



PHOTO ADRIANA PAREJO PAGADOR / CORDAID

ANNUAL REPORT AND ACCOUNTS 2023

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Cover photo:

Health clinic in Jimma Region, Ethiopia. Photo: Adriana Parejo Pagador / Cordaid





PHOTO MICHAEL FRANCI / CORDAID

1. BOARD OF DIRECTORS REPORT

> *Somba Diakite is a participant in Cordaid's livelihoods programme and owner of a fish hatchery outside of Bamako, the capital of Mali.*

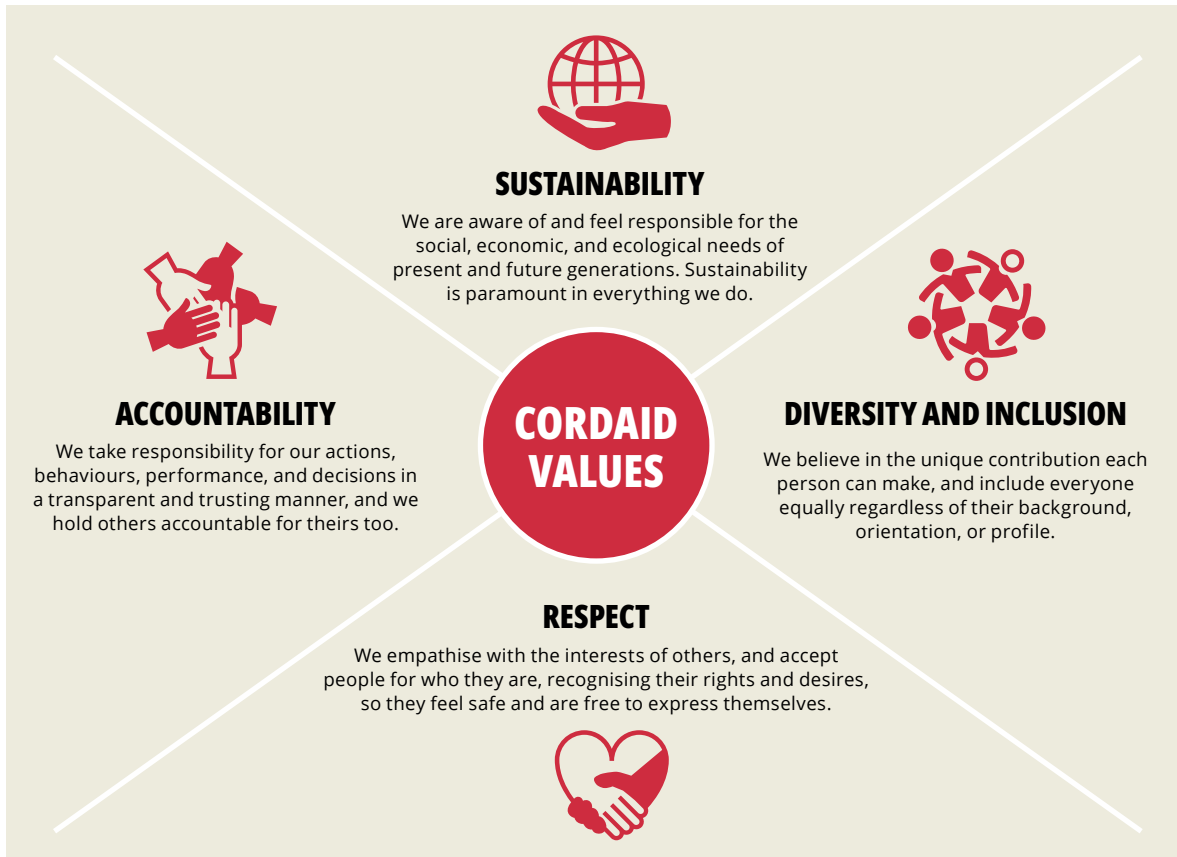


OUR VISION AND VALUES

Our vision is

- A world of equality and inclusion.
- A world where everyone can live a life of dignity.
- A world where people fully participate in their societies, and influence decisions that affect them.
- A world with an economy driven by inclusivity, social and ecological justice, and gender equity.
- A sustainable world to pass on to future generations.

That world is our goal in everything we do.



OUR MANIFESTO

Global crises increasingly challenge human coexistence.

They rob millions of the right to live in dignity.

Cordaid does not accept this world of growing inequality and exclusion.

We are one human family.

We all need one another to face and solve the challenges of our time.

Like climate change or the COVID-19 pandemic.

We believe in the power of an inclusive world.

A world driven by social justice, sustainability, and gender equality.

Together, across borders and divides, we can build that world.

Our interdependence is what makes us human.

Our shared fragility is our strength.

By embracing it, we unlock the force of compassion.

At Cordaid, we connect, and we act.

We tap into this power of an equal world.

To create real change, we bring communities, citizens, policymakers, public and private actors together.

We make solidarity work.

Let us protect the common good of people everywhere.

Let us rise for equality.

Together, we are stronger.



OVERVIEW OF RESULTS

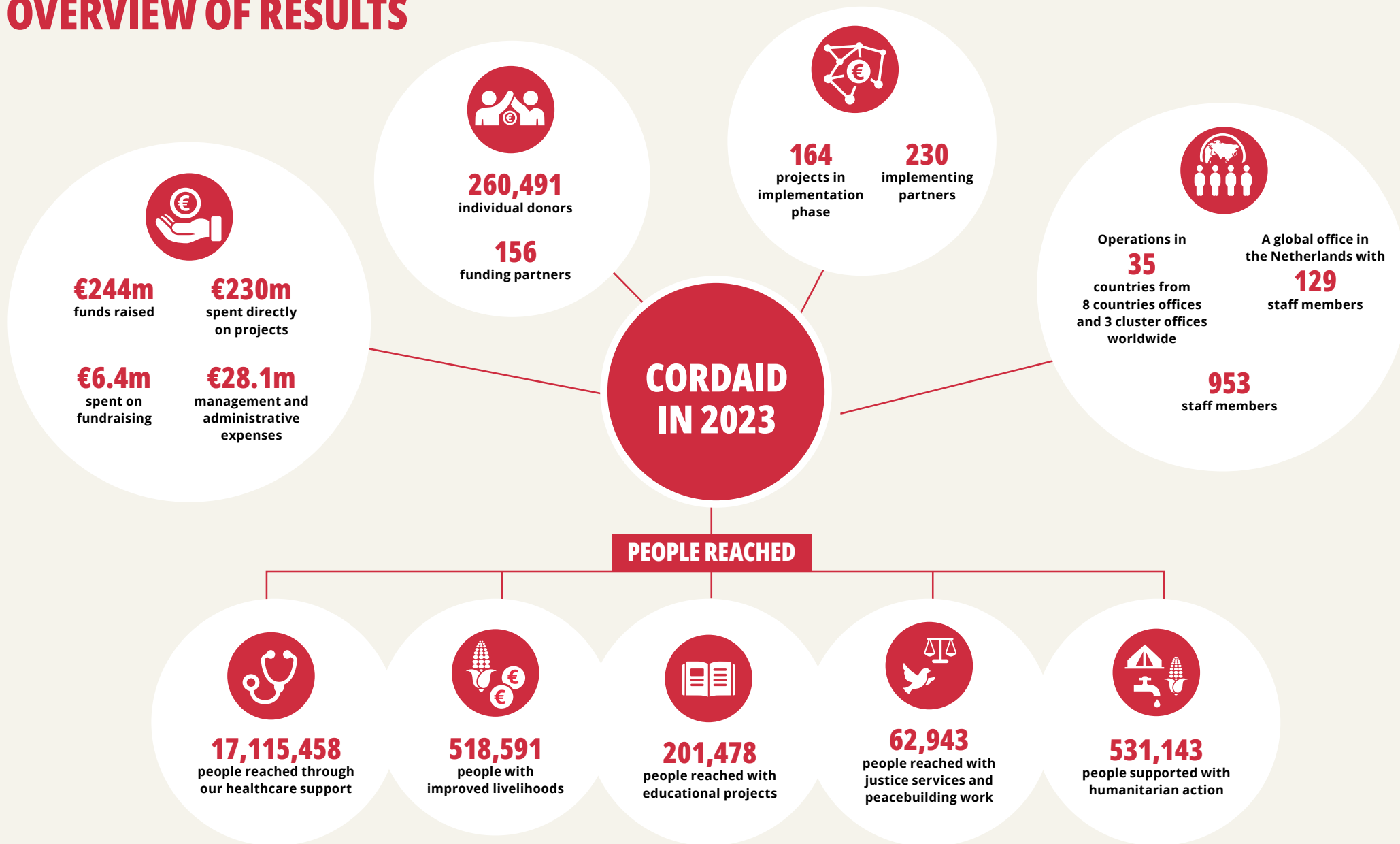




PHOTO: MICKAEL FRANCI / CORDAID

MESSAGE FROM THE CEO

With pride and enthusiasm, I succeeded Kees Zevenbergen as Cordaid's new CEO in the fall of 2023. Alongside everyone who values Cordaid's mission, I am following in the footsteps of our founders, who welcomed refugees from other European nations during the First World War. This year, we will reflect on the global health work we commenced a century ago with the establishment of Memisa in 1925. These legacies of compassion and humanity continue to define Cordaid today.

Looking back at our work in 2023, I draw hope and optimism from our results. The talents, professionalism, and drive of our employees and partners are extraordinary. Thanks to their knowledge, expertise, and dedication, we can contribute to creating a better world.

However, 2023 and 2024 displayed bleak and concerning trends, and as it appears, 2025 will be no different. Tensions and conflicts around the world have increased. In 2023, the number of humanitarian crises reached its highest level in a decade, with approximately 719 million people living in extreme poverty. On a positive note, the decrease in the number of individuals experiencing extreme poverty (from 40% in 1990 to 9% in 2023) is both encouraging and motivating.

The historic elections in the Netherlands in November 2023, won by one of the Dutch

parties on the radical right, resulted in astonishing budget cuts for development cooperation by 30 percent from 2027 onward. The Dutch government let millions of people down and did the Dutch interests in diplomacy, trade, and development a great disservice.

International cooperation is not gratuitous or a 'gift to the less fortunate'. It is serious, professional work and enables people in marginalised situations to live happier, healthier, and longer lives in safe and stable societies. The facts demonstrate that it pays off: in the last 25 years, a billion people have escaped extreme poverty and large-scale vaccination campaigns have contributed to a 60 percent drop in child mortality worldwide. With a results-based approach, Cordaid effectively contributes to strengthening healthcare, education, agriculture, and justice systems. In collaboration with civil society organisations, we have also been working on poverty reduction and social inclusion in the Netherlands since 1938. Our lives in the Netherlands are very much intertwined with those of people in the rest of the world, due to major challenges, such as climate change and global health. Therefore, in the coming years, we want to increase our activities in the Netherlands, both through programmes and campaigns.

We must listen. To people struggling to make ends meet in the Netherlands. To the mothers in eastern Congo who face violence every day. To migrants forced to leave everything behind because of conflict or natural disasters.

To youth workers in Iraq, who know what their society needs to get back on its feet after years of war and terror. To doctors in rural Ethiopia who put the ‘leave no one behind’ adage into practice. We must amplify their voices and increasingly give our partners a leading role in the design and implementation of projects. This makes our efforts more sustainable and impactful. We discuss this in more detail in the chapter ‘Localisation in Action’.

“Let’s stand together in international solidarity”

Exceptionally high provisions, such as ineligible costs, loss-making contracts, old projects, and legal claims, caused a negative result of EUR 21 million in 2023. The normalised result, without these provisions, is a negative result of EUR 0.9 million. We are confident that the loss in 2024 will be limited. The break-even budget for 2025 was approved by the end of 2024.

At the beginning of 2025, we were confronted with a lot of worrisome news, such as the budget cuts for USAID and more right-wing governments decreasing development cooperation, leading to security measures for our staff and the suspension of our projects. We will investigate the financial consequences of these sad developments and take additional action if needed to achieve our goal of a break-even result in 2025.

In 2024, Cordaid received internal signals about potential integrity breaches related to one of our projects. The associated donor informed us in 2024 that they are investigating the matter. The possible financial impact and debarment sanctions from the donor remain unknown and this process can take (at least) one year to finalise, as this is still in the preliminary findings stage. We expect that the outcome of the investigation will have a limited impact on the financial statements for 2023, if any.

As in the previous year, we did not manage to publish our 2023 annual report before July 1, 2024, because the auditing process in the countries took more time than anticipated. In 2023, we implemented several administrative improvements to ensure a smoother and more timely auditing process in the future.

Additionally, we continued our efforts to enhance programmatic and financial monitoring and reporting. While we have made progress, we want to be even better prepared for the future. This means continuously reassessing our strategy, as changing internal and external developments challenge us to do so.

> In October 2024 Heleen visited project locations in Bethlehem and Ramallah on the West Bank, where life got much harder after the escalation of the Palestinian Israeli conflict. The staff and volunteers of Cordaid partner Caritas Jerusalem do all they can to support the affected population.

The outlines of the strategy, however, will not be tinkered with. Our Compass for an Equitable Future remains the guiding document for the coming years. Yet, the financial health of our organisation necessitates sharpening our strategic focus. We know, for instance, that our income from the Dutch government will decrease in the coming years. Fortunately, Cordaid can rely on a large and loyal constituency of private donors. In addition we have been pursuing a policy of fund diversification for years and have fruitful relations with other institutional donors.

We will continue collaborating with our partners and stakeholders. We will launch a clear vision for the future, in which sustainable coalitions with long-lasting and new partners is one of the keystones to build upon.

We sincerely thank everyone who has made our work in 2023 possible. Only together can we face these politically turbulent times, the consequences of which will most affect those living in vulnerable circumstances.

Let’s stand together in international solidarity. Let’s move forward together.

**Heleen van den Berg, CEO
The Hague, 28 March 2025**



HOW WE BRING ABOUT CHANGE

We are an internationally operating, value-based organisation with a dual mandate. This means that we engage in both humanitarian action and sustainable development in fragile regions of the global South. In the Netherlands, Cordaid also supports small-scale social projects for people in vulnerable situations.

Our focus
 Humanitarian action worldwide, sustainable development in fragile regions in the global south, social work in the Netherlands

Locally-Led Action and Systemic Strengthening

Cordaid has identified two overarching and interconnected strategic principles that form the foundation of our vision for achieving equality and equity.

- **Locally-Led Action:** Recognising that Cordaid’s presence in countries is temporary, locally-led action implies gradually, but fundamentally, changing Cordaid’s role and that of the people we work with, in all contexts, towards partnerships where local partners lead, and Cordaid plays a facilitating, complementary, and supportive role. This ‘shifting and sharing of power’ challenges the root causes of unequal power dynamics between global and local actors in development and humanitarian work. For Cordaid, locally-led development means that stakeholders in the countries where we operate are leading the processes and making the decisions that affect their lives.
- **System Strengthening:** Well-functioning health, education, food, and justice systems are essential for the development of people and society, and are crucial to building and maintaining peace in fragile and conflict-affected regions. We do not build new systems; rather, we support the improvement of existing systems in collaboration with line ministries, inspections, service providers (such as hospitals and schools), and end-users (such as patients’ groups and parents). Cordaid is known for applying results-based financing (RBF) methods that have proven to be highly effective in strengthening these social service delivery systems.



> *Farmers work a maize field in Eastern Province, Rwanda*

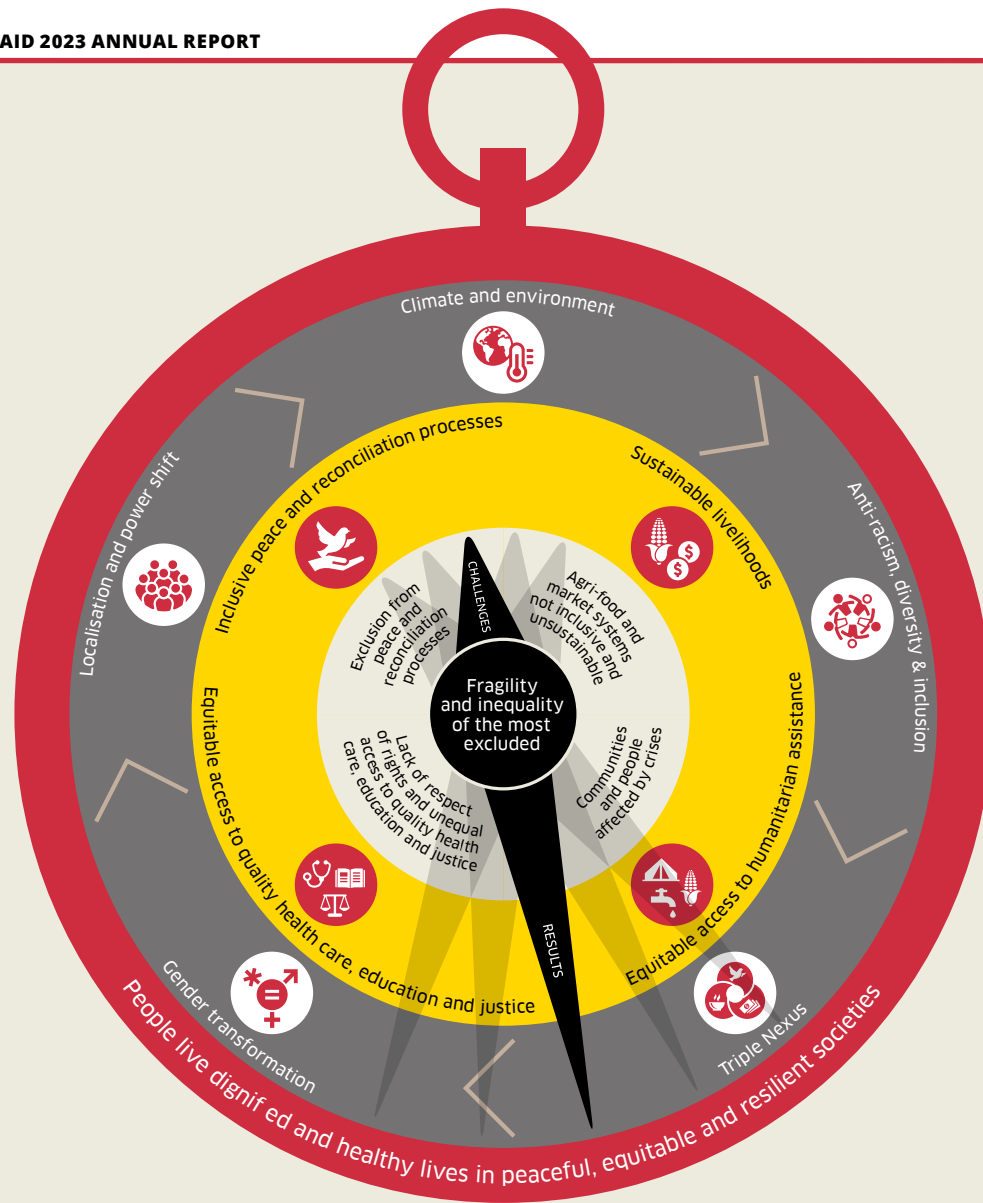
Results-based financing

Results-based financing (RBF) is a successful strategy to improve the effectiveness and cost-efficiency of development programmes by tying payments to pre-agreed outcomes. A typical RBF contract includes a bonus for satisfactory and reliable performance, which institutions such as hospitals and schools can reinvest in business development, offer staff incentives (such as higher salaries), and support other activities. Through the application of RBF, the allocation and

effectiveness of budgets are closely monitored. Cordaid first applied the RBF approach as part of a public health project in Rwanda in 2002, and later expanded it to strengthen health, education, and justice systems in several African countries. In 2023, we broadened our scope to include the agri-food sector in Uganda.

At Cordaid, performance-based financing (PBF) is also utilised. PBF is a specific form of RBF, distinguished by the fact that it offers purely financial incentives to providers only.





COMPASS FOR AN EQUITABLE FUTURE

Compass for an Equitable Future

The compass visualises Cordaid’s Theory of Change. The red outer ring represents our corporate objective: People live dignified and healthy lives in peaceful, equitable, and resilient societies. The inner black circle outlines the problem statement. The pointer moves from the ‘challenges’ to the ‘results’ of our five thematic focus areas (light grey and yellow circles), using a locally-led systemic change approach. The focus areas are:

- Strengthened health systems
- Sustainable agri-food systems
- Inclusive justice services and peace
- Inclusive educational systems
- Humanitarian action

The relevance, sustainability, and impact of these thematic areas are enhanced by four cross-cutting issues, depicted in the rotating dark-grey circle:

- Climate justice
- Triple nexus
- Gender transformation
- Racial justice, diversity and inclusion

Lobby and Advocacy

At both the national and international levels, Cordaid works to change power structures and improve the position of marginalised people. We often do this in collaboration with networks and platforms of like-minded organisations. Some key activities in 2023 included:

In the lead-up to the COP28 Climate Summit in Dubai, Cordaid and CSPPS (Civil Society Platform for Peacebuilding and Statebuilding) published a [position paper](#) on the link between climate and conflict. Cordaid was present in Doha with a diverse delegation from our country offices and our global office, actively collaborating with our main networks: CIDSE, Caritas, and the ACT Alliance, as well as the Dutch Climate Advocacy Coalition.

We participated in the Dutch Climate Coalition, joined the national Climate March in Amsterdam in November, and lobbied for an end to fossil fuel subsidies and investments. This included engagement with our pension fund (PFWZ) and our primary bank (ING).



Through our advocacy programme, Global Health Global Access, we developed an [interactive tool](#) to track Dutch global health financing and policymaking. This data-driven tool allows us to monitor Dutch expenditure of global health institutions and amplify our advocacy messages to policymakers and politicians. Civil society organisations in other countries have also shown interest in replicating this initiative. Cordaid co-organised a multi-stakeholder process that resulted in a significant publication reflecting on 20 years of Dutch involvement in Afghanistan. The [Afghanistan series and publication](#) was produced in collaboration with Kuno - Platform for Humanitarian Knowledge Exchange and contains many lessons learned and recommendations. It was presented to the Dutch parliament, the Ministries of Foreign Affairs and Defence, and the Evaluation Bureau of the Dutch Ministry of Foreign Affairs (IOB), which is conducting a multi-year evaluation of the Dutch role in Afghanistan.

Building Partnerships

The challenges in our focus countries demonstrate that lasting solutions require extensive collaboration with all relevant parties. Building partnerships is essential, and how we engage with others will increasingly shape our brand, reputation, legitimacy, and credibility in the sector.

For Cordaid and our partners to succeed in programme implementation, fundraising, lobbying, and advocacy, it is essential to strengthen mutual learning and skills training. Our support operates on two levels:

- Promoting a robust, legitimate, representative, and well-equipped civil society.
- Strengthening organisational capacity, enhancing governance, financial, and administrative standards, as well as improving fundraising and implementation skills.

> *Hawa Traoré, director of Aprofem, partner in the Just Future Alliance. "We promote women's rights, including the right to health care, access to income, the right to land, and the right to live in a healthy environment."*



PHOTO MICKAEL FRANCI / CORDAID



By collaborating in national and international partnerships, we amplify our positive impact. As in previous years, Cordaid actively participated in faith-based networks such as Caritas, ACT Alliance, CIDSE, and Dutch networks including Partos, KUNO, Dutch Relief Alliance, and SHO.

Additionally, in 2023, Cordaid engaged in thematic networks such as ShareNet, Memisa Medicus Mundi, VOICE Humanitarian Platform, European Peacebuilding Liaison Office (EPLO), Civil Society Platform for Peacebuilding and Statebuilding (CSPPS), and the CSO Partnership for Effective Development Cooperation (CPDE), among others. We also collaborate with international NGOs like CAFOD and Trócaire, and in the Netherlands with Kerk in Actie, among others. These networks and collaborations enable us to operate in fragile contexts and respond to crises worldwide.

Just Future Alliance

Just Future is a five-year programme (2021–2025) involving an alliance of international and local NGOs and civil society organisations operating in six countries: Afghanistan, Burundi, the Democratic Republic of Congo, Mali, Niger, and South Sudan. The programme is funded by the Ministry of Foreign Affairs of the Netherlands with €49.5 million under the ‘Power of Voices’ framework. Through multi-level advocacy, the programme aims to create more accessible, responsive, and accountable security and justice institutions, alongside more inclusive political governance and peacebuilding efforts, from the local and national levels to regional and international arenas. A key commitment of the alliance is the inclusion of women, youth, and displaced people.

In 2023, the programme faced significant changes due to a coup d’état in Niger and the withdrawal of MINUSMA in Mali, affecting stakeholder roles and influence. Civic space further diminished, particularly in Afghanistan, Mali, and Niger. In response, the Alliance intensified its continuous context analysis, adapted lobbying and advocacy strategies, and engaged in discussions on civil society’s role in restrictive environments. By leveraging its activities and networks, the Just Future Alliance effectively included civil society in international processes and dialogues. The alliance focused on enhancing the active participation of youth, women, and displaced people in lobbying and advocacy, enabling these groups to address local security concerns with authorities, resulting in tangible solutions in Mali and South Sudan.

Digitalisation

Cordaid is committed to using digital tools and services to extend the reach of programmes and increase their impact. Building on our growing experience in digitalisation, the following activities were prioritised in 2023:

- A series of online workshops, ‘Supporting the Development of the Digitalisation Strategy,’ were conducted in African focus countries.
- The training workshop ‘Bridging the Gender Digital Divide’ in Uganda developed a blueprint to address issues faced by women and girls when using digital tools and services.
- A Community of Experts on Digitalisation and Data was established.
- An orientation session, ‘AI for Humanitarian and Development Organisations Using ChatGPT,’ was conducted.

The following programmes are now part of Cordaid’s expanding digitalisation portfolio:

- *Overcoming Barriers to Access MHPSS in Yemen Through Digitalisation* has developed an app that provides mental health and psychosocial support.
- *Projet Accès à L’information Juridique Numérique* in Burundi leverages digital tools to enhance access to legal information, contributing to the strengthening of the judicial system.

Data-Informed Decision Making

Cordaid is a data-informed organisation: we base our decisions, learnings, and innovations on robust evidence, collected and organised through digital tools and systems. We promote a culture of open data and transparency for the benefit of the communities we serve, adhering to international standards such as the General Data Protection Regulation (GDPR) and the International Aid Transparency Initiative (IATI). To achieve this, approximately one-third of our country offices have received training in digital data collection (e.g., CommCare, Kobo), data analysis (Excel, Python), and visualisation (Power BI, QGIS). One outcome of these trainings has been the enhancement of results-based financing data collection, leading to improved data quality and faster invoicing in Burundi and Uganda. We have developed several real-time Power BI dashboards to track project progress, enabling us to continuously improve outcomes.



LOCALISATION IN ACTION

Advancing the Power Shift

In 2023, building on its evolving understanding of locally-led development and its commitments to the [Charter for Change](#) and [Pledge for Change](#), C Cordaid decided to revise its 2019 Partnership and Alliances Policy. Key updates include recommendations to increase the decision-making power of local partners throughout the project cycle, incorporate budgets for organisational capacity strengthening linked to Cordaid's new Partnership Capacity and Risk Assessment tool, and provide specific guidance on exit strategies, as well as gender, climate, and conflict sensitivity.

This vision and approach to locally-led development are fundamental to Cordaid's philosophy, which has always been guided by the principle of subsidiarity—ensuring decisions are made by those responsible for the outcomes—in the implementation of our missions, strategy, and goals. This aligns with Cordaid's commitment to decolonising aid by addressing historical injustices and promoting self-determination. Partnerships with civil society, governments, the private sector, and activists at local, national, and international levels are central to Cordaid's approach.



PHOTO RYONY HARRIS / CORDAID

> Cordaid adheres to ethical guidelines for text and images, including obtaining signed consent.

In 2023, we collaborated with **156** local partners

Cordaid is therefore:

- Supporting the shift of decision-making power regarding what, how, for whom, and by whom Official Development Assistance (ODA) interventions should be designed and implemented, focusing on local actors in the countries where we work.
- Enabling donors to channel funds directly to local actors, who will manage and account for humanitarian and development assistance.
- Strengthening organisational capacities to enhance the joint impact of complementary roles and actions between intermediary and local actors.

In 2023, Cordaid took the following steps to advance locally-led development in its partnerships:

At the policy level:

- Signed the Pledge for Change and committed €10,000 of its core resources to fund its Secretariat in 2024.
- Committed to the Charter for Change and participated in its working group.
- Continued to support the Shift the Power movement and engaged in its working groups ahead of the [Bogotá Summit](#).
- Joined the OECD DAC CSO Reference Group.
- Coordinated the CSPPS Platform, which drafted a report on *Pathways for Locally-Led Change: Learnings & Recommendations from the 'Unboxing Localisation' Trajectory*.

At the organisational level:

- Signed the Dutch Relief Alliance OCA/ICR sharing agreement, ensuring equal overhead budget allocations for local humanitarian partner organisations.
- Updated its Partner Capacity and Risk Assessment Tool, incorporating links to its partner capacity strengthening strategy.
- Developed its Racism, Diversity, and Inclusion policy.
- Continues to learn and adhere to its ethical communication guidelines.

At the operational level:

- Committed to developing a digitalised 2.0 version of the Power Awareness Tool.
- Is implementing innovative programmes piloting locally-led development approaches (see cases below).



CASES LOCALISATION IN ACTION

Just Future

In 2023, the concepts of local leadership and equitable partnerships continued to guide the implementation of the Just Future programme. The plan towards Southern leadership, drafted in 2022, made significant progress. Two national secretariats in Mali and Niger were transferred from international to local partners. While the posts of national coordinators are now under local partner contracts, monitoring and evaluation, and financial management support, remained with the international partner (SFCG) to allow for on-the-job coaching and training in these areas before a full handover. In the Democratic Republic of the Congo (DRC), the government recognised Just Future's civil society partners' roles in policy-making. This marks a positive shift in legal frameworks, increasing the autonomy of Congolese civil society and enhancing the engagement of victims and victims' associations in promoting justice and security in the DRC.

Strengthening the Ethiopian Health System

Since 2015, Cordaid has been strengthening the health system in parts of Ethiopia through the implementation of performance-based financing. In 2023, the model evolved to allow the Ethiopian Ministry of Health to take full ownership. Cordaid's role has been reduced to providing technical and financial support, while the Ethiopian health authorities oversee all processes, including the participatory selection of indicators, contracting of health facilities, verification of performance, and engagement of local community-based organisations. This gradual shift in decision-making power to domestic actors has enhanced local leadership. However, the involvement of multiple government agencies in regulatory and decision-making processes has introduced bureaucracy and the risk of delays in implementation.

Realising Quality Humanitarian Funding for Local Actors

Cordaid is part of the Dutch Relief Alliance (DRA), an alliance of 14 Netherlands-based INGOs that provide humanitarian action in partnership with the Dutch Ministry of Foreign Affairs through a block grant. In 2023, the Ministry mandated that DRA international partners must provide indirect cost recovery (ICR) to local partners, while the overall ICR (8%) would remain unchanged. Cordaid already practised providing ICR to local partners in their humanitarian work before 2023. Depending on the funding source, all Cordaid's local humanitarian partners received 2 to 5% ICR. The next step is to develop an ICR sharing policy.



PHOTO SAW AFGHANISTAN

> *The Dutch Relief Alliance, including Cordaid, has collaborated to organise a range of humanitarian activities in the Afghan provinces of Nangarhar and Herat.*

WHERE WE WORK

We concentrate our efforts on regions affected by conflict and instability, particularly those ranked high on the Fragile States Index. In addition, we assess the potential for system strengthening in justice, health, education, and agri-food sectors within these areas. The strength of our portfolio and our track record in a country also play significant roles in determining where we implement our programmes.

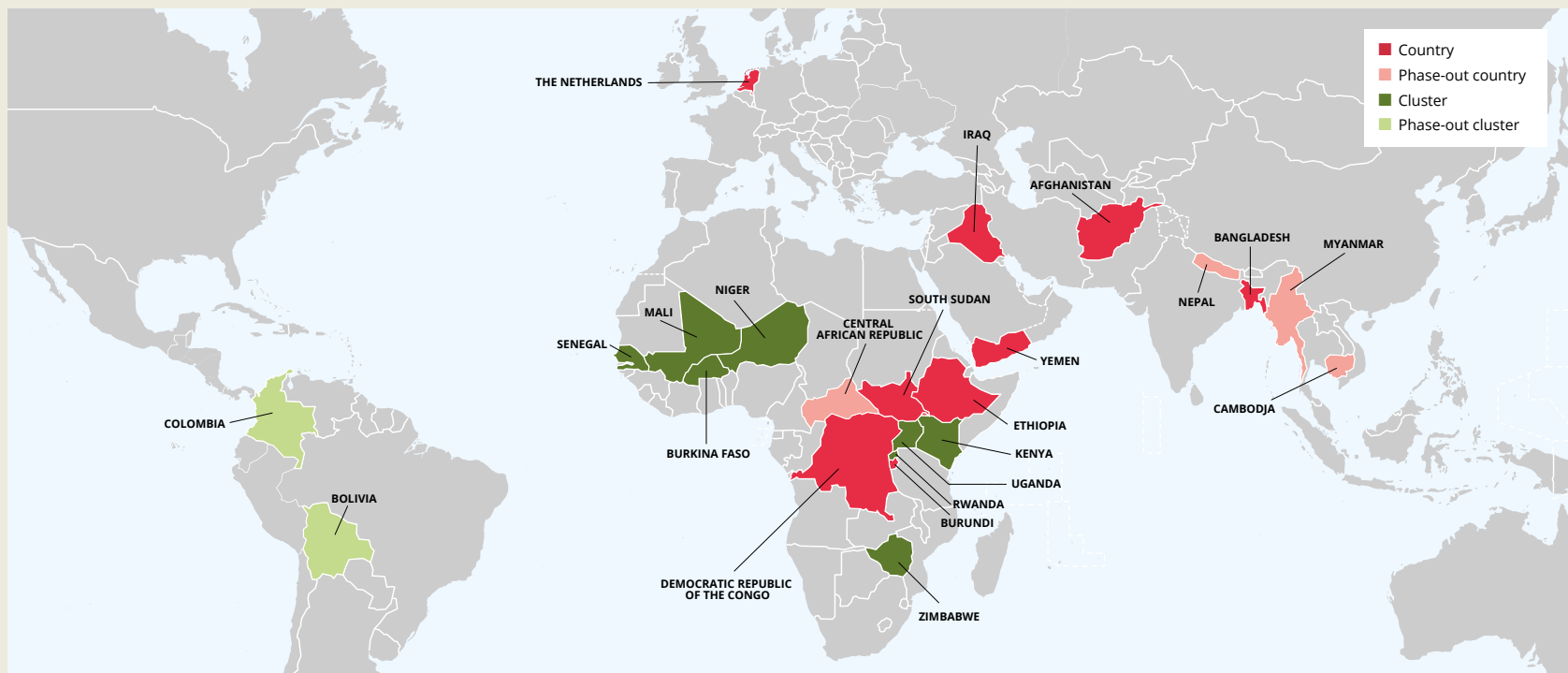
As of 31 December 2023, we operated in 35 countries, with eight country offices and three cluster offices. Cluster offices provide a full range of

services to multiple countries, while country offices offer comprehensive services within a single country.

The world map illustrates the countries where Cordaid has a presence, indicating the number of employees and programmes in each country. The eighteen countries where Cordaid and its partners provided humanitarian assistance are not shown on the map (see page 35).

In 2023, we closed offices in the Central African Republic, Sierra Leone, Syria, Liberia, and Benin.

Prior to 2023, we had already decided to scale down our presence and programmes in Latin America, Ghana, South Africa, Vietnam, Nepal, Cambodia, and Myanmar. Following the closure of the last three country offices, the Asia cluster office was discontinued, and a country office was established in Bangladesh. In Latin America, Cordaid supported the transition of the former ICCO regional office into a new, independent international non-governmental organisation, named Conexión, by the end of 2024. A similar process to localise programmes into a national NGO is being pursued in Nepal and Myanmar with Cordaid's support.



COUNTRY/ CLUSTER	NUMBER OF PROGRAMMES
Afghanistan	23
Burundi	12
DRC	12
CAR	3
Ethiopia	20
Iraq	9
South Sudan	26
Yemen	4
Nepal	5
Bangladesh	13
Myanmar	5
Cambodia	2
East and South Africa Cluster:	
Uganda	25
Rwanda	12
Kenya	3
Zimbabwe	3
Latin America Cluster:	
Bolivia	1
Colombia	7
West Africa Cluster:	
Mali	6
Niger	2
Burkina Faso	5
Senegal	2
The Netherlands	22





PHOTO NIELS VAN LAAR

OUR GOALS



STRENGTHENED HEALTH SYSTEMS

Cordaid is committed to strengthening health systems to support the achievement of universal health coverage.



We spent a total of €125.4m and directly reached approximately

17 million people

across 10 countries.

> Bukimbi Health Centre in Uganda's Kamuli district, is one of 26 health clinics supported by Cordaid.





The Challenging Path to Universal Health Coverage

Health is a fundamental human right, yet not everyone has equitable access to quality essential healthcare services. Fragmented health systems, unequal distribution of healthcare resources, and various political and social barriers exacerbate health disparities both between and within countries. These challenges impede progress towards Universal Health Coverage. The COVID-19 pandemic exposed and amplified the significant inequities in health status and life expectancy worldwide. Simultaneously, many countries and communities are grappling

with a spiralling combination of natural hazards and human-made crises. Climate change exacerbates existing health inequities, disproportionately affecting populations in vulnerable circumstances by increasing their susceptibility to heat-related illnesses, injuries from extreme weather events, infectious diseases, malnutrition due to food shortages, and mental health challenges. However, these populations often lack the resources needed to adapt to the impacts of climate change. These inequities highlight the urgent need to invest in resilient health systems, particularly in fragile and conflict-affected settings.

Integrating Climate and Health Programming

According to the World Health Organisation, climate change represents the greatest public health threat of the 21st century. Approximately 3.6 billion people live in highly vulnerable regions that are prone to extreme weather, zoonotic disease outbreaks, and crop failures. Low-income countries and small island nations bear the brunt of these challenges, despite contributing minimally to global emissions. Addressing these inequalities requires a fair and just approach to integrating climate and health programming. In 2023, Cordaid advocated for a global response in finance and policy to tackle these issues. We also supported field initiatives for climate change mitigation and adaptation in several countries, such as installing solar panels in health facilities in South Sudan and implementing a drought response project for health facilities in Ethiopia.

Gender is Central

Within its global health advocacy programme, *Global Health Global Access*, Cordaid has championed gender-transformative approaches to global health policymaking. In a policy brief, we analysed how the Dutch global health strategy incorporates gender considerations, particularly in relation to pandemics. This brief is part of a broader policy education campaign aimed at highlighting the importance of gender in effective global health policymaking, urging decision-makers to ensure health is accessible to all.

> *Kerubino Caiel Kong is a lab technician at the hospital in Bentiu in South Sudan. Cordaid has equipped the hospital with a microscope and a GeneXpert, a machine that detects TB and other infectious diseases.*



PHOTO ADRIANA PAREJO PAGADOR / CORDAID





Key Populations

Inclusion is a cornerstone of Cordaid’s health programmes. During 2023, in our role as the principal recipient for the Global Fund for HIV and tuberculosis in the Democratic Republic of Congo, we focused on key populations that are particularly vulnerable to these diseases: men who have sex with men, transgender people, and people who use injectable drugs. The project ensures the creation and maintenance of accessible centres that provide health services, medicines, and safe community spaces. It also supports access to legal services for those who experience stigma and discrimination.

Highlights

Since 2015, Cordaid has been strengthening Ethiopia’s health system through the implementation of performance-based financing. This has significantly improved access to and the quality of essential health services, including maternal and child care, and the treatment of HIV/AIDS, tuberculosis, and malaria. In October 2023, the grant from the Embassy of the Kingdom of the Netherlands was renewed for another three years, with a total funding of €30.7 million. This will enable Cordaid to continue supporting all health posts, centres, and hospitals in Borana Zone, Jimma Zone, and North-Achefer District. Additionally, the new grant will facilitate the launch of a second model, where the Ethiopian Ministry of Health assumes full responsibility for the design and implementation of PBF, with Cordaid providing technical support. This new model will be introduced in Siti Zone, Halaba Zone, and Akaki Kality, a sub-city of Addis Ababa. In total, performance-based financing will support health services for a population of over six million people.

In November 2023, the embassy approved €4.7 million for the first phase of the programme No Peace without Peace of Mind in Afghanistan. Depending on developments in Afghanistan, a second phase may be approved. The first phase, running through

to the end of 2025, will focus on mental health and psychosocial support, with the potential for a greater emphasis on peacebuilding in the second phase. The programme will be implemented by a consortium led by Cordaid, in partnership with local organisations: Hadaaf (specialising in community mobilisation and improving living conditions for vulnerable groups), PoMa (specialising in mental health and psychosocial support), and RCY (Rehabilitation Centre for Youth).

Through our global health advocacy programme, *Global Health Global Access*, Cordaid chairs the Dutch Global Health Alliance, a platform of 20 civil society organisations. Since its inception in 2020, in response to lessons learned during the COVID-19 pandemic, the alliance has urged the Dutch government to adopt a global approach to health. After years of joint advocacy, Cordaid and other organisations welcomed the launch of the Global Health Hub the Netherlands in September 2023, the implementing arm of the Dutch Global Health Strategy (2022).

Concerns

One of the challenges Cordaid faces in its work is the increasing conservatism in both the global south and north (including the Netherlands) on issues related to gender, Sexual and Reproductive Health and Rights (SRHR), and sexuality education. According to the Countdown 2030 Europe expert consortium, this trend marginalises gender equality and SRHR in development agendas. Furthermore, climate change, conflicts, and record numbers of displaced people threaten SRHR progress, putting previous achievements at risk. It is therefore crucial to continue advocating for the protection of SRHR budgets and plans that have already been approved.

The year 2023 has seen the announcement of the conclusion of some of our largest health programmes. Changing political priorities have led to Burundi no longer being a focus country for our main donor, KfW, which means we can no longer continue

the large health project there. Beyond June 2024, Cordaid will also conclude its role as the principal recipient of the Global Fund for HIV, tuberculosis, and malaria programme in the DRC, following many years of successful implementation. On a positive note, our experience in Zimbabwe demonstrates how a small pilot project, started in 2011, can evolve into a sustainable, locally-led nationwide programme, which will be run by the government in 2024.

Indicators

YEAR	2023
People reached through our healthcare programmes	17,115,458
Outpatient consultations	4,542,314
Fully immunised children	304,465
Tuberculosis patients who completed treatment	297,151
People tested for HIV	3,380,400
Women who attended at least one antenatal care visit	70,905
Health facilities with improved (technical) quality score	377

The achievements in healthcare in 2023 were made possible by the support of the Dutch Ministry of Foreign Affairs and Netherlands embassies, the World Bank, the Global Fund to Fight AIDS, Tuberculosis and Malaria, the Bill and Melinda Gates Foundation, several United Nations agencies (UNDP, UNFPA, UNICEF), the European Commission, the KfW development bank, FCDO, the Christian Blind Mission, and others. For more information, please visit our website.





PROJECTS

BURUNDI Improved access to sexual and reproductive health

Launched in 2018 with funding from KfW (German Development Bank), Cordaid's health programme in Burundi supports performance-based financing in line with the national strategy to provide free healthcare for pregnant women and children under five, and to enhance sexual and reproductive health services. The programme serves the provinces of Gitega, Muramvya, and Mwaro, with a total population of approximately 1.7 million. In 2023, Cordaid supported 421,935 pregnant women and children under 5, and 436,675 girls, adolescents, and women of childbearing age (15 to 49). The programme also focuses on increasing the climate resilience of healthcare facilities to ensure they are environmentally sustainable, particularly through improvements in medical waste management. Despite the programme's significant achievements, challenges remain, such as the need to further improve the quality of care and address the issue of experienced doctors leaving Burundi to work abroad.



SOUTH SUDAN Integrating mental health

From 2019 to 2023, Cordaid successfully integrated mental health services into primary healthcare in South Sudan. This initiative was developed in response to consultations with stakeholders and needs assessments. Health workers were trained to identify, manage, and refer mental health issues, helping to reduce stigma and discrimination. The project advocated for the inclusion of mental health in healthcare systems, enhancing community awareness and access to treatment. The objectives included delivering quality services, ensuring the availability of essential medicines, stabilising health systems, and improving processes. Activities included service delivery, staff training, and the provision of essential supplies. The project led to capacity assessments, stakeholder meetings, curriculum development, and training sessions for over 450 staff members. Mental health services were implemented in 95% of health facilities, resulting in the diagnosis of 9,847 mental health cases among outpatients. This success underscores the importance of addressing mental health within healthcare systems to ensure inclusive and effective service delivery.

UGANDA Healthcare heroes

In Uganda, where teenage pregnancy rates remain high (25–30%), Cordaid introduced a results-based financing model and e-vouchers in public healthcare facilities in East Central and Eastern Uganda. This initiative aimed to address the region's challenges of inadequate healthcare infrastructure and limited resources. The model provided financial incentives and capacity-building for health workers, leading to improved access to tailored services for young people. The results showed significant increases in antenatal care uptake, with first trimester visits rising from 31 to 4,678. Additionally, there was a general increase in the adoption of family planning methods, the availability of post-abortion care, and services for survivors of sexual and gender-based violence. Collaboration with Uganda's Ministry of Health, local NGOs, and community-based organisations ensured the programme's success, improving access to essential health care for adolescents and young women.

> *Health heroes enhance access to essential health care for adolescents and young women.*





STORY

THE LAST MILE IN ETHIOPIA'S PHARMACEUTICAL SUPPLY

In Jimma Zone, southwest Ethiopia, the pharmaceutical supply chain system was facing critical medication shortages, which significantly impacted patient care across the zone. Cordaid and i+solutions identified the potential for a more efficient system and partnered to establish the Last Mile Project.

Meseret Tadesse, the Last Mile's project leader, explains the root of the issue: *'These systems relied heavily on paperwork, making them slow and often inaccurate in predicting medicine consumption and requirements. Human errors were frequent, leading to regular shortages and medicine wastage. This not only compromised patient care but also resulted in considerable time being lost by healthcare personnel due to manual record-keeping and stock management.'*

Abdulaziz Fatih, the store manager at Buyo Kechema Health Centre, confirms the efficiency of the digital solution: *'Now that we are using Medexis, it takes me 20 to 30 minutes every two months to complete the drug requisition to the Ethiopian Pharmaceutical Supply Service. Previously, this process would take one to two days manually.'*

A significant breakthrough occurred in February 2022 when the Medexis App digitised pharmaceutical management in Jimma Zone, enhancing efficiency, visibility, and accessibility in supply chain data. This innovation revolutionised inventory management, drastically reduced medication wastage, and improved the consistent availability of essential medicines.

'The digital platform enables real-time tracking at health centres. This means if one facility has medicines nearing their expiration date and another is about to run out of stock, we can transfer the medicines from one to the other so that they can still be used,' Meseret noted.

This project serves as a powerful example of how technology can bridge gaps in service delivery, profoundly impacting lives and moving towards a future where no patient lacks essential medication due to logistical challenges.



PHOTO: CORDAID ETHIOPIA

About the Project

The Last Mile Project in Ethiopia's Jimma Zone (running until 2026), supported by Cordaid and i+solutions with funding from the Embassy of the Kingdom of the Netherlands, aims to address inefficiencies in pharmaceutical supply chains that cause shortages and high wastage of medicine. By introducing Medexis, a digital management system, the project has improved medicine availability and reduced wastage from 2.4% to 0.8%. Key outcomes include enhanced stock management and the training of healthcare workers, significantly boosting the efficiency of service delivery.

> A health worker is demonstrating the Medexis app developed by i+ solutions.





PHOTO CORDAID

OUR GOALS



SUSTAINABLE AGRI-FOOD SYSTEMS

Cordaid supports people to build sustainable livelihoods by strengthening climate-resilient agri-food systems.

We spent a total of €18.2m and directly reached **half a million people** in 19 countries.



> 25-year-old Boubacar Guindo works at a fish hatchery that has been established with Cordaid's support in the Jege Ni Jaba programme.





The Link Between Poverty and Food Insecurity

When it comes to hunger and food security, the world is not in good shape. The recent rise in extreme poverty in low- and middle-income countries – for the first time in two decades – is closely connected to the global food insecurity crisis.

Approximately 735 million people are facing hunger, which is 122 million more than in 2019, driven by the pandemic, repeated weather shocks, fluctuating commodity prices, and conflicts, including the war in Ukraine (UN: Food Security and Nutrition in the World). The FAO reports that around 29.6% of the global

population – 2.4 billion people – were moderately or severely food insecure in 2022, an increase of 391 million since 2019. Women and people in rural areas are particularly affected, with many denied accesses to safe, nutritious, and sufficient food year-round.

Climate impacts are increasingly threatening food production. During COP 28 (December 2023) in Dubai, 130 countries endorsed the 'Declaration on Sustainable Agriculture, Resilient Food Systems and Climate Action.' It is crucial to mobilise the necessary funding now.

Focus on System Strengthening

In 2023, we redefined our goal from 'sustainable livelihoods' to 'sustainable agri-food systems' because we believe in addressing root causes and structural barriers to create lasting impact on a large scale. Cordaid focuses on fragile and conflict-affected areas where poverty and food insecurity are often linked to instability and weak governance. We aim to address the root causes of food insecurity and support:

- Economic opportunities in rural areas
- Climate-resilient agri-food systems
- Inclusive finance

We actively collaborate with public and private partners who bring scale, innovation, expertise, and resources. The idea that we could solve global hunger and malnutrition simply through increased production is outdated. The complexity of food systems requires a holistic, locally-led, and systemic approach that balances social, economic, and environmental dimensions.

Gender Equity

Gender equity is central to our programme design and implementation. We support women in various roles, whether as farmers, members of producer organisations or cooperatives, entrepreneurs starting businesses, or employees. Our interventions focus on improving women's and young girls' access to jobs, income, and profit by enhancing their access to resources such as land, equipment, financial services, agricultural inputs like seeds and fertilisers, as well as technological knowledge and market information.

> *The public-private partnership 'Coastal Opportunities for Agriculture Solutions to Tackle Salinity' COASTS) supports farmers in Bangladesh to transform fallow land into productive agricultural land.*



PHOTO MICHAEL FRANCI / CORDAID





Climate Justice

In November 2022, Cordaid published its position paper “Climate justice: time to act!”. A key focus is promoting climate-resilient agri-food systems, placing smallholder and family farmers at the forefront of change. These farmers need support to develop agricultural systems that not only nourish communities but are also adapted to the changing climate and contribute to cooling the planet.

Highlights

We launched A-GRIP, an innovative multi-annual programme funded by the Embassy of the Kingdom of the Netherlands in Uganda. A-GRIP aims to strengthen farming systems in 16 districts through results-based financing, with a budget of almost €28 million until 2028.

Despite operating in conflict-affected regions, we have maintained our partnerships and activities in areas such as Mali, Yemen, and Afghanistan. In Mali and Yemen, we continued our work on agricultural value chain projects focused on fish, potatoes, and pulses. These projects have enabled farmers to increase productivity, income, market access, and access to finance. In Afghanistan, we initiated an emergency livelihood project in collaboration with our partner, RRAA, to support affected farmers (see page 42).

In 2023, RDRS successfully completed the SONGO (Sustained Opportunities for Nutrition Governance) project in partnership with Cordaid and funded by the European Union. The EU praised the multi-stakeholder project for its achievements, models, and strong connections with government authorities and the private sector.

Concerns

In 2023, the connection between humanitarian action, development, and peacebuilding was more evident than ever. However, consistent laws, policies, and funding for a structural approach are still lacking. For further insights, see the paper presented by FairClimateFund, CSPPS, and Cordaid at COP28: ‘Addressing the climate crisis in fragile and conflict-affected settings.’

Indicators

YEAR	2023
Community members directly reached	518,591
People with improved food security	150,000
New jobs created	22,493
Youth and women supported into (self)employment	4,820
Farmers applying good agricultural practices	109,630





PROJECTS

BANGLADESH Tackling the Salination of Agricultural Land

In Bangladesh, 6.2 million hectares of agricultural land—equivalent to 18 times the size of the Netherlands—face salinisation due to climate change. The ‘Coastal Opportunities for Agriculture Solutions to Tackle Salinity’ (COASTS) initiative aims to transform 5,000 hectares of fallow land into productive agriculture by 2024 in southern Bangladesh, benefiting 10,000 farmers, 50% of whom are women.

In 2023, COASTS made significant progress, including training lead farmers in saline agriculture technologies and market linkages, and extending best practices through group training sessions, Farmers’ Field Day events, and cross-learning visits among farmers. By the end of the year, 3,293 hectares of salinity-affected land were under cultivation.

Led by Cordaid, and funded by the Netherlands, Enterprise Agency (RVO), COASTS collaborates with the Soil Research Development Institute, Lal Teer Seed Limited, and Bangladesh Agricultural University, each contributing specific expertise and services.



PHOTO CORDAID

KENYA Strengthening the Resilience of Maize Farmers

Since 2020, Kakamega County in Western Kenya has faced disasters including floods, armyworm infestations, and the COVID-19 pandemic. The STARLIT (Strengthening Agricultural Resilience through Learning and Innovation) programme, funded by the International Fund for Agricultural Development (IFAD) South-South Cooperation, aims to strengthen the resilience of smallholder maize farmers.

In 2023, Cordaid conducted comprehensive training to improve access to digital agricultural information through the Agribusiness Leadership Programme (ALP) curriculum. Developed by the IFC-World Bank, the curriculum is a standardised tool within the Agribusiness Market Ecosystems Alliance (AMEA) toolbox. The project reached 69 cooperative leaders, impacting over 2,000 smallholders, 60% of whom were women. The project promoted diversity and inclusion by bridging the digital divide between older and younger farmers and empowering farmer organisations to strengthen their leadership and governance structures.

MALI Feed the Future

In Sikasso, southern Mali, Cordaid joined the ‘Feed the Future’ project. The objective is to help producer organisations enhance their agricultural extension and nutrition advisory services to improve the productivity, incomes, and nutrition of smallholder farmers. Services include the introduction of improved agricultural and livestock tools and technologies, good agricultural practices, climate-smart agriculture, and digital solutions based on field data.

The security situation in Sikasso remains stable compared to other parts of Mali, enabling positive outcomes for the region in 2023. A total of 230 village extension workers were trained in agri-food processing techniques, and 52,927 producers, including 33,157 women, accessed services from producer organisations.

‘Feed the Future’ operates in 45 municipalities and will run until the end of 2025. Close mentoring relationships have been established with at least 59 cooperatives and peasant organisations to reach more than 80,000 smallholder farmers.

> *A session with young farmers through the agribusiness leadership programme STARLIT.*





STORY

RWANDAN FARMERS BRACE FOR CLIMATE CHANGE ON THEIR DECEIVINGLY LUSH LANDS

For Boniflide Mukatabaruka, a farmer in Rwanda’s Eastern Province, today is one of the most important days of the year. All members of her farmers’ cooperative have come together to harvest their maize.

In addition to being a mother of three, 38-year-old Boniflide is the leader of a cooperative in Kayonza District, which includes nine women and thirteen men. She has been farming her land for twenty years and has witnessed increasing unpredictability in the seasons. The worst drought hit the area in 2016, a time she remembers as one of the most stressful periods in her life. *‘The sun was so intense, it became a major problem,’* Boniflide recalls. *‘We didn’t know how to adapt to the changes. How should we distribute the seeds? What is the right amount of fertiliser? Which maize varieties work best on our land? We had no idea.’*

After that devastating year, Cordaid began working with local microfinance institutions to help mitigate the situation, launching a multi-year programme with several objectives: to make farmers more resilient to climate change, ensure food security, and restore natural ecosystems.

Programme staff train participants and connect them with financial institutions. These institutions, in turn, receive training to develop specialised financial products for smallholder farmers. This enables farmers to access loans more easily, allowing them to purchase the equipment needed to make their businesses future- and climate-proof, such as solar-powered irrigation systems.

Boniflide says, *‘We are now much stronger as a cooperative because we work well with the financial institutions. Initially, our cooperative didn’t yield more than three tonnes of maize per season. Now, we expect between 15 and 20 tonnes. We can pay our children’s school fees and insure ourselves against illness and loss of income. I’m confident climate change won’t affect us as severely anymore.’*



About the Project

Over the past fifty years, temperatures in Rwanda have risen by 2.6 degrees Celsius, with an additional 2.5-degree rise expected by 2050. The increasing temperatures lead to higher evaporation rates, leaving the soil too dry for agriculture. The Transforming Eastern Province through Adaptation (TREPA) programme supports 260,000 people with access to climate-resilient investments and restores 60,000 hectares of degraded landscapes. The project is a six-year collaboration between Cordaid, the International Union for Conservation of Nature (IUCN), the Rwandan Ministry of Environment, the Rwanda Forestry Authority, and the Green Climate Fund.

> Boniflide Mukatabaruka is a maize farmer and head of a cooperative in Kayonza District, Rwanda.





PHOTO ANNE KWAKENBOS / CORDAID

OUR GOALS



INCLUSIVE JUSTICE SERVICES & PEACE

Cordaid aims to foster peaceful societies by promoting inclusive peace processes and supporting responsive and accountable security and justice systems.

We spent a total of €21.4m and directly reached **62,943 people** and **609 institutions** in 7 countries.



> Cordaid is a partner in the Women, Peace & Humanitarian Fund. Through this fund, Cordaid supports women's organisations in conflict areas so that they can participate in peace processes. In South Sudan, the women are particularly committed to upholding the peace process and the constitution.

② Enhancing the inclusivity of the R-ARCSS process

- get non-signatories onboard (eg Diaspora)
- Support from other regional actors
- empowering all f's groups
- Integrate National Transitional Assembly parliamentary groups
- be interacting/engaging with 10/10 Detectors or other partner Comm
- Women's org's working as of Practice (CoP) Lactively





Addressing Root Causes

In today’s world, we face a series of interconnected crises – climate change, economic instability, global health emergencies, and escalating conflicts – that often escalate from local and regional levels to global scales. These crises interact in complex ways, intensifying the struggles faced by groups and communities in vulnerable circumstances, particularly in conflict-affected and fragile regions.

The foundation for stable and peaceful societies lies in establishing the rule of law, ensuring accountability, safeguarding human rights, and promoting economic development. These principles are crucial as they provide the basis for inclusive political and policy decision-making, particularly in peace processes and in security and justice systems that prioritise the needs and voices of the people.

Cordaid is committed not only to addressing the immediate effects of these crises but also to tackling the underlying systemic injustices and governance failures that perpetuate them. Through community-based strategies and the promotion of inclusive governance, Cordaid prioritises building resilient frameworks that support sustainable peace and development. These initiatives aim to provide responsive solutions that contribute to long-term, sustainable change.

Intersectional Gender-Transformative Programming

Gender equality and intersectionality are essential for strengthening the foundations of peace and justice systems. These approaches address the complex interplay of discrimination based on race, socio-economic status, sexual orientation, and other identities. By incorporating diverse perspectives, particularly elevating the roles of women in decision-making, Cordaid ensures that security and justice institutions are more inclusive, responsive, and equitable. Furthermore, these approaches mitigate the specific impacts of conflict on vulnerable groups and enhance the overall effectiveness of peacebuilding efforts.

People-Centred Approaches

Improving security, justice, and peace systems means ensuring they genuinely respond to community needs. We focus on making these systems more effective, open, and accountable. By putting people at the centre, we address the root causes of conflict, injustice, and insecurity, building trust and strengthening the bond between security institutions and the communities they serve.

> *26-year-old Mohamed Mahmoud Elhadj from Timbuktu is participating in a Cordaid programme that trains young people in the Malian conflict zone to have their voices heard in local decision-making and promote social cohesion.*



PHOTO MICKAEL FRANCI / CORDAID





Climate as a Human Security Concern

Climate change acts as a ‘threat multiplier,’ intensifying vulnerabilities within the human security framework in fragile and conflict-affected settings. It exacerbates resource scarcity, conflicts, and forced migrations, undermining the effectiveness and legitimacy of governments. Reduced access to natural resources, environmental degradation, and climate change increase disputes over land and water, disrupt traditional livelihoods, and challenge the social fabric. To address these challenges, Cordaid advocates for integrating climate resilience measures into broader peace and security strategies, emphasizing human security. Together with FairClimateFund and CSPPS, we presented this issue at COP28 in Dubai. Our approach is community-focused, inclusive, and gender-sensitive, promoting locally-led initiatives that tailor climate adaptation to specific cultural and socio-economic contexts.

Highlights

In Burundi, Cordaid worked closely with the traditional justice system, focusing on strengthening the role of local Notable Councils in resolving community conflicts. These councils, composed of respected and elected community members, play a crucial role in mediating civil disputes and maintaining peace. They are currently part of the formal justice system. Cordaid trained more than 2,600 local notables in key legal texts, enhancing their capacity to handle issues related to land, family, and social conflicts. Additionally, Cordaid provided essential resources like registers and other materials to support their work (see the project Virtual Legal Library on page 28).

Cordaid’s Women’s Voices First (WVF) programme, supporting 29 Iraqi women’s rights and youth organisations, has empowered women across Iraq to participate in political and civic life and peacebuilding. In 2023, WVF reached nearly all governorates in Federal Iraq and the Kurdistan Region, impacting 21,000 people. Through creating safe spaces for dialogue and strengthening

women’s leadership, the programme helped improve the safety of (young) women and to protect them from violence. In response to Iraq’s vulnerability to climate change, WVF also supported a reforestation campaign in 2023, planting 1,000 trees in the Kurdistan Region. The campaign raised significant awareness about environmental preservation.

In collaboration with SIPRI and WIPC, a roundtable at the UN Security Council on the UN Peacekeeping Operations in the DRC (MONUSCO) influenced key international policies by integrating insights from local civil society into strategic decisions. The event attracted high-level participation from UN Security Council members and resulted in actionable recommendations that were incorporated into the new resolution on MONUSCO’s mandate, emphasising the ongoing critical role of civil society engagement.

Concerns

As pressure on civil society in fragile and post-conflict regions intensifies, the ability of organisations to deliver essential services and advocate for human rights is increasingly hampered, despite being more necessary than ever. This trend is evidenced by the intensified scrutiny and control exerted over civil society organisations by both state and non-state actors, making it increasingly risky to address issues such as security, justice, and human rights abuses.

In response to these constraints, Cordaid has strategically adapted its approaches. Key initiatives include enhancing the safety and security of its operations and supporting vulnerable communities. For example, in the Just Future programme, Cordaid has focused on safeguarding civic space by amplifying the voices of local partners at regional and international advocacy platforms and ensuring the inclusion of women and youth in security and justice discussions. These efforts are critical to ensuring that civil society can continue to contribute effectively to security and justice.

CSPPS: Empowering Civil Society in a Volatile World

In a world persistently confronted by global, co-occurring, and compounding threats, the Cordaid-coordinated Civil Society Platform for Peacebuilding and Statebuilding (CSPPS) has issued a call for urgent action to revitalise and transform commitments towards more peaceful, just, and inclusive societies.

In 2023, CSPPS continued to amplify the voice of civil society in relevant international policy dialogues, including the International Dialogue on Peacebuilding and Statebuilding and consultation around the New Agenda for Peace and the Summit of the Future. Together with Cordaid, CSPPS issued the position paper ‘Addressing the climate crisis in fragile and conflict-affected settings’, which highlighted the importance of understanding the interlinkages between climate change and conflict in the lead-up to the COP28 in Dubai.

Indicators

YEAR	2023
People with improved security and justice	62,943
Community members empowered to implement security action plans	772
Security and justice institutions strengthened to provide better services	609
Civil society actors with enhanced organisational and advocacy capacity	80





PROJECTS

BURUNDI Virtual Legal Library

Many Burundians lack access to legal support and information about their rights. In Makamba province, a programme aims to strengthen the supply and demand for justice, focusing on digitising legal information and advocating for improved judicial accountability. The goal is to enhance the entire justice system—from community members to justice professionals—and improve legal access for all. The project involves 73,000 households, judicial services, justice professionals, bar associations, and informal justice systems. In 2023, virtual legal libraries were established, 63 magistrates were trained on judgment writing, and 834 local leaders were trained on legal texts. This training helped resolve 90% of community conflicts locally. Funded by the Netherlands Embassy in Burundi, Cordaid collaborates with Bibliothèques Sans Frontières, Auxfin, and the Ministry of Justice. [Read more here.](#)



PHOTO MICKAEL FRANCI / CORDAID

DRC Just Future

The Just Future programme in the DRC operates in four provinces with chronic and widespread conflict: Kinshasa, North Kivu, South Kivu, and Ituri. Due to this conflict, institutions have weakened, and the population's safety and security are lacking. At all levels, people are excluded from political decision-making and peace processes. Cordaid and civil society partners aim for more people-centred security, justice for all, and inclusive governance. The main activities undertaken in 2023 include:

- Capacity-building training for civil society organisations on effective lobbying and advocacy practices.
- Advocacy meetings with political decision-makers to encourage adherence to state commitments to promote women's rights.
- Obtaining signatures for the National Action Plans on the Women, Peace and Security Agenda and the Youth, Peace and Security Agenda (NAP 1325 and 2250).
- Creation of a platform for women politicians, called the Movement of Ambitious Women.

IRAQ Combating Online Blackmail and (S)extortion

Cordaid's Women's Voices First programme provided grants to the Sustainable Peace Foundation (SPF) in 2022 and 2023 to combat online blackmail and (s)extortion in Iraq's Ninewa region. The 2022 project, 'I Am Not Alone,' educated local women and girls on digital security and online harassment prevention, also involving male youth and community police. The follow-up project focused on system strengthening, engaging multiple stakeholders, and empowering community police forums and women's protection committees for better coordination in handling sextortion cases. This included digital security training, with plans for mental health and legal support. SPF also collaborated with Mosul's education sector to raise awareness in 48 schools. Their training significantly improved the ability of Mosul's community police to manage sextortion cases, enabling them to conduct their own awareness campaigns.

> *Legal clinics provide access to essential information and assistance in Burundi*





STORY

'I THANK GOD I SURVIVED'

In Aru, a town in the far northeastern corner of the Democratic Republic of the Congo, a military garrison has set up a mobile court hearing in collaboration with the local security committee. Hundreds of villagers are gathered in a large open shed. Among them is Azabho Masanga, who patiently awaits the judges' verdict. He wears a metal brace on his arm to keep his broken humerus in place, and the scar from a gunshot wound is visible just above the collar of his T-shirt.

'Soldiers broke into our village and started shooting at civilians,' he says. Azabho recounts his traumatic experience in a calm, factual manner. 'Some of my friends were killed. I thank God that I survived. I was shot in the arm, and the bullet shattered my bones. It went through my lungs and exited my chest.'

For a long time, Azabho was unaware of the attackers' motives. *'It wasn't until the hearings began that we understood the reason for the massacre—they were avenging the death of one of their colleagues.'*

Now, the final verdict is delivered. The judge has spoken, and justice has been served. Soldiers guide a group of young men through a large metal gate. *'I am truly satisfied,'* says Azabho. *'These criminals have been convicted, and I am grateful to the justice system.'*



PHOTO ERIC TSHAMALA LAFAYEUR / CORDAID

About the Programme

The mobile court hearing in Aru was organised as part of the ESPER ('Ensemble pour la Sécurité et la Paix à l'Est de la RDC') programme, implemented by a consortium that includes VNGI, Cordaid, local communities, and authorities, including military administrators. ESPER aims to improve security, judicial governance, and social cohesion in three provinces of eastern DRC — North Kivu, South Kivu, and Ituri — as well as at the national level in Kinshasa. These regions have faced significant challenges, resulting in instability for nearly three decades. In 2023, each month, 151 authorities and 1,345 citizens participated in local security committee meetings to discuss, plan actions, and address pressing security issues, such as kidnappings, armed banditry, land disputes, and armed group activity. Over the course of a year, 871 conflicts were resolved sustainably, with half of the resolutions affirmed by civil court decisions. [Read more about the project.](#)

> Participants in the youth support centres. Next to the mobile court hearings, these centres play an important role in bringing stability to the region.





PHOTO NIELS VAN LAAR

OUR GOALS



INCLUSIVE EDUCATIONAL SYSTEMS

Cordaid works to strengthen education systems to be inclusive, equitable, and of high quality, ensuring learning opportunities for all.

We spent a total of €4.8m and reached over **230,000 people** directly in five countries.



> *Teacher James at work at Kawaaga school, one of the 50 schools Cordaid supports in Uganda's Kamuli district with a results-based funding approach.*





Addressing the Education Backlog

Despite significant progress in access to education over the past few decades, 250 million children and young people worldwide are still not in school. Among those who do attend, many fail to reach basic proficiency levels in reading and mathematics. It is estimated that learning poverty has risen to 70% following school closures due to COVID-19 (source: [World Bank](#)).

Only 67% of children in low-income countries, primarily in sub-Saharan Africa, complete primary education. Girls, in particular, have lower completion rates (64%) compared to boys (69%). Furthermore, children from poor, rural areas are also less likely to complete primary education. Teachers are crucial to the quality of education, yet there is often little incentive for them to work in rural areas where conditions can be challenging, leading to motivation issues.

Community Engagement

Cordaid focuses on strengthening the education system through performance-based financing. Central to this approach is localisation, ensuring that key stakeholders are meaningfully engaged and empowered to make equitable and informed decisions that benefit the local education system. This approach encourages community involvement by working with local community-based organisations to assess the satisfaction of students and their parents. This feedback is then shared with schools. Moreover, schools have the autonomy to allocate funds based on informed decisions aligned with local needs, fostering accountability between schools and the community.

Incentives to Reduce Inequalities

In performance-based financing programmes, primary schools are incentivised to enrol children and encourage regular attendance. In many contexts, additional incentives are offered to support the enrolment and attendance of girls, particularly where access to education for girls is lagging. Programmes have

also provided schools with incentives to distribute menstrual hygiene kits and ensure adequate washing facilities, helping to improve girls' attendance and completion rates.

Highlights

In 2023, the positive trend following the COVID-19 pandemic continued. For instance, in Uganda, children have been returning to school, leading to a strengthened primary education system in Kamuli District. Similarly, in Ethiopia, the initial year of programme implementation has shown promising results.

In 2023, an anonymous donor fully or partially funded all three active education programmes. Cordaid is deeply grateful for this support.

The performance-based financing education programme in Kamuli District, Uganda, which involved contracting 50 primary schools, concluded in 2023 after a successful implementation.

An analysis revealed improvements in primary education, particularly in the following focus areas:

- Overall management and organisation of schools
- Access to inclusive education
- Quality of the learning environment

Cordaid organised a PBF learning visit to Burundi for Ugandan government officials from the Ministry of Education. The Ministry was very interested in the approach, but there is no funding for the programme to continue or expand to other areas.

A Community of Expertise was set up with the objective to expand and strengthen Cordaid's PBF primary education knowledge and project portfolio while striving to raise external funding for this purpose.

Concerns

Although local stakeholders often express enthusiasm for the system's approach and results, securing external donors for long-term education programmes in the countries where Cordaid operates remains challenging. In Burkina Faso (2023) and Mali (2022), opportunities for performance-based financing in education were explored. Despite positive feasibility studies, securing funding continues to be difficult.

Inflation is also a significant concern. In countries like Burundi and Ethiopia, inflation exceeded 20% in 2023. This increase in costs makes school materials and infrastructure development more expensive, while teacher salaries often remain unchanged, affecting their motivation.

Indicators

YEAR	2023
People directly reached	201,478
Children with access to quality education	168,249
Primary teachers with improved teaching skills	2,493
Schools contracted	179





PROJECTS

UGANDA Improving Education at Kawaaga Primary School

In October 2023, Cordaid concluded its three-year education project in Kamuli District, Uganda, benefiting over 30,000 children. Kawaaga Primary School, initially one of Uganda's lowest-performing schools, faced significant challenges, including dilapidated buildings, broken desks, and a lack of toilets, clean water, and electricity.

Through performance-based financing, the school transformed its learning environment by renovating buildings, repairing desks, installing toilets, and providing water, soap, and solar electricity.



In collaboration with key stakeholders, Cordaid implemented the programme to ensure funding reached Kawaaga Primary School and 49 other schools, upon achieving specific pre-agreed targets, such as increasing girls' enrolment or teacher training. Once the school performance was verified, funds were allocated autonomously in line with the school's business plan, often directed towards renovation, sanitation, community projects, or staff salary enhancements to improve teacher motivation. Performance-based financing has empowered Kawaaga to enhance education sustainably, fostering long-term improvements in both the school environment and student learning outcomes.

ETHIOPIA Connecting Education and Health

In 2022, Cordaid started to showcase PBF in primary schools in Shabe Sombo woreda of Jimma zone, Ethiopia. In this zone, Cordaid has implemented PBF in the health sector since October 2019. Thus, in the woreda, PBF is now put into practice in both the education and health sectors and is stimulating interlinkages between the 54 participating schools and the nearby health facilities. Examples are a focus on water and sanitation (WASH), school health sessions and menstrual hygiene management.

The PBF design involved consultation with education officials at various levels. Challenges addressed included high student dropout rates, low teacher motivation and attendance, and poor educational outcomes. Improvement plans and contracts were created collaboratively, assigning responsibilities to all parties. By the end of 2023, results included increased girls' enrollment due to menstrual hygiene material provision, significant improvement in school quality indicators (25%-53%), and enhanced teacher attendance and motivation.

> *In the Human Capital programme in Ethiopia, Cordaid and its partners strengthen the links between schools and health centres so that children can grow up to become healthy and well-educated adults.*





STORY

In response to a range of challenges in Burundi's education sector, Cordaid has implemented an innovative approach to strengthen the capacities of 125 schools in Muramvya Province, in the centre of the country. *'Performance-based financing has helped us improve our results and the learning environment,'* says Aline Maniragumije, head of Munanira Primary School.

Like many schools in the region, Munanira faced a low success rate among pupils, limited parental involvement in school management, and a shortage of teachers.

'Our school has made significant progress,' Aline says. *'We achieved a 100% success rate in the tests that students must pass to progress in their education. The exchange of knowledge and experience among teachers and the active participation of parents in school governance have completely transformed our school's performance. Parental involvement also fosters trust and ensures transparency in school management.'*

The school met the pre-agreed criteria for additional funding and invested the money in constructing a meeting room and establishing a hair salon. The salon provides employment and generates income for the school. They also installed electricity, allowing children to study in well-lit classrooms.

'The school is preparing us for our future,' says 14-year-old Noble Iriwacu. *'But we need the right conditions to study. The light in the classroom helps us prepare well for our exams.'*

The school director believes the programme is making a significant difference and strongly advocates for its continuation. 'There are still many challenges, and we still need support.'

[Find out more about this project.](#)



> Aline Maniragumije, head of Munanira Primary School.



PHOTO ARIE KIEVIT

OUR GOALS



HUMANITARIAN ACTION

Cordaid delivers humanitarian action to people affected by natural or human-inflicted disasters anywhere in the world.

We spent a total of €47.6m and directly reached

half a million people

across 18 countries.

> Since April 2023, Sudanese have been fleeing en masse because of the civil war. Every day, some 2,000 refugees are received in Renk. There, they receive an emergency aid package.





Adherence to International Humanitarian Standards

Our humanitarian work complies with international humanitarian standards and the principles of humanity, neutrality, impartiality, and independence.

For Those Most in Need

In 2023, global humanitarian needs rose to 363 million people (2022: 274 million), while resources lagged behind. Funding met only 38% of the required amount. (Source: [Global Humanitarian Overview, OCHA](#))

Two key reasons for our response are protracted and/or recurrent conflicts (e.g., Ukraine, Ethiopia, Yemen, Afghanistan, South Sudan, Burkina Faso). These conflicts have a long-lasting and devastating impact on these countries. We also respond to natural disasters, such as the earthquake in Turkey and Syria.

Climate change is affecting the patterns, frequency, and intensity of natural hazards, creating more and new disasters with altered impacts. Changed weather patterns and increased intensity of natural hazards also affect water availability and food security in many areas. Groups in vulnerable positions, such as older adults, single-parent households, and low-income households, are hit harder by prolonged crises and natural hazards and face greater challenges in recovery.

In 2023, Cordaid and its partners provided humanitarian assistance in: Afghanistan, Bangladesh, Burkina Faso, Central African Republic, DRC, Ethiopia, Iraq, Libya, Myanmar, Nepal, Netherlands Antilles, Pakistan, Occupied Palestine Territories, South Sudan, Syria, Uganda, Ukraine and Yemen.

Gender-Responsive

Cordaid provides humanitarian assistance to those most in need, irrespective of race, ethnicity, religion, political affiliation, or gender. We aim to reach the most underserved people affected by crises or disasters, surviving in the most vulnerable circumstances.

Our support is gender-responsive, acknowledging the distinct roles and often disadvantaged positions of women in society, ensuring that both women and men have access to humanitarian assistance and can participate in response efforts.

In everything we do, we adhere to the humanitarian principles of humanity, neutrality, impartiality, and independence.

Involving Communities

Communities and individuals are involved throughout all phases of a project, from needs assessment and household selection to providing feedback during the project and participating in evaluations. All humanitarian projects include a feedback and complaint mechanism for those we assist. Most complaints received concern eligibility for assistance. Our staff reviews all information against the criteria to determine if the decision was correct or if a mistake was made.

Highlights

In 2023, Cordaid underwent verification against the Core Humanitarian Standard (CHS). Both Cordaid and the Dutch Relief Alliance, along with our donors, regard the CHS as a key benchmark for ensuring accountability and quality in humanitarian programmes. Two consultants conducted visits to Cordaid's global office in The Hague, the country office in Bangladesh, and interviewed partners. This was a crucial opportunity for Cordaid to reflect and strategise on further enhancing the quality and accountability of our humanitarian responses. Cordaid successfully secured additional funding from the Dutch

Relief Alliance in 2023 for innovation projects in Yemen and Ethiopia:

- In Yemen, a web application was developed to provide mental health and psychosocial support, improving access to information and assistance to combat stigma and support mental and psychosocial well-being.
- In Ethiopia, the 121 cash platform was tested, which streamlines the cash distribution process, enabling quicker delivery of cash assistance with fewer errors.

Concerns

A significant challenge is balancing organisational risk management with the need to deliver timely humanitarian action. While risk analysis with new partners, such as during the Turkey earthquake response, takes time, it is essential for ensuring safety. Collaborating with Caritas network organisations provides support, though they are not always available or fully equipped.

In several contexts, the humanitarian space is shrinking, making it difficult for organisations to access areas or specific groups in need. This also challenges our ability to work independently and impartially without interference from (de facto) governments or conflicting parties. Notable examples include Afghanistan, Yemen, and Syria.

Indicators

YEAR	2023
People supported with humanitarian assistance	531,143
People enabled to meet their basic food needs	2,582
People with access to sufficient and safe water for domestic use	154,151
Crisis-affected people involved in the design and implementation of programmes	469





PROJECTS

TURKEY Earthquake Response

Cordaid responded to the February 2023 earthquake in Turkey with funds from Giro555, the national fundraising campaign for major disasters. The earthquake affected an area of approximately 350,000 km² and resulted in over 50,000 deaths. Cordaid partnered with local organisations to meet the basic needs of under-served communities. One of these organisations, KEGED, is deeply rooted in these communities and provided essential relief until December 2023. This included the distribution of 4,000 food parcels, 4,000 hygiene kits, 300 sets of children's clothing, 530 kitchen utensil kits, and 757 animal feed parcels. KEGED also provided plastic sheeting to cover container homes that were not adequately protecting people from harsh weather conditions. In total, Cordaid and its partners supported 25,462 people affected by the earthquake. [For more information, read this article.](#)

LIBYA Storm Daniel

Storm Daniel was the deadliest Mediterranean cyclone in recorded history. Libyan coastal areas were severely impacted by floods, and in the city of Derna, dam failures resulted in mudslides that buried houses and vehicles with people inside. The estimated number of fatalities ranged between 18,000 and 20,000. Libyan Red Crescent volunteers were the first responders, initially focusing on the recovery of bodies. They continued to provide relief to survivors, coordinated by DanChurchAid and supported by Cordaid through the Dutch Relief Alliance. Relief efforts included distributing kits containing solar-powered lamps, mattresses, cooking utensils, and curtains to 4,200 people. This support allowed displaced families to maintain some privacy in public shelters. We also provided direct financial assistance to families, empowering them to choose what additional items they needed. [Further details can be found here.](#)

- > *The winters in Ukraine are very cold. That is combined with the persistent Russian shellings destroying houses and power plants life-threatening. Cordaid's partner Caritas Ukraine provides especially children, elderly, and people with disabilities with firewood.*

UKRAINE Life-Saving Aid

By the end of 2023, Ukraine had 3.67 million displaced people and 17.6 million in need of humanitarian assistance (UNOCHA, 23/11/2023). Displaced individuals face significant challenges related to housing and income, while ongoing conflict and airstrikes have caused widespread mental health issues.

Cordaid collaborates with Caritas Ukraine and Caritas SPES to provide a range of humanitarian assistance, including cash transfers, food, non-food items, and psychological and legal support. These organisations also run shelters for displaced people, focusing on eastern and southern Ukraine, near the frontlines. Additionally, they support basic healthcare services and provide specialised assistance to families with children who have mental disabilities. In 2023, Cordaid began [repairing water systems](#), installing filters in schools and hospitals, distributing water filters, and providing bottled drinking water. In collaboration with other Caritas organisations, we also launched employment and small business support projects. For the winter, Cordaid delivered tents and 7,270 sleeping bags to Ukraine. Since the start of the Russian invasion in February 2022, Cordaid has supported nearly half a million Ukrainians with funds from Giro555.



PHOTO CORDAID





STORY

A NEW ROOF OVER THE HEADS OF YEMENI FLOOD VICTIMS

Extreme rainfall caused widespread devastation across Yemen in April 2023. After a dam collapsed in the Al Mahwit governorate, the resulting floods led to significant destruction and displacement. In response, members of the Dutch Relief Alliance, including Cordaid, partnered with local organisation NDEO to address urgent needs and rehabilitate the homes of 300 households.

‘We were living a happy life,’ says 84-year-old Nuniya Suhail, whose home was destroyed by the floods. ‘But after my husband died ten years ago, we no longer had an income. When the conflict began, my daughter and I had to move. With some assistance, we found a place to live, but life remained a struggle.’

Already burdened by poverty and conflict, the two elderly women were further impacted by this natural disaster. Severe flooding affected over 165,000 people in 70 districts across Yemen, resulting in loss of life and extensive damage to homes, crops, and infrastructure.

Nuniya recalls, *‘We didn’t have the money to repair our house. We couldn’t protect ourselves from the rain, the cold, or even the wild animals in the area.’*

With support from Cordaid and NDEO, engineers and construction workers repaired damaged walls and roofs and providing essential materials. In total, the programme supported 2,273 people.

‘Thank God, our home has been repaired,’ says Nuniya with relief. ‘We can now sleep in peace. We have a new roof, an iron door, and we feel safe again.’

[Watch this video to learn more about the work of Cordaid and NDEO in Yemen.](#)



PHOTO NDEO

Cordaid in Yemen

For over a decade, ongoing armed conflicts have weakened central overnance in Yemen and created unprecedented humanitarian needs. Two out of three Yemenis now require humanitarian assistance.

Since 2018, Cordaid, in partnership with local organisations, has been providing humanitarian support to people affected by conflict and natural disasters in Yemen. Our activities focus on saving lives by increasing access to food, shelter, water and sanitation, basic health services (including mental health and psychosocial support), rehabilitating health centres, and distributing medicines. In 2023, we also began offering skills training and livelihood kits to help people start small businesses.

> 84-year-old Nuniya Suhail (left) and her daughter were forced to flee their home again after the flooding in April 2023.

OUR GOALS



POVERTY REDUCTION IN THE NETHERLANDS

Cordaid works in some of the most challenging regions globally, but we also support people in vulnerable situations our own communities. Social issues in the Netherlands are increasingly affecting a significant number of people, with nearly 8% of the population living in poverty. Since 1938, we have been addressing poverty and promoting social inclusion in the Netherlands through the 'Bond Zonder Naam' foundation. In 2023, we supported several projects, including 'Schuldhulpmaatje' and 'Netwerk DAK'.

The volunteers at 'Schuldhulpmaatje' (which can be roughly translated into 'buddy for debt relief') work closely with individuals to help them manage their finances and become debt-free.

But their support goes beyond financial assistance; 'Schuldhulpmaatje' also helps people regain confidence in their lives. In 2023, 3,200 volunteers provided online preventive support to 44,320 individuals, and 10,827 people received in-person assistance through a buddy. The organisation operates in 161 municipalities.

Netwerk DAK connects 150 drop-in centres, neighbourhood pastorates, and street pastorates across the Netherlands, all of which are open to everyone. These centres are places where 160 professionals, 6,000 volunteers, and 22,000 weekly visitors can engage in conversation, seek support, alleviate loneliness, or participate in small-scale activities such as shared meals.



PHOTO ARIE KIEVIT

> Volunteer Dries helps Melvin gain an overview of his finances and become debt-free. Through their conversations, Melvin regains confidence in others and in life.



SUPPORTING AND FUNDING OUR WORK

We are deeply thankful to our institutional and private donors. Their support enables us to fulfil our mission to reduce the fragility of people in areas where help is most needed and hardest to deliver. In 2023, we received a total of €241m, allowing Cordaid and our global partners to continue working towards dignified lives for people in fragile and conflict-affected situations.

Mobilising Institutional Funding

In 2023, Cordaid secured new multi-year contracts with national and international institutional donors, amounting to €236.3 million. We began 2023 with €137 million in secured institutional funding and, through additional new contracts, ended the year with €181 million in income. This also provided a solid foundation for 2024, with €145 million already secured.

We greatly appreciate the ongoing support from the Dutch Ministry of Foreign Affairs, particularly the various Embassies of the Kingdom of the Netherlands, the Global Fund, the World Bank, the European Commission, UNICEF, UNDP, UN Women, the UK Foreign, Commonwealth & Development Office, GIZ, ECHO, and many other donors with whom we have smaller contracts.

In several respects, the landscape of institutional fundraising changed in 2023:

- The war in Ukraine has led to the redirection of funds, resulting in less availability for other global contexts.
- The rise in populism in donor countries has negatively impacted development cooperation by bilateral donors. This ongoing trend has made the future of anticipated bilateral donor income more uncertain. For example, SIDA cut its peacebuilding budget by 40% in 2023, alongside reductions in the Dutch Ministry of Foreign Affairs' development budget, a trend that has continued.
- Donors have shown continued interest in localisation, which may change Cordaid's role and potentially reduce its direct income. Notably, Development Assistance Committee donors are actively developing funding mechanisms for direct contracting with civil society organisations in the Global South.
- There is a growing trend for donors to award larger contracts to fewer applicants, with a stronger emphasis on impact and cost-efficiency.

These changes have increased competition, favouring organisations with strong value-add and specialisation in specific thematic fields. Cordaid has also faced internal challenges:

- A reduction in country offices in 2023, with the handover/closure of offices in Latin America, Iraq, and Asia (Myanmar and Nepal), resulted in decreased institutional funding.
- The situation in Afghanistan, following the Taliban takeover, continues to negatively impact our fundraising ability there.
- A stronger focus on risk management and internal procedures was necessary due to earlier compliance crises that affected Cordaid's reputation among some donors.

We have worked diligently to reassure donors of our capacity to manage and implement programmes effectively.

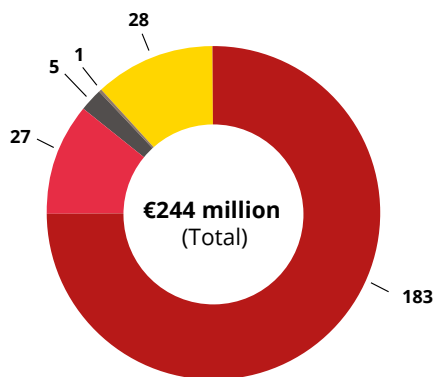
Multilateral institutions remained the preferred channel for fund allocation by donor governments. However, we also noticed that bilateral donors might be hesitant to invest in fragile and conflict-affected areas, increasing competition among implementing organisations seeking funding in these environments.

To respond effectively to these trends and challenges, Cordaid worked in 2023 on strategising around donor quality of funding and cost recovery. This, alongside the finalisation of a cost eligibility policy and the addition of a Donor Budget Specialist to our team, has strengthened our ability to develop cost-efficient proposals that align with donors' financial regulations and Cordaid's internal budgeting criteria.

We critically reviewed project budgeting and developed lessons for improving proposal budgeting, focusing on areas such as OCA sharing with partners, cost eligibility, and project budget coverage of billable costs. Additionally, having a localisation expert on board has enhanced the integration of localisation elements in proposals and consortium building.

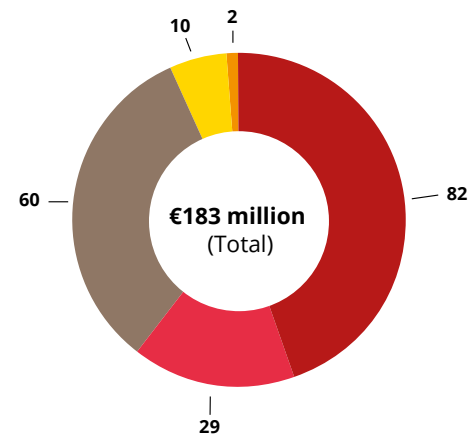
Anticipating reduced bilateral donor budgets, we began strengthening our relationships with private sector donors, notably foundations such as the Bill and Melinda Gates Foundation. Cordaid is also committed to diversifying its funding sources by proactively reaching out to foundations and corporations.

SOURCES OF INCOME (IN MILLIONS)



■ Institutional funding ■ Private individuals ■ Lottery organisations
 ■ Companies ■ Other income (a.o. Giro555)

INCOME PER INSTITUTIONAL DONOR TYPE (IN MILLIONS)



■ Global Fund ■ Dutch Government ■ Other
 ■ World Bank ■ European Union

Public Fundraising and Engagement

The financial contributions from the Dutch public to Cordaid’s work saw a slight increase in 2023, reaching €26.6 million, compared to €23.6 million in 2022. It is encouraging that, despite the financial concerns many people face, support for our international work has remained consistent. On average, 260,491 private donors in the Netherlands supported our efforts, representing a small decrease of 5.4% compared to 2022. Most new donors (20,440) were recruited through door-to-door canvassing.

Our annual fundraising campaign, conducted in partnership with RTL Boulevard, which consistently attracted a significant number of new regular donors, concluded in 2023 after nine successful years. We have since begun preparations for new television campaigns and advertisements scheduled for 2023.

Fundraising for Emergencies

In 2023, a substantial portion of our fundraising was dedicated to disaster response. In February, a devastating earthquake severely impacted communities

in Turkey and Syria. The ‘Samenwerkende Hulp Organisaties’ (Cooperating Humanitarian Organisations), comprising nine Dutch NGOs and five guest members, collectively launched a national campaign to raise funds for this major disaster. The campaign raised €128 million by December 2023. As one of the participants, Cordaid received €12 million to provide emergency relief and support recovery efforts in the aftermath of the earthquake.



> Giro555 campaign



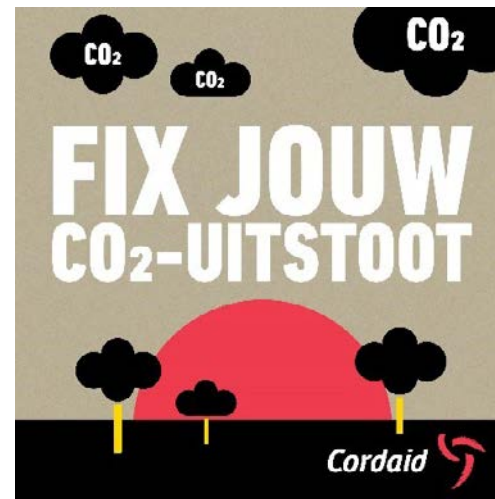
We carried out this work through our local partners, who are members of Caritas Internationalis and the ACT Alliance. In total, Cordaid assisted 111,838 individuals in the affected areas in 2023. A [report detailing the expenditure](#) of the campaign after one year is available in Dutch. Further information on the contributions of Cordaid's partners can be accessed [here](#).

In collaboration with our partners in the countries where we operate, we launched public appeals for new and ongoing crises. With each call for support, many donors were ready to give generously:

- Russian shelling has destroyed heating and electricity supplies in Ukraine. Donations were used to provide firewood for residents in frontline areas to help them survive the winter.
- Together with the Sheltersuit Foundation, Cordaid launched the 'Give Warmth! Help Ukrainians Survive the Freezing Winter' campaign. With the innovative shelter bags (a sleeping bag with a built-in mattress and tent), people received a warm and dry place to sleep, in or outside their war-damaged homes. The campaign resulted in the distribution of 880 shelter bags to Ukrainians in need.
- Funds were also raised for those affected by the [Kakhovka Dam breach](#) in June. Many areas surrounding the dam in eastern Ukraine have become uninhabitable, and hundreds of thousands of people require urgent humanitarian assistance.
- Tens of thousands of families have crossed into South Sudan due to the conflict in its northern neighbour Sudan. Thousands more families arrive each day. You can learn more about our emergency relief efforts [here](#).
- The earthquakes in Afghanistan came on top of many ongoing challenges, including violence, floods, and drought. [Read more about our work restoring water systems](#).

Raising Awareness

'Fix the Systems' is the name of our new campaign. Through radio and television advertisements, we show that we should not be paralysed by indifference or apathy when faced with global challenges and failing systems. We envision a world where we look out for one another. Together, we can transform powerlessness into decisive action, working towards a better life for all. Over 1,000 adverts were broadcast on national television channels.



> Fix the Systems

In 2023, numerous climate records were broken, with prolonged and unpredictable rains, droughts, and intense forest fires. While we also feel the effects of climate change here, the impacts are far worse in fragile regions. Together with the FairClimateFund, we ran a climate justice campaign to raise awareness among the Dutch public: 'Fix your CO₂ emissions'. The campaign featured bus shelter posters, digital adverts, newspaper ads, radio spots, and social media promotions.

Engagement with Supporters

In 2023, we organised three regional meetings for Cordaid's major donors. These gatherings featured updates on Cordaid's work, as well as a lecture on donating and leaving a legacy to Cordaid. Events were held in Gorinchem, Eindhoven (Van ABBE Museum), and Winterswijk (Mondrian House). On Sunday 4 November, our most dedicated supporters were invited to the Kloosterkerk in The Hague for the annual All Souls' Day Requiem concert, attended by 200 donors. On 13 April, Cordaid hosted another Three Women Wise Debate, inspired by the story of three women who were the first to discover that Jesus had overcome death,

bringing the message of new beginnings to the world. At the well-attended Concordia Theatre in The Hague, three speakers—Bea ten Tusscher, Evelijne Bruning, and Niloufar Rahim—discussed how a feminist approach can drive inclusive and equitable change. Kathleen Ferrier moderated the debate.

Ahead of the Dutch parliamentary elections on 22 November, we launched the campaign ‘Vote for a Different Climate. Vote for Justice’. A coalition of over 50 organisations, with Cordaid as a core member, raised a powerful voice for climate action, justice, humanity, and sustainability. A key moment was the climate and justice march in Amsterdam on 12 November, where Cordaid staff joined 85,000 people in the streets.

Our magazine, ‘Zingeven’, for regular donors, was published twice, with a circulation of 100,000 per edition. We also send a monthly e-newsletter to 210,000 contacts. In 2023, we consistently shared updates on our work through our website (99,000 unique visitors), Facebook (54,000 followers), LinkedIn (33,300 followers), Instagram (5,725 followers), and YouTube (13,700 followers). We tracked supporter engagement to avoid overwhelming donors with communication. In 2023, we received over 47,664 contact requests, 396 of which were complaints, mostly about door-to-door donor recruitment. Each complaint was investigated and resolved individually. We also worked with our donor recruitment agencies to prevent future complaints.

Dutch Postcode Lottery

In 2023, Cordaid received €5.45m from the Dutch Postcode Lottery, of which €1.4m was earmarked for the project in Afghanistan: “Farm Families Tackling Acute Food Shortages at Their Root.”

Since 1996, Cordaid has benefitted from annual contributions from the Dutch Postcode Lottery, receiving a total of €110 million, including additional contributions. These funds are vital for ensuring continuity, allowing Cordaid to offer even greater support to people in the world’s most fragile regions. By improving education, health care, food security, employment, and responding to major disasters with smart, sustainable solutions, we empower individuals and their communities to thrive. Thanks to the lottery players, and in partnership with the Dutch Postcode Lottery, we offer people structural opportunities for a dignified existence.



PHOTO CORDAID AFGHANISTAN

> *Abdul Wudood*

Extra Postcode Lottery Project in Afghanistan

Afghanistan’s food system is under severe pressure, with food shortages caused by droughts, floods, and crop failures. Through innovative approaches, our partners are working to support farming families in Logar by strengthening the food system’s resilience to climate change. We are grateful to the Postcode Lottery for empowering us to improve access to nutritious food for vulnerable communities in some of the most fragile regions, including Afghanistan.

Abdul Wudood, a farmer from Logar province, has received wheat seeds, fertiliser, and training in modern farming techniques. ‘This support has allowed me to revitalise my land, significantly increasing my yields. I can now provide food for my family once again, and I am deeply appreciative of this assistance.’



OUR ORGANISATION

In 2022, Cordaid initiated the first phase of an organisational development project titled Building Towards a Resilient Cordaid. The project aims to achieve financial stability while maintaining our relevance in the sector. During this phase, significant restructuring occurred within the global office, leading to the creation of new senior management roles and the appointment of key personnel. These structural changes were made in close consultation with the Works Council, ensuring constructive engagement and adherence to organisational policies. The new organisational structure took effect on 1 March 2023.

Governance

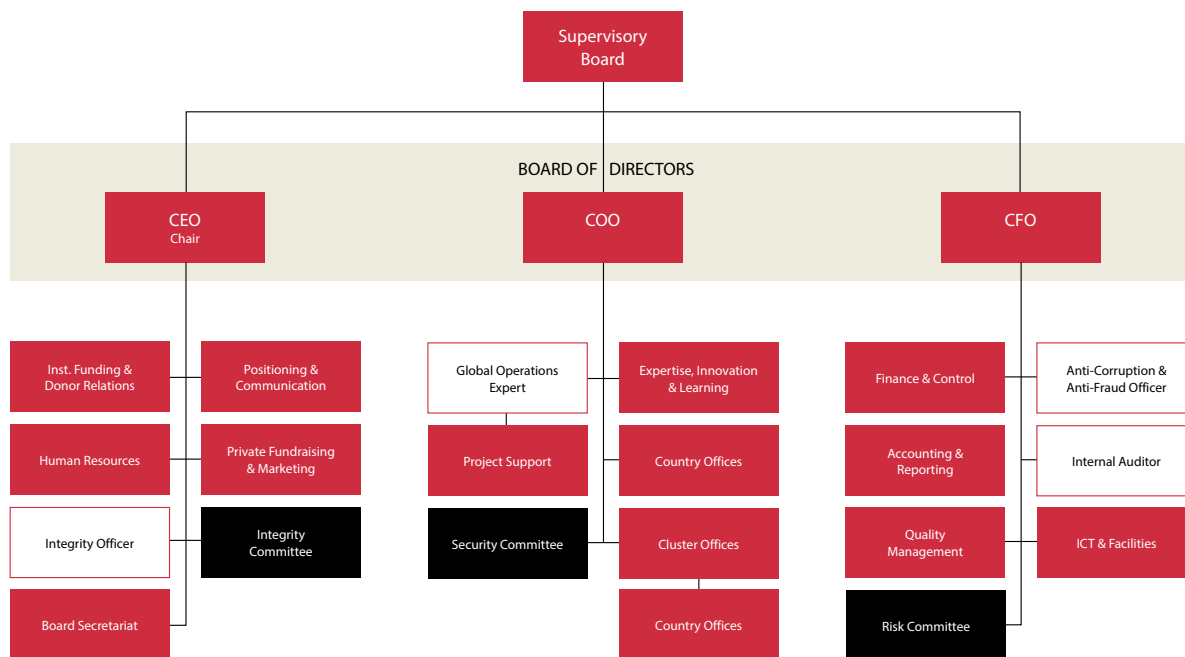
Cordaid and ICCO are both foundations established under Dutch law, operating under a two-tier governance structure that separates management and supervisory functions. In 2021, ICCO joined Cordaid through a framework agreement, an amendment to the ICCO statutes, and joint governance regulations. Since then, Cordaid and ICCO have operated as a unified organisation with a single mission and identity under the Cordaid name. ICCO now falls under Cordaid's governance. In 2023, we addressed the remaining aspects of the integration between Cordaid and ICCO and dealt with the legal implications, which will continue into 2024.

Further details about our governance are available in our Articles of Association and governance regulations. Cordaid complies with Dutch law for our operations in the Netherlands and adheres to local laws in the other countries where we operate.

As of 2023, Cordaid's governance structure includes a three-member Board of Directors and a Board of Supervisors. The Board of Directors is responsible for the day-to-day management of the organisation, while the Supervisory Board oversees the Board of Directors' policies and provides long-term guidance on vision, strategy, and finances.

On 1 July 2023, after nearly seven years, Kees Zevenbergen stepped down as Cordaid's CEO. He was succeeded by Heleen van den Berg on 1 October 2023. The distribution of responsibilities among the Board of Directors is illustrated in the chart. Due to a long-term absence, the formal responsibilities of the CFO were temporarily assumed by the CEO, while financial and legal tasks were delegated to the relevant staff. Information on the background and other roles of the members of our Board of Directors is available on page 57 and on our website.

Led by the Board of Directors, the nine cluster and country directors and nine department managers of the global office meet fortnightly to discuss management-related topics. Once a year, the Leadership Week is held. In 2023, Rwanda hosted this event.

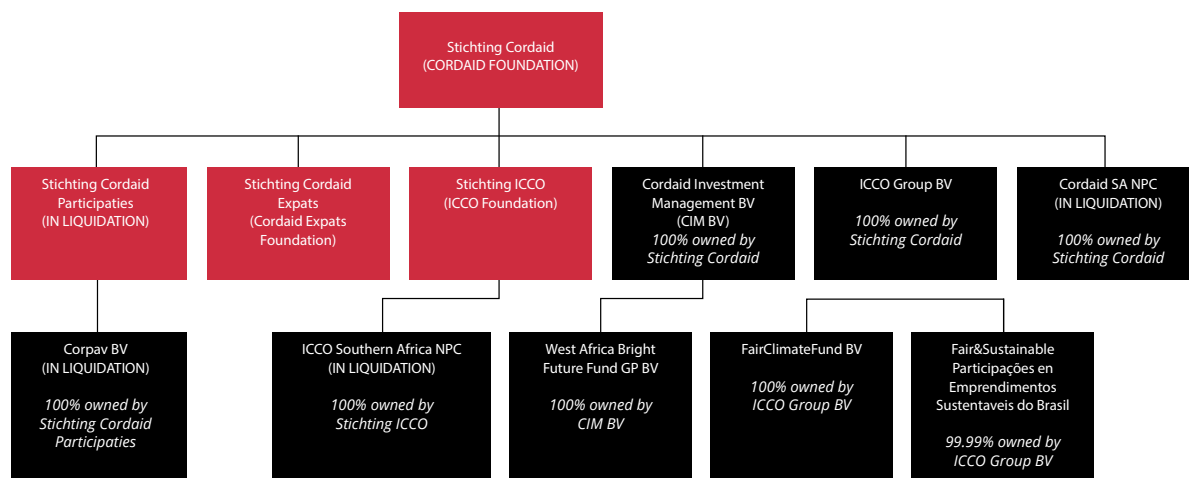


Organisational chart at 31 December 2023



Legal Structure

The legal structure of Cordaid as of 31 December 2023 is illustrated in figure below (see also page 71 onwards). In 2023, Cordaid divested from Fair & Sustainable Consulting B.V., and ICCO Development Solutions PTE LTD, part of the ICCO Group BV, was liquidated. Cordaid Investment Management (CIM) BV established the West Africa Bright Future Fund. However, to ensure the organisation’s long-term financial health and sustainability, the Board decided in March 2023 to implement an exit strategy, including the closure of the investment programme managed by CIM BV, which encompasses the West Africa Bright Future Fund.



Legal structure of Foundation Cordaid at 31 December 2023

Cordaid Investment Management

Cordaid Investment Management (CIM BV) was Cordaid’s impact investment fund. In March 2023, the Board of Directors agreed on an exit strategy for CIM BV to ensure a healthy and financially sustainable future for Cordaid. It is expected that most loans will be repaid by 2025, with the full unwinding process concluding in 2029. Over 25 years, Cordaid invested in creating decent jobs, fostering sustainable economic growth, and strengthening communities in fragile contexts worldwide. We provided access to finance for individuals and organisations excluded by traditional banking systems in 18 countries across Africa, Asia, and Latin America.

FairClimateFund BV: Investing in a Fair Climate

FairClimateFund’s mission is to promote a fair climate by ensuring that those who contribute most to climate change invest in CO₂ reduction projects that benefit people most affected by its impacts. FairClimateFund focuses on clean cooking for low-income households. These projects reduce CO₂ emissions and deforestation while improving living conditions in fragile areas. The projects generate carbon credits, which FairClimateFund sells at a fair price to private individuals and companies in Western countries looking to offset the CO₂ emissions they cannot yet reduce.

In 2023, FairClimateFund achieved a total turnover of €2.3m, a growth of 2% compared to 2022. Approximately 70% of income went directly to projects, resulting in the following impacts in 2023: 231,456 tonnes of CO₂ reduced, 119,808 tonnes of wood saved (equivalent to 238,861 trees protected), 163,441 efficient cookstoves installed, and 511,817 people in low-income households reached. [Visit the FairClimateFund website for more information.](#)



Bolster Our Base

Over the past year, our focus has been on enhancing internal processes within the organisation. Due to various factors, strict adherence to these processes was not consistently maintained, which hindered our progress. In 2023, we developed a detailed action plan, titled *Bolster Our Base*, to address identified gaps in our internal control environment in a structured way. This plan builds on our previous initiative, *Towards a Resilient Cordaid*, by integrating internal controls. Both initiatives will continue into 2024.

In 2023, we prioritised improvements to our *Integrity Policy & Procedure Framework*, with a strong emphasis on fostering a culture of integrity. We also focused on partner commitments and enhancing financial administration related to project management. The introduction of data-driven decision-making, facilitated by a monthly dashboard, has strengthened project monitoring, the project closure process, and financial and budget controls. Regular communication about the *Bolster Our Base* initiative has ensured widespread awareness across the organisation. We have also begun selecting an ICT platform to further enhance our operations, with this process continuing into 2024. Meanwhile, some

countries are transitioning from paper-based to paperless operations to improve efficiency. The full rollout of an integrated Enterprise Resource Planning platform will be a longer-term effort.

Our Staff

Our work with communities and civil society organisations in fragile and conflict-affected areas is made possible by the dedication of our staff across country and cluster offices, rural locations, and our global office.

Regrettably, we had to bid farewell to several colleagues due to strategic decisions regarding our geographical presence, including the closure of our office in Iraq and the winding down of our programmes in the Central African Republic. We also made changes within our Asia cluster, where the Bangladesh office will continue as a standalone operation, while our offices in Myanmar, Cambodia, and Nepal will be phased out. As a result of these changes, our staffing levels at country and cluster offices decreased from 1,192 to 824 full-time equivalents by the end of 2023. A detailed overview of the countries where Cordaid operates and where it is phasing out can be found on page 14.

TABLE STAFF DATA AS OF 31 DECEMBER 2023 (COMPARED TO 31 DECEMBER 2022)

	COUNTRY AND CLUSTER OFFICES		GLOBAL OFFICE		CORDAID TOTAL	
	2023	2022	2023	2022	2023	2022
Number of FTE	824	1,192	113	140	937	1,332
Number of employees	824	1,192	129	159	953	1,351
Number of volunteers	NA	NA	2	1	NA	NA
Gender balance (m/f)	65% / 35%	71% / 29%	30% / 70%	28% / 72%	60% / 40%	68% / 32%
Gender balance management (m/f)	60% / 40%	60% / 40%	8% / 92%	25% / 75%	32% / 68%	41% / 59%
Expat / local contract balance	3.7% / 96.3%	2.9% / 97.1%	100% local	100% local	3.2% / 96.8%	2.6% / 97.4%



Providing humanitarian and development support in some of the world's most fragile, conflict-affected areas is often challenging and dangerous. We deeply regret to report the loss of three colleagues in 2023. They are dearly missed.

We mourn the passing of our driver, Saaid Duku Dominic, who was working on the Agribusiness Development Project 2 in Torit, South Sudan. Saaid was tragically killed in a roadside ambush by unidentified assailants at the age of 39.

In the Democratic Republic of the Congo, we lost our colleague Freddy Hata Makambu, Provincial Coordinator in Lisala, Mongala Province. Freddy passed away in March following a long illness. In Kandahar, Afghanistan, we lost our colleague Mohammad Arif Quraishi, Business Ecosystem Officer for RAWNA. Mohammad died unexpectedly in July 2023 after a severe epileptic seizure.

The Safety of Our People

To support our staff in carrying out their essential work, we take extensive measures to help them manage the risks and challenges they face daily. We have comprehensive security plans and provide training and support to help prevent and respond to safety issues and crises.

The number of casualties among development practitioners remained high in 2023, with a slight increase compared to the previous year. A total of 534 aid workers were victims of violence: 260 were killed, 196 injured, and 78 kidnapped (Source: Aid Worker Security Database (AWSD) - 2023). The 2022-2023 report highlighted a significant rise in staff fatalities.

In these high-risk environments, security awareness and skills training have become integral to humanitarian risk management and our duty of care to personnel.

The most dangerous contexts for development practitioners in 2023 included South Sudan, Mali, Myanmar, the DRC, Syria, the Central African Republic (CAR), Ethiopia, and Afghanistan. Other high-risk areas included Ukraine, where rocket attacks and shelling posed significant threats to both civilians and aid workers. In all these conflict-affected regions, Cordaid and its partners were active in 2023.

In 2023, Cordaid reported 18 security incidents. Of these, one was classified as critical. The incidents occurred in South Sudan (3), Afghanistan (1), Ethiopia (1), Iraq (1), the Netherlands (2), DRC (8), and Burundi (2). In response, relocations were planned for our teams in Ethiopia and the DRC. In the DRC, we also had to implement hibernation procedures when the M23 rebels advanced towards Sake and Goma during their 2023 offensive.

Security Management System

In fragile and conflict-affected states, effective humanitarian and development programmes rely on a robust security management system that facilitates safer access to those in need. At Cordaid, we have a comprehensive security policy and an up-to-date crisis management protocol. Each country where Cordaid operates has dedicated security plans and procedures.



> A safety and security training for Cordaid staff in West Africa.

Our Safety, Security, and Crisis Committee, advised by the Global Security Adviser in The Hague and Regional Security Advisers in Kenya and the DRC, oversees these measures. The regional advisers develop policies, oversee their implementation, train staff, and manage incidents and crises. Where feasible, they also support the security risk management of our partner organisations.

In 2023, we provided an onboarding programme for ten new staff members, ensuring they are informed of the risks associated with their roles and locations. This programme also ensures that all staff understand Cordaid's security policies and procedures, including how to respond to incidents and access aftercare.

Security Training and Risk Management

Security training is mandatory before international deployment and travel to medium- and high-risk areas. In 2023, 28 employees completed the required HEAT and refresher courses for global office staff and expatriates travelling to our country offices. Additionally, most staff in Ethiopia, Uganda, Zimbabwe, Rwanda, and South Sudan participated in personal safety and security awareness training facilitated by the Regional Security Advisor for Anglophone Africa. Similarly, most of our staff in Francophone countries, including Mali, Niger, Benin, and Burkina Faso, took part in a regional training in Bamako. Training sessions in the Democratic Republic of Congo (DRC) and Burundi are scheduled for 2024. We also offer customised security training programmes for new employees (3 participants in 2023) and for female travellers (2 participants in 2023).

Due to budget constraints, Regional Security Advisors were not always able to visit accountable countries in person to coach and train local security officers or to provide team training in Security Awareness and Crisis Management. Consequently, these security support activities were adapted to online and digital platforms to ensure that required procedures are in place and followed. This approach also helps maintain the quality of security plans and local networks for gathering contextual information.

In 2023, Cordaid's security risk management system underwent an internal audit at the global office and was included in the Core Humanitarian Standard (CHS) initial verification audit on quality and accountability. Key areas identified for improvement include:

- Nationally-hired employees require more comprehensive training in security risk management. We will ensure that all Security Focal Points or Security Officers receive the necessary knowledge and skills.
- There is a need for better security risk assessments and for integrating security costs into project proposals.
- We need to enhance guidance on risk assessments, particularly in high-risk areas where we have no country office, and in cases of quick deployment to new programme countries or areas. This has been addressed in the update of our Security Framework Policy.

Digital Protection and Security

Cordaid handles the data of donors, employees, and other stakeholders with the utmost care, striving to ensure an appropriate level of data protection in line with the General Data Protection Regulation (GDPR). We are committed to processing personal data lawfully, fairly, and transparently.

Our information security framework includes education, policy, management, and technology. We offer a Cyber Security Awareness Essentials Training that covers critical topics such as password security, phishing, device theft, protecting sensitive information, and ensuring secure connections in home offices, so all employees are familiar with essential security practices.

Our Information Security Policy, Code of Conduct, and best practices provide a strong foundation for maintaining a secure environment. The Information Security Management Process is monitored through key performance indicators (KPIs) such as the number of security incidents and policy deviations. Technologically, we utilise Windows Defender and Microsoft Advanced Threat Protection (ATP) as our primary endpoint security solutions, and we implement data encryption and robust authentication measures.

Culture and Behaviour

Building and maintaining a positive and inclusive organisational culture is a key focus at Cordaid, particularly in a multinational and multicultural context. Team-building and Cordaid value sessions were held during Leadership Week in Gisenyi, Rwanda, and in various country offices such as South Sudan, Mali, and Bangladesh. Additional initiatives were developed in other offices and at the global office for team gatherings and outings, both for leisure and educational purposes.

Health and Well-being

The well-being and safety of our colleagues remained a priority in 2023. We have various support mechanisms and policies in place:

- Available to global office staff, OpenUp is a practical online toolkit providing access to psychological support and coaching.
- We offer personal mental health support and group training through Antares Foundation and Maryben Foundation (see box). Antares provides counselling in person or via Skype. We are continuously expanding our network of qualified psychologists in programme countries.
- International employees at our country offices and colleagues who frequently travel for work undergo medical checks tailored to the regions where we operate.
- At the global office, our company doctor (Witte Raaf ARBO Services) supports the health and well-being of staff, particularly in cases of sickness.

Absenteeism

At our global office, we aim to keep health-related absenteeism below 3.5%. In 2023, we achieved a rate of 2.9%, an improvement from 4.7% in 2022. Through an active absenteeism policy, effective reintegration coaching, and collaboration with our occupational health service (ARBO Service), we strive to minimise long-term absenteeism. We also requested reassessments of long-term sick leave cases and challenged incorrectly assigned Work Resumption Partially Disabled (WGA) benefits. These efforts significantly reduced our work resumption premium (WHK premium) costs, both retroactively and for the coming years.

Training and Development

In 2023, we launched several initiatives to support the professional growth of our colleagues, informed by feedback from the 2022 employee survey. At the global office, we activated the career development budget and introduced Good Habitz e-learning as part of our performance management cycle. We identified challenges in allocating personal and professional development resources within project budgets and provided additional support to country offices by allocating training budgets. Proposals for staff training were encouraged in close collaboration with our HR community of practice. Training sessions on project management, leadership skills, inclusive decision-making, stress management, mental health, and team-building activities were conducted throughout the organisation.



‘The training enhanced the well-being and resilience of our staff’

‘In South Sudan, we have incorporated mental health training into our annual programme, recognising the demands of our work and the challenging context we operate in. We have conducted three mental health training sessions so far: two for our staff and one for our Just Future (page11) partners. These sessions were facilitated by the Maryben Foundation, recognised experts in mental health. The training aimed to boost the well-being and resilience of our staff, covering a wide range of topics, including stress management, coping strategies, recognising signs of mental health challenges, and fostering a supportive workplace culture. Each session was tailored to the specific needs of the participants.’

– Tom Otieno, Country Director, South Sudan

> *The staff worked on its mental health in a training session of the Maryben Foundation.*



Employee Satisfaction Survey 2023

The 2023 employee satisfaction survey, conducted in November, saw a notable increase in participation, with a response rate of 64% compared to 50% in 2022. Overall employee satisfaction has risen, with an increase of 0.26 points. The rating for work experience also improved by 0.15 points. Hybrid working continues to be well-received.

While appreciation for Training & Development has grown since 2022, there remains room for improvement. Similarly, awareness of Integrity and the Code of Conduct has increased, though further enhancements are needed. Despite a slight indication of increased workload, the sense of pride in working for Cordaid has strengthened.

Employee Rewards and Benefits

Cordaid has a Legal Status Regulation (RPR) for global office staff and expatriates. In principle, Cordaid follows the collective labour agreement (CLA) of 'Zorg & Welzijn,' with adjustments discussed and agreed upon with the Works Council. Following these discussions, a 7% salary increase was implemented in July 2023 for global office staff, in line with the CLA, to address high inflation rates in the Netherlands. For country offices, national rewards and benefits are applied, and salary increases comply with local laws and regulations.

In 2023, we focused on harmonising practices across country offices concerning job grading, benchmarking for market-competitive positioning, and developing salary scales. We are adopting a 'bottom-up' approach towards a standardised system for Cordaid globally, in collaboration with the HR community of practice. Additionally, we prioritised ensuring fair and equitable treatment for similar roles, free from gender or other biases.

Key HR Challenges

In 2023, we experienced a high turnover rate (18.9%), resulting in numerous vacancies in the first half of the year. The primary reasons for staff departures were organisational changes in leadership and the inherent job uncertainty in the development sector. Employees also cited limited career progression in a flat organisational structure compared to the broader opportunities available in a competitive job market. Together with Cordaid's management, we placed increased emphasis on maintaining our appeal as an employer and minimising turnover. We organised sessions with management to highlight the importance of retention and effective people management. A good manager plays a crucial role in employee retention, influencing it through their professionalism, knowledge, communication skills, and the support they provide to their team members. Stress, physical and mental well-being issues, and lack of access to resources were significant factors leading to employee departures. Cordaid addresses these issues through resources like the online toolkit OpenUp, focusing on employee well-being and investing in comprehensive onboarding processes.

> *Jacques Dusabe Baziga, Senior Access to Finance Expert, Cordaid Rwanda.*



PHOTO MICKAEL FRANCI / CORDAID



Works Council Representing Employees' Interests

Cordaid has a Works Council that represents global office staff and expatriates under global office contracts. The Council's role is to consult with the Board of Directors on behalf of employees, prioritising both the interests of the organisation and those of its staff, as stipulated in the Dutch Works Council Act (WOR).

In 2023, the composition of the Works Council changed. By the end of the year, it comprised the following members: Laurens den Dulk (Chair), Alinda Bosch, Ignacio Arteché Prieto, Dienneke de Groot (Vice Chair), Katie Simba, and Dorine Schuurman, with one vacancy remaining.

Throughout 2023, the Board of Directors and the Works Council met every six weeks, holding a total of eight meetings. In addition, as required by the WOR, two meetings were held with the Supervisory Board, with the CEO also in attendance. Key areas of focus included the second phase of 'Building towards a Resilient Cordaid,' staff well-being, recruitment of a new CEO, recruitment of a new Chair for the Supervisory Board, and discussions around inflation compensation in line with the Collective Labour Agreement followed by Cordaid.

The Works Council received six Requests for Advice, and its actions were as follows:

- Provided advice on three requests: the second phase of 'Building towards a Resilient Cordaid,' the sale of Fair & Sustainable Consulting, and the sale of the Loans & Guarantees portfolio, including the unwinding of CIM BV.
- Approved two requests: Amendments to Cordaid's Integrity documents and salary indexation.
- Deferred a Request for Advice on Rest & Recuperation and hardship to 2024.

SAFEGUARDING AND INTEGRITY

We recognise that the protection and safety of people in the fragile areas where we operate are of utmost importance. Therefore, all our staff adhere to the Cordaid Code of Conduct. Cordaid has an Integrity Framework designed to create a work environment free from intimidation, fraud, conflicts of interest, and (sexual) misconduct. Anyone who witnesses or experiences misconduct or inappropriate behaviour by someone representing Cordaid can report it confidentially.

Integrity Framework, Policies, and Systems

In September 2023, the Cordaid Integrity Framework and Policies were reviewed, approved, and published. The following documents were shared with all staff and stakeholders and are available on the Cordaid website.

- Integrity Policy & Procedure Framework
- Integrity Standard Operating Procedures (SOP's)
- Fraud Policy
- Safeguarding Policy

The reviews introduced a new role: the Anti-Corruption and Anti-Fraud Officer, who collaborates with the Internal Auditor and the Integrity & Safeguarding Officer. Significant changes were also made to the role and responsibilities of Cordaid's Integrity Committee in response to a rise in integrity cases.

The committee now focuses on monitoring and updating integrity policies and procedures, implementing the Integrity Year Plan, reporting annually on complaints, and receiving quarterly reports on trends and risks identified through management and analysis.

The Cordaid Integrity Framework and Standard Operating Procedures have been revised to clarify the responsibilities of designated members in case management. Additionally, the Safeguarding Policy now includes expanded definitions and aligns with the United Nations Secretary-General's Bulletin ST/SGB/2003/13 on Special Measures for Protection from Sexual Exploitation and Sexual Abuse.

In 2023, a decline in reported cases indicated positive progress in Cordaid's awareness and prevention efforts. This trend reflects growing trust among staff, volunteers, and partners in our reporting mechanisms. Enhanced communication improved information flow between the global and country offices, leading to faster response times to misconduct concerns and better case management during investigations.

To further support the Integrity & Safeguarding Officer and the Anti-Corruption and Anti-Fraud Officer, a recruitment process for new Integrity Focal Points in both global and country offices began in 2023, with successful candidates appointed in early 2024.

Dealing with Misconduct

In 2023, Cordaid recorded fourteen new cases related to fraud, misuse of power, conflicts of interest, and corruption. Of these cases, two were substantiated complaints, three were deemed unsubstantiated, and nine remained pending, carried over into 2024. Thorough investigations were conducted into each reported incident, resulting in disciplinary actions against those involved. All measures taken adhered to Cordaid's policies and the legal frameworks of the respective countries.

An analysis of the reported concerns and investigation outcomes identified several contributing factors to the misconduct, including deficiencies in internal controls, mismanagement, abuse of power, and inadequate responses to integrity-related issues. In response, Cordaid implemented preventive measures and addressed the specific fraud and corruption cases. These actions reflect our commitment to upholding ethical standards and maintaining stakeholder trust.

In 2023, Cordaid also received thirteen new integrity and safeguarding complaints. These reports included various forms of misconduct, such as discrimination, abuse of power, sexual harassment, and workplace bullying and harassment. Notably, four of the reported concerns were substantiated, five were unsubstantiated, and one act of violence against a staff member by an external party was confirmed.

Three cases were carried over into 2024. Additionally, an allegation of sexual harassment involving a Cordaid employee was investigated and found to be unsubstantiated.

It is important to note that Cordaid maintains separate categorisation, investigation, and reporting processes for financial and interpersonal (safeguarding) misconduct. However, a case involving both financial and interpersonal misconduct was collaboratively investigated. These efforts highlight Cordaid's commitment to addressing misconduct promptly and transparently, ensuring the well-being and safety of all stakeholders.

TABLE OVERVIEW OF REGISTERED MISCONDUCT CASES IN CORDAID IN 2023

NATURE OF MISCONDUCT	SUBSTANTIATED CASES	UNSUBSTANTIATED	FOUNDED	PENDING
Aggression, violence, weapons			1	
Asset and cash misappropriation fraud	1	1		2
Bullying and harassment	3	1		
Conflict of interest				5
Discrimination	1	2		
Financial statement fraud		2		3
Misuse of power or authority		1		2
Sexual harassment		1		
Other: fraud	1			
Total	6	8	1	12

MISCONDUCT? TALK ABOUT IT!

CORDAID CODE OF CONDUCT

Our Code of Conduct* helps us to ensure that Cordaid is a safe and welcoming workplace for everybody. It defines the shared standards of behaviour that every Cordaid representative should always adhere to.

ALL ASSISTANCE IS FREE

Demanding money, favours, or sex in exchange for assistance is strictly prohibited

NOT CLEAR IF THE DECISION IS BASED ON MERIT OR RELATIONSHIPS?

Even the perception of a conflict of interest puts Cordaid's professionalism and integrity at risk

SEXUAL HARASSMENT IS NOT A COMPLIMENT OR A JOKE

If it is offensive, unwelcome, humiliating or intimidating, it's sexual harassment

SEXUAL ACTIVITY WITH CHILDREN UNDER THE AGE OF 18 IS NOT OK

Saying you did not know the person's true age is no excuse

WE TREAT EVERYONE WITH RESPECT AND DIGNITY

Discrimination or differential treatment is not allowed

PULLING SOMEONE DOWN WILL NEVER HELP YOU REACH THE TOP

That we treat everyone we encounter with respect & dignity

Whenever you suspect a breach of the Code of Conduct by a Cordaid representative you have the duty to report. And whenever you are the one affected by inappropriate behaviour, you are encouraged to report as well.

Misconduct? Talk about it!

I feel mistreated

Reach out to:
• Ethics officer within the anti-corruption and anti-fraud office
• Integrity officer within the anti-corruption and anti-fraud office

Or call: +31 (0)70 31 36 600
Email: integrity@cordaid.org

Misconduct? Talk about it!

I see misconduct

Report to:
• The reporting officer within the anti-corruption and anti-fraud office

Call: +31 (0)70 31 36 600
Email: integrity@cordaid.org

* The full text of the Code of Conduct can be found on the Cordaid website.

> Integrity poster



TRANSPARENCY AND ACCOUNTABILITY

Risk Management

Cordaid employs a robust risk management process to identify and assess risks based on their likelihood and potential impact. This approach enables us to focus on the most critical risks, categorised as strategic, external, or operational. These align with our Internal Control Framework and Quality Management System.

Our primary strategic, external, and operational risks include:

- Fluctuating or insufficient future funding for operations.
- Political or environmental factors limiting safe operations.
- Ethical risks associated with working in high-risk regions and sectors.
- Weak financial and operational project controls, leading to ineligible costs.
- Reputational damage caused by unforeseen events.

In 2023, geopolitical challenges such as the Russian war in Ukraine, the Israel-Hamas conflict, and changes in the Dutch government heightened funding risks. To mitigate these, we continue to diversify our donor base and prioritise attracting new partners.

External factors in all operational regions—ranging from local unrest and shrinking civic space to extreme weather events and economic instability—disrupted programmes but did not severely impact our financial stability.

Operating in fragile and conflict-affected areas exposes Cordaid to risks such as corruption, fraud, and regulatory non-compliance. Local business practices and challenging conditions can exacerbate these risks.

While we strive to uphold ethical standards and comply with all relevant laws, the complete elimination of such risks is not always possible. Any violation could impact our operations, finances, and reputation. Specific cases, such as integrity breaches in our Democratic Republic of the Congo (DRC) and Central African Republic (CAR) offices, are being addressed with diligence.

Building on 2023's action plan, Cordaid has formulated a 2024 plan to address audit findings and enhance our internal control framework under the ongoing “Bolster Our Base” initiative.

Key focus areas for 2024:

- Updating operational manuals.
- Strengthening the internal control cycle to ensure effective financial and operational oversight.
- Increasing support for country finance departments through regular visits.
- Restructuring the DRC financial department.
- Enhancing financial reporting to the Board of Directors and Supervisory Board.
- Reassessing IT systems to mitigate security risks.

Cordaid remains committed to continuously improving these areas to minimise risks and safeguard our reputation with external stakeholders.

Responsibility for implementing risk management policies and procedures lies primarily with project, programme, administrative, and financial teams. The Cordaid Board of Directors and first-line management oversee the effective implementation of these measures. Additionally, the audit committee and Supervisory Board provide oversight on risks and related mitigation strategies.

A dedicated Risk Committee ensures compliance with and the effectiveness of Cordaid's Risk Management Framework.

Cordaid’s Board of Directors defined the risk appetite, which has been approved by the Supervisory Board. The 2023 and 2024 risk appetite are defined as follows:

CORDAID RISK APPETITE STATEMENT 2023 AND 2024

RISK CATEGORY	AVERSE	MINIMAL	CAUTIOUS	OPEN	HIGH	DESCRIPTION
Strategy					x	Cordaid is committed to addressing fragility, which inherently involves significant risks. To balance this, we adopt a cautious approach in our internal operations to mitigate these challenges. We are also deepening our focus on localisation by partnering more closely with national organisations. While this enhances local ownership and impact, it also introduces additional operational and financial considerations.
Operations (programmatic)			x			Cordaid and its partners operate local offices and deliver projects in high-risk areas as part of our mission. We recognise that changes in local conditions and external risks may affect our ability to carry out projects. To minimise these impacts, we adopt careful operational practices and maintain open communication with donors, fostering understanding of the challenges we face in these complex environments.
Finance			x			Cordaid operates with a funding structure that limits our ability to cover indirect or ineligible costs, as most of our funding is restricted or semi-restricted and must adhere to strict regulations. As a result, we have limited capacity to take on financial risks.
Human Resources			x			Our people are our greatest asset. In a world of constant change, we value agile, knowledgeable, and motivated team members committed to excellence. With a smaller team than five years ago, we prioritise investing in leadership, staff development, and an inspiring organisational culture.
Integrity & Fraud	x					Cordaid operates in environments with heightened risks related to ethics, including corruption, fraud, and non-compliance with local and international laws. Recognising these challenges, Cordaid has implemented robust measures to mitigate risks, such as a code of conduct, zero-tolerance policies, and a whistle-blower mechanism. While every effort is made to uphold ethical standards and comply with all relevant regulations, the complete elimination of such risks cannot be assured.
ICT		x				A secure and reliable IT environment is crucial for our operations. We prioritise business continuity, cybersecurity, and robust data protection. Our commitment to improvement drives us to continually assess and enhance our systems to ensure data security and efficiency.
Safety & Security		x				Cordaid prioritises the safety and well-being of our staff and partners. While operating in high-risk environments means we cannot eliminate all risks, we are committed to minimising them. To do this, we invest in robust protocols, specialised training, and dedicated personnel, while continuously monitoring safety and security conditions.
Procurement and Supply chain		x				We are committed to maximising the value of the resources entrusted to us, and we prioritise effectiveness and efficiency in procurement and supply chain management.



External Standards

Cordaid is certified to both international and Dutch standards, ensuring transparency and independent recognition of the high quality of our work. Our ISO 9001:2015 certification guarantees that our operations meet the highest quality standards. We also hold the 'Partos ISO 9001:2015' certification (version 2018, 2023 edition), which is specifically for the Dutch development cooperation sector.

We comply with the 'CBF-Recognised Charitable Organisation' quality label, awarded by the Netherlands Fundraising Regulator (CBF), and adhere to the International Aid Transparency Initiative (IATI), a global standard for open data. IATI makes development activity information from multilateral, governmental, and non-governmental organisations accessible and understandable.

Additionally, we uphold the following quality standards and codes of conduct:

- The SBF Code for Good Governance.
- Partos Code of Conduct.
- The Code of Conduct for the International Red Cross and Red Crescent Movement and NGOs in Disaster Relief.
- The Core Humanitarian Standards on Quality and Accountability.
- The ECHO standards and requirements (Partnership Certificate).
- The Sphere Project.

Planning and Reporting Cycle

Cordaid follows an annual planning and reporting cycle, beginning with the annual framework letter, which sets the corporate guidance for the country, cluster, and global office plans and budgets. Management agreements between the Board of Directors and senior office managers outline the approved annual plans, budgets, key performance indicators, and risk registers. Monitoring is carried out through a monthly dashboard and more detailed trimester reports. The second-trimester report provides updated information for the next year's framework letter, while the final trimester report also serves as the year-end report and contributes to Cordaid's annual report. The Supervisory Board reviews and approves the annual plan, budget, and the annual report and accounts. This cycle ensures transparency, accountability, and alignment with our quality management system, reinforcing our commitment to our stakeholders.

Internal Audit

Cordaid's internal audit function works to enhance and safeguard the organisation's value by offering risk-based, objective assurance, advice, and insights. It assesses the design and effectiveness of internal controls across the organisation.

The internal audit team consists of one full-time internal auditor and a pool of guest auditors drawn from Cordaid's global network. The 2023 audit plan, approved by the audit committee, includes risk-mitigating recommendations shared with both the Board of Directors and the audit committee. This plan is part of a three-year audit cycle and covers entity, process, and follow-up audits.

The 2023 audit plan focused on the following: entity engagements in Burundi and Bangladesh country office operations, West Africa Cluster operations, a quality management pre-audit, and follow-up audits of country office operations in the DRC, Ethiopia, and South Sudan. Additionally, the internal audit function facilitated a risk and control self-assessment across all country offices.

Corporate Social Responsibility

Corporate responsibility is central to our business and reflects how we conduct our work. Guided by our core values—sustainability, respect, accountability, and diversity & inclusion—we strive to minimise the negative impact of our interventions on the environment, do no harm, and uphold human rights. For more details, please refer to our [Corporate Responsibility Policy \(updated in 2024\)](#). This report covers many topics from the policy, including social issues such as staff safety, responsible investment practices, and our governance framework.

As an organisation, we are committed to global climate action and advocate for climate justice. One of our key objectives is to achieve carbon neutrality by 2028 and become climate-positive by 2030. We aim to reduce Cordaid's carbon footprint and offset our remaining emissions.

In 2022, Cordaid reported its global CO₂ emissions, including flight emissions from our country offices. In 2023, we have improved our reporting by separately tracking flight emissions from the global and country offices.

This report presents updated data for comparison purposes. See the table for details. In 2023, both global and country offices reduced their flight-related CO₂ emissions by 26% and 20%, respectively, compared to 2022. We also made progress in including non-flight CO₂ emissions from our country offices, though there is still room for improvement. Based on both precise data and

informed estimates, the total CO₂ equivalent emissions in 2023 amounted to 708.7 tonnes. Of this, 87.1% resulted from air travel, with the remaining emissions from commuting and office use. To offset these emissions, we contributed €14,899 to the FairClimateFund, supporting the Birds, Bees, and Business project in Burkina Faso.

CO₂ emissions 2022 and 2023

SEGMENT	GLOBAL OFFICE 2023 (TON CO ₂)	COUNTRY OFFICES 2023 (TON CO ₂)	TOTAL	GLOBAL OFFICE 2022 (TON CO ₂)	COUNTRY OFFICES 2022 (TON CO ₂)
Office	62.4		62.4	18.2	
Commuting	28.4		28.4	51.5	
Flights	330.4	287.6	617.9	446.1	359.6
Total	421.1	287.6	708.7	536.6	359.6



COMPOSITION OF THE BOARD OF DIRECTORS



Heleen van den Berg

Heleen van den Berg is CEO of Cordaid as of 1 October 2023. In her capacity as director of Cordaid, Heleen is member of the Board of Directors of VKMO (Association of Catholic Social Organisations). She is also a member of the Supervisory Board of two museums in The Hague, namely the Hague Historical Museum & Museum the Prison Gate. Before Heleen joined Cordaid she was the director of National Assistance at the Netherlands Red Cross. In the preceding years, she held different positions at IOM and the Royal Dutch Touring Club (ANWB), where she led the marketing department for four years.



Kees Zevenbergen

After almost seven years Kees Zevenbergen resigned as Executive Director of Cordaid on 1 July 2023. Kees guided Cordaid through several change processes. The one that stood out, also for him personally, was the integration with ICCO as of 1 January 2021. As he handed over the baton, he spoke the words 'it has been a fulfilling journey'. In his ancillary positions at Cordaid Kees served several key roles, contributing to a wide range of social, charitable, and development organisations: among others, he was member of the Advisory Board of MDF, member of the Board of Directors of VKMO (Association of Catholic Social Organisations), member of the Board of Directors at Goede Doelen Nederland, member of the Board of Directors at Achmea Foundation, member of the Board of Directors at the National Disaster Fund, member of the Supervisory Board at the Christian Social Congress, and member of the Supervisory Board at Stichting Beheer Subsidiegelden DRA (Dutch Relief Association).



Lorena Paz Quintero

Lorena Paz Quintero became the financial director (CFO) of Cordaid in 2021. Lorena has over 20 years of extensive managerial experience at senior and executive level in the areas of General Management, HRM, Finance & Control, Internal Audit, Risk Management and Quality Management. Throughout her career she always strives to create workplace cultures of learning and of continuous improvement. Lorena left the organisation by the end of 2024. The new CFO Koos Boering joined Cordaid 10 March 2025.



Ylse van der Schoot

From 2021 till 1 March 2024, Ylse van der Schoot was the Director Operations (COO). Ylse has over 25 years of experience with change management and (programme) management of multi-disciplinary and international teams in the Netherlands and sub-Saharan Africa. In addition to her work for Cordaid, Ylse is a member of the Supervisory Board of Hivos-Triadodos Fund. The new COO a.i. Monique van 't Hek joined Cordaid in March 2024.

FINANCIAL SUMMARY

Our Financial Health

The financial year of 2023 was closed with a negative result of €21.1m (2022: €9.1m). The operational result was €21.1m negative, while the financial result was positive €0.1m. The main contributing factor for the operational loss was the continued operational loss in our country office Democratic Republic of the Congo. If we exclude the exceptional high provisions in 2023, the normalised result is €0.9 million loss:

Loss in financial statements	-21.1 (€ millions)
Provision ineligible costs	6.0
Provision donor balances	5.7
Provision loss making contracts	4.5
Provision closed projects	2.0
Provision legal claims	2.0
Normalised loss, excluding high provisions	-0,9

The main positive contribution in the operational result was the increase of €3m in income from private individuals (donations and legacies) which was offset by a decrease of €2.7m income from companies. Due to the loss, the solvency (reserves and funds / balance sheet total) decreased from 45% to 39% (minimum goal is 25%). Our liquidity (current assets / current liabilities) remained at 1.6 (minimum goal is 1.0). Despite the loss in 2023, Cordaid still has a healthy financial situation if we look at our solvency and liquidity at yearend. However, it is important that our results will become break-even as soon as possible to remain financially healthy.

Income versus Previous Year

The income of Cordaid decreased slightly in 2023 by €4m from €248m to €244m. The decrease in income can be explained by various aspects:

- Income from donors for projects (companies, government grants and other non-profit or related organisations) which are implemented decreased by €2.0m to €207m. Main contributor to the decrease is a decline in income from companies of €2.7m.

- Private fundraising income has increased by €3.0m, which can be explained by an increase in legacies of €3.5m Cordaid has received from donors compared to 2022.
- Income from Lotteries has decreased by €0.4m. The general contribution has remained the same at €4.1m.
- Other income decreased €4.9m compared with previous year because results from financial assets are now presented as such.

Expenses versus Previous Year

Expenses on objectives decreased in 2023 with €10m to €230m, of which €181m were financed by the income from government grants and the rest were financed from other income sources, such as income from private fundraising. Like previous years, the period in which the project expenses are made can differ from the period the income is received. This difference is included in the funds and reserves in line with accounting principles. These withdrawals were partly planned as they relate to earmarked income received in previous financial periods.

Results from financial assets comprises operating gains and losses on the loans, guarantees and participations programme. The positive result on financial assets increased with €10.3m compared to 2022. The main driver of this increase was the large provision for loans and guarantees of €7.8m in 2022 due to tough economic market conditions and negative currency exchange results mainly in the portfolio in Myanmar, Sierra Leone and Mali. In 2023, new large provisions were not necessary.

Management and administration expenses and fundraising costs have increased by €16m compared to the previous year because of higher provisions for e.g. ineligible costs, donor balances and loss-making contracts.

The increase in the financial income and expense is caused by a positive effect of the foreign exchange rates. The fluctuations of the foreign exchange rates caused a loss of €3.5m in 2022, while in 2023 the effect was €0.1m positive.



The expenses on objectives were €230m, which is €16m higher than budgeted. The main factors for this increase are:

- Expenses on humanitarian assistance were €23.6m higher than budgeted. This was driven by the non-budgeted SHO campaign for ‘the earthquake response Turkey and Syria’ on which €14.4m was spent in 2023. Furthermore, more than expected humanitarian assistance projects were implemented in heavily affected countries as Ukraine.
- An amount of €1.4m was spent on projects for Cordaid Investment Management, which was not budgeted.
- Expenses on health care were €125m and only €1.7m higher than budgeted.
- The management and administration were €11.8m higher than budgeted because of higher provisions.
- The result on financial assets was not budgeted and amounted to €1.1m positive. The result is mainly caused by positive developments in the loans and guarantees portfolio.
- The financial income and expenses were €0.1m lower than budgeted. This was caused by a limited positive effect of the exchange rate fluctuations which was not budgeted.

Relevant Events During 2023 and Continuity for 2024 and Further

Due to a high turnover in the Finance department across country offices, a shortage of finance personnel at the global office in the Netherlands, and recent changes to the Board of Directors, we are experiencing delays in publishing our annual accounts. We acknowledge that this delay affects our compliance with accountability standards. Nevertheless, we remain fully committed to fulfilling our mission and are focused on resolving the delay.

Cordaid has proactively informed key donors and stakeholders about potential non-compliance with contract conditions and filing obligations, and has received continued support and extensions to meet these requirements. For the financial year ending 31 December 2024, we anticipate finalising the financial statements by 1 August 2025. While management has maintained strong relationships with donors and does not foresee any significant financial impact, the extension of deadlines cannot be guaranteed. This could result in further non-compliance, loss of funding, or penalties.

In 2024 Cordaid realised an income of approximately €170 million and the first estimate is a loss of €2 million. The budget for 2025 shows an income of €150 million and a break-even budget.

In the fourth quarter of 2024, we developed our strategy for coming years to become financially healthy and sustainable.

To achieve a healthy and sustainable Cordaid, we pursue the following goals:

1. Becoming an impact-led organisation.
2. Maximising the potential of our dual mandate.
3. Strengthening our overall value proposition.
4. Reassessing our focus on fragile states.
5. Advancing Locally-Led Development.
6. Expanding our programmes in the Netherlands.
7. Enhancing programme impact.
8. Attracting new donors both in the Netherlands and internationally.
9. Fostering an organisational culture of collaboration, equality, empowerment, and trust.
10. Streamlining procedures while maintaining strong control.
11. Achieving a break-even budget by 2025.
12. Simplifying processes.

Management has prepared a cashflow analysis for the period 2024-2028. Based on the analysis performed, management is of the opinion that the assumed going concern triggers do not cast reasonable doubt on the entity’s ability to continue as a going concern in the foreseeable future. The wind down of Cordaid’s loan & guarantee investments, which started in 2023, generates more than €40 million till 2028. In 2024, Cordaid sold its investments in bonds & shares which were managed by ING and Van Lanschot generating €26 million. As a result, the Cash and Bank increased from €78m at the end of 2023 to € 118m at yearend 2024. Our liquidity will remain solid for coming years despite the losses in previous years.



However, management is committed to taking steps to become break-even as from 2025, improve the long-term financial sustainability of the organisation and safeguarding the continuity reserve.

In 2023 and 2024, we implemented several measures to improve our financial health and sustainability, including:

- Improved project control through training sessions for programme managers.
- A more strategic focus on new projects, considering goals, risks, and financial outcomes, avoiding overly small or complex initiatives.
- Closing over 150 old projects with outstanding balances.
- Liquidating or selling eight legal entities.
- Selecting Unit4 as a new ERP system to replace our outdated system.
- Reducing staff and overhead costs at the global office in The Hague.



PHOTO SAYED AMAN SADAT

2. SUPERVISORY BOARD REPORT

> Soraya, a health worker in an emergency health centre, set up by the partners in the Dutch Relief Alliance after the earthquake in Herat on October 7, 2023.



MESSAGE FROM THE CHAIR OF THE SUPERVISORY BOARD

Responsibility and Tasks

The Supervisory Board, together with the Board of Directors, oversees the corporate governance of Cordaid and its subsidiaries. Its role is to define a long-term vision and strategy, monitor the high-level implementation of plans, and ensure the organisation's financial stability.

The Board's oversight is both proactive and retrospective: proactively, it approves the organisation's mission, strategy, annual plan, and budget; retrospectively, it assesses the Board of Directors' management and approves the annual report and financial accounts. This ongoing and comprehensive supervision occurs throughout the year, not just on a few occasions.

Composition and Mutations

Throughout 2023, there were several changes in both the Supervisory Board and the Board of Directors. CEO Kees Zevenbergen retired in June, and CFO Lorena Paz Quintera stepped down due to long-term illness in December. Heleen van den Berg joined as the new CEO in October 2023.

Some long-serving Supervisory Board members completed their terms, while others left due to new professional commitments that created conflicts of interest. M. van Beek resigned on 31 August, and M.W.J.A. Landheer-Regouw stepped down on 31 March.

The following new members joined the Supervisory Board in 2023: L. Mulder, Fr. J. Stuyt S.J., J. Niessen, and J. van den Bos (1 April); and M. I. de Wal (18 April). Continuing members include T. Heerts, G. L. Mulder (stopped 1 January 2025) and J. M. Niessen (stopped on 17 March 2025). G.R. Peetoom, J.N. Alders-Sheya, and D.C. Cheng. The Board now consists of seven members.

The Supervisory Board remains committed to diversity, prioritising a balance of expertise, background, and gender to effectively support the organisation's governance.

Supervisory Committees

The Supervisory Board has two permanent committees: the audit committee and the Remuneration Committee.

- **Audit committee:** This committee reviewed the annual financial statements, four-monthly audit reports, internal audits, incident reports (including fraud cases), and the organisation's performance against its annual plan and budget. These topics were later discussed by the full Supervisory Board. The audit committee, consisting of two members, met with the external auditor seven times in 2023.
- **Remuneration Committee:** This committee reviewed the organisation's executive compensation policies and provided advice on remuneration, social plans, expat policies, and related matters. It consists of three members and met once in 2023.

Executive Remuneration

Remuneration of the Board of Directors is in line with the guidelines of the association of Dutch charities ('Goede Doelen Nederland'). Cordaid's executive remuneration policy is evaluated and reviewed periodically by the Supervisory Board. The policy adheres to the Code of Good Governance ('Code Goed Bestuur') of the Cooperating Sector Organisation Philanthropy (SBF) and the regulation on the remuneration of charities by the Central Bureau of Fundraising (CBF). Compensation amounted to €161,494 for the previous CEO, €46,560 for the new CEO, €167,288 for the CFO and €178,075 for the COO. These amounts include gross salary, holiday allowance, social security, and pension contributions. Supervisory Board members are not paid for their contributions, but they receive an expense allowance of up to €1,500 per person per year. In 2023, the total expenses for the Supervisory Board amounted to €9,978.

Focal Points

Cordaid is confronted with main and severe challenges in geopolitical challenges worldwide and changing national conditions concerning development cooperation, humanitarian assistance and solidarity, while we still feel how necessary our work is, especially in the most fragile areas of the world. The strategy 'Building Towards a Resilient Cordaid', approved in 2022, was unfortunately overtaken by current events and political change. Also, the related business revenue model, and the operating models of Cordaid in order to make strategic choices in the pursue of fulfilling Cordaid's mission in a sustainable way had to be adjusted again, including further budget cuts. The Board of Directors provided full information on all issues to the Supervisory Board so that it could fulfil its supervisory responsibilities.

Final Remark

The Supervisory Board wishes to express its sincere appreciation for Cordaid, its staff, and the Board of Directors for their dedicated, professional, and tireless efforts under challenging circumstances.

COMPOSITION OF THE BOARD OF SUPERVISORS

Prof. mr dr F.B.J. Grapperhaus

On 10 April 2024, Ferd Grapperhaus took up the role of new chair of the Supervisory Board of Cordaid. Ferd is a highly experienced professional with a distinguished career in both the legal and academic domains. Former Minister of Justice and Security (from 2017-2022) Ferd currently serves as Managing Partner at Deloitte Legal in the Netherlands. In addition to his role at Deloitte, Ferd is a professor of 'Rule of Law, Society and Legal Practice' at Erasmus University, Rotterdam, where he contributes to the academic community through teaching and research. Beyond his primary roles, Ferd is the chair of the Board of Governors at the University of Leiden, chair of the Supervisory Board at the Red Cross Hospital in Beverwijk, and chair of the Ronald McDonald Huis Emma in Amsterdam.

A.J.M. Heerts

Ton Heerts is mayor of Apeldoorn, a city in the centre of the Netherlands. He was chair of Cordaid's Supervisory Board for almost seven years. According to the Articles of Association, he resigned when Ferd Grapperhaus was appointed on 10 April 2024. Ton is a distinguished leader in social and administrative sectors, serving as a member of the Human Rights Commission at the Ministry of Foreign Affairs, the Board of VNG (Association of Dutch Municipalities), and the Employers' Association Cooperating Municipal Organisations. Additional ancillary positions are chair of the Social Advisory Council of Socires, member of the Curatorium SBI Doorn, and treasurer for Schuldenlab, dedicated to making the Netherlands debt-free. Also, Ton contributes significantly to education and community initiatives through the Foundation Present. His dedication to cultural and environmental stewardship is evident in his positions as e.g. member of the Advisory Board of the Hoge Veluwe National Park Foundation.

Drs. M. van Beek MA

Maarten van Beek was a member of the Supervisory Board and the remuneration committee from 2014 until 1 November 2023. Maarten is a highly respected HR professional and executive leader, currently serving as the HR Director and Board member at ING for the Netherlands, Belgium, and Luxembourg. In addition to his

primary role at ING, Maarten holds several ancillary positions that underscore his commitment to diverse sectors and community service. He is member of the Supervisory Board of NPO, the Dutch Public Television network, member of the Advisory Board of BASF digital, and member of the Advisory Board of JINC. Additionally, he serves as the chair of the Supervisory Board of UAF.

Drs. M.W.J.A. Landheer-Regouw

Marjolein Landheer-Regouw was a member of the Supervisory Board from 2018 until March 31, 2023. She serves as the Director of Risk at Triodos Bank and oversees the bank's risk management strategies. In addition, Marjolein holds an ancillary function as a member of the Board of Natuurmonumenten, a prominent organisation dedicated to the conservation of nature in the Netherlands.

Drs. L. Mulder

Loes Mulder took a seat on the Supervisory Board of Cordaid on 1 April 2023, where she serves on the remuneration committee. Loes is a distinguished leader in public administration, currently serving as a member of the Top Management Group, the Senior Civil Public Service of the Dutch Government. In addition, Loes holds an ancillary role as Board member of the Roosevelt Foundation, an organisation that honors the legacy of Franklin and Eleanor Roosevelt by promoting the values of freedom, democracy, and human rights.

Mr. J.A.N. Stuyt s.j.

Jan Stuyt is a Jesuit priest and has been part of the Board since 4 January 2023, representing the Catholic Bishops of The Netherlands. He is the Rector of the Catholic Church De Krijtberg in Amsterdam. Jan has worked several years for the Jesuit Refugee Service in crisis situations in Malaysia, Thailand and Croatia, and did advocacy work on behalf of asylum seekers and refugees at the EU institutions in Brussels. At present he is chair of the Board of the foundation De Krijtberg in Amsterdam, member of the Board of the St. Bonifaciusstichting in Nijmegen, and Board member of the Kardinaal Alfrink Vredesfonds. Furthermore, Jan is consultant of the director of the Jesuit Refugee Service International in Rome.

Drs. J.M. Niessen

Jacqueline Niessen started on 1 April 2023 as a member of the Supervisory Board and the remuneration committee of Cordaid. Jacqueline is a seasoned HR professional with large international working experience in FCMG, IT, innovation and consultancy in production industry, farmers Cooperatives and professional services. Jacqueline is also a member of the Supervisory Board at St Jansdal Hospital and Klaverblad Insurances. She specialises as a supervisory member in change and innovation, governance, culture and HR.

HR. Mr. J.A. van den Bos

Jan van den Bos is one of four new members who joined the Board on 1 April 2023. Though retired, he continues to contribute significantly to various social and community-focused organisations. Amongst others, Jan is chair of the Diaconal Centre Pauluskerk in Rotterdam. Here, they lead efforts to support and uplift marginalised communities. Jan is also a member of the Supervisory Board at GGZ WNB (Westelijk Noord-Brabant), where they deliver mental healthcare services.

Drs. G.R. Peetoom ds

Ruth Peetoom joined the Supervisory Board of Cordaid in 2021 when Cordaid integrated with ICCO on 1 January. Ruth represents the Protestant Church in the Netherlands (PKN) on the Board. She is a prominent leader in the field of mental healthcare, currently serving as the chair of GGZ, the national organisation for mental healthcare in the Netherlands. In addition, Ruth holds several ancillary positions that underscore her dedication to health and social causes. She is chair of the Christian Social Congress, that is fostering dialogue and action on social issues. She is also on the Supervisory Board of the elderly organisation the KwadrantGroep and EO, a broadcasting television network in the Netherlands.

Drs. J.N. Alders-Sheya RA CIA

Justina Alders-Sheya has been a member of the Supervisory Board since 15 June 2021. She is an accomplished financial professional currently serving as a Group Director Internal Audit at Triodos Bank. Justina's work at Triodos underscores a commitment to generating positive social and environmental impact through Sustainable Finance practices.

Justina serves on several boards and was a Board member of Women in Financial Services, an organisation dedicated to promoting gender diversity and supporting the career development of women in the financial sector.

Drs. D.C. Cheng RA

Deborah Cheng has been a member of the Supervisory Board since 15 June 2021. She is a financial expert and autonomous financial consultant at De Zee Consulting. In addition, Deborah serves on several Supervisory Boards, including ARKIN (GGZ) in Amsterdam, Board of NedPhO (Dutch Philharmonic Orchestra), (Treasurer) of Metakids (for Metabole diseases) and the Dutch Institute of Clinical Audits (DICA). On top of that Deborah is also the Director of the Royal Dutch Company of Science (KHMW), and a Board member of the Foundation for Natural Leadership (FNL), where they promote scientific research and leadership development through nature-based programmes.

Drs. M.I. de Wal

Marieke de Wal has been a member of the Board since 18 April 2023. Marieke is a senior researcher and advisor with a focus on sustainable transitions, currently serving as the Director of HR and working as consultant at the Dutch Research Institute for Transitions (DRIFT) at Erasmus University Rotterdam. In addition, she is organisational lead of the Design Impact Transition (DIT) platform of Erasmus University Rotterdam. DIT provides a space to address complex societal challenges. Marieke is an accredited partnership broker and member of the Examiners Panel of the Partnership Brokers Association.



3. FINANCIAL STATEMENTS

> In PAFDIR ('Project to Support Development of Innovative Rural Finance') smallholder farmers, microfinance and insurance institutions, and Cordaid work together to boost financial inclusion among rural populations.



CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2023 (AFTER PROPOSED APPROPRIATION OF FUNDS)

X € 1.000	NOTE	31 DEC 2023		31 DEC 2022	
Assets					
<i>Fixed assets</i>					
- Intangible fixed assets	01	101		118	
- Tangible fixed assets	02	265		570	
			366		688
<i>Financial fixed assets</i>					
- Issued in connection with the objectives	03	46,754		61,751	
- Investments	04	24,886		22,814	
			71,640		84,565
Receivable from grants	05		40,850		67,004
<i>Other receivables</i>					
- Inventories	06	1,617		1,385	
- Work advances partner organisations	06	11,671		2,858	
- Receivable from inheritances	06	620		506	
- Interest receivable	06	588		1,637	
- Derivatives	06	1,384		3,694	
- Other receivables	06	9,207		1,872	
			25,087		11,953
Cash and Bank	07		78,076		70,141
Total assets			216,019		234,351

X € 1.000	NOTE	31 DEC 2023		31 DEC 2022	
Liabilities					
<i>Reserves and funds</i>					
- <i>Reserves</i>					
- Continuity reserve	08	11,500		11,500	
- Earmarked reserves	08	1,113		1,816	
			12,613		13,316
- <i>Funds</i>					
- Restricted funds	08	16,700		9,814	
- Semi-restricted funds	08	8,101		11,568	
- Loans and guarantees fund	08	46,755		70,618	
			71,556		92,000
Total reserves and funds			84,169		105,316
Provisions	09	18,146		6,036	
			18,146		6,036
<i>Long-term commitments</i>					
- Project commitments to partners	10	6,496		10,154	
- Project commitments to grants	11	19,708		19,358	
			26,204		29,512
<i>Current liabilities</i>					
- Project commitments to partners	10	20,762		26,219	
- Project commitments to grants	11	45,986		45,169	
- Other current liabilities	12	20,752		22,099	
			87,500		93,487
Total liabilities			216,019		234,351

CONSOLIDATED STATEMENT OF INCOME AND EXPENDITURES 2023

X € 1.000	NOTE	2023		BUDGET 2023		2022	
Income							
Income from private individuals	14	26,605		20,770		23,578	
Income from companies	15	573		700		3,224	
Benefits of lottery organisations	16	5,474		5,032		5,850	
Government grants	17	183,455		166,780		186,709	
Income from related (international) organisations	18	2,551		1,598		1,299	
Income from other non-profit organisations	19	20,404		28,382		17,880	
Total acquired income			239,062		223,262		238,540
Other income							
Income from sale of goods and/or rendering of services	20	4,825		4,009		4,461	
Other income	21	-316		474		4,979	
Total other income			4,509		4,483		9,440
Total income			243,571		227,745		247,980
Expenditures on objectives							
- Programme costs							
- Health care	22	125,438		123,696		124,522	
- Humanitarian assistance	22	47,595		23,997		54,138	
- Security & Justice	22	21,454		23,647		8,334	
- Resilience	22	4,912		15,270		6,702	
- Private sector development	22	126		0		2,202	
- Sustainable livelihoods	22	13,197		12,065		18,250	
- Education	22	4,813		4,701		1,872	
- Investments	22	1,416		0		4,949	
- Other activities	22	7,806		7,058		6,168	
Total expenditure on objectives			226,757		210,434		227,137
- Public information/awareness campaigns	22	4,584		3,571		3,489	
- Result from financial assets	23	-1,101		0		9,162	
Other expenditure on the objectives			3,483		3,571		12,651
Expenditure on fundraising	24	6,428		3,767		4,291	
Management and administration	25	28,152		16,349		9,459	
			34,580		20,116		13,750
Total expenditures			264,820		234,121		253,538
Sum of income and expenditures before financial income and expenses			-21,249		-6,376		-5,558
Financial income and expenses	26		84		183		-3,491
Corporate income tax	26		18		0		-3
Balance of income and expenditures			-21,147		-6,193		-9,052

APPROPRIATION OF FUNDS

X € 1.000	2023		2022	
Reserves				
- Continuity reserve	0		0	
- Earmarked reserves	-703		-10,219	
		-703		-10,219
Funds				
- Restricted funds	6,886		6,532	
- Semi-restricted funds	-3,467		3,359	
- Loans and guarantees fund	-23,863		-8,724	
		-20,444		1,167
Balance of income and expenditures		-21,147		-9,052

In the table below, the result per segment is shown. Next to the projects which are implemented with the funds received from private and institutional donors, Cordaid is also using part of its funds and reserves for investments with a social impact. These investments are managed by Cordaid Investment Management BV.

X € 1.000	2023			2022		
	PROJECTS	(SOCIAL) INVESTMENTS	TOTAL	PROJECTS	(SOCIAL) INVESTMENTS	TOTAL
Income						
Income from private individuals and companies	27,178	0	27,178	26,802	0	26,802
Income from (institutional) donors	206,410	0	206,410	205,887	0	205,887
Income from social investments	0	1,101	1,101	0	1,049	1,049
Other income	9,983	0	9,983	14,242	0	14,242
Total income	243,571	1,101	244,672	246,931	1,049	247,980
Expenditure						
On objective	-226,757	0	-226,757	-228,990	-10,798	-239,788
Fundraising, management and administration	-39,164	0	-39,164	-13,750	0	-13,750
Total expenditure	-265,921	0	-265,921	-242,740	-10,798	-253,538
Financial income and expenses	84	0	84	-4,346	855	-3,491
Corporate income tax	18	0	18	-3	0	-3
Result	-22,247	1,101	-21,147	-158	-8,894	-9,052
Adjustments in reserves and funds	0	0	0	-170	170	0
Result allocation	-22,247	1,101	-21,147	-328	-8,724	-9,052



PERFORMANCE INDICATORS

In 2023, the following performance indicators were derived from the statement of income and expenditure, these are offset against the indicators of the previous year and based on the budget:

PERFORMANCE INDICATORS	2023	BUDGET 2023	2022
Ability to spend income on charitable activities			
- Income-to-spending ratio (% total expenditure on objectives vs. total project income)	94.5%	91%	96.7%
Overall efficiency of the organisation			
- Total programme-to-spending ratio (% total expenditure on objectives vs. total expenditures)	86.9%	91.4%	94.6%
- Programme-management-to-spending ratio (% of programme management costs vs total expenditures)	6.5%	1.8%	1.8%
- Fundraising-to-spending ratio (% of expenditure on fundraising costs vs. total expenditures)	2.4%	1.7%	1.7%
- Management and administration ratio (% management and administration vs. total expenditures)	10.6%	7.0%	3.7%
Efficiency of fundraising			
- Fundraising ratio (% cost of generating funds vs. total acquired income)	2.7%	1.7%	1.8%

- **Income-to-spending ratio:** 94.5%. Income and expenditure on objectives follow the same trend compared to the previous year.
- **Programme-to-spending ratio:** 86.9%. This ratio is compared to 2022 lower than the approved budget. Programme expenditure follows the same pattern as overall expenditure. The decrease of this ratio is an indication that the indirect programme costs increased in percentage compared to the direct project costs.
- **Programme-management-to-spending ratio:** 6.5%. Programme management costs are relatively low compared to overall expenditure. The increase compared to 2022 is mainly due to project expenditure for which Cordaid did not get funding from its donors.
- **Fundraising-to-spending ratio:** 2.4%. 2023 is higher than the previous year, mainly due to higher (€1.1m) expenditure on the “door-to-door” campaigns.
- **Management and administration ratio:** 10.6%. Management and administration costs have increased compared to 2022. This increase is mainly due to a higher dotation to the back donor provisions in 2023. This dotation relates to potential ineligible project expenditure in our country office in the DRC. For more detailed information we refer to note 10.
- **Fundraising ratio:** 2.7%. Fundraising costs have increased compared to 2022.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2023

The movement of cash and cash equivalents is as follows:

X € 1.000	2023		2022	
Cash flows from operating activities				
Incoming resources	243,571		247,980	
Resources expended	-264,820		-253,538	
Operating Result		-21,249		-5,558
<i>Adjustments for:</i>				
- Amortisation intangible fixed assets	28		46	
- Depreciation tangible fixed assets	287		369	
- Result on disposal of tangible fixed assets	19		-3	
- Movement in provisions	12,111		693	
- Unrealised investments gains and losses	-2,192		3,840	
		10,252		4,945
<i>Movements in working capital:</i>				
- Receivables	13,021		-17,904	
- Financial fixed assets (connected to the objectives)	14,997		869	
- Project commitments	-9,115		-3,813	
- Project commitments to grants	1,167		12,189	
- Other current liabilities	-1,347		4,175	
		18,723		-4,484
<i>Cash generated from operations</i>				
- Corporate income tax	18		0	
- Interest paid/received	195		156	
		213		156
Cash flows from operating activities		7,937		-4,941
Cash flows from investing activities				
Investments in intangible fixed assets	-26		-95	
Investments in tangible fixed assets	0		-63	
Investments/Divestments not related to the objective	24		-330	
Cash flows from investing activities		-2		-488
Net cash flow		7,935		-5,429
X € 1.000				
Cash and cash equivalents as at 1 January 2023		70,141		75,570
Change in cash and cash equivalents		7,935		-5,429
Cash and cash equivalents as at 31 December 2023		78,076		70,141



GENERAL NOTES & ACCOUNTING PRINCIPLES

1. GENERAL NOTES

1.1 Activities

Cordaid is an internationally operating, value-based development and humanitarian assistance organisation. It has emerged from the Dutch Protestant and Catholic traditions of fighting poverty and social injustices both in the Netherlands and worldwide. Christian social teachings on human dignity and the values of justice, compassion and care for the earth inspire and guide Cordaid's work. Cordaid does this by promoting equality and social inclusion, by offering humanitarian aid and by increasing the health, security & justice and resilience of people and their communities as well as by strengthening the relationships between citizens, civil society, private sector and governments. Cordaid focuses aid efforts in some of the world's most conflict-torn and volatile countries like South Sudan, Afghanistan, the Democratic Republic of Congo. In the Netherlands, Cordaid encourages cooperative entrepreneurship for people with a low income and poor job prospects.

Cordaid is a foundation. Its objectives, as described in its Articles of Association, are as follows (translated from Dutch):

In accordance with the evangelical message and inspired by the Christian community in the Netherlands, the purpose of the foundation is to carry out activities focused on:

- a. providing emergency and refugee aid;*
- b. providing aid to specific groups, such as the elderly, the disabled and children;*
- c. providing medical aid; and*
- d. all aspects related to structural poverty relief of subordinated groups, especially in developing countries, and in Central and Eastern Europe and the Netherlands.*

The group consists of the following entities:

- Stichting Cordaid, The Hague
- Stichting Cordaid Participaties, The Hague
- Corpav BV, The Hague
- Stichting Cordaid Expats, The Hague
- Stichting ICCO, The Hague
- ICCO Southern Africa NPC
- Cordaid Investment Management BV, The Hague
- West Africa Bright Future Fund GP BV (until 19-12-2023)
- ICCO Group BV, The Hague
- FairClimateFund BV, Utrecht *
- Fair & Sustainable Participations, Brazil *
- Cordaid SA NPC

The objective of Stichting Cordaid Expats is to employ expatriates working for Stichting Cordaid. All income and costs for expats are administrated by Stichting Cordaid. Stichting Cordaid Participaties' objective is to invest in social enterprises worldwide via loans or through participation. Both foundations have the same Board of Directors as Stichting Cordaid.

Corpav BV made direct and indirect investments in social enterprises all over the world with Stichting Cordaid Participaties as its only shareholder. Corpav is no longer active since 2022.

Cordaid Investment Management BV has the objective to act as asset manager for one or more investment institutions. Currently, Cordaid Investment Management BV manages the social impact investment portfolio of Stichting Cordaid, which holds 100% of the shares of Cordaid Investment Management BV.

Stichting Cordaid holds 100% of the shares of Cordaid SA NPC. The nature of business and principal activities of this subsidiary is relief and development aid in line with the objectives of Stichting Cordaid.

ICCO Group holds, directly and indirectly, all or the majority shares in all the entities mentioned above, marked with a star (*).

The address of all foundations and companies is:

Grote Marktstraat 45
2511 BH
The Hague
The Netherlands
Dutch Chamber of Commerce: 41160054

The Board of Directors of Stichting Cordaid bears the ultimate responsibility for the general course of affairs at Stichting Cordaid. The Board of Directors is tasked with the management of the foundation, including running its day-to-day business and implementing its programs and activities. The Board is responsible for Cordaid's corporate governance structure and its compliance with good governance rules.

The budget, the annual report and the annual accounts which are all prepared by the Board of Directors, are subject to adoption by the Supervisory Board after advice from the Audit Committee. The composition of the Supervisory Board is such that its members can act critically and independently from one another, from the Board and of any particular interests. The Supervisory Board is responsible for supervising the Board and the general course of affairs at Cordaid.

The Supervisory Board also adopts the multi-annual strategic policy plan drafted by the Board of Directors and approves the annual plan.

The members of the Board of Directors of Stichting Cordaid in 2023 were:

- L.C. Zevenbergen, CEO (until 1-07-2023)
- H. van den Berg, CEO (since 01-10-2023)
- L. Paz Quintero, CFO
- Y. van der Schoot, COO

During 2023, the Supervisory Board members of Stichting Cordaid were:

- A.J.M. Heerts, Chair (until 1-04-2024)
- R. Peetboom, Vice-chair and member Remuneration Committee
- J. Alders-Sheya, Chair and member Audit Committee
- D. Cheng, member Audit Committee
- J.M. Niessen, Member Remuneration Committee
- L. Mulder, Member Remuneration Committee
- M.I. de Wal, member
- J.A. van den Bos, member
- J.A.N. Stuyt, member

The Board members of Stichting ICCO, Stichting Cordaid Participations, Corpav BV, Stichting Cordaid Expats, Cordaid Investment Management B.V. and the ICCO Group are the same as for Stichting Cordaid on 31 December 2023.

On 31 December 2023, R.C. van der Geest is the director of Fair Climate Fund BV, W.J.J. Schasfoort is the director of Fair & Sustainable Consulting BV. We don't have any directors in F&S Participacoes Empreimentos Sustentaveis do Brasil. ICCO Group BV is the only shareholder of these companies.

1.2 Relevant events during 2023, 2024 and the beginning of 2025

General

As the foundation operates in fragile and volatile settings where communities and governments alike struggle to absorb and mitigate economic, political and environmental shocks and risks, the inherent (financial) risks are higher for Cordaid. Several integrity breaches in the Democratic Republic of Congo (hereafter DRC) and other countries, have been investigated (and confirmed) and adequately dealt with at the different managerial levels. These events have brought to light the need to further strengthen

our compliance and control processes and to continue investing in integrity and risk awareness. The organisation drew lessons learned from the cases and embarked on a trajectory to strengthen the Internal Control Framework, as well as the knowledge of the adequate use of internal controls across the organisation as a preventative strategy. The main findings from the trajectory included the need to strengthen the internal controls regarding the project administration and monitoring of the timely closure of projects.

Global Fund

The Global Fund funded Cordaid and its partners from 1 January 2021 till 1 July 2024, in the Democratic Republic of the Congo (DCR) for a multiyear project on HIV/TB and additional funding for COVID-19. The total budget for this period was approximately EUR 300 million and has meanwhile come to an end. The program implemented by Cordaid and its partners has made a great impact in the DRC and helped millions of people. In 2022, Cordaid alerted The Global Fund investigations team of potential integrity breaches in the project. The Global Fund, as well as Cordaid, embarked on investigations. The investigations are in progress. The expectation is that The Global Fund's final investigation report will be received in 2025. As long as there is no final report from The Global Fund there is a potential risk that Cordaid has to refund e.g. ineligible costs and the financial impact could be (in the worst case scenario) material. We have not taken a provision for potential claims e.g. additional ineligible costs from Global Fund because as of this moment, there is no indication of such claims regarding these issues.

Investigation

In 2024 Cordaid received signals about potential integrity breaches. The related donor informed us also in 2024 that they are investigating the potential integrity breaches.

Early 2025, Cordaid decided to start an independent external forensic investigation in relation to these potential integrity breaches. The goal of the investigation is to clarify what happened and if potential breaches occurred, to show that Cordaid has zero tolerance for non-acting regarding integrity breaches.

The timing and the possible outcome of the investigations are uncertain. We expect that the outcome of the investigations will have a limited impact on the financial statements of 2023, if any. However, in a worst-case scenario, this uncertainty could have a material impact on the financial statements. There is no provision in the financial statements 2023 for the outcome of the investigations because the potential financial impact of the outcome of the investigations (including repayments to the donor or debarment sanctions, if any) cannot be reliably estimated at this time.

Delay financial statements

Furthermore, due to the high turnover of staff in the finance departments of the country offices and at the global office in the Netherlands, up to changes in the composition of the board of directors, we are also facing delays in the publication of our annual accounts. We realise that due to this delay, we are not fully compliant with accountability standards. We remain fully committed to delivering our mission according to the expected standards and we stay committed to resolving the current delay. Cordaid has proactively informed its main donors and stakeholders in case of non-compliance with contract conditions and filing obligations and has received continued support and extensions to meet the requirements.

Anti-fraud and Integrity

In 2024, Cordaid undertook a comprehensive review and update of key integrity policies. The Anti-Terrorism and Anti-Money Laundering Policy was revised and reissued in December 2024, incorporating updated definitions, new vetting procedures, and enhanced processes, this policy is now available on the Cordaid Integrity Intranet Sharepoint. The Conflict of Interest Policy was also reviewed, with proposed updates, including refined definitions and a broadened scope encompassing recruitment-related conflicts of interest.

Cordaid significantly invested in integrity and anti-fraud training and awareness in 2024. Mandatory training sessions, delivered globally through a blended approach of in-person and online modalities, covered critical policies and frameworks, including Safeguarding, the Code of Conduct, Conflict of Interest, Fraud, Anti Money Laundering, and the Integrity Framework (including Standard Operating Procedures). These sessions, facilitated by the Integrity and Safeguarding Officer, the Anti-Fraud Officer, and the Integrity Focal Points, incorporated case studies and reporting procedures. Protection from Sexual Exploitation and Abuse and Harassment training was also rolled out worldwide.

To enhance investigative capacity, Cordaid prioritized the training and development of its Integrity Focal Points network. Thirteen of the fourteen IFPs commenced training in the Humentum-facilitated Certified Investigator Qualification Training Scheme for Core Humanitarian Standard Alliance members, specializing in Sexual Exploitation and Abuse and Harassment investigations. This program equips Integrity Focal Points' skills in case management, conducting survivor-centered workplace investigations under guidance of the Integrity Officer and the Anti-Fraud Officer at Global Office.

Project Based Working

In 2024, project based working trainings were organised to make sure projects are controlled and administrated correctly and timely. In 2024, approximately 200 old projects which were operationally closed (sometimes for several years) but with an outstanding financial balance, were administratively closed.

Latin America

In 2024, the Latin America activities were officially via an asset-liability transfer handed over to a new local foundation Conexion which was in line with the framework agreement signed in 2021.

Strategy

In 2024 Cordaid developed a new strategy together with all country directors and managers and advice from the supervisory board. Determined direction on strategy and goals:

- **Impact-led organisation**
- Accelerate **Locally Led Development**
- Optimal use **dual mandate**: more profiling of Humanitarian Aid
- **Focus** on two main pillars: Health Systems Strengthening and Sustainable Agrifood Systems
- **Innovation**: through agile pilots (in fragile pockets in neighbouring countries)
- **Funding**: finding new donors in and outside the Netherlands. Plus €50M.
- **Financially sound**: break-even in 2025
- **Keep it simple**: better in control

Cordaid Investments

In 2023, it was decided to wind down the Cordaid investments in loans and equity participation in our country offices. The reason is that Cordaid's core business is development aid and not investments. Other reasons are to simplify our organisation and to be able to use the invested amount of more than €50 million for our strategic goals. The wind-down will be realised in the period 2023-2029, generating each year a substantial cash inflow. In 2024 Cordaid sold its portfolio of bonds and shares managed by ING (private) and Van Lanschot, generating €26 million in cash. Reasons were to put money from donors on low risk short term deposits, to simplify our organisation and to make sure that our liquidity remains solid.

Board of directors and chair Supervisory Board

As of 29 February 2024, Y. van der Schoot (COO) left Cordaid. L. Paz Quintero (CFO) left Cordaid as of 31 December 2024.

As of 10 April 2024, F. Grapperhaus joined the Supervisory Board as chair. K. Boering (CFO) joined Cordaid 10 March 2025.

Budget cuts development aid

In January 2025, the US took drastic decisions to stop development and humanitarian aid for 90 days. USAID, which provides approximately \$ 40 billion a year on development and humanitarian aid, is faced with budget cuts and may be liquidated. Cordaid receives no funds directly from USAID but all the budget cuts from the US will negatively influence our partners. Cordaid will be hit indirectly by the US budget cuts because e.g. health, food, education, infrastructure projects will be decreased or stopped with our partners and in countries where we work. The total financial impact is now unknown and will also depend on final decisions in the US and alternative funding possibilities like the EU countries, other foundations or companies.

Worldwide, we see more right-wing governments cutting in humanitarian and development aid. Also in The Netherlands budget cuts in development aid started in 2025 and will increase to €2.4 billion structurally in 2027. Dutch interests will be paramount in development aid. This concerns trade, security and migration. The government is focusing on areas in which the Netherlands excels through

programs and diplomatic work: water management, food security and health. Cordaid is investigating alternative funding from e.g. other foundations, private individuals and companies.

Unrest DRC

In January 2025, the security situation in the east of The Democratic Republic of the Congo (DRC) worsened because M23 rebel groups occupied the area. Many people were killed and injured and many people were internally displaced running away from the conflict. Cordaid intervened with evacuations and supported their national staff. The staff is supported by working from home while other projects were temporarily suspended. The safety of our staff, partners and the local communities is our first priority. The financial impact will be limited to a few hundred thousand euros, provided the conflict will be resolved soon. If the conflict continues to escalate, the extra costs could increase to €1mln. Cordaid has two investments in DRC with a total book value of approximately €4 million at yearend 2023. If the unrest in DRC continues, it could result in a partial write-off of these investments.

Latest estimate for 2024 and budget 2025

In 2024 Cordaid realised an income of approximately €170 million and the first estimate is a loss of €2 million. The budget for 2025 shows an income of €150 million and a break even budget. The final figures 2025 can deviate substantially, depending on e.g. political unrest in the world and donor funding possibilities.

1.3 Going concern

The financial statements are prepared on the going concern basis.

The financial year 2023 closed with a loss of €21.1m and total reserves and funds for €84.2m. The total reserves and funds includes a continuity reserve of €11,5m. The latest estimate of the financial result for 2024 amounts to a loss of €2m. For 2025 the goal is a break-even result. The foundation has negative operational results for multiple years now, but the funds and reserves were sufficient to absorb these losses. To achieve a healthy and financially sustainable organisation, the management has developed a strategic compass until 2030. Cordaid will further focus its programmatic strategy and the core elements in the upcoming years. Therefore, the management is winding down the investment program managed by CIM BV. This means a repurpose of the Loans & Guarantees (L&G) reserves, including the West Africa Bright Future Fund in 2024. It is expected that most of the loans will be repaid in 2025 as the entire unwinding process can be concluded in 2029. The cash generated by winding down the investment portfolio of CIM will generate in the years 2023-2029 more than €50 million. In 2024, the investment portfolio managed by ING and Van Lanschot was sold, generating €26 million in cash. For 2025, there is a break-even budget which is possible because loss-making activities were stopped and budgets and fte's are reduced.

Management has prepared a cash flow analysis for the period 2024-2028. Based on the analysis performed, management is of the opinion that the assumed going concern triggers do not cast reasonable doubt on the entity's ability to continue as a going concern in the foreseeable future. However, management is committed to taking steps to improve the long-term financial sustainability of the organisation and safeguard the continuity reserve.

1.4 Estimates

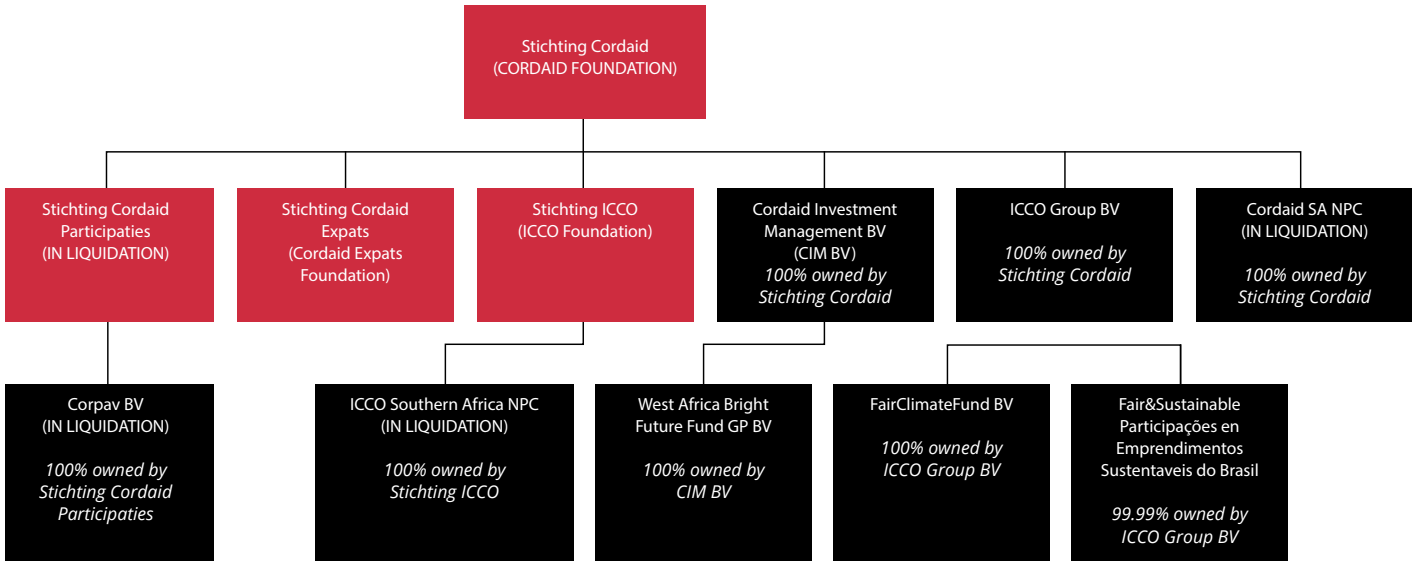
In applying accounting policies and standards for preparing annual accounts, the Board of Cordaid is required to make estimates and judgments that might significantly influence the amounts disclosed in the annual accounts. If necessary for the purposes of providing the view required under Section 362(1), Book 2 of the Netherlands Civil Code, the nature of these estimates and judgments, including the related assumptions, are disclosed in the notes to the relevant items. We refer to note 4 provisions in 'Issued in connection with the objectives', note 7 doubtful debts in 'Other receivables' and note 10 'Provisions'.

1.5 Consolidation

The consolidation includes the financial information of Stichting Cordaid and the entities over which Stichting Cordaid exercises control, or whose central management it conducts. All entities over which Cordaid exercises control or whose central management it conducts are consolidated in full. Intercompany transactions, profits and balances among consolidated entities are eliminated, unless these results are realised through transactions with third parties. Unrealised losses on intercompany transactions are eliminated as well, unless such a loss qualifies as an impairment. The accounting policies of group companies and other consolidated entities were changed where necessary in order to align them to the prevailing group accounting policies. Shares without voting rights are disregarded in determining whether there is a group company.

1.6 Legal Structure

The legal structure of Cordaid per 31-12-2023 is:



2. ACCOUNTING PRINCIPLES

2.1 General

The financial statements have been prepared in accordance with the statutory provisions of Part 9, Book 2 of the Dutch Civil Code and the firm pronouncements in the Guidelines for Annual Reporting in the Netherlands as issued by the Dutch Accounting Standards Board. More specifically, the financial statements have been prepared in accordance with the Dutch Accounting Standard for Fundraising Institutions (RJ 640/650). Balances and results in 2023 are compared to the budget as approved by the Supervisory Board and the 2022 results and balances. Assets and liabilities are generally valued at acquisition cost, production cost or at current fair value. If no specific valuation method is indicated, the valuation is done at the acquisition price. References are included in the balance sheet and statement of income and expenses.

The financial information of the Company is fully incorporated in the consolidated annual accounts. Using article 2:402 of the Dutch Civil Code, a condensed profit and loss account in the foundation-only financial statements is sufficient.

2.2 Foreign currency

Functional currency

The financial statements are presented in Euro, which is the functional and presentation currency of Cordaid.

Transactions, receivables and payables

Transactions in foreign currencies during the period are included in the financial statements at the exchange rate as per the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the closing rate. The exchange differences arising from the settlement and translation are credited or charged to the statement of income and expenditure.

Translation differences on non-monetary assets held at cost are recognised using the exchange rates prevailing at the dates of the transactions. Translation differences on non-monetary assets such as equities held at fair value through income or expenditure are recognised through income or expenditure as part of the fair value gain or loss.

2.3 Intangible fixed assets

IT systems and other intangible assets are all valued at historical cost or manufacturing price including directly attributable expenditure, less straight-line amortisation over their estimated useful lives.

2.4 Tangible fixed assets

Buildings, IT equipment, furniture and fittings, vehicles and other assets are all valued at historical cost or manufacturing price including directly attributable expenditure, less straight-line depreciation over their estimated useful lives and impairment losses. Grants are deducted from the acquisition or manufacturing cost of the assets to which they relate.

2.5 Financial fixed assets

Issued in connection with the objectives:

Loans, guarantees and participations

Loans and guarantees disclosed under financial assets are recognised initially at fair value of the amount owed and subsequently measured at amortised cost adjusted for impairments at reporting date. Participations are valued at acquisition cost adjusted for impairments at reporting date.

Derivatives

Derivatives are valued at fair value. Derivatives with a negative value are presented under current liabilities. Changes in the value of derivatives and transaction costs are recognised directly in the statement of income and expenditure.

Investments:*Bonds and shares*

Bonds and shares are measured at fair value. Changes in value and transaction costs are recognised through income or expenditure.

Transaction costs are charged directly to the statement of income and expenditure.

2.6 Non-current asset impairment

Cordaid assesses at each reporting date whether there is any evidence of assets being subject to impairment. If any such evidence exists, the recoverable amount of the relevant asset is determined. An asset is subject to impairment if its carrying amount is higher than its recoverable amount; the recoverable amount is the higher of net realisable value and value in use. If it is established that a previously recognised impairment loss no longer applies or has decreased, the increased carrying amount of the asset in question is not set higher than the carrying amount that would have been determined had no impairment loss been recognised.

Cordaid assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. If any such evidence exists, the impairment loss is determined and recognised in the income statement.

The amount of an impairment loss incurred on financial assets stated at amortised cost is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition).

If, in a subsequent period, the amount of the impairment loss decreases, and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss shall be reversed. The reversal shall not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal shall be recognised through profit or loss.

If an impairment loss has been incurred on an investment in an equity instrument carried at cost, the amount of the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. The impairment loss shall be reversed only if the evidence of impairment is objectively shown to have been removed.

2.7 Receivables**General**

Receivables are initially recognised at fair value and subsequently carried at amortised cost.

Allowances for doubtful debts are deducted from the carrying amount of receivables.

Receivables from inheritances

Inheritances on which third parties have a right to usufruct are recognised in the annual accounts.

Recognition is based on the best practices as prescribed by the Dutch branch organisation 'Goede Doelen Nederland' and RJ.

Cordaid recognises the income at the moment a file is at the final stage ('Rekening en Verantwoording' or 'Akte van Verdeling'). Receivables are only recognised and included in the balance sheet for files which are in the final stage of settlement. Income is however recognised through the statement of income and expenditure, after which the benefits are included in a designated fund until the moment of release.

2.8 Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances. Cash and cash equivalents are stated at fair value.

2.9 Reserves and funds

The equity of Cordaid is divided into the following reserves and funds:

- The continuity reserve is created to ensure that Cordaid can meet its legal and moral obligations in case of a significant fall in income in the future. The reserve is determined by the possible risks Cordaid might face in the future. This reserve can be used to cover the negative results related to these risks, in the situation that the negative result cannot be covered by any other reserves. The continuity reserve has remained below the maximum size (1.5 times the work organisation's annual cost), as stated in the Association of Fundraising Organisations 'Reserves of Charities' code (Goede Doelen Nederland). The maximum continuity reserve, according to the code, is €113.9 million.
- Earmarked reserves are earmarked for future spending on the objectives of Cordaid. The Board of Directors decides on the actual purpose of the reserves, based on internally-agreed criteria.
- The restricted funds are earmarked for a specific project as agreed upon with third-party donors.
- Semi-restricted funds are earmarked for activities related to a certain topic, but not limited to specific projects.
- The loans and guarantees fund is committed to loans, guarantees and equities connected to the objectives of Cordaid. The result of these financial assets and the costs of managing this portfolio reflects the changes in the fund in a year.

2.10 Provisions

Provisions are recognised for legally enforceable or constructive obligations existing at the balance sheet date, the settlement of which will probably require an outflow of resources whose extent can be reliably estimated.

Provisions are measured on the basis of the best estimate of the amounts required to settle the obligations at the balance sheet date. Unless indicated otherwise, provisions are stated at the present value of the expenditure expected to be required to settle the obligations.

2.11 Project commitments

The partner commitments are recognised in accordance with the guidelines from 'Goede Doelen Nederland'. For contracts which are classified as an unconditional subsidy, the expenses will be recognised as soon as a contract is issued and are stated at the fair value stated in the contract, net of any payments. The contracted expenses will be recognised fully in the statement of income and expenses at the signing of the contract. On the balance sheet, the amount is registered as a liability to the project partner.

2.12 Liabilities

General

Liabilities are initially recognised at fair value. Transaction costs directly attributable to the incurrence of the liabilities are included in the measurement of initial recognition. Liabilities are subsequently measured at amortised cost; this is the amount received plus or minus any premium or discount and net of transaction costs.

Operating lease

Liabilities under operating leases (such as the lease of premises) are accounted for in the statement of income and expenditure equally over the term of the contract, taking into account reimbursements received from the lessor.

Project commitments

All other partner commitments are recognised as soon as a contract is issued and are stated at the fair value stated in the contract, net of any payments.

3. ACCOUNTING PRINCIPLES FOR THE CONSOLIDATED STATEMENT OF INCOME AND EXPENDITURE

3.1 General

Income and expenses are recognised in the statement of income and expenditure in the year to which they relate. The allocation is made consistent with previous years. The balance of funds is defined as the difference between income and expenses. Income is accounted for in the year it was realised, and losses are accounted for as soon as they are identified.

3.2 Income recognition

Income from private individuals and companies

Income from private individuals and companies comprises gifts and donations, mailings, collections and legacies. Income from gifts and donations, contributions, collections and mailings are accounted for in the year in which they are received. Exceptions to these are written undertakings that have been received before year-end as these can be accounted for in the current year.

Legacies are recognised based on a statement of 'Rekening en Verantwoording' or 'Akte van Verdeling' received from the executor in the year of the statement or when an advance on a legacy is received in the year of reception. The value of the legacies which reach the final stage of settlement after ending the book year, but before signing of the Annual Accounts, will be reflected in the off-balance sheet commitments.

Income from lottery organisations

The income from lottery organisations is recognised in the year in which the funds are received.

Income from other non-profit organisations

Income from non-profit organisations is accounted as such when Cordaid has no role and/or involvement in the fundraising campaign. The income from non-profit organisations is recognised in the year in which the income is received or pledged. However, grants and subsidies from other non-profit organisations are recognised in the statement of income and expenditure in the year in which the subsidised costs are incurred. The grants are recognised when it is likely that they will be received and Cordaid will comply with all attached conditions.

Income from government grants

Grants and subsidies are recognised in the statement of income and expenditure in the year in which the subsidised costs are incurred. The income is recognised based on the actual project expenses related to the grant. Under this category, income is included which is received directly from government organisations, like ministries, embassies, and donors who get their funding from government organisations, for example, similar INGOs, such as Cordaid, World Bank and Global Fund.

Gifts in kind

Gifts in kind are stated at their fair market value in the Netherlands. Where items involving gifts in kind are sent directly to emergency areas, their value is recognised as a gift and as an expended resource. Cordaid accounts for gifts in kind if the discount/gift has a connection with the nature of Cordaid's activities and objectives and Cordaid would have purchased the services or goods if the gift/discount had not been received.

Result of loans, guarantees and participations

The result of loans, guarantees and participations is made up of interest received on loans and guarantees under the Loan and Guarantee Programme, realised and unrealised changes in the valuation of loans and participations, dividends and fees for restructuring loans.

Income from sale of goods and/ or rendering of services

Income from sale of goods and/or rendering of services is accounted for in the year in which the materials are sold or services are provided.

3.3 Exchange rate differences

Transactions denominated in foreign currencies conducted during the reporting period are recognised in the annual accounts at the rate of exchange on the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the rate of exchange at the reporting date. Any resulting exchange differences are recognised through income or expenditure. Non-monetary assets and liabilities stated at cost and denominated in foreign currencies are translated at the rate of exchange at the transaction date (or the approximate rate of exchange).

3.4 Depreciation on (in)tangible fixed assets

(In)tangible fixed assets are carried at cost less straight-line depreciation over their estimated useful lives. (In)tangible assets are depreciated from the time they are taken into use over their estimated useful lives. Future depreciation is adjusted if the estimate of future useful life changes. Gains and losses on the sale of (In)tangible fixed assets are booked in the Statement of Income and Expenses as a loss or profit.

3.5 Employee benefits

Short-term employee benefits

Salaries, wages and social security contributions are recognised in the statement of income and expenditure based on the pay and benefits package to the extent that they are payable to employees.

Pensions

Cordaid's pension plan is administered by the Zorg en Welzijn Pension Fund (PFZW), a pension fund for the health and welfare sector. Employees retirement and accrued pension entitlements partner pensions are based on their pensionable salary for full-time employment, net of the state pension offset. The pension fund endeavours to index-link all pensions in payment based on the general salary development in the collective labour agreements that apply to the affiliated employers in a particular year. The pension fund decides every year whether index-linking would be appropriate and, if so, what index to use given the financial situation and expected developments in that situation. In doing so, the pension fund uses nominal and realistic coverage ratios as benchmarks. Although the pension fund may decide to apply catch-up index linking, such a decision will not have a retroactive effect and will not trigger subsequent payments. Index linking is funded partially from contributions and partially from the return on plan assets. The coverage ratio on the 31st of December 2022 was 109,5%. The cover ratio on 31 December 2023 was 106,3%.

Contributions are recognised as employee benefit expenses as soon as they are payable. Prepaid contributions are recognised within prepayments and accrued income if they entail a refund or a reduction in future payments. Contributions payable are disclosed as liabilities in the balance sheet.

3.6 Financial income and expenses

Interest paid and received

Interest paid and received is recognised on a time-weighted basis, taking into account the effective interest rate of the assets and liabilities concerned. When recognising interest paid, allowance is made for transaction costs on loans received as part of the calculation of effective interest.

Interest income and income from investments

The line-item interest income and income from investments contains the (gross) interest, dividends and realised and unrealised capital gains. Interest income and expense are recognised time proportionally.

Interest income is recognised as investment income exclusive of interest received on loans and guarantees issued in the context of the Loans & Guarantees Program, which is recognised entirely as gains on financial assets issued in connection with the objectives.

Changes in financial instruments at fair value

Financial instruments are initially valued at fair value. Changes in the value of the following financial instruments are recognised directly in the statement of income and expenditure:

- purchased loans, bonds (unless held to maturity) and equity instruments that are quoted in an active market;
- changes in derivative financial instruments to hedge its foreign currency risks and interest rate risks.

4. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

4.1 Market risk

Currency risk

Cordaid operates in a wide variety of countries. The currency risk for Cordaid largely concerns positions in USD and currencies that are closely related to the USD. Cordaid management is monitoring the FX risk and maintaining awareness on the topic at headquarters as well as at the Country Office level. The most relevant foreign exchange exposures related to the loan & guarantee investments are hedged via swap and forward contracts: this applies both for the USD positions and the most exotic currencies in which Cordaid invested.

Price risk

Cordaid invests its temporary cash balances according to a defensive to neutral strategy. As a consequence, Cordaid faces a limited market risk related to its portfolio of bonds and shares that is valued at market value.

Interest rate and cash flow risk

Cordaid incurs interest rate risk on interest-bearing receivables (in particular those included in financial assets and cash).

Credit risk

Cordaid does not have any significant concentrations of credit risk. Receivables mainly relate to grants from solid governments or multilateral institutions.

Liquidity risk

Cordaid uses several banks to avail itself of a range of overdraft facilities. Where necessary, further securities will be furnished to the bank for available overdraft facilities.

4.2 Ethical risk

Cordaid operates in a sector and geographical environment that is associated with increased risk of ethical issues, including corruption, fraud and non-compliance with local and international laws and regulations. These risks may materialise in performing operations and doing business with third parties, but it cannot be excluded that these may also originate from inappropriate conduct by own employees and partner organisations. It is furthermore noted that local business practices may differ from those in Western Europe and/or may be disrupted or otherwise not effective because of local circumstances. For instance, in some of the countries of operation the banking system is immature, requiring transactions to be settled in cash. In case of malpractice, witnesses may not benefit from the same protection as in other parts of the world, which may be a reason not to report or address the matter.

Cordaid is aware of the inherently higher ethical and compliance risk factors and has put mitigating controls in place including (but not limited to) a code of conduct, zero-tolerance policies and whistle-blower policies. Also, the company strives to rotate key employees on a regular basis, second staff on an expat basis and exercises direct supervision from the Global Office, either remotely or by visiting the local offices on a regular basis. In performing oversight, it is noted that safety and other travel restrictions may apply, which may limit the effectiveness of that oversight.

Although efforts are made to avoid unethical practices and to act in compliance with all relevant local and international laws and regulations, a complete elimination of ethical and compliance risks cannot be fully guaranteed. Any violation of any relevant law or regulation could have an adverse effect on our operational performance, earnings, cash flows and financial condition.

In this context we make specific reference to note 10 setting out the financial effects and uncertainties in relation to allegations of integrity breaches in our country office in the Democratic Republic of the Congo (hereafter: DRC).

5. NOTES TO THE CASH FLOW STATEMENT

The cash flow statement is prepared by using the indirect method. The funds in the cash flow statement comprise cash and cash equivalents. Cash flows in foreign currencies are translated at an average rate.



NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS

1. INTANGIBLE FIXED ASSETS

Movements of the intangible fixed assets are as follows:

X € 1.000	IT SYSTEM	SOFTWARE	TOTAL
Balance as at 1 January 2023			
Cost	390	95	485
Accumulated amortisation	-364	-3	-367
Carrying value as at 1 January 2023	26	92	118
Changes			
Purchases	0	26	26
Disposals	-14	0	-14
Amortisation	0	-40	-40
Amortisation on disposals	12	0	12
Total changes	-2	-15	-16
Balance at 31 December 2023			
Cost	376	120	497
Accumulated amortisation	-352	-43	-395
Carrying value as at 31 December 2023	24	77	101
Amortisation percentages	20%	33%	20%/33%

The IT system mainly concerns the development of the IT system which the ICCO foundation has developed. During the phase-out period of the ICCO foundation until 2024, the IT system will still be used. The software consists of licenses used during the operation activities of parts of Cordaid Group. All assets are held for business operations.

2. TANGIBLE FIXED ASSETS

Movements of the tangible fixed assets are as follows:

X € 1.000	BUILDINGS	IT EQUIPMENT	FURNITURE AND FITTINGS	VEHICLES	TOTAL
Balance as at 1 January 2023					
Cost	1,220	4,648	1,898	188	7,954
Accumulated depreciation	-760	-4,646	-1,793	-185	-7,384
Carrying value as at 1 January 2023	460	3	105	3	570
Changes					
Purchases	0	0	0	0	0
Disposals	0	-22	-13	-13	-48
Depreciation	-245	0	-42	0	-287
Depreciation on disposals	0	19	0	10	29
Total changes	-245	-3	-55	-3	-306
Balance at 31 December 2023					
Cost	1,220	4,626	1,884	175	7,905
Accumulated depreciation	-1,005	-4,627	-1,835	-175	-7,641
Carrying value as at 31 December 2023	215	-0	50	0	265
Depreciation percentages	10%	33%	20%	33%	

The tangible assets mainly concern the investments in the office in The Hague, as well as the furniture and fittings. All assets are held for business operations.

3. FINANCIAL FIXED ASSETS ISSUED IN CONNECTION WITH THE OBJECTIVES

Outstanding loans and participations are recognised as financial assets issued in connection with the objectives. The participations do not involve a structural commitment for the purpose of Cordaid's own operations. This relates to loans issued to SMEs for the purpose of funding small-scale economic activities (e.g. through microfinance institutions) and for organisations for which it is difficult or impossible to secure finance from commercial banks. Interest rates on these loans are determined by country and by customer.

Movements in the financial assets were as follows in 2023.

X € 1.000	LOANS	PARTICIPATIONS	TOTAL
Balance 1 January 2023			
Value of portfolio at 1 January 2023	57,259	19,037	76,296
Provision at 1 January 2023	-14,545	0	-14,545
Carrying amount 1 January 2023	42,714	19,037	61,751
Changes in portfolio			
Loans and guarantees issued	7,721	0	7,221
Loans and guarantees repaid	-14,629	0	-14,629
Participations acquired/committed	0	336	336
Participations sold/commitments withdrawn	0	-647	-647
Impaired loans and guarantees/withdraw from provision	-4,031	0	-4,031
Impairment of participations	0	-3,627	-3,627
Currency gains and losses	-2,450	258	-2,192
Change in value of portfolio at 31 December 2023	-13,889	-3,681	-17,570
Changes in the provision			
Impaired loans and guarantees/withdraw from provision	2,601	0	2,601
Allocated to provision for participations/loans and guarantees	-27	0	-27
Provision at 31 December 2023	2,574	0	2,574
Value of portfolio at 31 December 2023	43,369	15,356	58,725
Provision at 31 December 2023	-11,971	0	-11,971
Carrying amount 31 December 2023	31,398	15,356	46,754

Loans

The provision on loans and guarantees decreased by 18% from €14,5m in 2022 to €12.0 in 2023. This is mainly due to the withdrawal of €2.6m from the provision formed in 2022.

The total provision as a percentage of the outstanding portfolio is 28% (2022:25%). The provision has increased significantly in 2022 due to tough economic market conditions and negative currency exchange results mainly in our portfolio in Myanmar, Sierra Leone and Mali. In 2023, these conditions have not significantly changed compared to 2022, therefore the underlying assumptions for the value of the loans remained the same in 2023.

The outstanding loans are the amounts actually transferred to partner organisations.

To secure the loans and guarantees portfolio, the following types of collateral have been pledged on a portion of the loans "loan portfolio pledges, debentures, corporate and/or personal guarantees, mortgages and subordinating loans to our loans and guarantees.

The average interest rate on the loans and guarantees is 11%.

Loans and guarantees

Loans and guarantees will fall due in the following periods:

X € 1.000	LOANS
< 1 year	8,674
1-5 years	34,695
	43,369

Participations

Cordaid takes a prudent approach to the valuation of its participations. They are carried at acquisition cost adjusted for impairment. Previously recognised impairments can be (partially) reversed if the original reasons for impairment are no longer valid. The reversal will not result in a carrying amount that exceeds what the amortised cost would have been had the impairment never been recognised. Payments in foreign currencies are recorded at the payment date. Cordaid has a policy of selling all foreign currencies, besides USD, directly upon receipt. Cordaid operates in fragile countries where there is no active market for these equity stakes. Accurate and timely information on valuation is often limited. As a result of these factors, Cordaid adopts a conservative approach towards the valuation of participations. Their fair value is however determined by considering suitable valuation methods such as book value principle, price-earnings ratios and recent prices of similar investments. The fair value of the participations is equal to or greater than the valuation in the balance sheet according to the valuation at acquisition price adjusted for impairment.

List of participations (in €1.000)

NAME OF ORGANISATION	COUNTRY	OPENING BALANCE 2023	PURCHASED/ COMMITTED	CURRENCY GAINS & LOSSES	IMPAIRMENT	SOLD	ENDING BALANCE 2023
Aavishkar	India	120	0	0	-83	0	37
Agricrowd Bv	The Netherlands	28	0	0	0	-28	0
C4d Asia Fund Cooperatief - A	The Netherlands	2,060	0	119	-1,953	-226	0
C4d Asia Fund Cooperatief - B	The Netherlands	8,156	284	153	-873	0	7,720
Dia Vikas	India	2,893	0	-383	0	0	2,510
Facts East Africa BV	The Netherlands	84	0	0	-84	0	0
Fpm Sa	DRC	3,506	0	112	0	0	3,618
Hands-On Bv	The Netherlands	467	0	0	-234	0	233
Hekima Micro Finance Sa	DRC	405	0	0	47	0	452
Liberation	United Kingdom	226	0	0	-227	0	-1
Progression Capital Africa Ltd	Mauritius	635	28	256	-220	-393	306
Pyme Capital	Panama	1	0	0	0	0	1
Sicsa	Panama	1	0	0	0	0	1
Banco Fie Bolivia	Bolivia	322	21	0	0	0	343
Banco Ecofuturo	Bolivia	71	3	0	0	0	74
Caja Rural Los Andes	Peru	61	0	0	0	0	61
Manq'a Sociedad	Bolivia	1	0	0	0	0	1
Total value participations		19,037	336	258	-3,627	-647	15,356

As part of the decision taken in 2023 to wind down the investments and loans portfolio, Cordaid will only make new investments if a short term additional investment will support the winding down. The number of participations end of year 2023 is 17 (2022: 26 of which 9 had an ending balance of €0). The total value of the participations has decreased by €4m from €19.0m end of the year 2022 to €15m end of year 2023. This is mainly due to the recognized impairment in 2023. If the political unrest continues in the DRC, it is possible that we have to (partially) write down our investments in FPM SA and HEKIMA Micro Finance SA.

4. INVESTMENTS

Cordaid selected ING and Van Lanschot in 2015 as their asset managers. Both asset managers were instructed to invest following a defensive to neutral green sustainable profile. The investment strategy has a horizon of 5 to 10 years. Both asset managers receive a fee based on the invested amount only and not a performance-based fee. ING Bank and Van Lanschot Bankiers invest in businesses that have sound staff policies in place, that protect the environment and that respect human rights. Cordaid applies its own investments policy, based on the UN Global Compact and the Standard for Financial Management of Fundraising Institutions of Goede Doelen Nederland.

In 2024, the Board of Directors of Cordaid has decided to sell all investments generating €26m in cash.

The current portfolio investments can be specified as follows:

X € 1.000	31 DEC 2023	31 DEC 2022
Bonds		
Government bonds	6,244	5,481
Corporate bonds	9,045	8,198
Other bonds	929	1,491
Total bonds	16,218	15,170
Shares	7,934	6,944
Other funds	734	700
	24,886	22,814

X € 1.000	SHARES	BONDS	OTHER FUNDS	TOTAL
Opening balance 1 January 2023	6,944	15,170	700	22,814
Purchases	301	389	0	690
Sales	-359	-304	0	-663
(Un)realised gains and losses	1,105	905	35	2,045
Closing balance 31 December 2023	7,991	16,160	735	24,886

The portfolio is carried at fair value based on the known market prices for the specific bonds, shares and funds in the portfolio. The fair value of the portfolio increased by €2.1m to €24.9m. The favorable foreign exchange rates are the main driver for the increase of the fair value of the investment portfolio. The historical cost price of the portfolio as at 31 December 2023 amounts to €20m.

5. RECEIVABLES FROM GRANTS

X € 1.000	31 DEC 2023	31 DEC 2022
Receivables from grants		
Receivables from grants	50,773	72,410
Provision uncollectable receivables from grants	-9,923	-5,406
Total receivables from grants	40,850	67,004

Contracts with donors lead to a receivable if costs incurred are higher than advances received from the donor. The related receivables from grants decreased in 2023 to €50.8m (2022: €72.4m). The decrease is caused by projects of which the recorded expenses are higher than the funds received from donors. In 2023, €1.3m of the provision for uncollectable receivables from grants was settled. In 2023 an additional provision of €5.8m was formed in DRC.

6. OTHER RECEIVABLES

X € 1.000	31 DEC 2023	31 DEC 2022
Other receivables		
Inventories	1,617	1,385
Work advances partner organisations	11,671	2,858
Receivables from inheritances	620	506
Interest receivables	588	1,637
Unrealised exchange result from derivatives	1,384	3,694
Short-term loans	3,992	0
Other receivables	5,725	1,930
Doubtful debts	-510	-57
Total Other Receivables	25,087	11,953

Inventories

Inventories relate to the emission rights (Carbon Credits) owned by Fair Climate Fund BV.

Work advances partner organisations

Compared to 2022, advance payments to implementing partners increased by €2.9m to €11.7m. During implementation and execution of projects, Cordaid Country Offices provide advance payments to its implementing partners. These advances are subsequently justified by the partners after implementation of the activities. Given the assignments provided by Cordaid, these partners do not fall under the RJ640/650 regulations. These advances are therefore not accounted for under partner commitments, presented under note 11.

Receivable from inheritances

At the end of year 2023, Cordaid has two cases of usufruct inheritances. The total value of these cases is €408.601,- (2022: €227.961,-).

Interest receivables

Interest receivables relate to the bonds in the investment portfolio, outstanding deposits, savings deposits and outstanding loans and guarantees relating to Cordaid's objectives. Because of the winding down of the loans & guarantees portfolio in 2023, the interest to be received on loans & guarantees end of 2023 has decreased by €1.0m compared to 2022.

Unrealised exchange results from derivatives

To mitigate foreign exchange risks Cordaid uses derivatives (SWAPS). End of year 2022 the net unrealized exchange result from derivatives was €3.0m. (€3.7m receivable and € -0.7m payable). In 2023 the receivable is €1.4m and the payable € -0.3m. The decrease of both the receivables and payables compared to 2022 is mainly due to the wind-down of the financial fixed assets portfolio in 2023.

Short-term loans

The short-term loans relate to the financial fixed assets on the balance sheet of WABFF (West Africa Bright Future Fund). Cordaid has full control over WABFF.

Other receivables

The other receivables relate mainly to outstanding deposits and securities (2023: €746k, 2022: €777k), outstanding travel advances (2023: €260k, 2022:€348k) and other receivables due to provided SLA services €1.001k.

Doubtful debts

The provision for doubtful receivables relates to prepaid work advances (€50k), staff advances (€110k) and receivable from Caritas Afghanistan (€350k).

Receivable from inheritances

X € 1.000	31 DEC 2023	31 DEC 2022
Receivable from inheritances		
Usufruct	409	228
Other Inheritances	211	278
Total Receivable from inheritances	620	506

Interest receivables

X € 1.000	31 DEC 2023	31 DEC 2022
Interest Receivables		
Bank & Deposits	13	1
Bonds	4	2
Loans & guarantees issued in connection to the objective	570	1,634
Total Interest Receivable	588	1,637

7. CASH AND CASH EQUIVALENTS

Cash and bank comprise the cash and bank balances of the Cordaid office in The Hague, of the Country Offices abroad, consolidated entities. The increase of the cash and cash equivalents from €70.1m to €78.1m during 2023 is mainly due to the wind-down of the loans and participations portfolio. In the consolidated cash flow statement the movements in cash and cash equivalents are explained more.

X € 1.000	31 DEC 2023	31 DEC 2022
Cash and cash equivalents		
Bank accounts	77,867	69,671
Cash at hand	209	470
Total Cash and cash equivalents	78,076	70,141

Cordaid has a bank guarantee facility up to a maximum of €2.5m. Bank guarantees have been issued for a total amount of €0.2m (2022: €0.2m): one guarantee for the rent agreement of €0.2m (office). Usage of Cordaid bank balances is limited by €0.6m following pension liabilities towards local South Sudan staff (2022: €0.6m).

8. RESERVES AND FUNDS

X € 1.000	CONTINUITY RESERVE	EARMARKED RESERVES	RESTRICTED FUNDS	SEMI-RESTRICTED FUNDS	RESTRICTED FUND LOANS & GUARANTEES	TOTAL RESERVES AND FUNDS
Balance as at 1 January 2023	11,500	1,816	9,814	11,568	70,618	105,316
Changes						
Dotation	0	0	22,969	28,359	0	51,328
Extraction	0	-703	-16,083	-54,026	-1,663	-72,475
Other movements	0	0	0	22,200	-22,200	0
Balance at 31 December 2023	11,500	1,113	16,700	8,101	46,755	84,169

Continuity reserve

The continuity reserve is designed to create a sufficiently large buffer to enable Cordaid to complete ongoing programs appropriately, with due observance of existing legal and moral obligations and staffing them with our own people, if one or more key sources of funding were to dry up unexpectedly or if an unforeseen outflow of cash occurs. At year-end 2018 the continuity reserve was set on €11.5m based on a risk analysis of future events that might lead to unforeseen outflow of funds. Neither additions to, nor withdrawals from the continuity reserve, were made in 2023.

On 31 December 2023, the continuity reserve amounted to €11.5m. This is below the maximum of 1.5 times total costs for the work organisation, formulated by Goede Doelen Nederland. The costs for the work organisation are €75.9 million in 2023 (2022: €69.8) . According to the guidelines from Goede Doelen Nederland the maximum of the continuity reserve is €113.9m. The continuity reserve for 2023 complies with these guidelines. The costs for management & administration and fundraising in 2023 were €19.9m.

Earmarked reserves

Earmarked reserves comprise interest income, exchange results, income from investments of temporary surpluses of semi-restricted and restricted funds and income not earmarked for specific topics. The reserves are earmarked for spending on objectives and coverage of operational losses. The allocation of these reserves to different themes, programs and objectives is subject to decision by the Board of Directors. Decision-making is based on internally agreed-upon criteria.

Restricted funds

Restricted funds are funds received for an earmarked purpose, such as incoming resources for project specific campaigns or other funds specifically allocated to one or more projects.

X € 1.000	BALANCE AS AT 1 JANUARY 2023	INCOMING RESOURCES	PROJECT RESOURCES EXPENDED	BALANCE AS AT 31 DECEMBER 2023
Adoptions, specified donations	1,915	9,001	-2,067	8,849
SHO Acties	7,821	16,112	-16,160	7,773
Fondsen op naam	78	0	0	78
Total restricted funds	9,814	25,113	-18,227	16,700

Restricted funds increased by €6.9m to €16.7m as of 31 December 2023 (2022: €9.8m). The increase is mainly due to specific fundraising campaigns, like "Emergency livelihood support in Logar Province" (€1.4m), "Addressing the pressing needs of shock-affected people" (€2.4m) and "Improving quality basic education Burundi" (€0.7m). The SHO incoming resources for Cordaid for "The earthquake Turkey & Syria campaign" were €14.4m. For the campaign "Samen in Actie voor Oekraïne" the incoming resources in 2023 were €1.7m.

SHO - SAMEN IN ACTIE VOOR OEKRAÏNE

X € 1.000	2023	TOTAL (UNTIL CURRENT BOOK YEAR)
Income		
Incoming resources from third-party campaigns	1,684	19,531
Interest	0	1
Total incoming resources	1,684	19,532
Costs for preparation and coordination (AKV)		
Preparation and coordination	0	723
Total available for charitable activities	1,684	18,809

Resources expended		
Breakdown of resources expended locally		
- support offered through local relief providers	0	0
- support offered through international umbrella organisation	5,435	14,349
- support offered through participant	94	1,506
Total resources expended	5,529	15,855

SHO - SAMEN IN ACTIE VOOR BEIROET

X € 1.000	2023	TOTAL (UNTIL CURRENT BOOK YEAR)
Income		
Incoming resources from third-party campaigns	0	1,800
Interest	0	0
Total incoming resources	0	1,800
Costs for preparation and coordination (AKV)		
Preparation and coordination	0	96
Total available for charitable activities	0	96

Resources expended		
Breakdown of resources expended locally		
- support offered through local relief providers	0	640
- support offered through international umbrella organisation	0	1,074
- support offered through participant	0	1
Total resources expended	0	1,715

SHO - EARTHQUAKE TURKEY & SYRIA

X € 1.000	2023	TOTAL (UNTIL CURRENT BOOK YEAR)
Income		
Incoming resources from third-party campaigns	14,428	14,428
Interest	0	0
Total incoming resources	14,428	14,428
Costs for preparation and coordination (AKV)		
Preparation and coordination	0	0
Total available for charitable activities	14,428	14,428
Resources expended		
Breakdown of resources expended locally		
- support offered through local relief providers	0	0
- support offered through international umbrella organisation	10,631	10,631
- support offered through participant	0	0
Total resources expended	10,631	10,631

SHO allocation key

The key for allocating the income from fundraising activities by the SHO is based on the 3-year average of the volume of emergency aid and reconstruction activities and the income from own fundraising of the participants of SHO.

In the table below the relevant figures for Cordaid in the period 2021-2023 are provided.

X € 1.000	2023	2022	2021
1. Volume of emergency aid and reconstruction activities	41,926	41,513	43,671
2. Income from own fundraising	34,575	31,100	26,291

The volume of delivered emergency aid and reconstruction activities is excluding SHO funds and excluding funds transferred to other organisations in the role of administrative lead agency/horizontal lead agency (for example in the role of lead agency in the Dutch Relief Alliance). The income from own fundraising for 2021 up to 2023 is calculated by the sum of:

- Income from private individuals
- Income from companies
- Income from other non-profit organisations minus income from SHO
- Income from sale of goods and or rendering of services

Semi-restricted funds

Semi-restricted funds are accruals of income from own fundraising that is not earmarked for one specific project, but earmarked for a broadly defined purpose. In 2023, the balance of the “restricted fund Loans & guarantees” is equalized with the financial fixed assets “Issued in connection with the objectives”.

Due to this adjustment, €22.2m has moved from “restricted fund Loans & guarantees” to “Semi-Restricted funds”. The specific movement is the main driver behind the increase in the balance of these funds

Loans & Guarantees Fund

The Loans & Guarantees Fund relates to the Loans & Guarantees Programme. The resources of the Loans & Guarantees Fund stem from the co-financing programme and from own resources. As no new funds are being added by Cordaid, the portfolio can only change due to the results from the social impact investments themselves. Grant approvals for projects supporting the social impact investments are deducted from the fund Loans & Guarantees.

The operating costs consist of the cost of Cordaid Investment Management BV (CIM BV), including overhead charged from Stichting Cordaid to CIM BV based on the service-level-agreement between these parties. Also, social impact investments outside the scope of the funds managed by CIM BV are financed through this fund up to a cumulative of €5m. The movement in 2023 is to reconcile the fund with the balance of the financial fixed assets. The adjusted amount is moved to unrestricted funds. The balance sheet of the "Restricted fund loans & guarantees" is intended to cover the outstanding loans and participations as included under the financial fixed assets.

X € 1.000	31 DEC 2023	31 DEC 2022
Balance as at 1 January	70,618	79,342
Income from financial assets issued for objectives	0	1,049
Investment income (assets not issued for objectives)	0	-555
Unrealised change in value of derivatives	-1,663	855
Operating costs	0	-2,853
Movement in provision for Loans & Guarantees	0	-7,334
Grant approvals	0	-56
Financial result assets connect to objectives	-1,663	-8,894
Other - movement between funds/reserves	-22,200	170
Closing balance 31 December	46,755	70,618

9. PROVISIONS

The composition of- and the movements in the provisions in 2023 were as follows:

X € 1.000	BACK DONOR PROVISION	LOSS MAKING CONTRACTS	REDUNDANCY PROVISION	LONG TIME ILLNESS	GUARANTEE OBLIGATION	OTHER PROVISIONS	TOTAL
Balance as at 1 January 2023	4,481	0	1,009	0	546	0	6,036
Movements in 2023							
- Addition	10,515	4,464	416	233	0	2,083	17,711
- Withdrawn	-2,872	0	-581	0	-546	0	-3,999
- Released	-1,602	0	0	0	0	0	-1,602
Total Movements in 2023	6,041	4,464	-165	233	-546	2,083	12,110
Balance as at 31 December 2023	10,522	4,464	844	233	0	2,083	18,146

The provisions increased in 2023 by €12.1m from €6.0m in 2022 to €18.1m in 2023.

Redundancy Provision

The addition to the provision in 2023 relates to Cordaid Global office (€228k), CIM (€36k), CET (€72k) and CSS (€80k).

Long Time Illness

The Long time Illness provision is formed at Global Office.

Back Donor Provision

In the context of our controls in place to manage ethical risks as set out in note 4.2, we receive, investigate, and follow up on cases reported through our internal processes. If necessary, we account for any potential losses further to the (alleged) matters. The total back donor provision of €10.5m

includes a provision for possible ineligible costs related to projects. The provision has originated for different reasons and includes an amount of €10.2m for potential ineligible project costs in the Democratic Republic of the Congo (DRC). The back donor provision end of the year 2022 at DRC (€2.3m) was almost entirely used in 2023. For the Central African Republic (CAR), the provision for ineligible project costs in 2022 was €1.0m, of which €0.9m was withdrawn and €0.1 released in 2023. In 2023, €0.3 was added to the provision. In our other country offices, the back donor provision was in 2022 €1.2m, of which €0.6m was used in 2023, and €0.5m was released. €0.1 is added to the provisions in 2023.

Loss Making Contracts

In 2023, Cordaid analysed possible loss-making projects, which led to an additional provision of €4.5m.

Guarantee Obligation

Cordaid provides guarantees to (bank) institutions that use this to provide loans to third parties. A provision was recognised for the guarantees provided by ICCO, based on an assessment of project risk and global economy risk. In calculating the provision, the payment behaviour of the relevant partner is also taken into account. While the assessed risks are based on the best practices, these risks cannot be precisely determined for some regions. In early 2023 an amount of €111k was called in and paid to a bank institution. Because the activities around providing loans to third parties ended in 2023 a provision is no longer needed and was therefore released.

Other Provisions

Because of cancelled agreements with suppliers a potential legal claim (€656k) from suppliers is taken into account. In line with the recommendation of our local lawyers, Cordaid has provided for potential legal claims (€1.4m). Both provisions are presented as "Other Provisions". Almost all provisions have a short-term character.

10. PROJECT COMMITMENTS

X € 1.000	31 DEC 2023	31 DEC 2022
Partner commitments		
Long-term partner commitments	6,496	10,154
Short-term partner commitments	20,762	26,219
Total partner commitments	27,258	36,373

The decrease of the partner commitments is due to the increased progress of the project implementation. The short-term partner commitments are expected to lead to payments to implementing partners in 2024.

11. PROJECT GRANTS RECEIVED IN ADVANCE

X € 1.000	31 DEC 2023	31 DEC 2022
Deferred grants		
Long-term partner commitments	19,708	19,358
Short-term partner commitments	45,986	45,169
Total deferred grants	65,694	64,527

Project Commitments towards donors reflect the total amount of funds received from donors which Cordaid has not yet spent on project implementation.

12. OTHER CURRENT LIABILITIES

X € 1.000	31 DEC 2023	31 DEC 2022
Other current liabilities		
Accounts payable	7,190	1,909
Taxes and social security contributions	1,300	2,103
Reservation for leave days and holiday allowance	1,221	1,516
Redundancy provision (short term)	0	387
Participations payable	0	256
Guarantee obligations (short term)	0	111
Derivatives - liability	286	734
Other accruals and deferred income	10,755	15,083
Total other current liabilities	20,752	22,099

13. OFF-BALANCE SHEET RIGHTS AND CONTINGENCIES

Off-balance sheet rights

Financing contracts with donors

Cordaid recognises the incoming resources from the financing of donor contracts and grant decisions in accordance with the Dutch Accounting Standard 274. This means that incoming resources are recognised at the time resources are spent. The difference between the income recognised and the actual amount received in the form of contributions from donors is recorded on the balance sheet. This results in a "Claims for Grants" position if more resources have been spent than received or in a "Grants Received in Advance" if incoming resources are greater than those spent. Therefore, the full amount of the contract is not disclosed in the financial statements.

Below is an overview of contracts with a spendable amount in future years. Contracts with a spendable amount above €5 million are individually presented.

FUNDING ORGANISATION	PROJECT DESCRIPTION	DURATION	DONOR CONTRACT VALUE	CUMULATIVE INCOME	BALANCE TO BE
The Global Fund	Investment in fighting AIDS, tuberculosis	2021 - 2024	332,874,800	223,796,767	109,078,033
Ministry of Foreign Affairs	Advocating for peaceful, secure &	2021 - 2025	55,058,672	39,779,392	15,279,280
Netherlands Embassy Ethiopia	Strengthening the health system in	2023 - 2026	30,707,191	2,163,304	28,543,887

Other off-balance sheet rights

Inheritances for which a "Rekening van Verantwoording" has been drawn up are recorded as an amount receivable at year-end giving a more accurate picture of the receivable amount. The inheritances for which a 'Rekening van Verantwoording' has been received after balance sheet date should be disclosed as off-balance sheet rights. A total amount of €6,2m (2022: €1,3m) has therefore been considered as an off-balance sheet receivable and has not been included in the annual accounts.

Off-balance sheet commitments pertaining to lease obligations.

All commitments (including project commitments) are recognised on the balance sheet. For organisational costs, Cordaid's policy, wherever possible, is to avoid long-term contracts with suppliers that include fixed commitments. All contracts can be terminated within 1 year or amounts payable are based on actual usage. Contracts for office rent are the only exceptions.

Cordaid is renting its office building at Grote Marktstraat 45, the Hague. The rental contract commenced on 1 July 2019 and expired on the 30th of June 2024. In 2023 the contract is renewed. The new end date is the 30th of June 2029.

As of December 2023, the off-balance sheet liabilities pertaining to the office lease are as follows:

PAYABLE:	OFFICE LEASE AT THE HAGUE IN EUR
Within 1 year	346,457
Between 2 to 5 years	2,253,290
Total lease obligations	2,599,747

During the reporting period, lease payments amounting to €0.5m are included in the statement of income and expenditure. Based on the consumer price index of the Statistics Netherlands, an index rate of 1.044 has been used to calculate the rental increment for amounts payable in 2024 and beyond.

Legal case Brazil

There are several labour lawsuits filed in Brazil, in relation to an investment made by ICCO. The maximum amount of all the listed processes together is €1.8m; however, this amount is being charged in solidarity with all executed individuals and companies (8 in total) without exclusively targeting a particular debtor. There is a high uncertainty as no estimate is possible if and when an amount of this sum can be claimed of one or more of the various defendants.

The liability of defendants is not related to the percentage of ownership. The outcome of the claims is not clear and it is not possible to make a proper estimate of the potential claim. No provision is made in the financial statements.

In the possible event that a court sentences the involved partners or ICCO to pay the claim, we will (and have already) hold other parties in default liable in this respect. ICCO agreed with the legal representative of ICCO in Brazil to pay for the legal support in the defense of these claims, amounting to a total of approximately € 20.000 on a yearly basis.

Global Fund

The Global Fund funded Cordaid and its partners from 1 January 2021 till 1 July 2024, in the Democratic Republic of the Congo (DCR) for a multiyear project on HIV/TB and additional funding for COVID-19. The total budget for this period was approximately EUR 300 million and has meanwhile come to an end. The program implemented by Cordaid and its partners has made a great impact in the DRC and helped millions of people. In 2022, Cordaid alerted The Global Fund investigations team of potential integrity breaches in the project. The Global Fund, as well as Cordaid, embarked on investigations. The investigations are in progress. The expectation is that The Global Fund's final investigation report will be received in 2025. As long as there is no final report from The Global Fund there is a potential risk that Cordaid has to refund e.g. ineligible costs and the financial impact could be (in the worst case scenario) material. We have not taken a provision for potential claims e.g. additional ineligible costs from Global Fund because as of this moment, there is no indication of such claims regarding these issues.

Investigation

In 2024 Cordaid received signals about potential integrity breaches. The related donor informed us also in 2024 that they are investigating the potential integrity breaches.

Early 2025, Cordaid decided to start an independent external forensic investigation in relation to these potential integrity breaches. The goal of the investigation is to clarify what happened and if potential breaches occurred, to show that Cordaid has zero tolerance for non-acting regarding integrity breaches.

The timing and the possible outcome of the investigations are uncertain. We expect that the outcome of the investigations will have a limited impact on the financial statements of 2023, if any. However, in a worst-case scenario, this uncertainty could have a material impact on the financial statements. There is no provision in the financial statements 2023 for the outcome of the investigations because the potential financial impact of the outcome of the investigations (including repayments to the donor or debarment sanctions, if any) cannot be reliably estimated at this time.

14. INCOME FROM PRIVATE INDIVIDUALS

X € 1.000	CONTRIBUTIONS, DONATIONS AND GIFTS	LEGACIES	OTHER	TOTAL 2023	BUDGET 2023	TOTAL 2022
Donations from private individuals	18,315	8,290	0	26,605	20,770	23,578
Total Income from private individuals	18,315	8,290	0	26,605	20,770	23,578

The income from private individuals increased in 2023 with €3.0m compared to 2022. The increase is mainly driven by the income from legacies. Income from private fundraising remained at the same level as in 2022.

The number of supporters and income from individuals remained relatively stable over the years, despite the very competitive market for private fundraising.

15. INCOME FROM COMPANIES

X € 1.000	CONTRIBUTIONS, DONATIONS AND GIFTS	GRANTS	OTHER	TOTAL 2023	BUDGET 2022	TOTAL 2022
Grants from companies	0	573	0	573	700	3,224
Total Income from companies	0	573	0	573	700	3,224

The income from companies shows, like in 2022, a decrease due to a lower contribution from private foundations and the RVO. In 2022 the income was €2.3m lower than in 2021. In 2023 the decrease compared to 2022 is €2.6m.

16. BENEFITS FROM LOTTERY ORGANISATIONS

X € 1.000	2023	BUDGET 2023	2022
Nationale Postcode Loterij	4,050	4,050	4,050
Nationale Postcode Loterij - additional amount	1,424	987	1,800
Total Income from NPL	5,474	5,037	5,850

The general benefits from lottery organisations 2023 are on budget and equal to previous year. The income from lottery organisations consists of the annual and regular contributions from the Dutch National Postcode Lottery (NPL). Like in 2022, Cordaid received in 2023 an additional amount of €987k (2022: €1.8m) from the Dutch National Postcode Lottery (NPL).

17. GOVERNMENT GRANTS

X € 1.000	2023	BUDGET 2023	2022
Dutch Government	28,357	24,459	30,258
Global Fund	82,959	64,115	79,314
World Bank	10,139	6,229	7,705
European Union	2,270	11,922	14,748
Other	59,730	44,206	54,684
Total Income from Government Grants	183,455	150,931	186,709

Government grants comprise project funding provided by bodies such as the European Union, the Dutch government, the Global Fund, the World Bank and various United Nations organisations. Income is recognised based on the project expenditure made within the framework of the financing contract

with the donor. Due to ongoing programs, in 2023 the net income from government grants decreased with 3.2% compared to 2022. The decrease is mainly due to the closure of ended projects during 2023.

As a result of ended project, in 2023 the incoming resources from the Dutch Government have, as expected, decreased compared to 2022. The actual decrease of €1.9m is however lower than the budgeted decrease of €5.8m.

Incoming resources from Global Fund relate to the project grant agreement to fight HIV/AIDS, tuberculosis and malaria in the Democratic Republic of the Congo. The volume of the new phase of this project, which started in 2021, amounts to circa €200m. This project ended in 2023. The income from this project amounts to €80,3m in 2023 (2022:€79.3m).

Incoming resources from the World Bank, related to Performance Based Financing (PBF) programs and health projects, totaled €10.1m in 2023. The activities of this project are mainly concentrated in Zimbabwe.

Compared to 2022, income from the European Union decreased from €14.7m to €2.3m in 2023. This is mainly due to projects ended in 2022 and 2023.

Cordaid signed several large financing contracts with donors to carry out specific projects with end dates in 2023 and beyond. Income from these grants is only recognised if subsidised costs are incurred or if a legal payment obligation towards partner organisations exists. An overview of the amount to be spent per contract with a total value above €5.0m can be found under note 14.

18. INCOME FROM RELATED (INTERNATIONAL) ORGANISATIONS

X € 1.000	2023	BUDGET 2023	2022
Caritas Internationalis (members)	2,551	1,803	1,299

Incoming resources from related (international) organisations in 2023 increased by €1.3m compared to 2022. Apart from being a source of income, Caritas provides Cordaid with an important network through which Cordaid can execute its activities, especially in humanitarian aid.

19. INCOME FROM OTHER NON-PROFIT ORGANISATIONS

X € 1.000	2023	BUDGET 2023	2022
Samenwerkende Hulp Organisaties	16,112	44,936	17,847
Other organisations	4,292	0	5,346
Total Income from other NPO	20,404	44,936	23,193

In 2022 SHO started the Campaign 'Samen in actie voor Ukraine', to provide humanitarian aid in Ukraine. In 2023 Cordaid received €1.7m (2022: €17.8m) for this campaign. For the campaign "Earthquake response Turkey and Syria" Cordaid received an amount of €14.4m in 2023. ICCO Foundation has realized an income from other non-profit organizations of €4.3m compared to €5.3m in 2022. In the financial statement of 2022, this income was allocated to income from government grants. For comparison reasons, we have reallocated the €5.3m in 2022 from income from government grants to income from other non-profit organisations.

20. INCOME FROM SALE OF GOODS AND OR RENDERING OF SERVICES

X € 1.000	MATERIALS SOLD	RENDERING OF SERVICES	TOTAL 2023	BUDGET 2023	TOTAL 2022
Income from sale of goods/ services	3,830	995	4,825	0	4,461
Total Income from sale of goods/services	3,830	995	4,825	0	4,461

Income presented under the rendered services is related to Fair Climate Fund BV and Fair & Sustainable Consulting BV. Fair & Sustainable Consulting BV is an international consultancy company and gives advice on how to create sustainable economic opportunities for people in developing countries. The income in 2023 is €3,5m. Fair Climate Fund BV is selling emission rights which they gain by executing projects CO₂-reducing projects in developing countries. The remaining part consists of several small income streams.

21. OTHER INCOME

X € 1.000	2023	BUDGET 2023	2022
Result on financial assets	0	0	4,377
Other	-316	-440	602
Total Other Income	-316	-440	4,979

22. PROGRAMME COSTS

Comparison of 2023 program costs and program management costs with the budget and the previous year:

X € 1.000	2023				2022
	DIRECT PROGRAMME COSTS	PROGRAMME MANAGEMENT COSTS	TOTAL 2023	TOTAL BUDGET 2023	TOTAL 2022
Healthcare	124,173	1,265	125,438	127,717	124,522
Humanitarian Aid	32,198	15,397	47,595	25,484	54,138
Security & Justice	21,454	0	21,454	22,423	8,334
Resilience	4,912	0	4,912	808	6,702
Private sector development	126	0	126	0	2,202
Sustainable livelihoods	13,197	0	13,197	24,310	18,250
Education	4,813	0	4,813	2,907	1,872
Investment Projects	1,547	-131	1,416	0	4,949
Other activities	7,115	691	7,806	359	6,168
Total costs of programs	209,535	17,222	226,757	204,008	227,137

Program costs in 2023 amounted to €226.8m and remained almost at the same level as in 2022.

Like in 2022, the actual expenditure for the Humanitarian assistance program was higher-than-budgeted. This is mainly caused by the increase in new projects.

Cost allocation to the different activities

Cordaid uses different allocation keys to allocate costs, making allowance where possible for the recommendations of Goede Doelen Nederland. Costs are allocated in two stages:

1. Costs relating directly to programs, fundraising and management & administration are directly allocated to these activities. This involves the costs of the thematic program units (programs), private fundraising & communication (public information/awareness campaigns and fundraising), the board of directors (management & administration) and finance & control (management & administration). Costs of the department for institutional account management are fully labelled as expenditure on fundraising.
2. Other costs allocated to programs, fundraising and management & administration include the costs of departments such as human resource management, IT and facility management and quality assurance. FTEs of departments that can be directly allocated are used as a key to allocate the costs of the mentioned departments to programs, fundraising, or management & administration.

For the 2023 budget, the public information and fundraising costs were categorised, and a list was prepared for each category outlining the specifics of the percentage of costs that should be allocated to fundraising (FR) and to public information (PI). The list of key activities/costs was used to decide on the 2023 budget for both fundraising costs and public information.

The relative division between the two activities was:

1. Fundraising: 50.0% (2022: 50.0%)
2. Public information/Awareness campaigns: 50.0% (2022: 50.0%)

These percentages were used to allocate the total 2023 marketing & funding budgets over the two activities. The fundraising costs also include the fundraising for funds from institutional donors.

Costs incurred per activity and per cost category:

X € 1.000	EXPENDITURE ON THE OBJECTIVES	EXPENDITURE ON FUNDRAISING	MANAGEMENT AND ADMINISTRATION	TOTAL 2023	TOTAL BUDGET 2023	TOTAL 2022
Grants and contributions	101,815	0	313	102,128	76,176	83,930
Own Implementation	49,741	0	0	49,741	66,969	73,786
Publicity and communication	615	6,424	20	7,059	5,156	5,681
Staff	36,071	0	4,213	40,284	35,002	38,565
Travel and accommodation	5,521	2	193	5,716	6,030	6,644
Housing	3,111	0	912	4,023	3,798	4,185
Office & General	34,467	3	19,701	54,171	28,667	31,585
Financial results	-1,101	0	170	-931	8,315	9,162
Total 2023	230,240	6,429	25,522	262,191	230,113	253,538

X € 1.000	PROGRAMME COST	PUBLIC INFORMATION / AWARENESS	RESULT FROM FINANCIAL ASSETS	EXPENDITURE ON THE OBJECTIVES
Grants and contributions	101,815	0	0	101,815
Own Implementation	49,741	0	0	49,741
Publicity and communication	615	0	0	615
Staff	31,492	4,579	0	36,071
Travel and accommodation	5,519	2	0	5,521
Housing	3,111	0	0	3,111
Office & General	34,464	3	0	34,467
Financial results	0	0	-1,101	-1,101
Total 2023	226,757	4,584	-1,101	230,240



23. RESULT FROM FINANCIAL ASSETS

Results from financial assets comprise operating gains and losses on the loans, guarantees and participations program.

X € 1.000	2023	2022
Impairment of participations	2,613	795
(Un)realised currency gains and losses	2,168	-562
Interest Income from loans	-4,093	0
Allocated to/withdrawn from provision for loans, guarantees and projects	-1,789	8,929
Total result on financial assets	-1,101	9,162

The result on financial assets increased by €10.3m compared to 2022. The main driver of this increase is a release of the provision for loans and guarantees of €1.8m in 2023. The release of the provision is due to the final write-down of some specific loans in 2023.

24. EXPENDITURE ON FUNDRAISING

X € 1.000	2023	BUDGET 2023	2022
Door-to-door	3,946	2,491	2,838
Other fundraising activities	2,482	1,453	1,453
Total Expenditure on fundraising	6,428	3,944	4,291

25. MANAGEMENT AND ADMINISTRATION (COST OF STAFF)

The total number of staff within Cordaid with a Dutch labour contract is as follows.

X € 1.000	2023	BUDGET 2023	2022
Average head count in The Hague	129.0	134	159.0
Average head count expats at field offices	33.0	30	40.0
Average head count	162.0	164	199.0
Program staff	80.0	66.0	91.4
Fundraising/Awareness staff	22.9	18.9	21.2
Other departments	51.2	42.2	62.4
Average number FTEs with a Dutch labour contract	154.1	127.1	175.0

At year-end 2023, Cordaid had a headcount of 162 (2022: 199). This decrease is mainly due to reorganisation exercises and the wind-down of the CIM portfolio.

X € 1.000	2023	2022
- Salaries and wages	22,962	20,860
- Addition redundancy provision	232	597
- Social security contributions	2,101	3,717
- Pension costs	1,101	1,775
- Temporary staff	1,107	1,382
- Cost of training and education	324	233
- Other personnel expenses	8,555	10,001
Total staff costs	36,382	38,565

Cordaid's pension plan is administered by the Zorg en Welzijn Pension Fund, a pension fund for the health and welfare sector. Employees' retirement and partner pensions are based on their pensionable salary for full-time employment, net of the state pension offset. The pension fund endeavours to index-link any accrued pension entitlements and pensions in payment, based on general salary trends in the collective bargaining agreements that govern its affiliated employers in a particular year. The pension fund decides every year whether index-linking would be appropriate and, if so, what index to use given the financial situation and as expected developments in that situation. In doing so, the pension fund uses nominal and realistic coverage ratio benchmarks. Although the pension fund may decide to apply catch-up index linking, such a decision will not have a retroactive effect and will not trigger subsequent payments. Index linking is funded partially from contributions and partially from the return on plan assets. The actual coverage ratio was 112.0% on the 31st of December 2023 (31 December 2022: 111.5%).

Audit Fee

Total audit fees charged by Ernst & Young Accountants LLP stood at €1.8m in 2023 (2022: €2.0m).

X € 1.000	2023			2022
	Ernst & Young Auditors LLP 2023	Other Auditors 2023	Auditors costs 2023	Auditors costs 2022
Corporate audit assignment	1,795	0	1,795	2,059
Other audit assignment	114	397	511	519
Tax advisory services	0	0	0	0
Other non-audit services	0	16	16	0
Total audit fee	1,909	413	2,322	2,578

The above-mentioned fee relates to all the work performed for Stichting Cordaid and entities included in the consolidated accounts by the audit firms and auditors mentioned in Article 1, section 1 Wta (Wet toezicht accountantsorganisaties) and the fees charged by the audit firm's network. The fees relate to the 2023 fiscal year, although the related work can be executed in other years.

26. FINANCIAL INCOME AND EXPENSES

Financial income and expenses include interest and other income from bonds, interest earned on the bank account and currency gains and losses that are not related to the social impact investments.

The following is a five-year summary of this item:

X € 1.000	2023	BUDGET 2023	2022	*2021	2020	2019
Interest received on bonds	205	0	233	210	124	498
Interest paid on bonds	-10	0	0	0	0	0
Interest received on cash and cash equivalents	12	0	-77	-10	-4	3
Realised exchange gains and losses	24	0	-199	-464	-1,740	597
Unrealised exchange gains and losses	-147	0	-3,320	6,573	-5,285	2,823
Gross investment income	84	0	-3,363	6,309	-6,905	3,921
Investment costs	0	183	-128	-114	-101	-101
Net investment income	84	183	-3,491	6,195	-7,006	3,820

The net investment result in 2023 was negligible as the realised and unrealised foreign exchange were almost in balance. The positive corporate income tax relates to carry back losses of FairClimateFund BV.

27. RELATED PARTIES

Stichting Cordaid has established a legal structure to support its objectives and has full control of all these entities, they are therefore classified as related parties.

Cordaid identified the following related parties:

- Stichting Cordaid Participaties, The Hague
- Corpav BV, The Hague
- Stichting Cordaid Expats, The Hague
- Stichting ICCO, The Hague
- ICCO Southern Africa NPC
- Cordaid Investment Management BV, The Hague
- West Africa Bright Future Fund GP BV (until 19-12-2023)
- ICCO Group BV, The Hague
- FairClimateFund BV, Utrecht
- Fair & Sustainable Participations, Brazil
- Cordaid SA NPC

The Stichting Beheer Subsidiegelden Dutch Relief Alliance was founded in 2018 with the objective of channeling grants from the Dutch Ministry of Foreign Affairs for acute crises and innovation funds to participating organisations of the Dutch Relief Alliance (DRA). The DRA is not included in the consolidation of the Cordaid accounts. A Cordaid employee has been appointed as member of the Board of the foundation and Cordaid is the secretary of the foundation. However, Cordaid does not exercise control over the foundation.

28. EXECUTIVE REMUNERATION

The Supervisory Board has adopted an executive remuneration policy including the level of executive remuneration as well as other pay and benefits. The policy is updated periodically and was evaluated most recently in 2016. In determining the remuneration policy and adopting the level of the remuneration, Cordaid follows the regulation for executive remuneration of Goede Doelen Nederland.

The regulation uses weighting criteria to set a maximum for an executive's annual compensation. The most recent Goede Doelen Nederland standard of 1 November 2020 was used to determine these weighting criteria. This has resulted in a so-called BSD score of 575 points for the CEO and 500 points for the CFO and COO, with a maximum annual compensation for all the positions of €221.400.

The total annual compensation in 2023 for the CEO, Kees Zevenbergen was €161.494 (2022: €170.162), for the CFO, Lorena Paz Quintero €167.288 (2022: €153.359), for Ylse van der Schoot COO, €178.075 (2022: €162.030) and for the new CEO Heleen van den Berg, who started with Cordaid on 01-10-2023 the total annual compensation in 2023 was €46.560. The total annual income is within the maximum remuneration limits of the regulation of Goede Doelen Nederland.

Executive remuneration comprises gross salary costs including holiday allowance, social security contributions, pension costs, expense allowances and year-end allowance. As a rule, all employees receive a year-end allowance.

During 2023, the employed members of the Board were:

Employment contract

X € 1	L.C. ZEVENBERGEN	H.E. VAN DEN BERG	L. PAZ QUINTERO	Y. VAN DER SCHOOT
	CEO	CEO	CFO	COO
Number of hours	36	36	36	36
Part-time percentage	100	100	100	100
Period in 2023	1/1-30/06	1/10-31/12	1/1-31/12	1/1-31/12
Gross salary	61,837	33,552	116,892	126,368
Holiday allowance	3,768	3,166	9,317	9,919
Year-end allowance	5,474	2,957	10,312	10,979
Variable pay				
Total annual income	71,079	39,675	136,521	147,266
Social security contributions (employer's share)	7,579	2,953	15,159	15,159
Taxable allowances (Public transport abonnement)	0	0	0	0
Pension costs (employer's share)	7,836	3,932	15,608	15,650
Other benefits on long term	0	0	0	0
End of contract benefits	75,000	0	0	0
	90,415	6,885	30,767	30,809
Total remuneration for 2023	161,494	46,560	167,288	178,075
<i>Maximum remuneration for 2023</i>	<i>185,700</i>	<i>55,350</i>	<i>221,400</i>	<i>221,400</i>
Total remuneration for 2022	170,162	0	153,359	162,030

The members of the Board of Directors did not have any outstanding loans, advances or guarantees at year-end or during 2023.

Supervisory Board

The cost of the Supervisory Board consists of an annual remuneration which is paid to members and the hiring of expertise and advisors on request of the Supervisory Board. As per Cordaid's policy for good governance, Supervisory Board members are entitled to remuneration. They have the opportunity to cover their out-of-pocket expenses through a fixed expense allowance.

Amounts paid for individual members of the Supervisory Board in 2023 were as follows:

X € 1	A.J.M. HEERTS	M.I. DE WAL	J.A. VAN DEN BOS	J.A.N. STUYT	J. ALDERS-SHEYA	R. PEETBOOM
Function	Chair	Member	Member	Member	Chair and member Remuneration Committee	Vice Chair and member Remuneration Committee
Duration of function in 2023 (days)	183	258	274	274	365	365
Remuneration	0	1,063	1,500	1,415	1,500	1,500
Provisions for future payments	0	0	0	0	0	0
Total remuneration 2023	0	1,063	1,500	1,415	1,500	1,500
Total remuneration 2022	0	0	0	0	1,500	1,500

X € 1	L. MULDER	J.M. NIESSEN	D. CHENG	M. VAN BEEK	M.W.J.A. LANDHEER-REGOUW
Function	Member of Remuneration Committee	Member Remuneration Committee	Member of audit committee	Member Remuneration Committee	Member
Duration of function in 2023 (days)	361	274	365	243	90
Remuneration	1,500	0	1,500	0	0
Provisions for future payments	0	0	0	0	0
Total remuneration 2023	1,500	0	1,500	0	0
Total remuneration 2022	0	0	1,500	0	0

29. SUBSEQUENT EVENTS

Subsequent events have been evaluated up to the date of the financial statements. Cordaid identified the following subsequent events:

As of 29 February 2024 Y. van der Schoot (COO) left Cordaid. L. Paz Quintero (CFO) left Cordaid as of 31 December 2024. K. Boering (CFO) joined Cordaid on 10 March 2025.

As of 10 April 2024, F. Grapperhaus joined the Supervisory Board as chair. G.L. Mulder left Cordaid on 1 January 2025 and J.M. Niessen stopped on 17 March 2025. The Global Fund HIV/TB contract (EUR 80-90 million a year) in DRC ended on 1 July 2024. As a result, our Kinshasa office became smaller in the second half of 2024.

In January 2025, the US took drastic decisions to stop development and humanitarian aid for 90 days. USAID, which provides approximately \$40 billion a year on development and humanitarian aid, is faced with budget cuts and may be liquidated. Cordaid receives no funds directly from USAID but all the budget cuts from the US will negatively influence our partners. Cordaid will be hit indirectly by the US budget cuts because e.g. health, food, education, infrastructure projects will be decreased or stopped with our partners and in countries where we work. The total financial impact is yet unknown and will also depend on final decisions in the US and alternative funding possibilities like the EU countries and other foundations or companies.

Worldwide, we see more right-wing governments cutting in humanitarian and development aid. Also in The Netherlands budget cuts in development aid started in 2025 and will increase to €2.4 billion structurally in 2027. Dutch interests will be paramount in development aid. This concerns trade, security and migration. The government is focusing on areas in which the Netherlands excels through programs and diplomatic work: water management, food security and health. Cordaid is investigating alternative funding from e.g. other foundations, private individuals and companies.

Unrest DRC

In January 2025, the security situation in the east of The Democratic Republic of the Congo (DRC) worsened because M23 rebel groups occupied the area. Many people were killed and injured and many people were internally displaced running away from the conflict. Cordaid intervened with evacuations and supported their national staff.

The staff is supported by working from home while other projects were temporarily suspended. The safety of our staff, partners and the local communities is our first priority. The financial impact will be limited to a few hundred thousand euros, provided the conflict will be resolved soon. If the conflict continues to escalate, the extra costs could increase to E 1mln. Cordaid has two investments in DRC with a total book value of approximately €4 million at yearend 2023. If the unrest in DRC continues it could result in a partial write-off of these investments.

In 2024 Cordaid realised an income of approximately €170 million and the first estimate is a loss of €2 million. The budget for 2025 shows an income of €150 million and a break-even budget. The final figures for 2025 can deviate substantially, depending on e.g. political unrest in the world and donor funding possibilities.

Cordaid incurred delays in publishing its audited financial statements for the year 2023. The delay triggered a risk analysis where risks of non-compliance were analysed by Cordaid and mitigated by obtaining waivers or communication from our main stakeholders and donors. Although management has maintained a strong relationship with its donors, it is not guaranteed that further extensions will be granted and this may lead to further non-compliance, loss of funding or penalties.

FOUNDATION ONLY FINANCIAL STATEMENTS OF STICHTING CORDAID

FOUNDATION ONLY BALANCE SHEET AS AT 31 DECEMBER 2023

X € 1.000	NOTE	31 DEC 2023		31 DEC 2022	
Assets					
<i>Fixed assets</i>					
- Intangible fixed assets	30	1		26	
- Tangible fixed assets	31	249		531	
			250		557
<i>Financial fixed assets</i>					
- Subsidiaries	32	0		305	
- Issued in connection with the objectives	33	44,393		61,294	
- Investments	34	24,886		22,814	
			69,279		84,413
Receivable from grants	35		38,740		61,669
<i>Other receivables</i>					
- Receivable from group companies	36	15,515		15,407	
- Work advances partner organisations	36	11,680		2,677	
- Receivable from inheritances	36	620		506	
- Interest receivable	36	552		1,637	
- Derivatives	36	1,384		3,694	
- Other receivables	36	9,450		2,406	
			39,201		26,327
Cash and Bank	37		64,733		52,711
Total assets			212,203		225,677

X € 1.000	NOTE	31 DEC 2023		31 DEC 2022	
Liabilities					
<i>Reserves and funds</i>					
- Reserves					
- Continuity reserve	38	11,500		11,500	
- Earmarked reserves	38	891		1,594	
			12,391		13,094
- Funds					
- Restricted funds	38	16,692		9,814	
- Semi-restricted funds	38	10,669		11,568	
- Loans & guarantees fund	38	44,394		70,314	
			71,755		91,696
Total Reserves and Funds			84,146		104,790
Provisions	39	18,109		6,034	
			18,109		6,034
Long-term commitments					
- Project partner commitments	40	8,749		11,176	
- Project commitments to grants	41	18,228		16,869	
			26,977		28,045
Current liabilities					
- Project commitments to partners	40	16,625		22,691	
- Project commitments to grants	41	42,531		39,360	
- Other current liabilities	42	23,815		24,757	
			82,971		86,808
Total liabilities			212,203		225,677

FOUNDATION-ONLY STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 31 DECEMBER 2023

X € 1.000	2023	2022
Result of subsidiaries	-1,675	-509
Foundation-only balance of income and expenditure	-20,644	-8,543
Write down equity of subsidiaries	-1,172	0
Balance of income and expenditures	-21,147	-9,052

Because of the negative outlook of a subsidiary, Cordaid has decided to write down its interest in this legal entity.

NOTES ON THE FOUNDATION-ONLY FINANCIAL STATEMENTS

ACCOUNTING PRINCIPLES

General

The foundation-only financial statements are part of the 2023 financial statements of Stichting Cordaid. The financial statements have been prepared in accordance with the Dutch Accounting Standard for Fundraising Institutions (RJ 640/650).

Principles for the measurement of assets and liabilities and the determination of the result

The principles for the recognition and measurement of assets and liabilities and determination of the result (hereinafter referred to as principles for recognition and measurement) of the foundation-only financial statements of Stichting Cordaid are the same as those applied for the consolidated financial statements. Consolidated participating interests, over which significant influence is exercised, are stated based on net asset value. The share in the result of participating interests consists of the share of Stichting Cordaid in the result of these participating interests. Results on transactions are not incorporated as far as they can be deemed to be unrealised if the transfer of assets and liabilities between Stichting Cordaid and its participating interests and mutually between participating interests themselves. The financial information of the Company is fully incorporated in the consolidated annual accounts. Using article 2:402 of the Dutch Civil Code, a condensed profit and loss account in the foundation-only financial statements is sufficient.

30. INTANGIBLE FIXED ASSETS

Movements of the intangible fixed assets are as follows:

BALANCE AS AT 1 JANUARY 2023	
Cost	390
Accumulated amortisation	-364
Carrying value as at 1 January 2023	26
Changes	
Amortisation	-25
Total changes	-25
Balance at 31 December 2023	
Cost	390
Accumulated depreciation	-389
Carrying value as at 31 December 2023	1
Amortisation percentages	33%

31. TANGIBLE FIXED ASSETS

Movements of the tangible fixed assets are as follows:

X € 1.000	BUILDINGS	IT EQUIPMENT	FURNITURE AND FITTINGS	VEHICLES	OTHER ASSETS	TOTAL
Balance as at 1 January 2023						
Cost	1,228	4,612	1,844	62	283	8,029
Accumulated depreciation	-787	-4,612	-1,754	-62	-283	-7,498
Carrying value as at 1 January 2023	441	0	90	0	0	531
Changes						
Purchases	708	0	1	0	0	709
Disposals	0	0	0	0	0	0
Depreciation	-942	0	-50	0	0	-992
Depreciation on disposals	0	0	0	0	0	0
Total changes	-234	0	-49	0	0	-283
Balance at 31 December 2023						
Cost	1,936	4,612	1,845	62	283	8,738
Accumulated depreciation	-1,729	-4,612	-1,804	-62	-283	-8,490
Carrying value as at 31 December 2023	207	0	42	0	0	249
Depreciation percentages	10%	33%	20%	33%	33%	

The difference between the tangible fixed assets in the consolidated balance sheet and the foundation-only balance sheet can be explained by the investments CIM BV made upon moving into the new office building, assets which Stichting ICCO has at their Regional Offices and assets of other subsidiaries. All assets are held for business operations. Refer to note 6 in the consolidated financial statements for more information.

32. SUBSIDIARIES

The subsidiaries are valued at nil.

33. FINANCIAL FIXED ASSETS

Stichting Cordaid holds two types of financial assets. Outstanding loans, participations and guarantees are recognised as financial assets issued in connection with the objectives. This relates to loans issued to and a number of participations in partner organisations for the purposes of funding usually small-scale economic activities (e.g. through microfinance institutions), for which partner organisations find it difficult or impossible to secure finance from commercial banks. Interest rates on these loans are determined by country and by customer.

X € 1.000	LOANS	PARTICIPATIONS	TOTAL
Balance 1 January 2023			
Value of portfolio at 1 January 2023	55,927	18,576	74,503
Provision at 1 January 2023	-13,209	0	-13,209
Carrying amount 1 January 2023	42,718	18,576	61,294
<i>Changes in portfolio</i>			
Loans and guarantees issued	6,548	0	6,548
Loans and guarantees repaid	-14,726	0	-14,726
Participations acquired/committed	-1,465	326	-1,139
Participations sold/commitments withdrawn	0	-647	-647
Impaired loans and guarantees/withdraw from provision	-2,799	0	-2,799
Revaluation of participations	0	-3,510	-3,510
Currency gains and losses	-2,450	243	-2,207
Change in value of portfolio at 31 December 2023	-14,892	-3,588	-18,480
<i>Changes in the provision</i>			
Impaired loans and guarantees/withdraw from provision	2,601	0	2,601
Allocated to provision for loans and guarantees	-1,022	0	-1,022
Provision at 31 December	1,579	0	1,579
Value of portfolio at 31 December 2023	41,035	14,988	56,023
Provision at 31 December 2023	-11,630	0	-11,630
Carrying amount 31 December 2023	29,405	14,988	44,393

Loans

The loans will fall due in the following periods:

X € 1.000	LOANS
< 1 year	9,032
1-5 years	32,003
	41,035

34. INVESTMENTS

See note 4 to the consolidated financial statement.

35. RECEIVABLE FROM GRANTS

X € 1.000	31 DEC 2023	31 DEC 2022
Receivables from grants		
Receivables from grants	48,163	66,575
Provision uncollectable receivables from grants	-9,423	-4,906
Total receivables from grants	38,740	61,669

In the foundation-only balance sheet, the ICCO receivables from grants are not included.

36. OTHER RECEIVABLES

The receivables in the foundation-only balance sheet of Stichting Cordaid are specified as follows:

X € 1.000	31 DEC 2023	31 DEC 2022
Receivables		
Receivable from group entities	15,515	15,407
Work advances partner organisations	13,893	2,734
Doubtful debts	-2,213	-57
Receivable from inheritances	620	506
Interest receivables	552	1,637
Derivatives - Receivable	1,384	3,694
Other receivables	9,450	2,406
	39,201	26,327

The receivable balance from group entities consists mainly of a receivable position of €5.2m from Cordaid Investment Management BV and of €9.6m from Stichting ICCO. These are movements of balance positions between Cordaid and its subsidiaries, resulting from the asset-liability transaction between these entities and various transactions during 2023, which have not yet been settled. The receivables from group companies include a loan receivable with ICCO Group B.V. of €0.5m in relation to financing of the loan to and investment in SCOPE insight Holding B.V. The loan does not bear interest, but is subject to payment of received dividends or commissions until the date of repayment. The loan is receivable within one year.

37. CASH AND BANK

Cash and bank comprises the cash and bank balances of the Cordaid office in The Hague, the Country Offices abroad and deposits falling due in less than one year.

X € 1.000	31 DEC 2023	31 DEC 2022
Cash and cash equivalents		
Bank accounts	64,586	52,300
Cash at hand	147	411
Total Cash and Bank	64,733	52,711

The most important explanations for the change in cash and cash equivalents can be found in the consolidated cash flow statement.

38. RESERVES AND FUNDS

The reserves and funds in the foundation only balance sheet of Stichting Cordaid are specified as follows:

X € 1.000	CONTINUITY RESERVE	EARMARKED RESERVES	RESTRICTED FUNDS	SEMI-RESTRICTED FUNDS	RESTRICTED FUND LOANS & GUARANTEES	TOTAL RESERVES AND FUNDS
Balance as at 1 January 2023	11,500	1,594	9,814	11,568	70,314	104,790
<i>Changes</i>						
Dotation	0	0	6,878	28,359	0	35,237
Extraction	0	-703	0	-51,458	-3,720	-55,881
Other movements	0	0	0	22,200	-22,200	0
Balance as at 31 December 2022	11,500	891	16,692	10,669	44,394	84,146

In the Cordaid consolidated financial statement, the equity of the ICCO foundation is included. This is not the case in the foundation-only financial statement, while no adjustment in the result from subsidiaries is possible, as the ICCO foundation is not presented as a subsidiary in the balance sheet of Cordaid. Since the merger between Cordaid and ICCO in 2021, this leads to a difference between the total of the foundation-only reserves and funds (2023: €84,146) and the total of the consolidated reserves and funds (2023: €84,168).

39. PROVISIONS

The provisions in the foundation-only balance sheet of Stichting Cordaid are specified as follows:

X € 1.000	BACK DONOR PROVISION	LOSS MAKING CONTRACTS	REDUNDANCY PROVISION	LONG TIME ILLNESS	GUARANTEE OBLIGATION	OTHER PROVISIONS	TOTAL
Balance as at 1 January 2023	4,481	0	1,009	0	546	0	6,036
<i>Movements in 2023</i>							
- Addition	10,515	4,464	379	233	0	2,083	17,674
- Withdrawn	-2,872	0	-581	0	-546	0	-3,999
- Released	-1,602	0	0	0	0	0	-1,602
Total Movements in 2023	6,041	4,464	-202	233	-546	2,083	12,073
Balance as at 31 December 2023	10,522	4,464	807	233	0	2,083	18,109

The provisions are disclosed in note 10 to the consolidated financial statement. The difference between the total of the provisions in the consolidated financial statement and the foundation only financial statement relates only to the redundancy provision of CIM BV, which was not included in the foundation only financial statement.

40. PROJECT COMMITMENTS TO PARTNERS

X € 1.000	31 DEC 2023	31 DEC 2022
Partner commitments		
Long-term partner commitments	8,749	11,176
Short-term partner commitments	16,625	22,691
Total partner commitments	25,374	33,867

The decrease of the partner commitments is due to the increased progress of the project implementation.

41. PROJECT COMMITMENTS TO GRANTS

X € 1.000	31 DEC 2023	31 DEC 2022
Deferred grants		
Long-term partner commitments	18,228	16,869
Short-term partner commitments	42,531	39,360
Total deferred grants	60,759	56,229

Project commitments towards donors reflect the total amount of funds received from donors which Cordaid has not yet spent on project implementation.

42. OTHER CURRENT LIABILITIES

The composition of the current liabilities in the foundation-only balance sheet of Stichting Cordaid is as follows:

X € 1.000	31 DEC 2023	31 DEC 2022
Accounts payable	6,119	1,070
Intercompany accounts payable	4,818	4,886
Taxes and social security contributions	1,539	1,714
Reservation for leave days and holiday allowance	1,161	1,298
Redundancy provision (short term)	0	2,856
Derivatives - liability	286	734
Participations payable	0	256
Other accruals and deferred income	9,892	11,943
	23,815	24,757

In 2023 Cordaid has no short-term provisions. When certainty regarding an upcoming payment is recognized, the character of the obligation changes from “provision” to “other current liabilities”.

43. RESULT OF SUBSIDIARIES

The financial position as at 31 December 2023 and the 2023 results of subsidiaries can be specified as follows:

X € 1.000	CIM BV	CORPAV	SCP	STG. ICCO	ICCO GROUP BV	TOTAL
Assets						
Tangible fixed assets	9	0	0	0	0	9
Social impact investments	0	0	0	712	664	1,376
Other receivables	5,640	0	0	306	3	5,949
Cash and banks	434	0	0	12,259	38	12,731
Total assets	6,083	0	0	13,277	705	20,065
Liabilities						
Equity / Reserves and funds	1,011	-652	-12	-2,057	114	-1,596
Provisions	36	0	0	0	0	36
Liability to Stichting Cordaid	5,036	652	12	9,048	591	15,339
Current liabilities	0	0	0	6,285	0	6,285
Total liabilities	6,083	0	0	13,277	705	20,065

X € 1.000	CIM BV	CORPAV	SCP	STG. ICCO	ICCO GROUP BV	TOTAL
Net revenues	2,068	0	0	14,916	101	17,085
Personnel expenses	1,324	0	0	3,123	16	4,464
General and administrative expenses	765	-1	0	13,614	84	14,462
Operating expenses	2,089	-1	0	16,737	101	18,926
Financial income and expenses	0	0	0	-217	0	-217
Result from ordinary activities before tax	-21	1	0	-1,604	0	-1,624
Corporate income tax	-51	0	0	0	0	-51
Net result	-72	1	0	-1,604	0	-1,675

Stichting Cordaid has a 100% interest in Cordaid SA NPC, Cape Town (South Africa). The nature of business and principal activities of Cordaid SA is relief and development aid in line with the objectives of Stichting Cordaid. Cordaid has no activities in South Africa anymore. In 2023 there were no activities.

Cordaid Investment Management BV (CIM BV) acts as asset manager for the Stichting Cordaid social impact investment portfolio. Current liabilities relate to personnel accruals such as holiday allowances, wage taxes and social security premiums. Net revenue consists predominantly of the asset management fee 2023 charged to Stichting Cordaid. General and administrative expenses are mainly driven by the cost of service level agreement between Stichting Cordaid and CIM BV and automation expenses including licenses, software maintenance and development, as well as consultants. CIM is liquidated in 2024.

On behalf of Stichting Cordaid, Corpav BV makes direct and indirect investments in social enterprises all over the world. Stichting Cordaid Participaties (SCP) is the only shareholder of Corpav BV and had no activities in 2023. Corpav BV has a social impact portfolio consisting of €0.7m in loans to innovative social enterprises. These loans were all provided for in the prior financial year. Corpav BV will be liquidated in 2025 at the latest.

After the asset-liability transaction, all the Global Office activities of Stichting ICCO have moved to Stichting Cordaid. However, there are still projects being implemented in countries where ICCO has been working in previous years. The project implementation has not been shifted to Cordaid yet. Stichting ICCO closed 2023 with a negative financial result of €1.6m. Mainly due to the formed provision for the transition of ICCO Latin America into Conexion, the loss in 2023 is €1.0m higher compared to 2022.

Stichting Cordaid has a 100% interest in ICCO Group BV, which holds various participations in consolidated entities. The financial result of these entities was moved towards Stichting Cordaid as a movement on the value of the participation.



PHOTO NIELS VAN LAAR

4. OTHER INFORMATION

- *Cordaid, in cooperation with other stakeholders, has improved the education system in Uganda. "We once were just like these children," says project coordinator Ronnie Bashabe. "They need our support. That's why we work here."*

PROVISION IN THE CONSTITUTION GOVERNING THE APPROPRIATION OF BALANCES

The Supervisory Board shall adopt the annual report and the financial statements prepared by the Board of Directors for the past financial year in line with article 11.4 of the constitution of Cordaid. Included in the financial statements is a proposal for the appropriation of positive or negative financial balances in the financial year concerned.

The appropriation of the balance is in line with RJ 650 and takes into account the imposed restrictions on spending by third parties and guidelines from the branch organisation Goede Doelen Nederland. Section 392, subsection 1, Book 2 of the Dutch Civil Code requires a disclosure of the statutory provisions governing the appropriation of profit. This view should not consist of a single reference to the relevant articles of the articles of association. A literal reproduction of those articles or a summary of their contents (DAS 420.105) is required.

INDEPENDENT AUDITOR'S OPINION



Independent auditor's report

To: the board of directors and supervisory board of Stichting Cordaid

Report on the audit of the financial statements 2023 included in the annual report

Our qualified opinion

We have audited the financial statements 2023 of Stichting Cordaid based in The Hague, the Netherlands.

In our opinion, except for the possible effects of the matters described in the 'Basis for our qualified opinion' section, the accompanying financial statements give a true and fair view of the financial position of Stichting Cordaid as at 31 December 2023 and of its result for 2023 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

- The consolidated and individual balance sheets as at 31 December 2023
- The consolidated and individual statements of income and expenditure for 2023
- The notes comprising a summary of the accounting policies and other explanatory information

Basis for our qualified opinion

We expressed a qualified opinion on the financial statements 2022 of Stichting Cordaid on 28 February 2024 in respect of the importance of the following findings:

"As discussed in chapter 1.2 of the financial statements, the high turnover of staff in the finance departments of the country offices and shortage of finance personal at the global office in the Netherlands up to changes in the composition of the board of directors, made it impossible for the company to maintain effective internal controls throughout 2022 and 2023. As a result, we found deficiencies in internal controls relating to project management and timely settlement of projects. Moreover, as a result of these deficiencies, Stichting Cordaid was also unable to provide us with all information relevant to perform our substantive audit procedures, among other things related to completeness of the current liabilities (mainly project commitments) as at 31 December 2022 for the country offices, or to evaluate all findings from our substantive audit procedures performed, especially findings about matters, including settlements for prior years, related to the Democratic Republic of the Congo. We disclaimed our opinion on the 2020 financial statements for matters related to amongst other things allegations of integrity breaches in that country and we were unable to determine whether or to what extent these matters are related. Cordaid is in the process of remediating the deficiencies and investigating the matters. As a result of these findings, we were unable to complete all our planned audit procedures with respect to costs, settlements and project commitments. We were unable to obtain all sufficient and appropriate audit evidence within a reasonable timeframe in any other way about the completeness and legitimacy of costs, settlements and project commitments and whether any adjustments to the result, balance sheet items including reclassifications and equity and/or the disclosures would be necessary. We concluded that undetected misstatements, if any, as a result of our findings could be material but not pervasive for the financial statements 2022 as a whole."



Mentioned circumstances affect the current financial year and also apply to the corresponding figures, with the exception of the circumstances related to completeness of the current liabilities (mainly project commitments) as at 31 December 2022 for the country offices that apply to the corresponding figures. Settlements for 2023 and prior years, related to the Democratic Republic of the Congo, including investigations as disclosed in chapter 1.2 of the financial statements, are ongoing. Based on the substantive audit evidence obtained and preliminary results of investigations, we concluded that the possible effects of undetected misstatements, if any, as a result of mentioned circumstances could be material but not pervasive for the financial statements 2023 as a whole.

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Stichting Cordaid (the entity) in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis on ethical risk disclosures

We draw attention to note 4.2 Ethical risk in the financial statements, which describes the inherently higher ethical and compliance risk factors that may materialize in corruption, fraud and non-compliance with local and international laws and regulations as well as mitigating measures that have been put in place. Our opinion is not qualified in respect of this matter.

Report on the other information included in the annual report

The annual report contains other information, in addition to the financial statements and our auditor's report thereon.

Except for the possible effects of the matters described in the "Basis for our qualified opinion" section, we conclude, based on the following procedures performed, that the other information is consistent with the financial statements and does not contain material misstatements.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements. By performing these procedures, we comply with the requirements of the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

The board of directors is responsible for the preparation of the other information.



Description of responsibilities regarding the financial statements

Responsibilities of the board of directors and the supervisory board for the financial statements

The board of directors is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the board of directors is responsible for such internal control as the board of directors determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the board of directors is responsible for assessing the entity's ability to continue as a going concern. Based on the financial reporting framework mentioned, the board of directors should prepare the financial statements using the going concern basis of accounting unless the board of directors either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so. The board of directors should disclose events and circumstances that may cast significant doubt on the entity's ability to continue as a going concern in the financial statements.

The supervisory board is responsible for overseeing the entity's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material misstatements, whether due to fraud or error during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included amongst others:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting



- Concluding on the appropriateness of the board of directors' use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the group audit. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities. Decisive were the size and/or the risk profile of the group entities or operations. On this basis, we selected group entities for which an audit or review had to be carried out on the complete set of financial information or specific items.

Communication

We communicate with the supervisory board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

The Hague, 28 March 2025

EY Accountants B.V.

signed by R.L.A. Eveleens

APPENDICES

ABOUT THIS REPORT

Through its annual reports, Cordaid is accountable to its many stakeholders. In line with the previous year's report, our 2023 Annual Report has been prepared in accordance with the new Universal Standards of the Global Reporting Initiative's (GRI) standards. The revised Universal Standards are effective as of reporting from 1 January 2023 and have therefore also been applied in Cordaid's 2023 Annual Report. The GRI content index is included as Appendix (page 72). This report covers the full calendar year 2023 and is also in accordance with the Dutch Guideline 650 for charitable organisations. Our reporting consolidates the results of Cordaid, Cordaid Investment Management BV, Corpav, ICCO, and the ICCO Group BV including subsidiaries. The content selected for our 2023 Annual Report is based on the materiality assessment conducted for the 2017 Annual Report. The list of material topics included in this 2023 Annual Report has been approved by the Board of Directors.

MATERIAL TOPICS RELATED TO HOW WE WORK

SOCIAL	ECONOMIC	ENVIRONMENTAL
Proportion of senior management hired from the local community	Socially responsible investment	Initiatives to reduce CO ₂ emissions
Occupational health & safety	Funds raised by type of donor	CO ₂ offsetting
Employee training & development	Distribution of funds by thematic area	
Diversity of governance bodies and employees	Partners screened	
Executive remuneration		

MATERIAL TOPICS RELATED TO OUR THEMATIC AREAS OF EXPERTISE

HUMANITARIAN ACTION	STRENGTHENED HEALTH SYSTEMS	SUSTAINABLE AGRI-FOOD SYSTEMS	INCLUSIVE EDUCATION SYSTEMS	INCLUSIVE JUSTICE SERVICES AND PEACE
Lifesaving basic services provided	Increased access to quality health services	Climate-resilient and sustainable food security	Increased access to quality education	Strengthened responsiveness and quality of justice services
Assets and basic services rehabilitated	Increased access to sexual and reproductive health services	Economic opportunities in rural areas	Strengthened education services	Improved responsiveness of peacebuilding
Resilience strengthened to future hazards	Strengthened health services	Access to land, inputs, services, finance and digital technology		

ABOUT THIS REPORT

The material topics outlined on the previous page are included in this report. Wherever possible, we have used GRI indicators. For some topics, we have defined our own indicators. In the GRI Content Index, these Cordaid-specific indicators all start with 'CI' for Cordaid Indicator. The topics and indicators are closely connected to Cordaid's strategy 'Compass for an Equitable Future' which can be found on our website.

Cordaid's consolidated and individual financial statements are prepared according to the Dutch Generally Accepted Accounting Principles and, more specifically, according to the Dutch Accounting Guidelines 650 for Charitable fundraising organisations.

On the overview page and the opening pages of the thematic chapters, the data on people reached refer to all the people who have direct access to the results of our activities. As a result of the integration of ICCO into Cordaid in 2021, results include the available data, at the moment of writing, from both organisations' databases. We encourage openness and transparency both internally and externally. Cordaid publishes data on IATI for almost all its projects. In addition to our annual reports, our websites (English and Dutch) provide continuous updates from the countries in which we operate, as well as information on our projects, goals, financial flows, results and partner organisations.

Should you have any questions or feedback regarding our work, this report or our online reporting, please contact us via info@cordaid.org.

SOURCES OF THE FIGURES IN THIS REPORT

SOURCE	PAGE
Cordaid's project administration system (DevResults) ICCO's project database (PROMEVA)	Overview of results, where we work, and goals
Cordaid's HR administration system	Overview of results, where we work, our people, our organisation
Cordaid's donor database	Overview of results, our donors Financial statements Source: AX, AllSolutions



APPENDIX I: DETAILS ON OUR INVESTMENT POLICY AND 2024 BUDGET

- **Objective:** The management of the assets must focus on maintaining, over several years, the spendable capital, considering inflation over the reference period. This minimum objective should be realised following strict sustainability criteria for the investments involved.
- **Investment horizon:** 5 to 10 years.
- **Risk profile:** Moderate conservative.
- **Distribution of assets in our portfolio:** The table below provides the bandwidths for the weights of the various asset classes in our portfolio under normal circumstances of risk and return.

ASSET ALLOCATION	MINIMUM	STRATEGIC	MAXIMUM
Government Bonds	20%	35%	50%
Corporate Bonds	20%	35%	50%
Shares	10%	25%	40%
Alternatives	0%	5%	25%
Liquid assets	0%	0%	50%

Sustainability criteria: The portfolio should be sustainable, i.e. the investments cannot be related in any way to activities or organisations that harm people or the environment. Investments in funds or companies that have a stake above 5% in the following industries are excluded from the investment portfolio under all circumstances: weapons, alcohol, tobacco, gambling, adult entertainment and the fur trade.

Portfolio management: The operational and strategic management of the invested assets is outsourced to professional asset managers. The selection of asset managers is done by a separate selection committee composed of at least three persons of Cordaid, including the CFO. The selection criteria and the final decision on the appointment of the asset manager(s) require the approval of the Supervisory Board. Evaluation of the selected asset managers is an ongoing process. A formal evaluation by the Board of Directors and the Controller is done at least every three years. The Chief Financial Officer (CFO) and the Controller form the Asset Investment Committee (AIC). The AIC reviews the performance of the portfolio on a quarterly basis based on reports from the asset managers. In case of underperformance, the AIC can decide to a new selection process for (one of) the asset manager(s).

More detail is available in the full investment policy on our website.

In the third quarter of 2024, we sold our investment portfolio in bonds and shares. The reasons were:

- We prefer no longer to speculate with the money of our donors
- The results of our investments in bonds and shares fluctuated too much, with millions of losses in one year and millions of profits in the other year
- No risk that Cordaid invests (unintentionally) in a company that is not sustainable
- Short-term deposits generate a stable interest flow, easier to budget
- Keep it simple. Less meetings, reports and external costs, easier to audit.



APPENDIX I: DETAILS ON OUR INVESTMENT POLICY AND 2024 BUDGET

BUDGET 2024 IN EUROS (x 1,000)		2024
Income		
Income from private individuals	21,900	
Income from companies	740	
Benefits of lottery organisations	5,297	
Government grants	112,385	
Income from related (international) organisations	671	
Income from other non-profit organisations	46,119	
Other income	150	
Sum of income		187,262
Expenditures		
Programme costs		
Health care	106,228	
Humanitarian assistance	15,959	
Security & justice	16,692	
Sustainable livelihoods	22,186	
Private sector development	3,293	
Education	853	
Other	4,000	
Total programme costs	169,211	
- Public information and awareness campaigns	6,345	
Expenditure on the objectives		175,556
Expenditure on fundraising		8,687
Management and administration		13,314
Total expenditures		197,557
Financial income and expenses		0
Balance of income and expenditures		-10,295

APPENDIX II: GRI CONTENT INDEX

GENERAL DISCLOSURES

GRI STANDARD	INDICATOR	DESCRIPTION	INFORMATION	PAGE
GRI 2: GENERAL DISCLOSURES 2021	THE ORGANISATION AND ITS REPORTING PRACTICES			
	2-1	Organisational details	Stichting Cordaid, The Hague. Trading name: Cordaid Countries of operation	14, back page
	2-2	Entities included in the organisation’s sustainability reporting	<ul style="list-style-type: none"> ● Stichting Cordaid, The Hague ● Stichting Cordaid Participaties, The Hague ● Corpav BV, The Hague ● Stichting Cordaid Expats, The Hague ● Stichting ICCO, The Hague ● Cordaid Investment Management BV, The Hague ● West Africa Bright Future Fund GP BV, The Hague ● ICCO Group BV, The Hague ● Fair Climate Fund BV, Utrecht ● Fair & Sustainable Participations, Brazil ● ICCO Southern Africa NPC ● Cordaid South Africa NPC 	71
	2-3	Reporting period, frequency and contact point	2023 Annual Report Contact point: info@cordaid.org	back page
	2-4	Restatements of information	There were no restatements of information.	
	2-5	External assurance	The financial data in this report have been externally assured by EY	
	2-6	Activities, value chain, and other business relationships	Our strategy has been recorded in ‘Compass for an Equitable Future’ in consultation with our partners and donors and implemented in thematic programmes in the countries we work.	8
	2-7	Employees	<ul style="list-style-type: none"> ● Cordaid does not track employee information in line with the detailed breakouts suggested for this indicator. ● Much of our work is performed in close collaboration with partner organisations and their staff. Data on these staff are excluded from this report. ● We do not have seasonal variations in our workforce, nor do we outsource significant amounts of work to non-employees outside of the abovementioned partnership. 	45
	2-8	Workers who are not employees	<ul style="list-style-type: none"> ● Cordaid does not track employee information in line with the detailed breakouts suggested for this indicator. ● Much of our work is performed in close collaboration with partner organisations and their staff. Data on these staff are excluded from this report. ● We do not have seasonal variations in our workforce, nor do we outsource significant amounts of work to non-employees outside of the abovementioned partnership. 	45
2-9	Governance structure and composition	<ul style="list-style-type: none"> * Report of Supervisory Board Report. * Appendix: About our Board of Directors and Supervisory Board and information available in the Articles of Association and the governance regulations. 	60	



APPENDIX II: GRI CONTENT INDEX

GRI STANDARD	INDICATOR	DESCRIPTION	INFORMATION	PAGE
GRI 2: GENERAL DISCLOSURES 2021	2-10	Nomination and selection of the highest governance body	Supervisory Board Report	60
	2-11	Chair of the highest governance body	Reports of Board of Directors and Supervisory Board	3, 60
	2-12	Role of the highest governance body in overseeing the management of impacts	Report of Supervisory Board Report	60
	2-13	Delegation of responsibility for managing impacts	Planning and Reporting Cycle	55
	2-14	Role of the highest governance body in sustainability reporting	Our Organisation and Cordaid's website	43
	2-15	Conflicts of interest	Safeguarding and Integrity	51
	2-16	Communication of critical concerns	Messages of Board of Directors and Supervisory Board	6, 43, 61
	2-17	Collective knowledge of the highest governance body	Statutes and Governance Regulations in Our Organisation and Cordaid's website	43
	2-18	Evaluation of the performance of the highest governance body	Supervisory Board Report	NA
	2-19	Remuneration policies	Remuneration of the Board of Directors in line with the guidelines of the association of Dutch charities.	61
	2-20	Process to determine remuneration	Remuneration of the Board of Directors in line with the guidelines of the association of Dutch charities.	61
	2-21	Annual total compensation ratio	Remuneration of the Board of Directors in line with the guidelines of the association of Dutch charities.	61
	STRATEGIES, POLICIES AND PRACTICES			
2-22	Statement on sustainable development strategy	Our strategy in 'Compass for and Equitable Future'		8
2-23	Policy commitments	Values, principles, standards, ad norms of behaviour: How We Bring About Change Transparency and Accountability (Risk Management)		8, 53, 55
2-24	Embedding policy commitments	Transparency and Accountability, External Standards		55
2-25	Processes to remediate negative impacts	* References are made in CEO message * Supporting and Funding our Work * Transparency and Accountability		6, 39, 55
2-26	Mechanisms for seeking advice and raising concerns	Our Organisation and complaints handling mechanisms on Cordaid's website		42
2-27	Compliance with laws and regulations	Our Organisation and Transparency and Accountability		43, 55
2-28	Membership associations	ACT Alliance, Caritas, CIDSE, Concord, Civil Society Platform for Peacebuilding and Statebuilding, Samenwerkende Hulporganisaties, Dutch Relief Alliance, Partos, UHC2030, UHC2030 Civil Society Engagement Mechanism, Medicus Mundi International, g2-h2, Start		11
2-29	Approach to stakeholder engagement	Transparency and Accountability, External Standards		55
2-30	Collective bargaining agreements	0%		



APPENDIX II: GRI CONTENT INDEX

MATERIAL DISCLOSURES

GRI STANDARD	INDICATOR	DESCRIPTION	PAGE
GRI 3: MATERIAL TOPICS 2021	3-1	Process to determine material topics	9
	3-2	List of material topics	9
	3-3	Management of material topics: health care, education, agri-food, justice and peace, humanitarian action	9
THEMATIC TOPICS			
GRI 3: MATERIAL TOPICS 2021	HEALTH CARE		
	CIHC1	People reached through our healthcare programmes	15
	CIHC2	Outpatient consultations	15
	CIHC3	Fully immunised children	15
	CIHC4	Tuberculosis patients who completed treatment	15
	CIHC5	People tested for HIV	15
	CIHC6	Women who attended at least one antenatal care visit	15
	CIHC7	Health facilities with improved (technical) quality score	15
	SUSTAINABLE AGRI-FOOD		
	CISAFS1	Community members directly reached	20
	CISAFS2	People with improved food security	20
	CISAFS3	New jobs created	20
	CISAFS4	Youth and women supported into (self)employment	20
	CISAFS5	Farmers applying good agricultural practices	20
	JUSTICE & PEACE		
	CIJP1	People with improved security and justice	25
	CIJP2	Community members empowered to implement security action plans	25
	CIJP3	Security and justice institutions strengthened to provide better services	25
	CIJP4	Civil society actors with enhanced organisational and advocacy capacity	25
	EDUCATION		
	CIE1	People directly reached	38
	CIE2	Children with access to quality education	38
	CIE3	Primary teachers with improved teaching skills	
	CIE4	Schools contracted	38

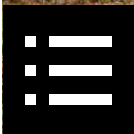
GRI STANDARD	INDICATOR	DESCRIPTION	PAGE
GRI 3: MATERIAL TOPICS 2021	HUMANITARIAN ACTION		
	CIHA1	People supported with humanitarian assistance	34
	CIHA2	People enabled to meet their basic food needs	34
	CIHA3	People with access to sufficient and safe water for domestic use	34
	CIHA4	Crisis-affected people involved in the design and implementation of programmes	34

GRI STANDARD	INDICATOR	DESCRIPTION	PAGE
ORGANISATIONAL TOPICS			
GRI 3: MATERIAL TOPICS 2021	ORGANISATION		
	GRI 202-2: MARKET PRESENCE (2016)	Proportion of senior management hired from the local community	45
	GRI 403: OCCUPATIONAL HEALTH & SAFETY (2018)	Occupational health & safety	48
	GRI 404-1: TRAINING AND EDUCATION (2016)	Employee training and development	48
	GRI 405-1: DIVERSITY AND EQUAL OPPORTUNITY (2016)	Diversity of governance bodies and employees	49
	FUNDING		
CIEV1	Amount of funds raised in the year, by donor type	40, 67	
CIEV2	Distribution of funds across themes/ strategic areas	67	
GRI 201-4: ECONOMIC PERFORMANCE (2016)	Financial assistance received from government	40, 67	
STAKEHOLDERS			
CIPS1	Screening of suppliers and partners	55	
CARBON FOOTPRINT			
GRI 305-3: EMISSIONS (2016)	Other indirect (Scope 3) GHG emissions	55	
GRI 305-3: EMISSIONS (2016)	Reduction of GHG emissions	55	





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