoint the needs and priorities of local entrepreneurs

Promotion of **local ownership** as a precondition for sustainability

Focus on **youth, women & marginalised groups**

Conflict-sensitive & inclusive approach

Support of long-term **cross-regional and international cooperation** processes

A **society-oriented** focus

SPARK organisation in 2015



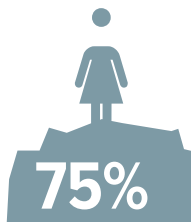
17 SPARK countries



22 Worked on 22 programmes & projects

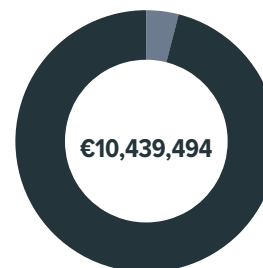


75 employees (year average)

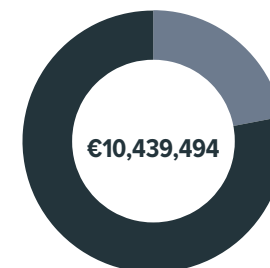


75% of staff working in SPARK's country offices

Income 2015



4% own fundraising
96% governmental grants



78% income from NLMFA
22% other income

Expenditure 2015

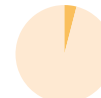
Total expenditure €10,737,242



33% Spent on objectives
(of total income)



74% spent on private sector development
24% spent on higher education



4% spent on ownfundraising
(income from ownfundraising)



3% overhead

SPARK Solutions

Access to Higher Education

**Business Support
Services & Facilitation**

Access to Markets

Access to Finance

Lobby & Advocacy

Access to Higher Education

- Higher vocational education institutions support
- Curriculum development and e-learning solutions
- Facilitation of diploma recognition Summer/Winter universities
- Higher Education scholarships for young Syrian refugees
- Economic Empowerment and Leadership training for Syrian refugees for post conflict reconstruction

Highlights

6 Institutes for higher vocational education established in Syria

1517 Syrian refugee students enrolled at universities in Iraq, Jordan, Lebanon, Syria and Turkey

84 students graduated from the International Business College Mitrovica (IBCM), Kosovo

Quick Facts IBCM Mitrovica (Kosovo)

84

(Bachelors) students graduated

80%

% employment rate of graduates

Countries
Kosovo

Spent in 2015
€ 1,897,934

Duration
2010-

Objective
To increase the socioeconomic stability in northern Kosovo, through cross-community business and entrepreneurship development.

Partners
Lillebaelt Academy of Professional Higher Education, University College Lillebaelt, European educational network, SPACE

Quick Facts Higher Education for Syrians (HES)

1517

Students enrolled (reached)

Countries
Iraq (Kurdistan), Jordan, Lebanon, Syria, Turkey

Spent in 2015
€ 156,478

Duration
2015-2016

Objective
Access to education for Syrian refugees and IDP's to prepare for post-conflict reconstruction of Syria and integration in host communities

Partners
NLMFA

Quick Facts Gaziantep Youth Entrepreneurship Programme (GYEP)

100

Direct Beneficiaries

Countries
Turkey

Spent in 2015
€40,071

Duration
February - April 2015

Objective
To achieve changes in attitude between Syrian and Turks through awareness rising, empowerment, job creation and income generating activities enabling them to capitalize on their potential to act as positive actors in their communities.

Partners
The Asfari Foundation

Quick Facts Scholarships for Syrian refugees in Turkey (SSRT)

204

Scholarships awarded

78

Scholarships to women

Countries
Turkey

Spent in 2015
€ 34,899

Duration
2014-2015

Objective
To offer scholarships to Syrian refugee students so they can pursue higher education in Turkey

Partners
Lillebaelt Academy of Professional Higher Education, University College Lillebaelt, European educational network, SPACE

Quick Facts Setting up a Pilot Higher Vocational Institute for Syrian students (SYRIN)

543

Students enrolled

197

Women enrolled

Countries
Syria

Spent in 2015
€ 501,085

Duration
2015-2016

Objective
To give young Syrians an opportunity for higher vocational education and build the capacity of local Syrian institutions

Partners
Ministry of Education (of the Interim Syrian Government) and Social Relief Organisation (CSRO)

Business support services & facilitation

- Entrepreneurship and business plan writing courses
- Business plan competitions
- Business skills training courses
- Coaching & mentoring (of entrepreneurs and service providers)
- Training of trainers / capacity building
- Business Support Centres / incubators

Access to finance

- Facilitated loans with collateral guarantee tools
- IGNITE Fund (private equity)
- Small business loans

Access to markets

- Matchmaking
- Trade facilitation
- Business to business services

Highlights

8488 entrepreneurs trained

2566 jobs created

1039 SMEs supported

Quick Facts Agri-Business Creation Programme (ABC)

1953 (1300)*
Entrepreneurs trained

120 (1500)*
Jobs created

58 (200)*
SMEs supported

Countries
Burundi, South Sudan, Yemen

Spent in 2015
€ 1,538,455

Duration
2013-2016

Objective
To strengthen human security through rapid rural job creation in FCAS

Partners
Burundi: Caritas, Caisse Cooperative d'Epargne et de Credit Mutuel (CECM), Centre de Formation Rural (CFR), Coopérative Solidarité avec les Paysans pour l'Epargne et le Crédit (COSPEC), Mobile Business Incubator (Mobinc), Terrafina Microfinance
South Sudan: Agriculture Advisory Organization (AAO), Action for Children Development Foundation (ACDF), Keliko Farmers Association Society (KFAS), Business Support Centre (BSC), COMPASS
Yemen: CAC BANK, For All Foundation (FAF), Yemen education For Employment (YEFE), Yemen Microfinance Network (YMN), Yemen Leadership Development Foundation (YLDF)

* result (target)

Quick Facts Cooperatives Support Programme (CSP)

99
Cooperatives trained

120
Cooperatives manager's reached

58
Cooperatives/businesses provided with financial services

36,8
% of women entrepreneurs trained

Countries
Rwanda

Spent in 2015
€ 980,636

Duration
2013-2016

Objective
To accelerate agribusiness development by promoting rural economic growth and job creation, thus contributing to food security and stability

187
Entrepreneurs trained

890
Jobs Created

58
SMEs supported

Partners
Terrafina Microfinance (TMF), Wageningen University, MINAGRI and Agriprofocus

Quick Facts

Medefinancieringsstelsel II (MFSII)

6319 (3000)*
Entrepreneurs trained

249
Loans facilitated

611 (1730)*
Jobs created

257
Successful matchmaking sessions

631 (160)*
SME' supported

Countries

Burundi, Kosovo, Palestine, Liberia, Rwanda

Spent in 2015

€ 4,165,192

Duration

Jan 2011 – Jan 2016

Objective

To contribute to sustainable economic development of FCAS through promoting entrepreneurship and job creation

Partners

BiD Network, MDF, Enclude, NABC, MSM

* result (target)

Quick Facts

Branson Scholarship Programme (BSP)

20
Entrepreneurs trained

25
Jobs created

20
SME' supported

Countries

Liberia

Spent in 2015

€ 95,507

Duration

2013-2016

Objective

To support the growth of Liberian existing high potential businesses that will act as catalysts to stimulate the development and acceleration of a viable private sector-led economy in Liberia

Partners

Humanity United, Virgin Unite (Branson Scholarship Centres)

* result (target)

Quick Facts

Migrant Entrepreneurship Programme (MEP)

9 (0)*
Entrepreneurs trained

476
Directly reached diaspora

24 (0)*
Supported SMSs

Countries

Afghanistan, Ghana, Iraq (Kurdistan), Morocco, Somalia, Surinam

Spent in 2015

€ 616,542

Duration

2014-2016

Objective

To support young migrants who have the ambition to start a business in their country of origin

Partners

Belink Consultancy, DutchSom Business, Council, Kurdistan in Business, Recogin, Intent Morocco, MDF-West Africa, Ministry of Industry of Somaliland (MoU), Horn Rescue.

Lobby & Advocacy

- Business barrier research
- Advocacy, campaign & media training
- Facilitation of Multi Party Dialogue
- Advocacy for youth participation and decision making
- Coaching & Mentoring

Highlights

- 1767** Youth in networks
- 7** policy proposal to reach decision-making process
- 28** youth placed in mid-level decision making positions in civil society

Quick Facts Youth Engagement Programme (YEP)

1767

Youth in networks

7

Policy proposals that reach decision-making process

6

Advocacy plans developed for improving the socioeconomic position of youth

23

Socioeconomic issues formally tabled at multistakeholder dialogue events

28

Youth placed in mid-level decision making positions in civil society

263 (40)*

Youth trained

Countries

Burundi, Palestine, South Sudan

Spent in 2015

€ 601,743

Duration

2012-2015

Objective

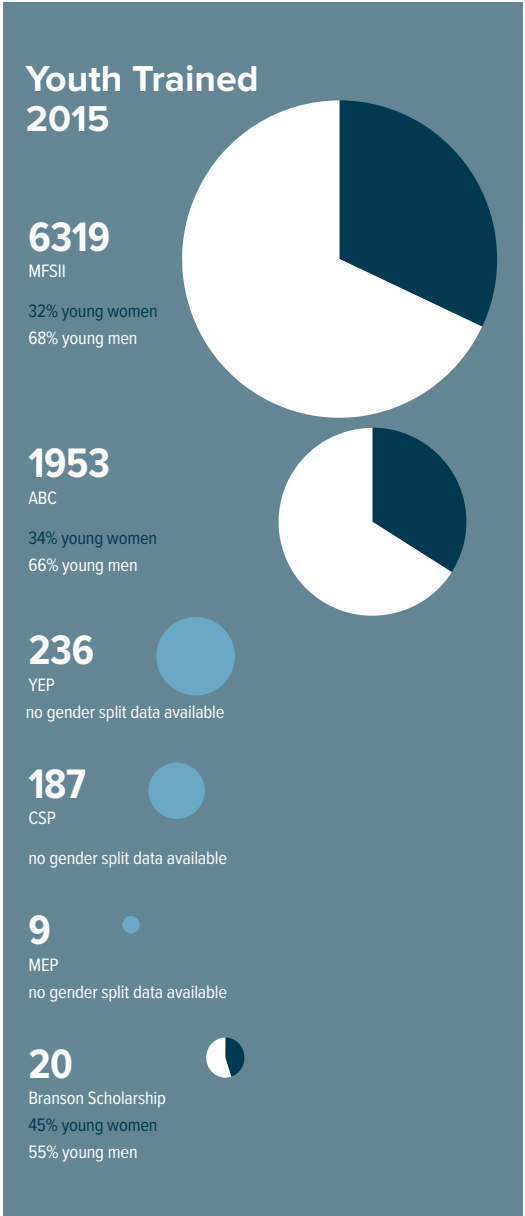
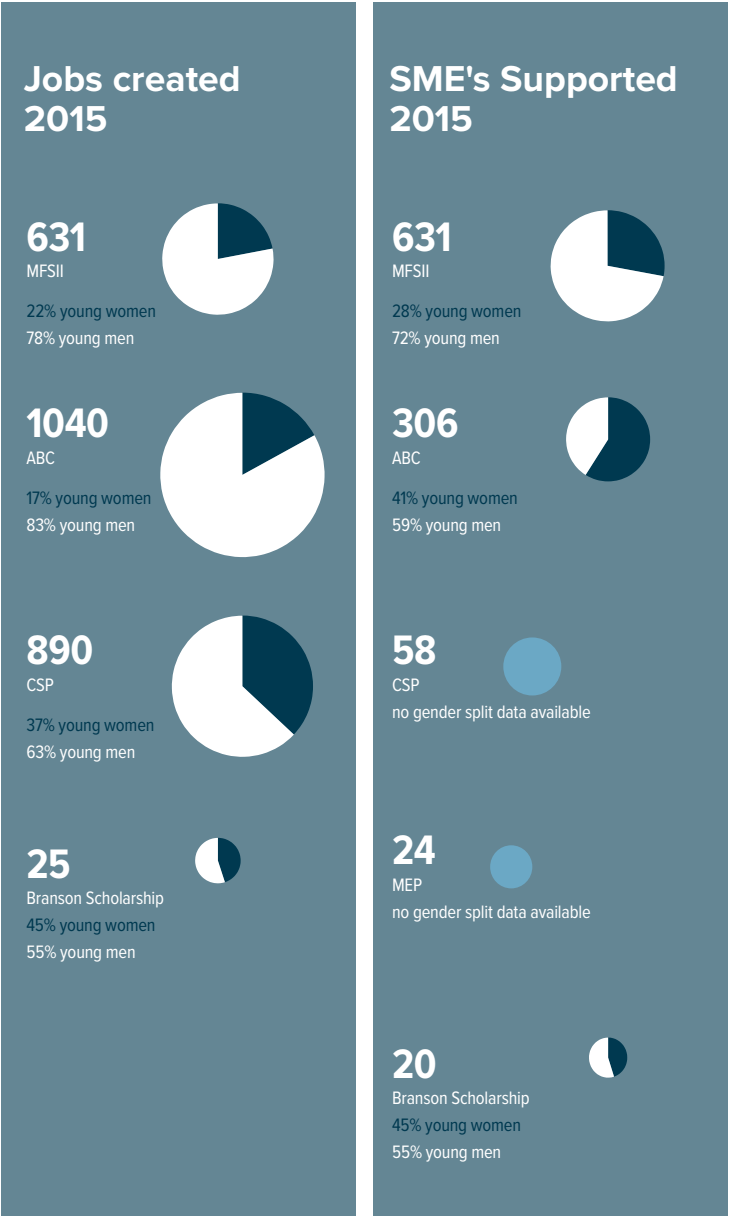
To enable youth to advocate for and improve their socioeconomic position through a multi-stakeholder approach

Partners

The Hague Academy for Local Governance (Netherlands); SUTCO (South Sudan); FOCODE, Fontaine Isoko (Burundi); PYALARA (OPT)

* result (target)

SPARK gender split



Risk Analysis

SPARK has a specific focus on fragile and conflict-affected states. Working in such environments inevitably brings additional risks that usually don't occur in less fragile areas. In order to prevent, anticipate and/or mitigate risks, SPARK uses a range of tools for risk management.

SPARK has an ISO 9001 Quality Assurance system in place, which is designed to safeguard transparency of operations and where possible prevent against fraud or misuse of funds. All country offices have security policies in place for structured crisis management in cases of emergency. SPARK is also subscribed to security intelligence services, which provide near-time or even real-time security information. Through annual and multi-year plans, the SPARK management team explains foreseeable risks, weaknesses and threats for the periods covered by the respective plans.

In 2015, SPARK had to temporarily relocate staff from its operations in Burundi and evacuate staff from Yemen because of surging conflicts. As a result, SPARK is working on updates of its security policies and is conducting a new round of staff security trainings. On a strategic level, SPARK finds it increasingly difficult to retain small offices with small budgets. Smaller projects often don't cover the overhead required to manage them, which makes small projects less interesting and only financially viable in combination with larger projects. For this reason, SPARK is increasingly focussing on mid-sized and larger projects. Due to the start-up of the HES programme, SPARK had to start up operations in Lebanon and Jordan before it obtained official registration as an NGO. In Jordan, SPARK is working with a local partner organisation as implementing partner. In Lebanon, SPARK hired contractors on assignment contracts. SPARK is in the process of registration in both countries and will obtain it in 2016.

General + programmatic risks

Loss of added value as development organisation

Probability - **

Impact - ***

Problem

Private sector development has received increasing attention, this could result in a decrease in SPARK's relevance.

Mitigation

Learning, innovation and continuous development of distinctive approach.

Insufficient capacity of local partner organisations

Probability - ***

Impact - **

Problem

Building local capacity takes time, while funding partners have an interest in fast job creation to rapidly increase the level of stability.

Mitigation

Two-tier approach of implementation activities and capacity building of local partners; rigid selection criteria.

Broad geographic coverage + limited span of control

Probability - **

Impact - **

Problem

There is tension between donor's inclination to reduce implementation costs and SPARK's experience of comparatively high costs inherent in working in FCAS.

Mitigation

Realistic planning and allocation of sufficient resources

Slow starts to programmes

Probability - ***

Impact - **

Problem

While SPARK's communication with donors when establishing a programme is generally good, the assumptions underlying planning could be more realistic.

Mitigation

Realistic planning

FCAS specific risks

Start up of new operations & unregistered operations

Probability - ***

Impact - *

Problem

After a conflict, countries often experience chaotic circumstances making registration a lengthy process. Fortunately, SPARKs activities are not of a political bent, so barriers can be overcome. Delay in compliance with local regulations incurs a risk of fines. Absence of bank accounts results in higher transaction fees and added workload.

Mitigation

Open communication and high level of transparency; reserve budget for higher costs and fines; seek advice from local lawyers; connect to local government

Insufficient capacity of local partner organisations

Probability - ***

Impact - ***

Problem

In FCAS there is an increased potential for employees being mugged, attacked or kidnapped.

Mitigation

Security Policy and trainings; adequate response measures; insurance

Organisational risks

High staff turnover

Probability - **

Impact - **

Problem

Investment in staff capacity is lost and a substantial amount of time has to be spent on training and recruiting new staff.

Mitigation

Internal trainings and identification of opportunities for development; handover procedure.

Limiting fundraising/ acquisition activity

Probability - **

Impact - **

Problem

Improving acquisition capacity is important for development of SPARK's project portfolio

Mitigation

Business Development Unit in Belgrade; recruitment of staff with respective skills; trainings

HR management in changing donor environment

Probability - ***

Impact - **

Problem

Donors' increasing drive to reduce overheads and limited duration of projects may lead to loss of competitiveness regarding salaries, secondary labour conditions and job security. This may result in a high staff turnover and undermine the quality of SPARK's work.

Mitigation

Decentralisation of operations; only accept projects with sufficient overhead; offer non-material benefits

Financial risks

High dependence on limited donors

Probability - **

Impact - ***

Problem

Traditionally SPARK has received substantial funding from NMLFA. Due to budget cuts the Dutch development budget decreased by 25% in 2014.

Mitigation

Increase acquisition activities and diversification of donor portfolio.

Costs for rounding up programmes

Probability - ***

Impact - *

Problem

Unbudgeted costs can arise from e.g. contract termination, moving expenses for staff, moving costs for assets and archives and legal fees in case of closing or suspending operations as well as costs for reporting after the project end date. Not all of these costs may be billable to donors.

Mitigation

Make agreements about such costs during contract negotiation; keep a contingency for such costs.

Fraud within the organisation / among partners

Probability - **

Impact - **

Problem

Due to low level of rule of law and often high corruption levels, fraudulent activities can occur and funds could be lost.

Mitigation

Rigid implementation of Partner and Sanctions Policy; payments only in instalments.

Projects

Syria

The Syrian conflict reached its fifth year in 2015. The outcome remains unclear and the numbers of internally and externally displaced Syrians continues to rise. A high percentage of refugees are youth, whose education has been disrupted and who are lacking future prospects. It is this generation that will play a crucial role in the reconstruction and transitional processes of the country. SPARK believes that resources should be predominately invested within Syria and in neighbouring countries. Locally invested initiatives not only impact selected refugee students, but also the host communities and will help limit the divides.

The long term goal of SPARK's efforts in the region (Turkey, Lebanon, Jordan, Iraqi-Kurdistan and Syria) is to contribute to conflict prevention by promoting inclusive economic development and increasing education, employment and economic opportunities. In the Turkish city of Gaziantep, where SPARK directs its Turkish operations from, the scale of the refugee crisis has rapidly increased and SPARK now employs four permanent staff to run operations. In October 2015, the Gaziantep office became the regional hub for SPARK's HES programme, coordinating access to higher education activities in Iraqi-Kurdistan, Jordan, Lebanon, Syria and Turkey.

SYRIN

In May 2015 SPARK established the IAT institutes in cooperation with the International Agriculture Cooperation Office (IACO) of the Syrian Interim Government with the aim of rehabilitating agricultural education within Syria and thus addressing rising food insecurity. The project started as a pilot and there are now four Institutes of Agricultural Technology in opposition held Syrian cities: Aleppo, Homs, Idleb, and Daraa. These institutes provide a 10 week course on plant production and, due to the internationalisation of the conflict and the presence of many international NGO's, English courses are available.

IAT institutes have become an attraction for international stakeholders; serious negotiations are now running between SPARK and key international organizations to scale the project into a sustainable development programme. SPARK Turkey is planning an affiliated entrepreneurship programme starting from the institutes' students and

covering the region served by the institutes. Of course, the scene is not always so rosy in a conflict zone; the starter institute in Atareb was directly threatened by conflict so SPARK took the decision of adjoining it to the nearest institute in Idleb. The evacuation went smoothly and lessons have continued at the merged location.

Due to the conflict, the health care system in the conflict region has been severely disrupted. In a further partnership between SPARK and the Syrian Interim Government, the Ministry of Health signed an agreement to develop institutes on health and medical education. These institutes were established in October 2015, the outcome of these is to qualify first responders to work in local hospital and clinics in opposition-held areas where health centres have undergone severe damages. Two Institutes are up and running in Daraa to educate 95 Syrian students in nursing and midwifery.

University of Gaziantep

One response of the University of Gaziantep (UoG) to the ever growing numbers of refugees is to adapt its programmes and capacity to receive more than 1500 refugees and provide courses in Arabic. SPARK funded the opening of Arabic programmes for Syrian students across Turkey. In cooperation with the UoG, SPARK implemented 10-week trainings on Conflict Sensitive Project Cycle Management and Business English to increase the number of skilled Syrian practitioners capable of responding to the emergency reconstruction, development, and recovery needs of Syria's devastated economic sectors. As result of the training, trainees were able to write a professional business plan project proposal and address the donors. One of the trainees applied for a UN fund and received \$150,000 funding for his business plan.

The (initial) scholarship scheme

In the academic year 2014-2015, the UoG ran a scholarship scheme for Syrian refugees, initiated and supported by SPARK, which supported 80 students. The UoG, once again with support from SPARK, continues the scheme in 2015-2016. Full scholarships are provided to a total of 124 Syrian students in different majors. Most of the students are enrolled in the Arabic language courses, and a few study in Turkish and English. The scholarships cover full tuition fees and for some students an additional livelihood allowance of 750 TL per month.

Gaziantep Youth Entrepreneurship Programme (GYEP)

Funded by the ASFARI Foundation, SPARK ran the Gaziantep Youth Entrepreneurship Programme (GYEP) with the aim to get Turkish and Syrian youth entrepreneurs to work together on creating business plans. The programme included Business Skills Training (BST) and Business Plan Writing (BPW) and ended with a competition where 3 teams won the grant of €10,000 divided between them.

One key achievement of the project is to have sparked an equal interest of both communities through communication efforts to promote the project. Over 160 candidates applied for the programme; 54% of applicants were Turks and 46% were Syrians.

Another major achievement was that during the project, tensions between Turkish and Syrian participants decreased. Though pairing the participants for the BST and BPW phase was initially hard, all but two participants accepted to be paired up and develop a business plan jointly and all three winning teams are composed of Syrians and Turks! In the individual evaluation forms participants were asked about the perception of the other community. Answers show that gradually there was more understanding between the two communities: 'I thought Syrians were lazy, now I know they are hard-working people'. Furthermore, the

business plans were of good quality. The consultant from Target who provided training to the winning plans is also interested in one of the non-winners. Currently, one of the winning teams just opened their business: an Art Café where both Turkish and the Syrian cultures are celebrated.

Higher Education for Syrians (HES)

Launched in October 2015, Higher Education 4 Syrians (HES) is SPARK's biggest programme supporting Syrians through enrolling them in higher educational institutions throughout the region. SPARK supports the host countries as they enrol refugees and have partner agreements with approximately 18 educational institutions throughout the region.

In Lebanon, the American University of Beirut offered SPARK a 35% reduction on selected certified short courses and there are currently 610 students enrolled. In Iraqi-Kurdistan, the Ministry of Higher Education agreed to place 300 SPARK students at their public universities throughout the country and all were subsequently enrolled. In Turkey, the University of Gaziantep accepted 123 of our students, 98 of which are in the recently started Arabic programme.

SPARK aims to enrol a total of 10,000 Syrian students throughout the region; to reach part of this target SPARK has recently been awarded 8 million USD from Qatari foundation Education Above All to support 600 students through four years of study.

Medefinancierings- stelsel II

In 2011 SPARK and BiD Network received a EUR 21 million grant from the Dutch government to implement the United Entrepreneurship Coalition (UEC) programme under the second Dutch Co-Financing Scheme (MFS II). The aim was to alleviate poverty by creating employment opportunities through empowering entrepreneurs, through Southern partners, in fragile states and least developed countries (LDCs): Burundi, Kosovo, Liberia, Occupied Palestinian Territories and Rwanda.

UEC adopted 'a full chain approach as key to entrepreneurship development supporting relevant (vocational) educational institutions, CSO's (Civil Society Organisations) and governmental agencies to each optimally perform their respective role in the creation of an enabling environment for private sector development'.

The programme had three objectives and related strategies; the first was to build capacity of the partners and the organisations in their networks and to support entrepreneurship and SME development especially in remote regions and among marginalised groups. The second was to extend support to starting entrepreneurs and existing SME's with the purpose of creating employment opportunities for vulnerable communities. The final aim was the removal of trade barriers for the entrepreneurs and SME's, creating a more fertile environment for private sector development.

Joint MFSII evaluation

The Ministry of Foreign Affairs approved an appraisal to carry out an in-depth evaluation of the programmes implemented by all recipients of MFS II subsidies. The evaluators concluded that the programmes positively contributed to achieving the MDG's and that ILA programmes clearly influenced the agendas of policy makers.

Joint Evaluation Conclusions on the UEC programme

International development programmes never lack challenges, whether they are ongoing environmental problems or dynamic change to political landscapes. These environments are even more complex for SPARK as we work in post-conflict societies. Even so, positive results were achieved in collaboration with local partners for their communities: over 300 SMEs were supported and 1,300 jobs created with projects continuing to produce more. SPARK is proud of the evaluation's findings and pleased to have the opportunity to learn from the lessons of such a diverse network of international development organisations.

In 2015 SPARK was successful in supporting its local partners (LP's), with 95.7% of all respondents agreeing that SPARK has helped their organisation to achieve its general objective(s); namely to contribute to the sustainable economic development of their fragile or conflict affected states through promoting entrepreneurship and job creation. There is still room for improvement as the report found that 2 out of the 23 respondents (representing 9% of LP's), commented that SPARK is an insufficient 'expert' for their area of focus and only 22% found SPARK to be 'very sufficient'. The final year of MFSII rounded off with almost all partners raising 50% of own funding for the activities, results boosting to new levels, new services developed and new financing opportunities sourced.

Burundi

Unfortunately, 2015 was a complicated year with the increasing political and security crisis in Burundi. Few activities were carried out by local partners until the end of the first quarter. Although results from activities aimed at developing local market were mitigated through trainings and matchmaking efforts, few businesses started operations or have experienced growth.

BBIN was able to run two round tables in March 2015 on access to finance for the entrepreneurs which remains a challenge. SPARK has managed a loan guarantee fund in partnership with BBIN and offered loans through that mechanism. Local partners were able to perform 23 matchmaking introductions of which 12 were successful, 11 were entrepreneurs supported by CEIR through the microfinance COPED Ishaka and one entrepreneur supported by BBIN through the SPARK-BBIN loan guarantee fund.

As in previous years, BBIN has organized the 5th edition of the SHIKA business plan competition.

This year, the competition exclusively addressed grown businesses. Participants were provided with further training and coaching. Local partners have benefited from trainings and coaching sessions; 117 women from Association des Femmes Entrepreneurs (AFAB) participated in trainings including leadership management and governance, tax regulation and border trade.

Kosovo

The global economic slowdown has impacted employment rates of SME's in Kosovo. Consequently, 2015 targets were not reached. However, 154 business plans from vulnerable groups and 4 SME's from women were approved and improved results are already visible in 2016. Employment rates are set to increase as companies wait for better employment conditions to emerge.

MFSII has had a significant impact on local capacity building and local partners in Kosovo, some are now recognised by the state as good corporate companies and partners. ICT association STIIK managed to alter national law by lobbying for:

- Decreasing import tax on ICT goods
- Decreasing export tax on Kosovo ICT goods (0%)
- Changed VAT law for Kosovo from 18% to 6% on all ICT goods

Other businesses saw this as an opportunity to cooperate, instigate change and lobby for other decreased VAT's. This will create a ripe environment for employment as SME's will no longer pay a huge tax on certain goods and thus can employ more. The results of this will be seen in 2016-2017.

Liberia

Much like 2014, 2015 saw SPARK's projects in Liberia seriously hampered by Ebola. SPARK not only had to reconnect with its local counterparts, but all public gatherings were banned, thereby affecting schools and business activity. This meant that MFSII projects had to be redesigned and some activities were shifted to new partners. The BSC Monrovia scaled down its interventions, but kept supporting its entrepreneurs in its network by performing mentoring and coaching through emails and telephone calls. In light of the ban, local educational organisation ALU switched their focus from curriculum building to designing an e-learning platform. Ebola proved that the school system was not immune to crises and a new approach was necessary. This innovative adaptation shows how positive results can be achieved in the midst of a national crisis.

Centre for Women Agriculture Programme (CWAP) became a new partner, targeting young women cacao farmers. The training days were attended by 32 women farmers who will in turn train others, increasing the impact and transferring valuable knowledge. The aim is to produce 300 megatons yield with a value of 600,000 USD, and to have reached 1,000 women farmers by August 2016.

SPARK and its partner, Liberia Better Business Forum (LBBF) continued to lobby for Social Enterprise Special Economic Zone (SESEZ) for Liberia to generate more inclusive growth and social impact in the post-Ebola period. This proposal for new SEZ legislation was supported by a massive social media campaign through Thunderclap, which was re-tweeted by Richard Branson. The SEZ act was sent to the Senate of Liberia and we are awaiting the result.

Occupied Palestinian Territories

After an exciting pilot in 2014, a new partnership with CEWAS (Swiss NGO) through local partner Leaders began in 2015 providing professional training, mentorship and consulting services to start-ups aiming to begin a business in sustainable water, sanitation and resource management. Israel's control of Palestine's water supply creates severe problems for Palestinians, who are constantly faced with irregular, limited and often contaminated water supply. Such challenges create problems both in terms of the health of Palestinians and also as a detriment to their environment. For a country heavily dependent on agriculture, a restrained water supply also creates economic problems, but in the case of SPARK-supported entrepreneurs, it also offers economic opportunities.

The UEC programme continued its general activities such as the business plan competitions held in partnership with BWF, Birzeit University, Leaders Organization, and BTI in Gaza; all members of SPARK's network of local partner organizations. Specific focus was put further on young women entrepreneurs also in Gaza. In addition, employability and entrepreneurship were connected through training and internships at participating start-ups.

On the 29 October 2015 the first Dutch-Palestinian Bilateral forum was held in The Hague. SPARK invited 9 innovative Palestinian entrepreneurs with IT start-up ideas to pitch to a panel of Dutch investors and strategic partners, hoping to secure investments or strategic collaboration. It was an invaluable experience as the forum provided exposure and experience to the new entrepreneurs. Two of the entrepreneurs secured investments with locally operating investment funds.

Rwanda

The final year of MFSII in Rwanda has been an exciting one. Partners have been working hard to consolidate the work of 2014, with greater emphasis on helping existing businesses expand and grow. To this end some partners including the University of Tourism and Business alongside local partners, the INES and ADC, organised growth business plan competitions for the members, many of whom had come through previous business plan competitions.

Through SPARK's access to finance scheme, a partial loan guarantee scheme organised in collaboration with Kenya Commercial Bank, four entrepreneurs accessed financing for their businesses of up to a maximum of 12,000 Euros, each with repayment over two years. For starting entrepreneurs our partner ADC provided small loans for start-up capital of up to 650 euros each.

SPARK has been working hard to support its partners' continued sustainability beyond the project period, focussing on capacity building which included leadership and fundraising training. In addition SPARK has organised a number of its own activities to support the work of partners. Together with Single Spark, SPARK rolled out the business-

in-a-box programme where we jointly identified business gaps in the market, developed low-cost business solutions and worked with over 15 aspiring entrepreneurs to start their businesses. Businesses emerging from the programme include a laser engraving business, something new to Rwanda with significant potential, and a playground equipment manufacturer.

Agri-Business Creation Programme

Analysis has shown that for certain countries, agriculture is the key driver for economic development, which in turn is a crucial tenet for stability. With an aim to contribute to the restructuring of the selected countries through agricultural development, SPARK created the Agri-Business Creation (ABC) programme. ABC coaches emerging entrepreneurs through training, mentoring and financial support of business plans.

One of the biggest risks affecting peace is the exclusion of socioeconomic groups; the ABC programme eases this tension and aims to contribute to ongoing peace and stability by providing opportunities for youth and female entrepreneurs in Yemen, South Sudan and Burundi. Some cases are provided below.

Burundi

2015 was a fruitful year for white sorghum producers; they have seen their production increase in both Cibitoke and Bubanza provinces. This achievement is the result of constant and progressive efforts made at several levels along the white sorghum value chain.

A total of 14 cooperatives were provided with management and technical trainings and were coached by SPARK's local partner Mobinc, to ensure loan compliance. Thanks to partnership agreements signed in 2014 with microfinances COSPEC in Cibitoke and CECM in Bubanza, the producers had access to small loans. Producers have secured markets with Brarudi – the Heineken local branch which uses white sorghum as a raw material for producing Nyongera beer.

South Sudan

SPARK has developed a Business Support Centre in Yei, staffed with agricultural experts, business trainers and coaches that can support agribusiness entrepreneurs and face and tackle challenges. The BSC has been capacitated to work with both vulnerable groups who need basic training as well as educated entrepreneurs that need more

advanced support. The BSC has trained over 200 entrepreneurs in business skills and issues concerning entrepreneurial capabilities. SPARK has provided eight direct loans to entrepreneurs, with two having a larger effect by reaching out to small-holder farmers. Three of these were processing enterprises, with one being the most successful in creating a mini-chain (sunflower oil), which is ongoing and has had the multiplying effect of stimulating new jobs and people taking up new enterprises in and around the chain.

Yemen

Despite the ongoing war in the country, local partners in Hudeidah provided 131 women entrepreneurs with loans, trained 185 women on business skills and created employment for 15 women. Also, 60 businesses were selected for loans in 2015. Vocational trainings were held relating to handicraft and dessert making – all made out of dates. Due to the ensuing conflict, farmers needed more expertise and skills to adapt to the fuel shortages and crop diseases. In response to this need, an informative manual for youth and farmers was developed to inform them on how to handle diseases and set up date businesses.

In the second half of 2015, ABC in Sana'a reached over 100 entrepreneurs through its Business Plan Competition activities. Participants submitted their business plans based on the themes of strawberry value chains and alternative energies, which also reflected the food and power shortages in the nation.

TAIZ: co-funded by UNDP

The projects in Taiz are joined in strategic partnership with UNDP and other international organisations as part of the Youth Entrepreneurship Empowerment Programme (YEEP). Results in Taiz are not as tangible.

The ensuing conflict eventually affected operations, civilians and local staff were forced to flee and relocate. This meant reassessing the needs and conditions of the new location. However, the decision to move, quickly, was a positive one. Other organisations followed as the situation in Taiz remained dire. Much time was saved by moving, because this allowed new projects to begin. Despite operating under challenging conditions, such as the conflict and a shortage of training and coaching venues, work has been ongoing and there has been a lot of cooperation from the local communities.

Migrant Entrepreneurship Programme

The Migrant Entrepreneurship Programme (MEP) began in 2014 and encompasses activities in six countries; Afghanistan, Iraqi-Kurdistan, Ghana, Morocco and Suriname. The premise of the programme is to activate the potential of the diaspora to engage in business development in their countries of origin.

Progress in Afghanistan has again proven to be extremely difficult due to the security situation in the country. Iraqi-Kurdistan presents a similar situation with the threat of IS a mere 50km from Erbil and the financial conflict with the central government meaning those working in the public sector (80%) have not been paid for many months. These aspects impact the decision making of diaspora to return to Iraqi-Kurdistan and pose challenges to those who want to set up businesses. Despite these circumstances, SPARK has made some marked progress; SPARK in Erbil has signed a Memorandum of Understanding (MoU) with the Erbil Chamber of Commerce with the objective of developing higher education and the private sector in the region. SPARK has also reached an agreement with WWB consultancy which will provide the entrepreneurs with local training and coaching in Erbil and Sulaimaniyah to support their business plan writing and market research.

In autumn of 2015, a delegation of Ministers of Trade and Industries from Somali regions went on a promotional tour in the Netherlands, Denmark and Sweden on SPARK's initiative and met with private sector representatives. This tour was unique because it brought together ministers from different Somali authorities; South-Central Somalia, Puntland and Somaliland. Although they are traditionally in conflict, the different ministers came together to make a case for stronger economic and business cooperation. This was well received by European counterparts.

Regarding the Moroccan diaspora, many were less familiar with Morocco's more Mediterranean business culture. Many start-ups found this frustrating, but appointing a Dutch-Moroccan business coach with more than 12 years of experience in consulting start-ups in Morocco meant these differences could be managed. The diaspora that understood the business culture and communication differences made progress; with nearly a quarter of participants already in business. SPARK's Ghanaian and Surinamese projects are run by a Dutch-Surinamese business coach with 18 years of experience diaspora business development. The coach initiated and executed a capacity building training for business coaches and migrant organisations to streamline goals, programme structure and methods of operation. A successful mission to Surinam highlighted that the programmes aims were in line with local developments regarding economic engagement of the diaspora, 'the programme was received very well among local governmental organisations, business service organisations and finance institutions'. In the second half of 2015 promotion and recruiting among starting and already established Ghanaian and Surinamese diaspora entrepreneurs took full flight. The number of applicants from Ghana and Suriname showed a significant increase at the end of 2015.

Transnational diaspora entrepreneurs all have one major challenge in common: access to finance to start their business. On International Migrants Day, 18 December 2015, the coach initiated an expert meeting in cooperation with African and Surinam organisations, 'Access to Finance for Starting Diaspora Entrepreneurs'. Approximately 40 experts shared thoughts on how to deal with the lack of access to finance. A report will be published in 2016.

Access to Finance

Research shows that access to finance remains one of the top five obstacles for the development of business. SPARK dedicates its entrepreneurship and business development efforts to relieving this key hurdle by increasing capacity to access finance, offering finance directly and via other financial institutions.

IGNITE Fund

The IGNITE fund is part of SPARK's Access to Finance Solution which helps bridge the gap for entrepreneurs who need between 50,000-750,000 Euros. The fund closed its first two deals at the end of 2014 / beginning of 2015. These companies are within the core of the fund's strategy: value added production with an import substitution character and export possibility in the future. The companies are in the food processing and agri-processing sector in Rwanda. However, further deals have failed to close and attracting investors to the fund has been difficult.

IGNITE Foundation

To facilitate a knowledge base, expertise in financing, and to create a divide between the role of technical assistance provision and financing, SPARK has decided to start a new foundation. Stichting IGNITE (IGNITE Foundation) is now an independent operation from where direct loans and the IGNITE Fund assets are kept and monitored. Loan guarantees and future assets are also planned to be relocated there. The goal of IGNITE Foundation is to be a solid, independent partner in SPARK's future programmes, able to provide or facilitate access to finance for youth start-ups and small businesses in the fragile states where SPARK works.

Loan Guarantee Funds

SPARK has designed and deployed over 21 partial risk guarantee instruments in Africa, Middle East and South Eastern Europe. Such instruments have been able to reduce the collateral risk for local banks, consequently facilitating lending to SMEs. Our complementary technical assistance programme provides additional risk mitigation strategy for the local banks. These instruments have been used to provide loans of up to 10,000 euros to over 250 businesses around the world, with over 2 million euros in loans facilitated. These instruments have also been used to facilitate Sharia compliant instruments, such as Murabaha investments, into SMEs in the Middle East.

Youth Engagement Programme

Between 2012 and 2015, the Youth Engagement Programme (YEP) contributed to an enabling environment for youth in order to advocate for and improve their socioeconomic position in Burundi, Occupied Palestinian Territories (OPT) and South Sudan. The programme included capacity building for youth, local partners, civil society and political organisations, with specific attention to communication, campaigning, advocacy, participation and policy writing. In each country, awareness campaigns were conducted, youth networks created and multi-stakeholder dialogue events organised.

Strengthening youth and youth participation are crucial for the improvement of the socioeconomic position of youth, which will help to overcome poverty and contribute to long-term stability, political trust and legitimacy. SPARK and its implementing partners were well aware of the political sensitivities in the programme countries, which were reflected in strict political impartiality, a high level of inclusiveness and a gradual and careful approach towards democratisation and political agency.

In 2015 YEP has been able to achieve results on output and outcome levels. In OPT and South Sudan, local partners were able to further develop their youth awareness campaigns. In Burundi however, this was not possible due to the political crisis. Still, in all three countries youth networks continued to grow on local, regional and national levels, reaching an increased number of youth and – as important – stakeholders from political parties, private sector, civil society and government organisations.

Major outcomes were achieved by youth becoming involved in political processes of different kinds and reaching to mid-level decision making positions. Other expected results concerned a variety of policy proposals that reached the decision-making process and a number of public-private partnerships which focused on transparent recruitment of youth and capacity building of youth which meet the demands of the labour market.

Certain outcomes were not achieved, in particular those that were predominantly political. It appeared not to be possible to influence the programmes of political parties on socioeconomic youth issues, nor was it possible to change the structure of political organisations by creating a special department for these issues. This can partly be explained by the limitations of the political cultures of all three of the countries: bureaucratic, not transparent, inaccessible and hierarchal. It can be argued that youth are hardly taken seriously and are merely seen as a threat to those in power. During the programme period all three countries experienced periods of high instability and political crises, full of violence and unrest, which challenged the implementation of YEP and the planned results. This reflects the difficult circumstances under which SPARK conducts its work.

YEP ended in 2015. The sustainability of this programme can be described by emphasising the youth who were strengthened over a longer period of time and reached influential positions in different sectors. Also the awareness of socioeconomic issues for youth raised via campaigns, events and multi-media activities deserves mention. Policy proposals are still under consideration and public-private partnerships were sealed with long term intentions in mind. Additionally, in Burundi and South Sudan certain activities were taken over by other SPARK programmes.

A lesson learnt from this programme is that it takes time to achieve the political results laid out at the start. The political walls are high and thick; it takes time to break them down without creating unrest. The multi-stakeholder approach could have been implemented more rigorously from the start: the only way to achieve political results in these contexts is a gradual, inclusive, but firm tactic which covers all sectors and political parties. Also, the selection of local partners is a key to success.

Burundi

Since the incumbent President Nkurunziza announced his bid for a third term in April 2015, the situation in Burundi became unstable. As the situation deteriorated many Burundians and foreigners fled the country. This conflict was of a political nature whereby a power struggle materialised within the ruling party CNDD-FDD, leading to concomitant tensions within the army and stand-off between 'civil society', opposition parties and opponents to the third term. All independent media platforms were shut down by the government. This crisis continued throughout 2015.

For SPARK in Bujumbura it became a challenge to continue activities largely because our local partners fled, stopped working or just laid low. In the first quarter our partner FOCODE managed to get 569 youth on the candidate list of all the major parties for the much anticipated elections. 38% of all candidates nominated for the elections were youth. It remains unclear however, how many could have been elected, since the oppositional parties did not participate in the elections.

The political crisis put significantly more emphasis on another, initially smaller, component of the programme which concerns socioeconomic aspects for youth. SPARK set up an internship office called Umuze. More than 400 youth subscribed in the last quarter, 54 got internships and 6 found a job. Additionally, during the first Umuze job fair, an agreement was reached with 20 schools, the association of Burundian employers (AEB) and the Ministry of Technical Education to adopt more transparent recruitment policies and improve the capacity building of youth. In collaboration with YAGA, a collective of young bloggers and journalists, SPARK launched a campaign to raise special attention to socioeconomic issues of youth and renewed the existing network of youth leaders addressing these issues in the media and public sector.

Occupied Palestinian Territories

The final year in the OPT was a stable and productive year. PYALARA, our local partner, built on the achievements of previous years. Manarat, the central campaign of the programme, steadily grew and reached more youth and stakeholders, in particular due to a popular youth TV series made by PYALARA about the issues at stake. The campaign also diversified, finding strong support in the private sector: 4 Chambers of Commerce signed a Memorandum of Understanding pledging to push registered businesses to make transparent recruitment policies, give youth more opportunities and improve their trainings 'on the job'. In 2015 Manarat continued to coach youth leaders and more youth reached (semi) decision-making positions in the public sector. Politically, however, the programme kept running into a wall of inaccessibility and hierarchy. This is best illustrated by a quote from a senior politician considered to be progressive: 'Youth have to earn their position in society, and in politics, just like we did. We fought, we worked hard, we deserve where we are now.' Still, one day later, she surprised everyone by chairing a landmark meeting in the Palestinian Legislative Council (PLC), better known as the parliament, during which youth leaders were invited to form a youth commission (9 members) that will advise the PLC on youth issues.

South Sudan

Although the political climate in South Sudan remained volatile and government institutions are still not fully functioning, SPARK and local partner SUTCO made headway in increasing political youth engagement.

The campaign Youth Now continued to gain momentum by creating awareness about (political) youth engagement and socioeconomic issues for young men and women in South Sudan, and by mobilizing youth from different (political and ethnic) backgrounds. Since 2014 Youth Now has grown into an influential and unique youth movement in South Sudan, yet relatively small, but supported by youth, politicians and civil society. Most promising results of Youth Now in 2015 have been achieved through working together with political youth leagues, the launch of an internship programme, and the ongoing collaboration with the National Constitutional Review Commission (NCRC). After an intensive period of research, consulting youth, working with lawyers and writing policy proposals, a group of talented youth have submitted 5 articles to the NCRC. These are currently considered to be included in the constitution of South Sudan.

Other projects

International Business College Mitrovica (Kosovo)

IBCM is a not-for-profit business school providing European double degrees. In the divided city of Mitrovica, IBCM provides inclusive education for both Serbs and Kosovans. After opening its newly built north campus in 2014, the construction of the south campus began in 2015 and is scheduled to open in June 2016. 2015 saw a diploma recognition agreement signed with Union Nikola Tesla University in Belgrade.

In 2015, 67 students graduated with bachelor degrees. Of all IBCM graduates, 81% are employed or have won full scholarships to complete their Masters studies abroad. Of those who are employed, 80% are working in Kosovo. Additional achievements in 2015 include the hosting of the two international conferences. The first was held in June and focused on industry challenges in human resource management and skills gaps in the Western Balkans. The second was IBCM's first international scientific conference on the role of business in sustainable development.

A challenge for 2016 is the financial sustainability of the institution. The current donor funding ends in 2016 and IBCM will propose scenarios to decrease costs while attempting to secure additional donor funding.

Cooperatives Support Programme (Rwanda)

2015 marked the second year of implementation of the Cooperative Support Programme. Ten full time cooperative coaches were recruited and based in the districts to work closely with the 100 cooperatives the programme is supporting. These are agricultural cooperatives working along the value chains of maize, beans, potatoes and horticulture.

SPARK signed partnership agreements with the Rwanda Institute of Cooperatives Microfinance and Entrepreneurship (RICEM) to develop and deliver the Agri-Business development services training and accreditation programme. The curriculum was developed and the first cohort of service providers to receive training was selected – the training has continued into 2016. In addition, SPARK partnered with Agriprofocus to help develop a professional body of Agri Business Development Support service providers. Terrafina Microjustice, another SPARK partner in this programme, is working with microfinance institutions to develop financial services tailored to the agricultural cycle. It is also working through the cooperatives to ensure loan compliance.

Agribusiness Burundi Incubation Network (Burundi)

2015 was a difficult year in Burundi in which social and political unrest hindered SPARK's work. The aim was to build three incubation centres for agribusiness development. In August SPARK met with Maison des Acteurs Non Etatiques (MANE) and the Provincial authorities to negotiate specific locations for the centres. Despite the difficult conditions, just before Christmas, two incubation centres were open for business.

In Cibitoke, the Honey Treatment centre was built and we are now in local partnership with Centre de Formation Rurale (CFR). The whole honey treatment line has been already ordered and will be able to treat 40 Tons of honey per year. SPARK has started the process of bringing together 750 beekeepers in one Honey cooperative which will manage the treatment centre. The MANE Incubation Centre will be a training centre in which the future entrepreneurs will have the opportunity to discover new processes of transforming cassava roots into flour, which will in turn allow them to produce even more goods. In order to do this, we have developed a partnership with the IITA (International Institute of Tropical Agriculture) in Bujumbura and Bukavu (Democratic Republic of the Congo) which manufactures the required machines for the transformation of cassava into flour. Both these processes take into consideration the international current standards of hygiene in the agro-industry sector in order to get the certification of the BBN (Bureau Burundais de Normalisation).

Project Overview 2015

Project/Programme Title	Donor	Budget	Period
Agri-Business Creation Programme (ABC)	Dutch Ministry of Foreign Affairs (NLMFA)	EUR 5.824.085	2012-2016
Access to Higher Education for Syrian Refugees and IDP's (AHS)	NLMFA	EUR 500.000	2015-2016
Burundi Agribusiness Incubation Network (ABIN)	NLMFA	EUR 2.314.969	2014-2017
Circular Migration and Brain Gain: supporting migrant entrepreneurs (MEP)	NLMFA	EUR 1.963.625	2014-2016
Cooperatives Support Programme (CSP)	NLMFA	EUR 1.940.685	2013-2017
Course d'été de l'Entrepreneuriat à l'Université de Segou (CEEUS)	NLMFA	EUR 145.470	2014-2015
Evaluation et encadrement de 15 organisations de Production (OP) de Bururi, Makamba et Rutana	UNDP Burundi	BIF 233.040.980	2015-2016
Gaziantep Youth Entrepreneurship Programme 2015 (GYEP)	The Asfari Foundation	GBP 39.936	2015
Higher Education for Syrians (HES)	NLMFA	EUR 4.200.000	2015-2016
Impact Evaluation of SPARK's Cooperatives Support Programme, Rwanda	International Labour Organization	USD 110.000	2014-2015
Inter-institutional agreement for Higher Education Student and Staff Mobility (Erasmus+) – with Tietgen TKC (DIGAS)	Danish Agency for Higher Education	EUR 138.090	2014-2016
International Business College Mitrovica (IBCM) – Phase 3	SIDA, SDC, EU, NLMFA, BMZ, UK embassy Pristina, German embassy Pristina	EUR 6.576.082	2014-2016
Liberia IT Revolution (LITR)	SIDA (via MercyCorps)	USD 364.200	2014-2016

Project Programme	Donor	Budget	Period
Liberian Entrepreneurs programme I (Branson Scholarship Programme)	Humanity United, Virgin Unite (Branson Scholarship Centres)	USD 169.030	2013-2015
Liberian Entrepreneurs programme II (Branson Scholarship Programme)	Humanity United, Virgin Unite (Branson Scholarship Centres)	USD 299.110 (Humanity United), in-kind trainings (Virgin Unite)	2015-2016
Medefinancieringsstelsel II (MFS II)	NLMFA	EUR 21.347.600	2011-2016
Pico Cap (to support the launch of the Ignite Fund Liberia I pilot programme)	Humanity United	USD 60.000	2015-2016
Scholarship database Western Balkans	King Baudouin Foundation	EUR 40.000	2014-2017
Scholarships for Syrian refugees in Turkey (SSRT)	University of Gaziantep	USD 54.400	2015-2015
Setting up a Pilot Higher Vocational Institute for Syrian students (SYRIN)	NLMFA	EUR 881.318	2014-2016
Stimulate Youth Business Development and Employment in Liberia (SYBDEL)	Chevron Liberia Limited	USD 200.000	2013-2015
Youth Economic and Empowerment Project (YEEP) Phase I	UNDP Yemen	USD 40.000	2015
Youth Economic and Empowerment Project (YEEP) Phase II (Emergency Women Economic Empowerment in Taiz and Ibb Governorates- Dairy Value Chain)	UNDP Yemen	USD 462.647	2015-2016
Youth Engagement Programme (YEP)	NLMFA	EUR 1.882.500	2012-2015

Organisation

Monitoring and Evaluation

SPARK remains committed to learning from our projects in order to continuously improve the services we provide, increase the efficacy of interventions and improve results. This is accomplished through continuous research and monitoring and evaluation of all SPARK projects.

Monitoring of results

Externally, SPARK uses mid-term and end of project reviews conducted by independent evaluators to assess programmes. In 2015, a midterm review was successfully conducted for CSP Rwanda and preparations for the end of project evaluations for MFSII and YEP were prepared for early 2016. Due to unstable conditions in Burundi, South Sudan and Yemen, the M&E team was confronted with multiple challenges attempting to conduct a full mid-term review for the ABC programme. To resolve the challenge, the execution of individual country programme reviews was planned for the beginning of 2016.

Research

Research opportunities to ensure the development of SPARK's programming remained a priority in 2015. The ILO funded Impact Assessment for the CSP Rwanda programme took important steps towards ensuring a high quality impact assessment at the completion of the programme in 2017. A leading Kigali based research consultancy, Laterite Africa, was engaged and a rigorous mid-line study was conducted to steer the assessment in order to best measure the project's impact. Also in 2015, action research continued in Burundi and South Sudan, as Double Loop, a consultancy firm, assessed the ABC programme's goals to contribute to stability. In South Sudan access to resources, increasing production, job creation and food security were the topics of focus. Burundi's current political state and the need for conflict sensitivity mediated the elements of interest. The foci in Burundi were food security,

satisfaction with the present situation and future ambitions. Findings revealed the ABC programmes' interventions to be effective in both countries because of the increase in production, access to resources and jobs. But, issues of food security persist and findings emphasise the importance of staff and partners in Burundi to be vigilant of escalated conflict in order to ensure ABC continues to be constructive within the current socio-political setting.

Customer Satisfaction

Trainings are an essential part of SPARK's capacity building efforts. It allows participants to identify their strengths, develop confidence, and acquire up-to-date knowledge and skills in entrepreneurship. The participants are members from partner organisations and, found through them, the end beneficiaries. At the end of training, SPARK or its partners, measure the effectiveness of the training by having participants rate their satisfaction. This safeguards that the training quality maintains a high standard. Average ratings in 2015 reflect that participants are highly satisfied with SPARK trainings.

2015 Lessons Learnt: Training Evaluations

Country	Number of Trainings	Examples of Training Provided	Number of Participants	Average Evaluation Score (out of 5)	Programme Name
Rwanda	25	Marketing, job search techniques, finance, accounting	545	4.11	MFS II
Kosovo	43	Business planning, market analysis, investors and pitching, women business development	957	4.83	MFS II
Palestinian Territories	7	Business Management Cycle	180	4.63	MFS II
Yemen	1	Qualifying Advisors Training	12	4.9	ABC
South Sudan	3	Results based management, Partner finance training	16	4.47	ABC, YEP

Partner Satisfaction Survey

SPARK continuously reaches out to local partners in order to learn about the effectiveness of our capacity building efforts and to assure the quality of our relationship is adding the value originally promised to them. In 2015, this was accomplished with a MFSII Partners Satisfaction Survey. Results of this survey are from the final year of the MFSII programme and therefore responses reflect an accumulative opinion of SPARK's effectiveness throughout the programme's lifecycle. Feedback from surveys confirms that beneficiaries find significant value in SPARK's services, with an overall mean satisfaction score of 4.01/5.0. High scores are found across all measured areas of service: Non-financial support provided; Day-to-day interactions; Quality of information provided; Efforts to listen to partners; and Capacity Building services provided. Also, questions addressing

training reflect that partners and young entrepreneurs are undoubtedly finding value from the provided training activities. In fact, across all areas of training, partners reflect that they see great improvement.

Lessons Learnt : MSF-II Partner Training

In which areas has your organization improved since working with SPARK directly?

50%	Finance Management
63.6%	Training Service Provider
63.6%	Coaching and Advisory Services
40.9%	Programme Reporting
36.4%	General Management

Lessons Learnt : Overall Partner Satisfaction Results

How satisfied are you with...

3.95 / 5.0	Non-Financial support provided by SPARK
4.13 / 5.0	Day-to-day interactions with SPARK
3.91 / 5.0	Quality of information provided by SPARK
4.13 / 5.0	SPARK's efforts to listen to LPs' needs
3.95 / 5.0	Capacity building services provided by SPARK

Another lesson learnt from the MFS II Partner Satisfaction Survey was the partners' desire for decentralization from the head office to the field office. Partners expressed challenges due to geographic distance: The head office in Amsterdam is far removed and therefore cannot share the day-to-day experience with those in the field. As a response to similar feedback, and in line with quality assurance, SPARK prepared for a decentralisation process to go into effect from 2016.

Communication

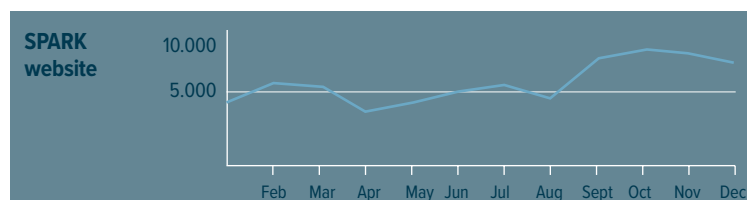
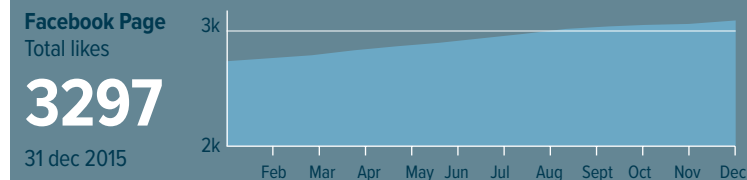
SPARK's communication aims to build a strong brand identity by raising awareness of SPARK and its cause in the development sector. The strategy to achieve this includes storytelling which is human interest and result driven. Communication is multi-channelled, using social media platforms, a bi-monthly newsletter, free publicity and a variety of SPARK events. 2015 saw publicity in national Dutch newspapers (Parool, FD, NRC and VK) and popular (international) blogs in our sector, our mentions averaging at one per month. We aim to increase this number in 2016 by broadening our journalist network, in the Netherlands and abroad. SPARK organised expert meetings in London (with Integrity Research) and Nairobi (with IFC), and conferences in Istanbul (with Al-Fanar Media) and Amsterdam (IGNITE!) to advocate for its cause and the issues at stake, such as entrepreneurship for stability, value chain development in fragile regions and providing higher education to Syrian refugees in the region.

IGNITE! CONFERENCE

On 11 November 2015, SPARK organised its third international IGNITE conference, 'Doing Business in Fragile States'. The workshops, interactive debates and the full day of networking for entrepreneurs, NGO's, policy makers and academics resulted in a surge of motivation and encouragement for the international development field. IGNITE hosted a great variety of organisations such as African Development Bank, UNDP, World Bank, local NGO's and companies, and 18 workshops about topics such as inclusive finance, CSR policy in

fragile states, investment management, incubator services and youth participation. There were over 300 guests in the Beurs van Berlage in Amsterdam and Her Majesty Queen Maxima attended the event in her capacity as the United Nations Secretary General's Special Advocate for Inclusive Finance for Development (UNSGSA). The conference is now a flagship for SPARK's communications; the bar has been set high for 2016!

	Facebook Likes	Twitter Followers	Newsletter
2014	2721	650	2640
2015	3279	1117	2486



Board of Directors & Supervisory Board

(1) Yannick du Pont holds three other positions without receiving remuneration for these. He is a board member of the Foundation Max van der Stoep, member of the advisory board of the Centre for Theory of Change in New York and sits on the steering committee of the Netherlands Knowledge platform Security & Rule of Law. Michel Richter is (unpaid) director of the Stichting voor Bewaring van IGNITE Fund.

(2) Supervisory Board (SB) members hold their position for a maximum of four years, with the possibility of reappointment for one more period of a maximum of four years. SB members do not receive any compensation (other than out-of-pocket expenses on behalf of SPARK). Further details on the remuneration of the SB and the BoD can be found in the Financial Report.

Board of Directors (1)			
Yannick Du Pont	Michel Richter		
SPARK Supervisory Board (2)			
Name	Position	Joined	Occupation
Edo Offerhaus	Chairman	2015 -	Managing partner, Orange Mountain
Hans Huygens	Secretary	2015 -	Managing partner, Telling
Marjolein Lem	General Boardmember	2009 -	Senior Consultant International Development, Berenschot
Dukagjin Pupovci	General Boardmember	2009 -	Executive Director of the Kosovo Education Centre and Professor at the University of Prishtina, Kosovo
Janne Nijman	General Board member	2012-2015	Associate Professor of Public International Law at the University of Amsterdam and owner of NILO
Jok Madut Jok	General Board member	2014-2015	Executive Director of the SUDD Institute, South Sudan
Erik Dirksen	Chairman (2007-2015)	2007-2015	Former lecturer at the Faculty of Economics and Business Studies, University of Amsterdam, the Netherlands
Olaf Bartelds	Secretary (2007-2015)	2007-2015	Senior Project Manager, Netherlands Foreign Investment Agency, The Hague, the Netherlands
Johan Bogaard	Treasurer (2013-2016)	2013-2016	Corporate Director Group Control at USG People NV, the Netherlands
Mare Faber	General Board member	2008-2015	Advisor/Trainer at Governance & Integrity NL, the Netherlands

Report by the Supervisory Board

SPARK's Supervisory Board (SB) supports the organisation in the pursuit of its mission and its continuous striving for quality, transparency and innovation in all its activities. The SB's main responsibilities are to supervise the BoD and to ensure that SPARK's activities are in line with its mission statement. In 2015, the eighth year of its existence, the SB, the BoD and the Adviser to the Directors met six times to discuss the progress of projects and strategic issues.

In 2015, the Supervisory Board underwent substantial changes in its membership. Chairman Erik Dirksen and secretary Olaf Bartelds had to stand down after having served for the maximum of two four-year terms. Janne Nijman, Mare Faber, Johan Bogaard and Jok Madut Jok resigned because they could no longer combine their board membership with their main professional activities. Edo Offerhaus was appointed as the new chairman of the board and Hans Huijgens became the board's new secretary. The SB would like to thank Mrs Nijman, Mrs Faber, Mr Dirksen, Mr Bartelds, Mr Bogaard and Mr Jok Madut Jok for their professional and energetic contributions to the SPARK SB meetings. Their presence as SB members of SPARK was highly appreciated and has contributed substantially to the success of the organisation.

The SB adheres to the Code Wijffels, the SPARK Statutes and the regulations of the SB. In line with CBF regulations, the SB established a Supervisory Board Accountability Statement (available at: www.spark-online.org/about-us/organisation). The accountability statement specifies how:

- The SB executes its supervision of the BoD's work;
- The SB monitors the organisation's spending of funding in relation to the impact attained by its work; monitoring criteria are cost-efficiency and effectiveness of activities;
- The SB monitors whether the organisation communicates with and provides information to its stakeholders in a transparent

manner. This includes control of SPARK's implementation of recommendations and its complaints management.

In 2010, SPARK introduced an evaluation mechanism for the SB. The board self-evaluates its own decisiveness, its monitoring performance and the clarity and transparency of its relationship with the BoD.

The members of the BoD are appointed by the SB. The BoD's two current members are

- Yannick du Pont (director)
- Michel Richter (co-director)

The SB conducts annual performance-assessment meetings with the members of the BoD. The assessments review the BoD's performance on organisational targets as well as on personal ambitions and management style

The SB monitors an efficient and effective execution of the multi-year plan and, based on that, the annual plan. The main targets of the annual plan have been approved by the Supervisory Board.

The SB and the BoD discussed the developments regarding:

- Strategic Partnership result, its implications for SPARK's financial situation and SPARK's appeal to the NLMFA's decision
- (Ongoing) acquisition activities throughout 2015, especially with a view to closing the expected budgetary gap left by ending programmes MFS II and YEP
- SPARK's successful expansion of its Higher Education for young Syrian refugees activities in the Middle East
- SPARK's winning bid for the LEAD tender by the NLMFA
- The future of SPARK's finance department
- The decentralisation of SPARK's organisation, with a shrinking of

the Amsterdam head office and strengthening of capacity in the field offices

- SPARK's overall HR policy
- The future of the IGNITE Fund
- The future of SPARK-operated International Business College Mitrovica (IBCM)
- Financial outlook 2016 and budget 2016
- Changes in the Supervisory Board and the recruitment of new board members

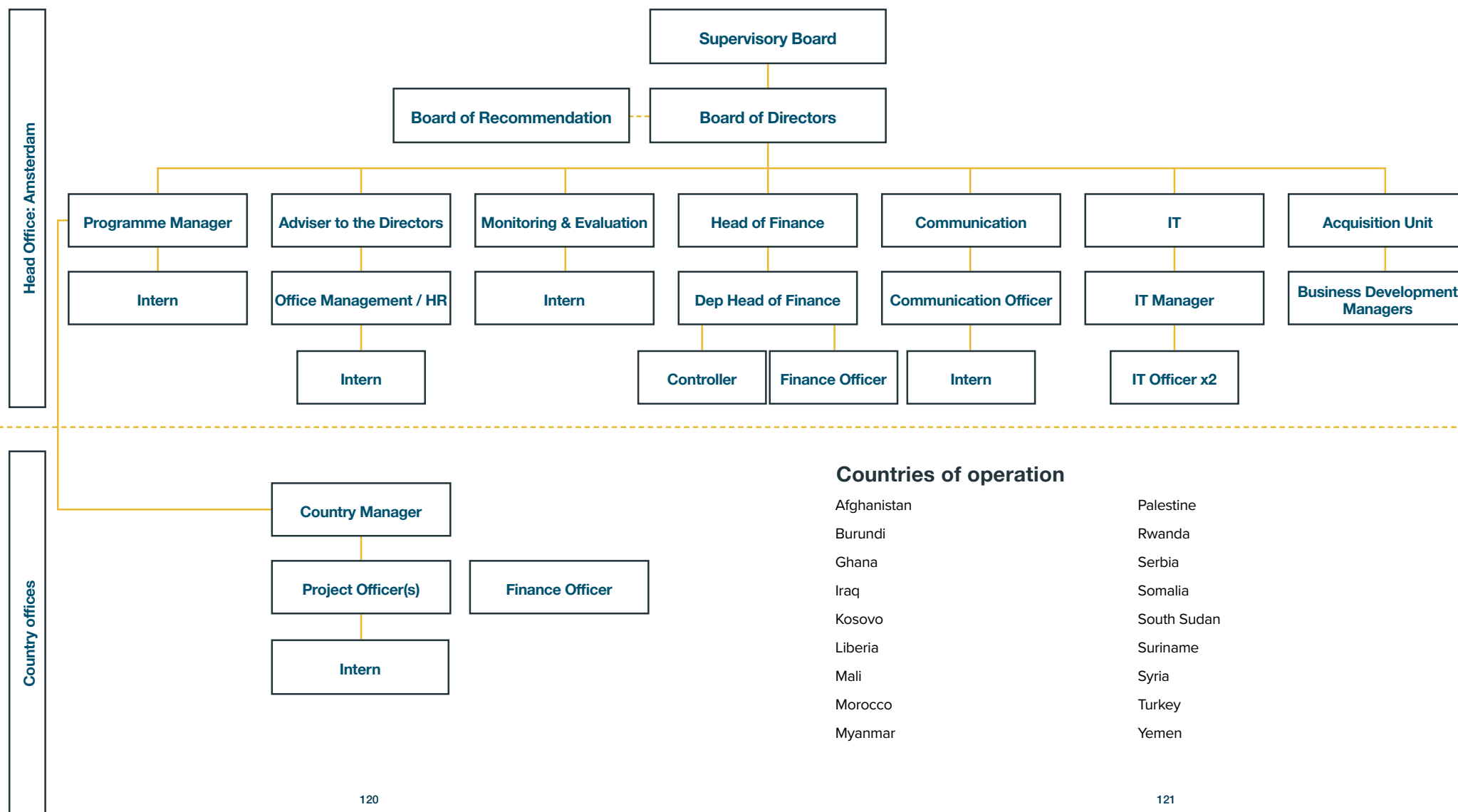
Besides the regular SB meetings, two extraordinary meetings were held: An introduction meeting for the new board members Edo Offerhaus and Hans Huygens. With external specialists a meeting on the future of SPARK's IGNITE Fund.

The SB would like to congratulate the SPARK BoD and other team members with the successful conclusion of MSFII. The SB has been highly impressed by the agility, dedication and commitment from the BoD and other SPARK team members in acquiring new funds. All in all, 2015 was a very dynamic, sometimes hectic, year. At the same time it proved that SPARK has a strong foundation and the resilience required to operate as an NGO in our turbulent times. This gives the SB the confidence that SPARK is well positioned for the years to come.

Yours faithfully,

SPARK Supervisory Board Members,
Amsterdam April 2016

Organisation chart



Code of Conduct & Social Responsibility

SPARK works daily to protect, respect and fulfil basic economic, social and cultural rights in FCAS through employment creation and vocational education. Nevertheless, there is no room for complacency in the development sector, and it is necessary to strive for further improvement in human rights standards through the organisation's programmes in FCAS. Working in fragile environments, the adherence to social and environmental norms is of the utmost importance.

In order to ensure that its projects do not cause any harm and to prevent financial contributions from supporting activities that might obstruct positive and peaceful development, SPARK maintains an ISO 9001-certified quality assurance system and implemented a Corporate Social Responsibility (CSR) policy according to IFC and OECD standards. SPARK's projects target young women, youth and marginalised groups to contribute to increased equality and inclusion. Maintaining high standards of ethical conduct requires the active commitment of all SPARK-related parties – i.e., employees in the head office and in the regions, consultants, volunteers, interns, supported entrepreneurs and students, donors and partner organisations.

To safeguard the CSR issues, SPARK has been maintaining and developing documents such as the Staff Code of Conduct (CoC). Among other issues, the CoC contains clauses referring to prohibition of harassment, discrimination and corruption as well as awareness for environmental protection. It also safeguards the autonomy of local partners and allocates prime decision-making power to them to avoid the dominance of SPARK in their projects.

Throughout 2015, SPARK engaged only one volunteer (not counting the unpaid members of the Supervisory Board). On the other hand, SPARK used the experience of a number of PUM senior experts (who provide their own funding) and explored a similar collaboration with Engineers without Borders. SPARK worked with more than 15 (paid) interns across its country offices.

Outlook for 2016

Two programmes are in their final year, the Agri-Business Creation programme (ABC) and the Migrant Entrepreneurship Programme (MEP). After various barriers to implementation, the ABC team is speeding up the process and increasing the results drive. We will see results from innovative plans such as the treadle pump for sustainable irrigation, new financing products, new value chains that will be included in the focus, and new locations inside the ABC countries.

In 2016 MEP aims to actively recruit many more participants by forging tighter relationships with diaspora organisations in the Netherlands. Diaspora from conflict affected states such as Afghanistan, Iraqi-Kurdistan and Somalia (South Central region) who are awaiting an improved situation will be supported in starting up their business in The Netherlands in order to gain experience. With this approach we continue to strive to get the maximum number of (potential) entrepreneurs and change the negative perceptions into positive ambitions, to focus on the opportunities rather than the insecurity risks.

At the turn of the year 2015/2016 SPARK started two new major programmes: Higher Education for Syrians (HES) and Local Employment in Africa for Development (LEAD). These programmes seek to address the current, increasing migration flows from the MENA region, and in the case of HES, the lack of access to higher education for refugees from Syria. They also signify a new form of implementation, in line with donor expectations, whereby there will be increased capacity building and strengthening of SPARK's field offices and its local partners. This ensures that programmes are better tailored to local needs and can respond quickly to changing priorities on the ground. The opening of offices in Lebanon, Jordan and Tunisia and the re-opening of the Libyan and Palestinian offices are indicative of these changes. The Iraqi-Kurdistan and Turkish offices will be scaled up and the Gaziantep and Tunis offices will be developed into regional hubs for HES and LEAD.

Financial Report

Balance sheet

ASSETS	31 december 2015		31 december 2014	
Fixed Assets				
Fixed Assets		82.974		91.825
Financial fixed assets		925.517		1.437.211
		1.008.491		1.529.036
Current Assets				
Receivables & Accruals	892.754		1.558.492	
Cash & cash equivalents	11.336.886		7.051.983	
		12.229.639		8.610.475
TOTAL		13.238.130		10.139.512

RESERVES AND LIABILITIES	31 december 2015		31 december 2014	
Reserves				
allocated reserves	0		0	
continuity reserve	896.144		717.592	
		896.144		717.592
Funds				
allocated funds		2.273.672		2.749.973
Current Liabilities				
Payables & Accruals		10.068.314		6.671.947
TOTAL		13.238.130		10.139.512

Statement of Income and expenditures

Income	Realisation 2015		Budget 2015		Realisation 2014	
	€		€		€	
Income from own fundraising		368.779		237.433		881.732
Governmental grants		10.069.865		11.681.921		8.988.732
Other Income		850		0		2.739
Total Income		10.439.494		11.919.354		9.873.203
Expenditures	Realisation 2015		Budget 2015		Realisation 2014	
Spent on objectives						
Higher Education	2.579.489		2.870.374		2.618.993	
Private Sector Development	7.398.858		8.155.496		5.901.851	
		9.978.348		11.025.869		8.520.844
	Realisation 2015		Budget 2015		Realisation 2014	
Spent on obtaining funds						
Costs own fundraising	135.006		146.852		211.661	
Costs obtaining governmental grants	295.617		447.798		524.272	
		430.622		594.649		735.934
	Realisation 2015		Budget 2015		Realisation 2014	
Management and Administration						
Costs of Management and Administration		328.273		275.743		371.714
Total expenditures		10.737.242		11.896.262		9.628.492
Result	-297.749		23.092		244.711	
RESULT CLEARED FOR MUTATION ALLOCATED FUNDS - OPERATIONAL RESULT SPARK	178.552		63.092		-86.260	

Distribution of result 2015 (2014)	Realisation 2015		Budget 2015		Realisation 2014	
Addition to/withdrawal from:						
allocated reserve fixed assets		0		0		-83.488
allocated loan guarantee funds		-400.241		-40.000		168.978
allocated fund IBCM		-76.060		0		161.993
operational result (available for) continuity reserve		178.552		63.092		-2.772
		-297.749		23.092		244.711

Cashflow Statement

	2015	2014
	€	€
Cashflow from operational activities		
Result	-297.749	244.711
Depreciation fixed assets (incl. cars)	52.123	54.113
Gross cashflow from operation activities	-245.626	298.824
Mutation in current assets	665.738	-205.597
Mutation (increase) in current liabilities	3.396.368	1.894.478
Net cashflow from operational activities (A)	3.816.480	1.987.705
Cashflow from investment activities		
Investment in fixed assets	-43.273	-62.450
Disposal of fixed assets	0	0
Investment in financial fixed assets	511.694	-317.596
Cashflow from investment activities (B)	468.422	-380.046
Cashflow from financing activities (C)	0	0
Mutation in Cash and cash equivalents (A+B+C)	4.284.902	1.607.660
Cash and cash equivalents 1 January	7.051.983	5.444.323
Cash and cash equivalents 31 December	11.336.886	7.051.983
Mutation in Cash and cash equivalents	4.284.902	1.607.660

Annex C - Statement of division of expenditures

Objectives	Objective		Costs Fundraising		Management & Administration	Total 2015	Budget 2015	Total 2014
<i>Costs of implementation</i>	Higher Education Development	Private Sector Development	Own Funds	Governmental Grants				
Grants and contributions	2.248.551	5.627.134				7.875.685	9.100.118	6.725.583
Obtaining funds / governmental grants			17.639	184.190		201.829	251.820	346.012
Publicity and Communication	-	-	-	2.922		2.922	56.500	3.822
Personnel Costs	261.298	1.398.895	97.435	90.078	272.524	2.120.230	2.017.921	2.065.857
Housing costs	23.803	127.431	3.878	3.586	10.848	169.545	180.517	173.643
Office- and General costs	40.668	217.723	13.935	12.883	38.976	324.185	218.750	270.521
Depreciation and Interest	5.169	27.675	2.118	1.958	5.925	42.847	70.636	43.055
TOTAL	2.579.489	7.398.858	135.006	295.617	328.273	10.737.242	11.896.262	9.628.492
% spent on objectives/total income						95,58%	92,50%	86,63%
% spent on objectives/total income taking loan guarantee fund deposits & repayments into account						93,81%	91,66%	90,55%
% spent on objectives/total expenses						92,93%	92,68%	88,84%
% spent on own fundraising/income own fundraising						36,61%	61,85%	23,22%

An important cause of the deviation opposed to the budget 2015, is the underspending on several projects. Unspent budget can be used in 2016, f.i. in the case of the MFS II programme, which was extended. In addition, the difficult situations in South Sudan, Yemen and Liberia caused underspending for all programmes executed in those countries, mainly for direct activities. The underspending did not occur on personnel and office budget lines in these countries, which surpassed the budget due to moving of offices and increase of other general expenses. The shift between Personnel Costs & Office- and General costs occurred due to a change in calculation / allocation method of field office running costs. The current method is more accurate.

Explanation distribution of expenditures

SPARK has one office in Amsterdam (headquarter) and several field offices in the countries where the projects are executed.

SPARK's programmes can be divided into two objectives: Higher Education (development) (HE) & Private Sector Development (PSD).

Under HE SPARK aims to support and strengthen educational institutions, like local universities. This is achieved by (for instance) the organisation of Summer universities and Quality improvement projects at universities.

Under PSD SPARK tries to stimulate entrepreneurship and development in the private sector in post conflict areas / fragile states by, for instance, organising business plan competitions, trainings and sme financing facilities for young (starting) entrepreneurs. Coaching and other trainings aimed at partners for local capacity building are other PSD activities. In addition Policy Making activities are undertaken to influence local / regional / national policy makers to facilitate private sector development. In all our programmes local & regional partners are stimulated to work together as much as possible and to contribute to our projects.

Division of the expenditures relevant for SPARK (HE, PSD, Obtaining of own funds, Obtaining governmental grants and Management & Administration) takes place as follows:

Expenses which can be qualified as programme expenditures (for instance reimbursements to partners, rent of lecture rooms & training space, reimbursements to trainers, travel and accommodation expenses of participants and trainers, reading materials, partners activities etc. are directly allocated to the objective HE & PSD. These expenditures are presented under "Grants and Contributions".

Operational and organisational costs of the field offices ("Publicity and Communication", "Personnel costs", "Housing costs", "Office and general costs" and "Depreciation and Interest") are also directly allocated to the objectives.

If a field office has worked on projects with different objectives, the expenditures are allocated towards the objectives HE and PSD based on the time spent (hour registration) on different programmes.

Operational and organisation costs of the Amsterdam office are allocated to the objectives using the time registration of all International (mostly Amsterdam based) Management, Administrative & Support personnel. An exception to this are the promotion expenses occurred in The Netherlands, and direct costs for obtaining governmental grants. These are directly allocated towards the objectives "costs of own fundraising" and "costs of obtaining governmental grants". Project management, Finance and IT hours directly registered on projects / programmes, are allocated to the objectives HE and PSD.

Indirect hours regarding Finance, IT, Organisation and Personnel are allocated to Management & Administration (=overhead). Absence days were not taken into account when allocating, except when the total number of estimated working days was determined for the budget.

(Indirect) Hours regarding Fundraising Governmental grants are allocated to the objective "Obtaining governmental grants".

(Indirect) Hours regarding Fundraising Other contributions are allocated to the objective "Obtaining of own funds", as well as General promotion and advertisement costs.

SPARK's own funds nowadays mainly consist of various income gathered through consultancy & training services. If these contracts are with non-traditional donors/ parties and for instance result based, we treat those as "Other income" and not as "Grants" (f.e. Chevron, HU). The costs of fundraising own funds, consist of direct expenses for General promotion & advertising, and newsletters, and attributed indirect costs based on the time spent on fundraising of non-institutional (or "own") funds.

Accounting principles

General

The annual accounts 2015 have been drawn up according to generally accepted accounting principles in the Netherlands and RJ 650 for Fundraising organisations. The accounts include the financial statements of Stichting SPARK in Amsterdam, The Netherlands, and the regional offices in Serbia, Kosovo, Macedonia, Liberia, Palestine, Burundi, Rwanda, South Sudan, Yemen, Turkey, Mali, Somalia and Iraq.

Principles of valuation

Assets and liabilities are stated at face value unless indicated otherwise. Transactions in foreign currencies are recorded using the rate of the transaction. Assets and liabilities denominated in foreign currency are converted at the exchange rate at the year-end.

Fixed assets

The tangible fixed assets are stated at purchase value minus annual depreciations, calculated on the basis of estimated useful economical lifetime. The depreciation is a fixed percentage of the purchase price:

	NL	Rwanda	Burundi
furniture	25%	20%	20%
computer hardware	33%	50%	20%
cars	25%	25%	25%
	Liberia	Palestine	South Sudan
furniture	20%	10%	25%
computer hardware	25%	20%	25%
cars	25%	25%	25%
	Kosovo	Serbia	Yemen
furniture	20%	20%	25%
computer hardware	20%	20%	33%
cars	25%	n.a.	n.a.

	Gaziantep	Somalia	Iraq
furniture	25%	33%	46-48%
computer hardware	25%	33%	46%
cars	n.a.	n.a.	n.a.

The costs of fuel and usage of the cars are allocated to the projects based on a kilometer registration.

Financial fixed assets

In the period 2007 - 2014, SPARK has signed 11 contracts with local partners to manage loan guarantee funds which benefit the start ups established under the Private Sector development projects. The contributions to these funds in the total period 2007-2015 can be found in the explanatory notes to the balance sheet. The participation is stated at its actual value at year end, taking into account losses on loans and received interest. Costs of fund management are presented as expenditures in the Statement of Income and Expenditures. The loan guarantee funds were originally financed by the Dutch Ministry of Foreign Affairs through project grants (MFS & BSCK). The ownership of the funds has been formally transferred to SPARK during 2011. SPARK pledged to keep using the funds for the same purposes as the original objective. Therefore, the funds are also presented as allocated reserve under the Reserves & Funds. Future losses on loans and costs of funds management will be deducted from these funds through the Statement of Income and Expenditures.

Cash & Cash equivalents

All amounts presented under the Cash & cash equivalents heading, are directly accessible. Foreign currency accounts are valued at the EURO - foreign currency exchange rate per 31 December 2015.

Reserves and Funds

SPARK can freely access the amounts presented under the Continuity reserve. Most of the allocated loan guarantee funds are freely accessible because the ownership of the funds is officially transferred to SPARK. We have chosen to keep presenting them as a fund, since we will continue to use them for the same objective. Loan guarantee funds provided to partners under the MFSII, ABC and Migration Programmes are still owned by the donors. After the project period has ended the donor will decide if their ownership can be transferred to SPARK.

Liabilities - partner obligations

SPARK has signed several contracts with partners, and herewith transferred certain project responsibilities and funds to them. The project grants presented under the income, as well as the expenses, include an amount for obligations towards local partners that SPARK has committed itself to transfer in upcoming years. These partners have the responsibility for the execution of (large) parts of the MFS II project.

Foundation of determining the result

The result has been determined as follows: Grants are recognised as income in the statement of income and expenditure in proportions of the progress of the project as well as project expenditure. Income and expenditure are recorded in the period to which they relate.

Allocation of general organisational costs to the objectives

Operational and organisation costs of the Amsterdam office have been allocated to the objectives using the time registration 2015 of all Amsterdam personnel. For further clarification, please refer to the explanation provided under Annex C. In 2015, loan guarantee and credit fund costs have been visibly presented as part of the direct costs for the SPARK mission in the Statement of Income and Expenditures. The comparative data of 2014 have been similarly adjusted, in the Statement of Income and Expenditures and in Annex C.

Income from own fundraising - Contributions in kind

Other in kind contributions

The municipality of Mitrovica provided SPARK with free usage of land for the purpose of establishing the International Business College Mitrovica (IBCM). SPARK / IBCM has the right of usage for 10 years, until 2019. However, nothing has been presented in for the years 2013 - 2015 due to the dispute over the land with a third party. All (other) in kind contributions have been stated at their fair value. The contributions are presented under Income from own fundraising and under the particular cost sort / activity they relate to in the Statement of Income in Expenditures.

Related parties and Related party transactions

In 2014 SPARK founded Stichting IGNITE (registered in Amsterdam under KvK number 61189561). Stichting IGNITE is governed by a separate board / director. SPARK has no power of control over Stichting IGNITE and thus its annual accounts do not have to be consolidated. The main goal of Stichting IGNITE is to stimulate entrepreneurship and local economies in post-conflict areas by means of, directly or indirectly, participating in or promoting of funds used for collective investments,

and / or to make loans or other equity / debt instruments available to local entrepreneurs / small and growing businesses (SBGs).

SPARK works with Stichting IGNITE to channel and monitor new investments / loans. The cash for these investments comes from money returned from previous loan guarantee contracts (repaid loans + interest) under MFSI or other ended programmes.

In 2015 Stichting IGNITE received a grant of € 161,000 from SPARK to invest in new entrepreneurs. In addition SPARK covered (part of) Stichting IGNITE's operational costs in 2015 with funds from the MFSII programme (€ 21,000). As of 2016 operational costs will be covered from fees and interest generated through the fund.

The IGNITE FUND initiated by SPARK in 2014 is a mutual investment fund (FGR in Dutch). SPARK is the Asset Manager of the IGNITE FUND and requested Stichting IGNITE (and other investors) to invest in the fund. In 2015 Stichting Ignite increased its participation in IGNITE FUND. The IGNITE FUND invests in small and growing businesses (SGBs) in fragile and conflict-affected states. IGNITE FUND utilizes innovative equity investment tools to mitigate difficulties typically faced in valuations and investment exits for SGBs in frontier markets. IGNITE FUND taps into a local technical assistance infrastructure developed by the asset manager, SPARK, and its customized technical support programs are deployed to each investment. By marrying the FUND's innovative deal structuring with the tailored technical assistance, IGNITE FUND delivers unparalleled financial and social impact returns to the investors. In 2015 the only investor was Stichting IGNITE.

Explanatory notes Balance Sheet

Fixed assets	31 december 2015	31 december 2014
Fixed assets	€	€
Renovations	8.279	11.424
Furniture	13.013	25.368
Computer hardware	25.286	33.869
Cars	36.397	21.164
	82.974	91.825

	Total 2015	Renovations	Furniture	Computer hardware	Cars
	€	€	€	€	€
Fixed assets					
<i>Bookvalue previous year</i>					
Purchase value	344.898	25.850	58.656	171.571	88.821
Accumulated depreciation	-253.073	-14.426	-33.288	-137.702	-67.657
<i>Book value 31 December 2014</i>	91.825	11.424	25.368	33.869	21.164
<i>Mutations</i>					
Purchases	43.273	8.355	833	9.916	24.168
Disposals	0	0	0	-	0
Depreciation	-52.123	-11.500	-13.188	-18.328	-8.936
	-8.850	-3.145	-12.355	-8.583	-15.232
<i>Bookvalue year end</i>					
Purchase value	388.170	34.205	59.489	181.487	112.989
Accumulated depreciation	-305.196	-25.926	-46.476	-156.201	-76.593
<i>Bookvalue 31 December 2015</i>	82.974	8.279	13.013	25.286	36.397

Explanatory notes Balance Sheet

Fixed assets	31 december 2015	31 december 2014
	€	€
Fixed assets used for operations (furniture & hardware)	46.578	70.660
Fixed assets directly allocated to the objectives (cars)	36.397	21.164
	82.974	91.825

Financial Fixed assets	31 december 2015	31 december 2014
Participation loan guarantee funds	€	€
Balance 31 december 2014	1.437.211	1.119.615
Mutation 2015	-511.694	317.596
Balance 31 december 2015	925.517	1.437.211

Specification mutation financial fixed assets 2015:	
New loan guarantee contracts and new loans	109.719
Defaults	-254.482
Reimbursement and closed contract with banks / participants	-255.931
Interest, provisions and exchange rate differences	59.435
Funds transferred to external parties	-170.435
Total mutation	-511.694

The financial fixed assets are directly allocated to the objective Private Sector Development.

For the explanation of the usage of these funds, please see the description of the allocated revolving funds, under the Liabilities.

Explanatory notes Balance Sheet

Current assets - Receivables & Accruals	31 december 2015	31 december 2014
	€	€
Prepaid Grants for donors	432.799	1.058.238
Accounts receivables and pre paid expenses	459.955	500.254
	892.754	1.558.492

Prepaid Grants for donors		
Project MFSII - NLMFA	0	649.498
Project IBCM - EU	41.582	0
Project IBCM - SIDA	0	166.938
Project IBCM - Denmark	0	134.102
Project IBCM - NLMFA	0	107.700
Project IBCM - SDC	39.667	0
Project King Baudouin Foundation	8.169	0
Project UNDP Burundi	380	0
Project CEEUS - NLMFA	14.547	0
Project SYRIN - NLMFA	85.950	0
Project YEP - NLMFA	242.504	0
	432.799	1.058.238

Explanatory notes Balance Sheet

Accounts receivables and pre paid expenses	31 december 2015	31 december 2014
	€	€
Prepaid expenses	77.538	24.690
Receivables from Partners	236.501	362.085
Tuition from IBCM students	0	68.816
Other receivables	167.246	61.954
	481.285	517.544
Reserve uncollectable receivables (tuition)	-21.330	-17.290
	459.955	500.254

Cash & Cash equivalents	31 december 2015	31 december 2014
	€	€
Cash Amsterdam	4.207	3.540
Current & savings accounts The Netherlands	9.713.793	6.650.297
Cash abroad offices	38.796	17.412
Transfers underway	79.208	0
Current accounts abroad offices		
Kosovo	865.600	304.575
Serbia	9.367	10.284
Macedonia	1.821	1.821
Rwanda	264.337	24.468
Burundi	61.260	18.418
Liberia	46.335	2.323
Occupied Palestinian Territories	3.069	3.094
Somalia	105	0
Turkey	79.659	0
South Sudan	96.347	5.151
Yemen	72.981	10.601
	11.336.886	7.051.983

All liquidities are directly accessible.

Explanatory notes Balance Sheet

RESERVES AND LIABILITIES	31 december 2015	31 december 2014
Specification of General reserves	€	€
Continuity reserve	896.144	717.592
Balance 31 December	896.144	717.592

	Continuity reserve
	€
Balance 31 december 2014	717.592
Mutation 2015	178.552
Balance 31 december 2015	896.144

General reserve

In order to ensure the continuation of the organisation, a minimum level of general reserve is necessary. When determining the maximum of the reserve, SPARK takes the "Richtlijn Reserves Goede Doelen" of the Vereniging Fondswervende Instellingen VFI into account (maximum 150% of the annual costs of the working organisation).

SPARK made several calculations during 2012 to determine the needed & desired level of the general reserves and discussed a policy concerning the reserves with the Supervisory Board. The main guidelines to determine the height of the reserves are as follows:

- SPARK does not aim for large savings because the focus should be on our final beneficiaries;
- SPARK field offices are not part of the annual organisational costs, because they are only relevant for as long as there are projects;
- SPARK focuses on acquisition of new projects rather than building reserves.

The minimum annual costs of the organisation are calculated at approximately € 685.000 in 2012 / 2013 (with downsized Headquarter operations). After taking into account certain risks (amongst which staff disability), a sufficient level of reserve was therefore estimated at € 785.000 at the end of 2013 (realized € 803.852). In 2014, the reserves decreased to below the 2013 level but in 2015 Spark was able to add to its reserves and reach a healthy size in general reserves, within the above mentioned limit of 150% of annual costs of the work organisation.

Explanatory notes Balance Sheet

Specification of allocated funds	31 december 2015	31 december 2014
	€	€
Allocated reserve for IBCM	1.179.302	1.255.362
Revolving Loan guarantee fund business start-ups	1.094.370	1.494.611
	2.273.672	2.749.973

Allocated fund for IBCM	
Balance 31 december 2014	1.255.362
Addition from received tuition (NLMFA & students) funds	116.680
Addition from received miscellaneous income	25.509
Extraction to cover part of costs for 2015 & bad debts	-218.248
Balance 31 december 2015	1.179.302

Under the IBCM project, tuition fees are charged to students. If the student cannot finance the tuition & possible accommodation expenses on its own, a scholarship can be awarded, consisting of a contribution to the tuition and accommodation expenses. These scholarships were financed by NLMFA under certain conditions. Income from this NLMFA & student contributions were added to the allocated fund, after deduction of the costs made for student housing. The fund was to be used to ascertain future sustainability of IBCM after donor relations with NLMFA would have ended. The aim was to use it for any (future) IBCM project costs. The year 2015 is the first year in which NLMFA did not make a contribution to the fund, and in which a larger than usual share of costs were covered by the fund.

Revolving Loan guarantee fund Business Start-Ups	
Balance 31 december 2014	1.494.611
Mutation 2015	-400.241
Balance 31 december 2015	1.094.370

In the period 2007 - 2015, SPARK has signed 14 contracts with local partners to manage loan guarantee funds which benefit the start ups established under the Private Sector development projects. In addition, SPARK disbursed loans directly to entrepreneurs in 3 locations.

The contributions to these funds of € 1.924,186 in 2007-2015 are financed by NLMFA through project grants. Most of the funds are cash collaterals deposited at local micro-finance institutions or banks for a fixed period. Thus the banks / institutions disburse the loans from their own funds and the deposit minus administrative costs and defaults, plus gained interest on the deposit (or from the entrepreneurs) is returned to SPARK after a certain period. The balance in SPARK's annual accounts therefore does not take into account the disbursed and repaid amounts by entrepreneurs, except for the fund in Liberia. In Liberia, the deposits + expected interest from the entrepreneurs are transferred to a bank account which is both accessible for SPARK and the local institution. SPARK has the contractual possibility to withdraw repaid loans and interest from that account, when quarterly reports have been approved by both parties.

Total loan guarantee fund mutation since 2007 can be summarized as follows:

Deposits into the funds:	1.924.186
Withheld management costs for banks:	-28.629
Received interest added:	130.911
Exchange rate differences / currency revaluations:	62.669
Deducted bankrupt / delayed loans:	-679.854
Loan amounts not used and returned (2015, 2016)	-144.478
Funds transferred to external parties	-170.435
	1.094.370

The revolving loan guarantee funds are € 168,853 higher than the counterpart financial fixed assets on the balance sheet. In the end of 2014 the difference at year's end was € 57,400. The difference is the result of a loan of EUR 20,000 made from the fund, not covered by a grant, and an amount of EUR 281,700 received back and available for new loans. An amount of EUR 144,478 was returned to be credited to the donor (NLMFA).

Since the start of the fund an amount of € 2,074,828 has been disbursed to entrepreneurs.

Of this amount, € 1.625,705 has been paid back at the end of 2015.

The average historical default rate of all loans is 25%; this is including provisions taken for loans that might not be repaid. The entrepreneurs pay interest rates ranging from 5% declining to 15% nominal on unpaid principal. The Revolving Funds are directly allocated to the objective Private Sector Development.

Current liabilities - Payables & Accruals	31 december 2015	31 december 2014
	€	€
Grants	9.036.261	5.242.633
Partner obligations and payables	416.837	914.567
Shortterm debts, payables & accruals	615.216	514.747
	10.068.314	6.671.946

Grants	31 december 2015	31 december 2014
	€	€
Project IBCM - MEST	299.069	1.157.210
Project IBCM - SDC	0	77.145
Project IBCM - EU	0	500.000
Project IBCM - SIDA	351	0
Project MFS II - NLMFA	41.944	0
Project YEP - NLMFA	0	124.677
Project ABC - NLMFA	1.159.988	1.495.725
Project King Baudouin Foundation	0	8.980
Project Asfari Foundation	10.712	0
Project Taqueem / IE - ILO	44.174	84.183
Project CSP Rwanda - NLMFA	300.077	375.625
Project Chevron Liberia	0	42.786
Project Dairy Value Chain Yemen - UNDP	243.674	0
Project Youth Engagement Yemen - UNDP	8.161	0
Project IBCM - German embassy	358	0
Project IT revolution Liberia - MercyCorps/SIDA	47.914	0
Project Branson Scholarship I & II - Humanity United	221.847	53.569
Project Pico Cap - Humanity United	54.856	0
Project Migration - NLMFA	379.865	676.603
Project CEEUS - NLMFA	0	8.296
Project ABIN - NLMFA	122.749	300.000
Project SYRIN - NLMFA	0	330.135
	9.036.261	5.242.633

Grants	31 december 2015	31 december 2014
Project SSRT Syria - NLMFA	0	7.699
Project LEAD - NLMFA	1.792.000	0
Project Access to Higher Education - NLMFA	475.000	0
Project HES	3.833.522	0
	9.036.261	5.242.633

Partner obligations and payables	31 december 2015	31 december 2014
	€	€
Programme MFS II 2011-2015	159.097	877.627
Project IBCM - Tietgen	0	6.000
Programme CSP	161.345	0
Programme YEP	12.392	29.292
Programme ABC	83.869	1.648
Project SYRIN	134	0
	416.837	914.567

Short term debts, payables & accruals	31 december 2015	31 december 2014
	€	€
Creditors & Accounts payable	437.915	340.571
Income tax, social security, pensions, severance	96.100	84.011
Vacation days & allowance	47.710	46.865
VAT	30.122	39.313
Prepaid tuition from IBCM students	3.369	1.072
Other short term debts and accounts payables	0	2.915
	615.216	514.747

The total amount of outstanding holidays 2015 is € 23.900 including field offices.

OF BALANCE SHEET COMMITMENTS

The following programmes / projects relate to periods exceeding the year 2015:

Name	Donor	Period	project grant
International Business College Mitrovica (IBCM)	SIDA	1/1/2012-31/12/2016	SEK 30.000.000
International Business College Mitrovica (IBCM)	MEST	1/1/2012-31/12/2016	€ 1.500.000
International Business College Mitrovica (IBCM) (co-funding)	EU	17/12/2014-16/12/2016	€ 1.000.000
Medefinancieringsstelsel II (MFS II) (extended)	NLMFA	1/1/2011-30/06/2016	€ 21.347.600
Agri Business Creation (ABC)	NLMFA	1/7/2012-30/6/2016	€ 5.824.085
Cooperatives Support Programme (CSP) (extended)	NLMFA	6/5/2013-31/03/2017	€ 1.940.685
Migration (MIG)	NLMFA	1/1/2014-31/12/2016	€ 1.963.625
Maintenance scholarship database KBF (KBP Phase IV)	KBF	1/10/2014-30/09/2017	€ 40.000
Setting up a pilot Higher Vocational Institute for Syrian Students (SYRIN)	NLMFA	1/10/2014-31/1/2016	€ 881.318
Promoting Sustainable Partnerships for Economic Transformation (LITR)	MercyCorps	15/10/2014-31/05/2016	\$364.200
Burundi Agribusiness Incubation Network (ABIN)	NLMFA	20/11/2014-31/12/2017	€ 2.314.969
Emergency Women Economic Empowerment in Taiz and Ibb (Dairy, Yemen)	UNDP	31/08/2015-31/03/2016	\$462.647
Access to Education for Syrian refugees and IDPs (HES)	NLMFA	01/10/2015-31/12/2016	€ 4.200.000
Branson scholarships (new project)	HU	1/10/2015-30/09/2016	\$299.110
IBCM 2015-2017	German embassy	1/10/2015-30/09/2017	€ 94.400
Launch Ignite Fund Liberia (Pico Cap)	HU	01/11/2015-31/10/2016	\$60.000
Access to Education for Syrian refugees and IDPs (AHS)	NLMFA	01/12/2015-30/04/2016	€ 500.000
Improving socio-economic position of youth in Libya, Somalia, Tunisia (LEAD)	NLMFA	01/01/2016-31/12/2018	€ 7.497.775

MFS II 25% other funding obligation

The MFS II Grant stipulates that at least 25% of the annual organisational income of the MFS II Alliance needs to originate from other sources than NLMFA MFSII. If that percentage is not realized, the Ministry can ask for a refund of part of the grant. As for 2015, SPARK realized a percentage of 45% (excluding Alliance partner BiD Network; see section about Percentages). The 45% is calculated according the rules NLMFA set (all other NLMFA funds need to be excluded for this calculation). On an organisational level and including the allocation to BiD Network the total % of funds coming from NLMFA is 61% in 2015 (77% in 2014).

Rental obligations

As of 11 May 2012 SPARK relocated to another location at the Y-tech building. The total expenses per year are € 33.000. The contract ended on 31 March 2015 was extended under the same conditions.

Loan guarantee Funds / Loan obligations

All signed contracts have been paid out in full in 2015.

* the loans under the Migration programme are financed for 50% by the donor and for 50% by SPARK.

Explanatory notes Statement of Income and Expenditure

INCOME	2015	2014
	€	€
Income from own fundraising		
IBCM - in kind contribution books	0	797.617
Grant King Badouin Foundation - scholarship database	17.149	4.350
Chevron	42.786	-31.433
RESP	0	8.585
IBCM other income (rent & training fees)	22.572	14.679
Humanity United (Branson)	95.507	68.783
SSRT	34.899	19.501
Borlaug	0	-350
Asfari	40.071	0
MercyCorps, LITR	115.795	0
	368.779	881.732

Governmental grants	2015	2014
	€	€
Grants NLMFA - MFS II, ABC, YEP, MIGR, CSP, CEEUS, SYRIN, HES, ABIN	8.185.589	7.619.321
Grant SIDA / SDC / UK / MEST - IBCM	1.725.380	1.067.906
Grants UNDP - Entreprise development Burundi / Yemen	118.886	33.162
Grants DFID / UK - BEC, MYP	0	222.891
Grant EU - Diploma recognition	0	42.964
Grant ILO - M&E / IE	40.009	2.487
	10.069.865	8.988.732

Other Income	2015	2014
	€	€
Other miscellaneous income & private donations	850	2.739
Total income	10.439.494	9.873.203

Most grants still need final approval of the donor. However, the vast majority of grants has been audited in the first half of 2016 and audited reports have been sent to the respective donors. It is expected that these reports will be accepted.

The grants include an amount of € 159,096 for 2015 obligations towards partners under MFS II to be used for programme management and overhead of SPARK Amsterdam; an amount of € 9.038.476 is used for direct project expenditures (including those partner obligations).

EXPENDITURES	2015	2014
Spent on objectives	€	€
Grants and contributions	7.875.685	6.725.583
Direct costs obtaining governmental grants	184.190	294.257
Publicity and Communication	20.561	55.576
Personnel Costs	2.120.230	2.065.857
Housing costs	169.545	173.643
Office- and General costs	324.185	270.521
Depreciation and Interest	42.847	43.055
TOTAL expenditures	10.737.242	9.628.492

Grants and contributions	2015	2014
<i>Private Sector development programs</i>	€	€
Remunerations 3rd parties involved in projects (partners, experts, trainers, teachers, etc)	752.541	451.190
Project travel and accommodation costs SPARK & 3rd parties	146.047	276.108
Capacity building of partners	1.151.819	981.234
Direct poverty allevation	2.354.419	2.262.509
IGNITE Fund direct expenses	47.667	27.269
Policy making / Youth participation / Government legitimacy	402.483	226.457
Monitoring & evaluation costs	409.752	169.848
Loan Guarantee and Credit Fund costs	365.482	59.980
Own contributions students / participants / trainees	-3.075	-2.270

<i>Higher Education programmes</i>	€	€
Summer / Winter courses	0	227.519
Establishing International business College Mitrovica	1.599.178	2.149.085
Other Higher Education project costs	720.359	3.354
Own contributions students / participants	-116.680	-123.989
Provision for uncollectable tuition students	45.694	17.290
Total Grant and contributions	7.875.685	6.725.583

Obtaining governmental grants	2015	2014
	€	€
Feasibility studies and project acquisition	184.190	294.257
	184.190	294.257

Publicity and Communication	2015	2014
	€	€
SPARK general - promotion and advertising	17.639	51.755
Programmes- promotion and advertising	2.922	3.822
	20.561	55.576

Personnel Costs	2015	2014
<i>Amsterdam</i>	€	€
Gross salaries including holiday allowances	698.983	833.088
Social security premiums & Pensions	154.901	140.539
Other personnel costs	121.516	97.832
Staff training (including field office staff)	7.209	6.770
<i>Field offices</i>		
Field office coordinating personnel	1.137.621	987.629
	2.120.230	2.065.857

In 2015, the organisation had 21 (2014: 19) staff members on average in Amsterdam / Project Management (including interns) and 79 (2014: 52) in the local offices. Personnel operating under the IBCM project (with the exception of SPARK Kosovo field office personnel) is presented under the Direct project expenditures.

The increase in field office personnel and costs can be explained as follows: Additional offices were opened in Gaziantep (Syria projects), Mali (CEEUS), Somalia and Iraq (Migration programme).

Remuneration directors	Yannick du Pont	Michel Richter
	Director	Co-Director
Employment contract	Indefinite	Indefinite
Hours	40	32
Parttime %	100%	80%
Annual remuneration		
Gross salary	92.075	65.098
Holiday allowance	6.959	4.918
Other fixed/variable remunerations	0	0
	99.034	70.016
Social securities employer		
Pension contribution employer	2.958	2.724
Corrections previous years	13.330	-
Total 2015	115.322	72.740
<i>Total 2014</i>	<i>119.530</i>	<i>78.227</i>

All remunerations within SPARK comply to the WNT (Wet normering bezoldiging topfunctionarissen publieke en semipublieke sector) standards. The Supervisory Board does not receive any remuneration. The corrections previous years concern flights for the family of the Director in the period 2011-2013. These amounts have been reimbursed at the time, but in 2015 they have been taxed as income. In addition to this, additional housing expenses in Belgrade were paid for the Director until end of January 2015, after which the rent has been cancelled. These costs have been assessed previously, by an external party, as work-related and thus not other income.

Housing costs	2015	2014
	€	€
Rent and utilities - Amsterdam office	39.113	40.800
Rent and utilities - field offices	130.433	132.843
	169.545	173.643

Office and general costs	2015	2014
Amsterdam	€	€
Office supplies, telecommunication & postage, other office costs	30.807	23.702
IT infrastructure services - maintenance	11.246	8.701
General evaluation and reports (not under direct Programme costs)	5.536	10.225
SPARK support/donations to projects in NL and NL visibility	-	40
Organisational fees and memberships	11.259	14.390
Administration and auditing	54.054	45.497
Tax & legal advice	152	0
Quality assurance	2.649	2.310
Development of IT infrastructure	-	6.489
Insurances	14.405	5.150
Representation	1.069	1.685
Other general expenditures (car)	22	968
Contingencies	9.331	77.632

Office and general costs	2015	2014
<i>Field offices / projects</i>		
Office supplies, telecommunication & postage, other office costs	85.904	47.522
<i>IT infrastructure services - maintenance</i>	3.385	0
Organisational fees and memberships	1.634	0
<i>Administration and auditing</i>	4.584	22.744
Tax & legal advice	13.823	0
Insurances	4.243	0
<i>Representation</i>	2.791	3.468
Other general expenditures (car costs)	10.194	0
Contingencies	57.096	0
	324.185	270.521

Depreciation and Interest	2015	2014
<i>Amsterdam</i>	€	€
Depreciation fixed assets	12.452	29.060
Bank fees, costs and interest	8.912	-19.250
<i>Field offices / projects</i>		
Depreciation fixed assets	30.735	10.052
Bank fees, costs and interest projects	(9.252)	23.193
	42.847	43.055

TOTAL EXPENDITURES	10.737.242	9.628.492
RESULT	-297.749	244.711
RESULT CLEARED FOR MUTATION ALLOCATED FUNDS: SPARK OPERATIONAL RESULT	178.552	-86.260

Percentages: per programme & donor and efficiency indicators

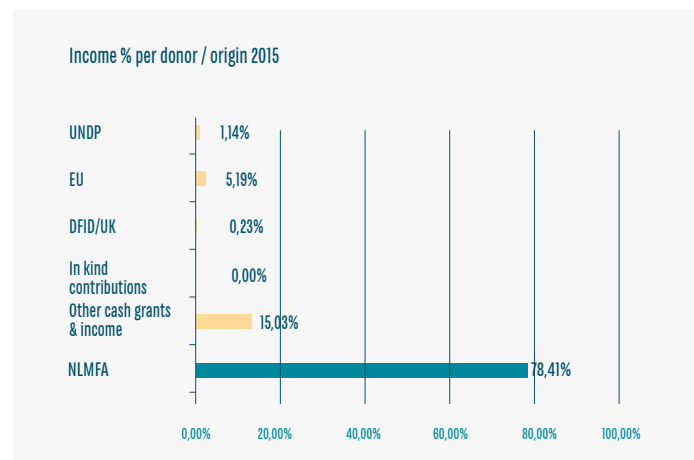
INCOME	Realisation 2015	Realisation 2015
<i>Project (cash) grants from donors</i>	€	%
Grant Medefinancieringsstelsel II 2011 -2015 - NLMFA SPARK	2.697.477	25,84%
Grant Medefinancieringsstelsel II 2011 -2015 - NLMFA BID Netw.	780.883	7,48%
Grant ABC - NLMFA	1.538.455	14,74%
Grant YEP- NLMFA	601.743	5,76%
Grant Migration - NLMFA	616.542	5,91%
Grant Burundi Rural Entrepreneurship - UNDP	23.834	0,23%
Grant IBCM - SIDA	154.656	1,48%
Grant IBCM - UK	24.078	0,23%
Grant IBCM - SDC	116.812	1,12%
Grant IBCM - MEST	858.142	8,22%
Grant IBCM - Danida	-81	0,00%
Grant CSP Rwanda - NLMFA	980.636	9,39%
Grant Taqeeem - ILO	40.009	0,38%
Grant YEEP Yemen - UNDP	20.279	0,19%
Grant CEEUS - NLMFA	22.843	0,22%
Grant SYRIN - NLMFA	501.085	4,80%
Grant ABIN - NLMFA	289.446	2,77%
Grant HES - NLMFA	156.478	1,50%
Grant IBCM - EU	541.582	5,19%
Grant IBCM - German embassy	30.192	0,29%
Grant Dairy Value Chain Yemen -UNDP	74.773	0,72%
	10.069.865	96,46%

Other income	Realisation 2015	Realisation 2015
	€	%
King Badouin Foundation - scholarship database	17.149	0,16%
Chevron	42.786	0,41%
Humanity United - Branson	95.507	0,91%
Grant SSRT - NLMFA (via Uni Gaziantep)	34.899	0,33%
Grant Asfari	40.071	0,38%
Grant MercyCorps, LITR	115.795	1,11%
Other miscellaneous income SPARK	850	0,01%
Other income IBCM (rent & trainings)	22.572	0,22%
	369.629	3,54%

Total Income	10.439.494	100,00%
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Income & Percentages per donor / origin	2015	2015
	€	%
NLMFA	8.185.589	78,41%
Other cash grants & income	1.569.359	15,03%
In kind contributions	-	0,00%
DFID/UK	24.078	0,23%
EU	541.582	5,19%
UNDP	118.886	1,14%
	10.439.494	100,00%

Percentages: per programme & donor and efficiency indicators



25% other funding obligation MFS:

2015 CALCULATION (AS DETERMINED BY DONOR) ON ACCRUAL BASIS	2015	2015
	€	%
Total MFS 2015 grant NLMFA BiD Network part included	3.478.360	60,68%
Non - NLMFA grants & contributions 2015 SPARK Total incl in kind	2.253.904	39,32%
	5.732.264	100,00%
Other NLMFA Grants SPARK 2015	4.707.229	
Total income SPARK 2015	10.439.494	

2015 CALCULATION EXCLUDING BiD NETWORK GRANT MFS II	2015	2015
	€	%
Total MFS 2015 grant NLMFA BiD Network part excluded	2.697.477	54,48%
Non - NLMFA grants & contributions 2015 SPARK Total incl in kind	2.253.904	45,52%
	4.951.381	100,00%

Other percentages of interest	Realisation 2015	Realisation 2014
	%	%
Overhead % (Management & Administration Costs / total costs)	3,06%	3,86%
AMS organisational (personnel, office, fixed organisation) costs versus total costs	8,95%	11,63%
AMS & fundraising costs versus total costs	12,93%	18,02%
AMS labor costs versus total costs	7,64%	9,59%
AMS + local office & labor costs versus total costs	26,65%	30,77%
% spent on objectives/total expenses	92,93%	88,50%
% spent on own fundraising/income own fundraising	36,61%	24,01%
% spent directly on programmes (programme spending ration)	95,58%	86,30%

The programme spending ratio is the percentage of total direct spending on the programs divided through total income.

List of Abbreviations

ABC	Agri-Business Creation
ABIN	Burundi Agribusiness Incubation Network (ABIN)
ADC	Africa Development Consultant
AEB	Association of Burundian employers
AFAB	Association des Femmes d'Affaires du Burundi (Business Women's Association of Burundi)
AFDB	African Development Bank
ALU	Association of Liberian Universities
AWDP	Afghan Workforce Development Programme (AWDP)
BBIN	Burundi Business Incubation Network
BBN	Bureau Burundais de Normalisation
BiB	Business in a Box (BiB)
BiD	Business in Development Network
BoD	Board of Directors
BPC	Business Plan Competition
BPW	Business Plan Writing
BSC	Business Support Centre
BSCM	Business Support Centre Monrovia
BSP	Branson Scholarship Programme- BSP
BST	Business Skills Training
BTI	Business and Technology Incubator
CECEM	Caisse Cooperative d'Epargne et de Credit Mutuel
CEEUS	Course d'ete de l'Entrepreneursim a l'Universite de Segou (CEEUS)
CEIR	Centre d'aide au démarrage et à la croissance des petites et moyennes entreprises
CFR	Centre de Formation Rural
CNDD-FDD	National Council for the Defence of Democracy and the Forces for the Defence of Democracy

CoC	Code of Conduct
COPEP	Le Conseil pour l'Education et le Développement
COSPEC	Coopérative Solidarité avec les Paysans pour l'Epargne et le Crédit
CSOs	civil society organisations
CSP	Cooperatives Support Programme
CSR	Corporate Social Responsibility
CWAP	Centre for Women Agriculture Programme
FCAS	fragile and conflict-affected states
FOCODE	Forum pour la Conscience et le Développement
GYEP	Gaziantep Youth Entrepreneurship Programme
HES	Higher Education for Syrians
HR	Human Resources
IACO	International Agriculture Cooperation Office
IAT	Institute of Agricultural Technology
IBCM	International Business College Mitrovica
ICT	Information and Communications Technology
IFC	International Finance Corporation
IITA	International Institute of Tropical Agriculture
ILA	International Lobby and Advocacy
ILO	International Labour Organization
INES	Institut d'Enseignement Supérieur de Ruhengeri
LBBF	Liberia Better Business Forum
LDCs	Least Developed Countries
LEAD	Local Employment in Africa for Development
LITR	Liberia IT Revolution (LITR)
LP's	Local Partners
M&E	Monitoring and Evaluation

MANE	Maison des Acteurs Non Etatiques
MDG's	Millenium Development Goals
MENA	Middle East and North Africa
MEP	Migrant Entrepreneurship Programme
MFS II	Entrepreneurship Development Programme
MoU	Memorandum of Understanding
NCRC	National Constitutional Review Commission
NGO	Non-governmental Organisation
NLMFA	Dutch Ministry of Foreign Affairs
OECD	Organisation for Economic Co-operation and Development
OPT	Occupied Palestinian Territories
PLC	Palestinian Legislative Council
PUM	Originally: 'Programma Uitzending Managers' or 'Manager Deployment Programme', nowadays simply 'PUM – Netherlands Senior Experts'
PYALARA	Palestinian Youth Association for Leadership and Rights Activation
RICEM	Rwanda Institute of Cooperatives Microfinance and Entrepreneurship
SB	Supervisory Board
SESEZ	Social Enterprise Special Economic Zone
SEZ	Special Economic Zone
SHIKA	Burundian Business Plan Competition
SME	Small- and Medium-sized Enterprise
SSRT	Scholarships for Syrian refugees in Turkey (SSRT)
STIIK	Kosovo Association of Information and Communication Technology
SYRIN	Setting up a Higher Vocational Institute for Syrian Civil Responders in Crisis Response & Early Recovery
TA	Technical Assistance
TMF	Terrafina Microfinance
UEC	United Entrepreneurship Coalition

UNDP	United Nations Development Programme
UNSGSA	United Nations Secretary General's Special Advocate for Inclusive Finance for Development
UoG	University of Gaziantep
VAT	Value Added Tax
YEPP	Youth Entrepreneurship Empowerment Programme
YEP	Youth Engagement Programme

Contact

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LinkedIn www.linkedin.com/company/spark

Twitter twitter.com/sparkorg

YouTube www.youtube.com/user/SPARKignitesambition/videos

Newsletter Subscribe to our newsletter via www.spark-online.org

General contact

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E-Mail spark@spark-online.org

Phone +31 (0)20 753 0311

SPARK www.spark-online.org

SPARK Syria www.spark-syria.eu

IGNITE Fund www.ignite-fund.org

Bank account information

Account Holder: Stichting Spark

Account Number: 655131957

IBAN: NL62 INGB 0655 1319 57

BIC INGBNL2A

Place: Amsterdam, the Netherlands

For more organisational information on SPARK, please visit:

www.spark-online.org/about-us/organisation

The texts, numbers and design of this Annual Report are checked by the staff, Board of Directors and the Supervisory Board of SPARK. Should you have questions or come across an error, please contact us at

spark@spark-online.org

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