



NSDO

NEW WAY SOCIAL &
DEVELOPMENT ORGANIZATION
موسسه اجتماعی و انکشافی راه نوین

ANNUAL REPORT 2020

www.nsdo.org.af





NSDO

NEW WAY SOCIAL &
DEVELOPMENT ORGANIZATION

موسسه اجتماعی و انکشافی راه نوین



Contact Nos.:

+ 93 (0) 799 59 74 94

+93 (0) 749 67 67 19



Email: info@nsdo.org.af



Website: www.nsdo.org.af



Address: House#28 , Beside Passport Directorate, 4th
street, Kart-e-Seh, Pulsurkh - Kabul City, Afghanistan



*Envisioning a bright and
prosperous future for the next
generation in Afghanistan!*

TABLE OF CONTENTS

ABOUT US	2
NSDO'S CENTRAL COMMITMENTS	3
NSDO'S MAJOR ACHIEVEMENTS IN 2020	3
NSDO'S STRATEGIC GOALS	4
OUR STRATEGY	4
A MESSAGE FROM DIRECTOR	5
ENGAGEMENT WITH STAKEHOLDERS	6
IMPROVING EMPLOYMENT AND ECONOMIC STABILITY	7
POULTRY VALUE CHAIN	10
DAIRY VALUE CHAIN	12
NUTS VALUE CHAIN	14
WHEAT VALUE CHAIN	16
VEGETABLE VALUE CHAIN	18
COVID-19 RESPONSE	20
GOOD GOVERNANCE AND ACCOUNTABILITY	23
HUMANITARIAN AND EMERGENCY RESPONSE	27
ANNUAL AUDIT REPORT OF 2020	28



ABOUT NSDO:

NSDO is a development, advocacy, and humanitarian organization established in 2011 and registered with the Ministry of Economy, Government of Afghanistan. NSDO is based in Kabul, with programming hubs across the north and north-eastern provinces of the country. We strive to empower the vulnerable and marginalized communities suffering from the impacts of war, natural calamities, poverty, and injustice.

VISION

An institutionally developed, healthy and peaceful Afghanistan.

MISSION

NSDO is committed to eliminating poverty and injustice, providing health-care services so that the people of Afghanistan live a prosperous and peaceful life.

ABOUT NSDO

NSDO'S CENTRAL COMMITMENT:

NSDO is touched by the poverty, disparities and violence in the society and believe in a transformational approach that inspires us to reshape the behaviors and actions, which create socio-economic and cultural disparities. We challenge the unjust policies, practices and behaviors that create poverty, vulnerability and violence. NSDO empowers the most vulnerable and marginalized and is envisioning a socio-economically and institutionally stable Afghanistan where people live a qualitative life with dignity, equality and peace. We hope for a future where;



People are protected from violence and conflicts.



Communities are prospered and economically empowered.



People have equitable access to the essential amenities of life.

NSDO'S MAJOR ACHIEVEMENTS IN 2020

- *Registered in ACBAR Coordination Body.*
- *Registered in GBV, Nutrition, NFI, F-SAC, EiEWG and WASH Clusters*
- *EC project funded by European Union in concert with Concern Worldwide and Save The Children (SCI) approved.*
- *NSDO introduced to international NGOs and donors.*
- *NSDO successfully passed the assessment for signing strategic partnership with Concern International.*
- *Successful implementation of Active Citizens for Responsive and Accountable Sub-National Governance funded by UN-HABITAT.*
- *Successful implementation of SEDEP Project funded by GIZ.*
- *Successful implementation of COVID-19 Response project for Value Chain Partners funded by GIZ.*
- *3756 IDP households received humanitarian aids (non-food items) in Kunduz, Takhar and Badakhshan Provinces*
- *Publication of NSDO's annual report and profile*

ABOUT NSDO

NSDO'S STRATEGIC GOALS FOR 2020:

NSDO's strategic goals lay strong emphasis on the following three strategic goals:



ECONOMIC EMPOWERMENT



CAMPAIGN ON HUMAN RIGHTS



REDUCE VULNERABILITY

OUR STRATEGY:

We are working on the idea of integrated development, which encompasses socio-economic, cultural and good governance. Community Empowerment is the core to our strategy we engage with our grass-root groups and communities to address the root causes of poverty, inequalities and injustice. Our unique and exclusive approach combines:



**Improved
Community
Engagement**



**Developing
Strategic
Partnerships**



**Engaging
with public
institutions**



**Fostering
Collaboration
and networking**



**Learning
from
feedbacks**



A MESSAGE FROM BOARD DIRECTOR



The year 2020 was truly a challenging year with COVID-19 epidemic erupting in the world and affecting negatively the country's worsening economic and living conditions alongside the protracting war and insurgency in the country. Likewise, the outbreak of this pandemic also had negative impact on the civil society organizations and NGOs' fund-raising strategies as most of the funds that were assumed to be allocated for development and social-building purposes, have been diverted to cope with the outcomes of COVID-19 outbreak. As such, NSDO was also not an exception in this regard and struggled to maintain its normal routine of activities and operations despite all these odds and challenges.

Board Members appreciate the leadership of NSDO particularly Executive Director his innovative approaches and strategies for fund-raising and publicizing NSDO's operations as part of its transparency and accountability to the public, its donors and also government stakeholders.

Among many initiatives taken by NSDO's leadership, in addition to the successful application of this organization for projects funded by EC, MSI/ AMANAT, WFP and maintenance of its core-funded SEDEP Project funded by GIZ International, one can also point to the development of Strategic Plan for the organizations for 2021 to 2023, publication of NSDO's APR for the years 2019 and 2020 and newly developed policies on prevention of harassment, whistleblowing and Environment Protection policies which have been approved unanimously by respected Board Members.

Board Members have always been supportive and have extended their utmost assistance and support for the organization's further development and progress and does not hesitate to maintain its support and assistance in the future as well and as usual. We believe that NSDO under the sound and insightful leadership and guidance of Executive Director and current Board Members, NSDO is anticipated and envisioned to have a bright and prosperous future ahead of it.

Shamila Sahibzada
Board Director

A handwritten signature in blue ink, appearing to be 'Shamila Sahibzada', written over a light blue circular graphic element.

A MESSAGE FROM EXECUTIVE DIRECTOR



The year 2020 was replete with fewer opportunities and indefinite challenges most notably among them the COVID-19 epidemic outbreak that limited the opportunities for fund-raising to a large extent. As such, the people in Afghanistan whose economic conditions had already worsened due to internal conflicts took the brunt of COVID-19's economic consequences. Many families lost their lone breadwinners, some lost their jobs and some others income-generating opportunities that already existed. The same was also the case with fund-raising opportunities as most of the funds that were supposed to be allocated for social and development purposes, were diverted towards COVID-19 countering measures. The social and political instabilities were also included to add insult to the injury.

Despite all these odds, NSDO's leadership and executive team did not sit idle and made its extensive efforts to dismantle the harmful and awful consequences of COVID-19 on the organization's operations and modified its strategies in terms of fund-raising and publicizing NSDO's magnificent achievements. By sensing its accountability in such a critical situation, NSDO also took part to contribute in reducing infection to this virus, by implementing COVID-19 response projects through disinfection measures and distributing sanitation and hygiene packages among the most needy and vulnerable people. Additionally, NSDO's leadership as part of its measures to modify its fund-raising strategies, mapped a series of international NGOs including Action Aid Afghanistan (AAA), WHH, NCA, DRC and Concern Worldwide and signed strategic partnerships with Concern International and Save The Children International (SCI). Fortunately, most of these efforts paid off and NSDO managed to successfully apply for the fund entitled as: "Supporting women's economic empowerment through entrepreneurship development interventions" funded by European Commission.

I also deem it necessary to offer my gratitude and thanks to respected Board Members who while participating in NSDO's first board meeting, always extended their utmost support and backing to NSDO's leadership with their precious feedback and recommendations for further improvement.

Besides these, I also offer my gratitude to GIZ/SEDEP, UNHABITAT, Concern International, Save The Children (SCI) and other international organizations who have not hesitated to support us with their useful and precious feedback, recommendations and advises for the further improvement and development of organization.


Sayed Rahim Mosavi
Executive Director



ENGAGEMENT WITH STAKEHOLDERS



NSDO believes that stakeholder engagement and feedback can inform our work and bolster our efforts towards greater impact and efficiency. In all our work, we identify key stakeholders at the planning stage and engage them throughout the project cycle to ensure that their views and contributions are taken into account. Stakeholder engagement is worthy because it serves people's rights to participate and plan for their own future. NSDO believes that sustainable development cannot be achieved without engaging with communities living in poverty and those whose rights are being denied or abridged. Sustainable Development takes roots when grassroots communities are aware of their problems and are effectively involved in the development process. NSDO encourages local communities' active participation in the collective and harmonized development by sensitizing, mobilizing, and building their capacity to join hands-on a common platform and struggle to solve their problems.



IMPROVING EMPLOYMENT AND ECONOMIC SUSTAINABILITY:

In tandem with its commitment to end poverty to meet the no poverty goal of sustainable development goal (SDG), NSDO has prioritized this goal to be achieved through implementation of numerous projects, most important and significant among them, Sustainable Economic Development and Employment Promotion (SEDEP).

IMPROVING EMPLOYMENT AND ECONOMIC SUSTAINABILITY:

1 NO POVERTY



2 ZERO HUNGER



In tandem with its commitment to end poverty and meeting the No Poverty and Zero Hunger goals of Sustainable Development Goal (SDG), NSDO has prioritized these goals to be achieved through implementation of numerous projects most important and significant among them, Sustainable Economic Development and Employment Promotion (SEDEP). This project is being implemented by NSDO ever since 2016 in Kunduz Province in five wheat, nuts, poultry, dairy and vegetable value chains for more than 2000 persons and households with substantial number of women included. These value chains have led to shape more lucrative and profitable enterprises that one hand have helped to guarantee food security and reducing food shortages and on the other have contributed substantially to reducing poverty among the community people and generating more employment and income-generating opportunities.



IMPROVING EMPLOYMENT AND ECONOMIC SUSTAINABILITY:

This project is aimed at enhancing employment opportunities and income among value chain actors in all the wheat, nuts, poultry, dairy and vegetable value chains in the north and north-eastern provinces of Afghanistan. The project's operations have been mainly focused on technical, organizational and business skills of the value chain actors to renew and rehabilitate the infrastructures in the rural and urban areas and fostering strong linkage and relationship between these right holders and local, provincial and regional markets. SEDEP is technically and financially supported by GIZ/SEDEP from January to December 2020 extended on each bi-annual basis. This project's primary goal was to promote livelihood business and reinforce the agricultural sector in four out of ten districts in the province, namely Kunduz Centre, Alia-bad, Imam Sahib and Qalaizal districts Kunduz Province. Key achievements of SEDEP Project are being summarized as follows:

Vegetable



- Increased the knowledge of 100 farmers on scaling up production of early and late vegetables in the green-houses.
- Conducted workshop with partners to identify areas of joint collaboration working in the vegetable value chain and total 25 target actors supported.
- Linked the 30 progressive producers and traders.
- Provided technical and entrepreneurial skills assistance to 45 women vegetable groups.
- Implemented workshop on starting up vegetable production and processing enterprises to 25 target actors.
- 20 target actors of supermarkets and producers are linked.

Poultry



- Facilitated entrepreneurial skills training 80 producers of Kunduz.
- Fostered the capacity of 15 associations members including input suppliers, producers, traders and distributors in order to develop seasonal production plan.
- Elaborated a database for poultry association and raised the awareness of 30 association members in the light of being association member.
- Implemented workshop on starting up a broiler production business for 25 target actors.
- Conducted refresher technical training to 140 existing poultry producers in Kunduz.

Dairy



- In response to reduce milk losses in the milk collection centers, NSDO enhanced the knowledge of 10 milk collectors in Kunduz.
- Developed a business model for enabling milk producers to purchase aluminum cans and therefore a total number of 20 milk producers supported.

Nuts



- Enabled association members able to sell improved almond products to Afghanistan exporters through conducting of two days training 20 target actors.
- Linked 20 beekeepers and orchard owners.
- Trained 20 beekeepers on beekeeping business.

Wheat



- Facilitated appropriate training of ag-depots and seed companies for 30 target actors in Kunduz.
- Delivered technical and entrepreneurial skills packages to 24 millers in Kunduz.
- Implemented workshop on starting up cookies production enterprises for 25 target actors.
- Trained 15 target actors on energy efficient tandors.
- Trained 30 target actors on fumigation training.

Internship



- Implemented internship program for 5 interns during the course of 6 months.
- Updated business models and plans for 10 association members of value chain partners.

POULTRY VALUE CHAIN

Poultry value chain is one of the most crucial and significant components of the agriculture sector plays a pivotal role on generating employment opportunities and contributing to the food security and nutrition for community people. As such, NSDO in light of the importance of this value chain and as part of its obligation to enhance the capacity of small-scale entrepreneurs, has provided them with numerous training and workshops to develop seasonal production plan, elaborated a database for registration and maintaining records of poultry target actors, starting-up broiler production and refresher trainings for existing poultry actors and producers in Kunduz Province.

According to the statement by Mr. Naimuddin one of the poultry farmers in Zangi Village of Imam Sahib District who currently owns more than 4,000 broilers in his farm and earns an amount of 30,000 AFN on monthly basis for selling his products, his productivity has increased from 2,000 broilers before the SEDEP interventions to 4,000 broilers subsequent to these interventions which demonstrate an increase of 60% productivity and 50% increase in profits and generating income as prior to SEDEP project's support, his income from selling broilers amounted to 15,000 AFN. Among other innovations that he has brought to decrease the mortality rate of his broilers by availing one of the techniques he has learnt in the training and workshops, he has used to litter sawdust in the floor for chickens. As per his belief, this act has decreased and reduced the chances for chickens' diseases to 70%.

Based on the case study conducted with the value chain actors, the following diagram shows changes in the productivity and revenue of Naimuddin one of the poultry farmers.



POULTRY VALUE CHAIN



According to the statement by Mr. Naimuddin one of the poultry farmers in Zangi Village of Imam Sahib District who currently owns more than 4,000 broilers in his farm and earns an amount of 30,000 AFN on monthly basis for selling his products, his productivity has increased from 2,000 broilers before the SEDEP interventions to 400,000 broilers subsequent to these interventions which demonstrates an increase of 60% productivity and 50% increase in profits and generating income as prior to SEDEP project's support, his income from selling broilers amounted to 15,000 AFN. Among other innovations that he has brought to decrease the mortality rate of his broilers by availing one of the techniques he has learnt in the training and workshops, he has used to litter sawdust in the floor for chickens. As per his belief, this act has decreased and reduced the chances for chickens' diseases to 70%.

DAIRY VALUE CHAIN:

Kunduz Province is one of the most renowned provinces in the country with high and rich dairy products due to the huge number of herds and livestock. As such, most of the farmers' lives depend and rely heavily on dairy products as the main source of nutrition, food security and income since the little amount of these dairy products are consumed at home and the bulk of these products are supplied to the market. Therefore, dairy farming ranks high among other value chains in the agricultural sector and plays a crucial role in generating income and employment opportunities for the community people. As part of the SEDEP Project's activities in 2020, NSDO has conducted business management and good practice training and has distributed large number of aluminum cans to reduce the rate of milk losses for milk collectors and processors.

Based on the case study conducted with the value chain actors, the following diagram shows changes in the productivity and revenue of Abdul Karim S/o Abdul Rasul one of the dairy farmers.



DAIRY VALUE CHAIN:



Abdul Karim S/o Abdul Rasul is 35 years old and is one of the residents of Pul-e-Alchin Area of Kunduz City who has repatriated from Iran and has started his dairy farming business in 2014. As per his statement, he had started his business by producing 100 litres of milk and dairy products on a daily basis which after benefitting from SEDEP Project's interventions, this amount has increased to 1,000 litres and his income has doubled from 30,000 AFN on monthly basis to 70,000 AFN. He attributes his success to the SEDEP Project's interventions and supports extended by NSDO through this project to dairy farmers.

NUTS VALUE CHAIN:

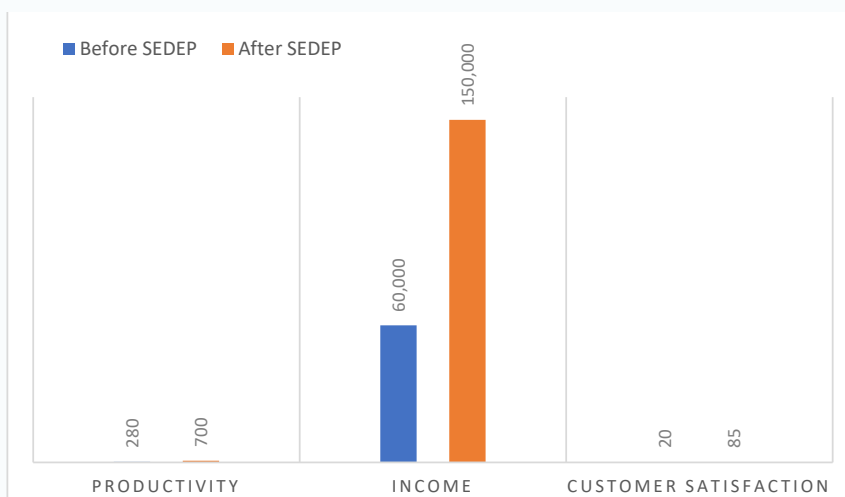
Kunduz Province is rich in almond and pistachio orchards whose products and export rate are estimated to be ranging between 359 to 1400 tons on annual basis. Therefore, most of the income of orchard farmers and horticulturalists are generated from the nuts products which amount to 7.5 million USD as per the statistics provided in the Kunduz Province's profile. With respect to the importance of nuts in the alleviation of poverty, generating income, and addressing food scarcity, NSDO has provided support and assistance to orchard association members, establishing linkage between orchard owners and beekeepers and pollination of orchards through beekeeping business start-up for returnees through SEDEP Project.

Abdul Wahid S/o Gul Mohammad is 27 years old and is a native resident of Kunduz Province. He had kicked up his business in 2007 and invested an amount of 60,000 AFN to lay the foundation of his orchard containing 40 trees. He obtained the membership of the Kunduz Orchard Social Association in 2010 and was introduced by this association to NSDO to benefit from SEDEP Project's interventions in 2017. Since then, has participated in numerous project's trainings, workshops and other interventions that have resulted in an increase of 60% in his productivity as before the SEDEP interventions his products amounted to 280



Kgs on annual basis but this amount has increased to 700 Kgs. The same is also the case with his income and revenue from this business. His revenue before the SEDEP Project amounted to 60,000 AFN which has scaled up to 150,000 AFN on annual basis. As per his estimation, the linkage established between him and beekeepers in terms of pollination has also resulted in an 80% increase and improvement to his productivity and incomes. He attributes most of his success to linkage established between him and the provincial market through NSDO in exhibitions and fairs.

Based on the case study conducted with the value chain actors, the following diagram shows changes in the productivity and revenue of Abdul Wahid S/o Gul Mohammad one of the orchard owners.



NUTS VALUE CHAIN:



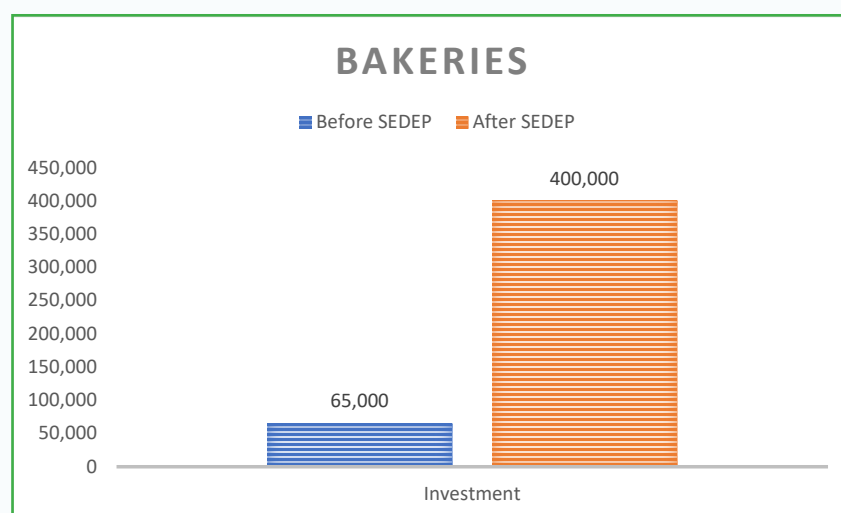
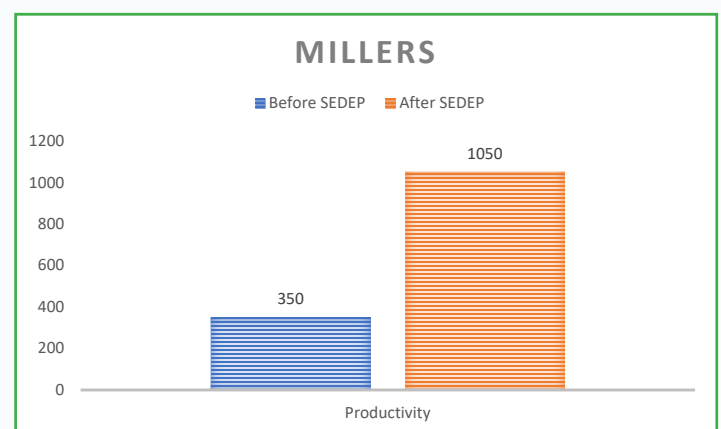
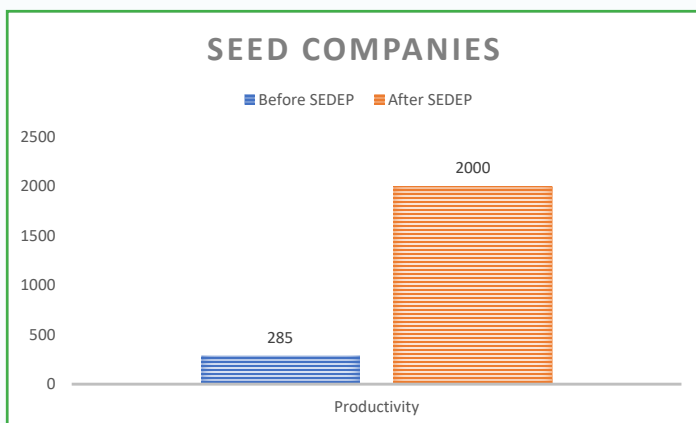
Providing technical and practical training for orchard owners as part of SEDEP Project on pesticide spraying and disinfection of orchards against epidemics.



NSDO has built linkage between orchard owners and beekeepers to enhance productivity of orchards through pollination mechanisms in SEDEP Project's interventions.

WHEAT VALUE CHAIN:

According to the report by Kunduz Agricultural Profile published by USAID, grain production surveyed in Kunduz Province has been estimated to be 411,467 tons worth USD 304.7 million and wheat makes up 97.58 percent of the grain's production generating USD 297 million in revenue. By keeping the importance of wheat in view, NSDO through the SEDEP project in 2020, focused on the warehouse management, entrepreneurial skills packages to millers, starting up on cookies production, implementation of energy-efficient tandoors and fumigation training to the seed companies, traders, input suppliers and farmers. The primary objectives of the activities were to increase target actor's productions in Kunduz province.



WHEAT VALUE CHAIN:



As per the case studies conducted with seed companies and millers, they believe that their productivity has increased from 285 tons of wheat on annual basis to 2,000 tons which shows an increase of 1715 tons per year. The millers who have participated in the SEDEP Project's interventions have also stated that their losses have been reduced substantially and their capacity and potential for milling has increased doublefold as before the SEDEP interventions, they milled 350 Kgs but now it has incremented to 1050 kgs (1 ton and 50 Kgs). Najibullah S/o Mohammad Gul is the resident of Dobandi village of Chahar Dara District of Kunduz province who has a bakery of his own. He claims that by practical application of his knowledge and marketing skills by introducing his bakery through poster and brochure, he has attracted so many customers. He has increased his investment from 65,000 AFN to 400,000 AFN and yeasts and sells about 700 Kgs of flour on daily basis.

VEGETABLE VALUE CHAIN:



As per the report by Kunduz Agricultural Profile published by USAID, vegetable holds a major share in Kunduz Province's products as the vegetable products stand at 149,168 MT worth USD 44.5 million and among other vegetables, potato and onion amount to 82% of all vegetable products. Approximately, 77.3% of all Kunduz vegetables are grown in three districts of Aliabad, Khan Abad and Kunduz Center. In light of the significance ascribed to vegetables has implemented a series of activities for the vegetable producers and processors including Develop farmer's capacity for scaling up production of early and late vegetables in the greenhouse, Workshop with partners to identify areas of joint collaboration working in Vegetable Value Chain, Support the establishment of linkages between progressive producers and traders, Provide technical and entrepreneurial skills assistance to small women vegetable processing businesses, Implement workshop on starting up vegetable production or processing enterprises and Workshop with Established Supermarkets Chains/Companies to explore the linkages with the established women vegetable processors. Depending on the outcome of the workshop with the Supermarkets and Companies a capacity building program has been designed to continue the support to small women vegetable processing businesses to promote vegetable production and processing in target villages of Kunduz province.

VEGETABLE VALUE CHAIN:



Zeba is a 30 years old woman and is a native resident of Kunduz Province and has been engaged in the vegetable production and processing business for 4 years. She had initially invested an amount of 1500 AFN and faced numerous issues and challenges in managing and administering her business which included lack of knowledge on vegetable processing, labeling and posters for marketing, disinfecting the pickle-processing center, mismanagement of delivery system, packaging and processing different types of pickles, marketing, hygiene and losses. However, after participation and engagement in SEDEP Project's activities and operations, she has learnt to produce various types of pickles, acquainted with marketing trends including utilization of posters and labels, packaging her products, disinfecting her processing center and bringing other innovations in her business including the purchase of tanker for washing her vegetable products. She has also participated in many exhibitions including the one convened by Agha Khan in November 2020 wherein she was awarded the first position and appreciation letter. She while thanking NSDO and GIZ/SEDEP for providing this nadir chance for her and attributes much of her success to NSDO's interventions through the SEDEP Project, and says that her capital and investment has evolved to an amount of about 500,000 AFN.



COVID-19 RESPONSE OPERATIONS

Given the significance of COVID-19 on the people's lives and economy, NSDO participated in the voluntary disinfection process in Kunduz City and also distribution of hygiene and sanitation materials as part of COVID-19 response activities and operations being funded by both UN-HABITAT and GIZ/SEDEP. In areas covered by NSDO's activities and operations, NSDO has observed tremendous reduction in infection to this virus and its outbreak among NSDO's beneficiaries and right holders.



COVID-19 RESPONSE

As Afghanistan was on the verge of economic collapse, but however with the epidemic outbreak of COVID-19, the economic situation was deteriorated along with the worsening security situation. Most of the people lost their jobs, their livelihood and their lives due to infection to this virus.

As part of the impacts COVID-19 has had on the Afghan people's lives, their economy and livelihood, Afghan citizens have suffered tremendously from substantial jobs losses resulting from lack of employment opportunities, trade and import/export (trade) disruptions and the diversion of scarce resources to confront the health consequences of the pandemic. COVID-19 is regarded to be the last straw that broke the back of a camel in a country already suffering from a fragile economy with high levels of poverty, security and safety threats and an ambiguous political future.

Given the significance of COVID-19 on the people's lives and economy, NSDO participated in the voluntary disinfection process in Kunduz City and also the distribution of hygiene and sanitation materials as part of COVID-19 response activities and operations being funded by both UN-HABITAT and GIZ/SEDEP. In areas covered by NSDO's activities and operations, NSDO has observed a tremendous reduction in infection to this virus and its outbreak among NSDO's beneficiaries and right holders.

COVID Response to Value Chain Partners

3 GOOD HEALTH AND WELL-BEING



Starting from June 2020, COVID Response to Value Chain Project interventions included to disinfectant of poultry stables and conducting of raising awareness for poultry farmers, disinfectant and equipping with dairy cans of Kunduz Dairy Union, procuring vitavax and hygiene kits, raising awareness of registered members on sanitation, hygiene and COVID-19 (Hemat Vegetable Processors Group), equipping Hemat Vegetable Processors Group, marketing training (new improved practices during COVID-19 outbreak) - Juma Vegetable Processors Group, equipping Juma Vegetable Processors Group, raising awareness of registered members on sanitation, hygiene and COVID-19 - Qataghan Vegetable Processors Group, equipping Qataghan Vegetable Processors Group, disinfection of Kunduz Orchard Social Association (KOSA), Kunduz Nursury Association (KNA) and Drying Yards aimed at prevention of COVID-19 pandemic in the associations, cooperatives, seed companies, small dairy processors and farmers production.





GOOD GOVERNANCE AND ACCOUNTABILITY

Governance and accountability is the first strategic priority in NSDO's operations. As part of its contribution to this strategic priority, NSDO implemented "Active Citizens for Responsive and Accountable Sub-National Governance" in Kunduz Province aimed at 1) building the capacity of 160 people including representatives from youths, women, civil society activists and community influential people on citizen score card (CSR), provincial budget monitoring, urban development and management and 2) establish two advocacy committees including CSR and PBM to monitor public welfare projects and share the results with relevant government authorities, especially municipality of Kunduz Province to take required actions.



GOOD GOVERNANCE & ACCOUNTABILITY:

16 PEACE, JUSTICE
AND STRONG
INSTITUTIONS



As Afghanistan emerges as one of the developing democracies in Central Asia and Southeast Asia, this country faces tremendous challenges, particularly resulting from the security situation, widespread corruption, poverty, poor public service delivery, the brain drain of the young innovative thinking youth, and other pressing problems and challenges that have plagued the country. This has caused government and

public authorities to be negligent in the delivery of public services, lack transparency, lack interest, and low capacity to advocate for their legitimate rights to hold government authorities accountable to deliver the essential services required by them. As a result, government authorities have grown to be corrupt, negligent, and irresponsible, as they find no monitoring mechanism in place to evaluate their performance.

In light of the above points, NSDO implemented “Active Citizens for Responsive and Accountable Sub-National Governance” in Kunduz Province funded by UN-Habitat for a period of 10 months starting from October 2019 to July 2020. This project was aimed at 1) building the capacity of 160 people including representatives from youths, women, civil society activists and community influential people on citizen score card (CSR), provincial budget monitoring, urban development and management and 2) establish two advocacy committees including CSR and PBM to monitor public welfare projects and share the results with relevant government authorities, especially municipality of Kunduz Province to take required actions.

GOOD GOVERNANCE AND ACCOUNTABILITY



In the "Active Citizens for Responsive and Accountable Sub-National Governance" in Kunduz Province, different stakeholders discuss accountability and transparency issues as part of citizen report card and public budget monitoring activities in the project.



Advocacy Committee members visited CRC and monitoring of public welfare projects in Kunduz Province to measure the quality and budget of the project during their monitoring visit to the project site.



HUMANITARIAN AND EMERGENCY RESPONSE:

As a result of war and insurgency and also natural disasters, most of the people in Kunduz, Takhar and Badakhshan Provinces are prone to calamities that force them to displace from their native residential areas to other safer places for taking refuge. The number of these IDPs surge hundreds and sometimes thousands who demand for food and non-food items for their survival.

As such in view of the above points, New Way Social and Development Organization (NSDO) signed a strategic partnership agreement with esteemed Save The Children International (SCI) on October 1, 2019 aimed at building a mutual synergy for the implementation of emergency preparedness and response and addressing the needs of children and affected populations in Kunduz, Badakhshan and Takhar provinces who had been internally displaced as a result of factional wars, insurgency and natural disasters.

Ever since this agreement, NSDO has distributed non-food items / caseloads containing 10 items including kitchen kits, household kits, blanket, baby blanket, patoos for men, patoos for women, socks for children, shoes for children, child clothing and pampers for two-years old children among 2631 3756 household IDPs in Kunduz and Takhar Provinces which also includes 8501 affected adults and 5211 children who had been displaced from their original residential areas to Taloqan City of Takhar Province and Kunduz Center due to natural disasters (flood), wars and conflicts. The lists and reports have been already shared with SCI beforehand. These items have provided some relief for these IDPs to temporarily settle and avail of these non-food items till the normalization of situation and their repatriation back to their original areas of residence.

HUMANITARIAN AND EMERGENCY RESPONSES:



Distribution of NFI among among IDPs in Takhar Province as part of humanitarian and emergency response who have been displaced due to internal wars and conflicts in the surrounding districts and villages of Taloqan City.



Distribution of NFI among IDPs in Kunduz Province who have been displaced due to internal wars and conflicts in the surrounding districts and villages of Kunduz City as part of the humanitarian and emergency response.

ANNUAL AUDIT REPORT OF 2020



Oriental Consultants

INDEPENDENT AUDITOR'S REPORT

To: **The Board of Directors of New Way Social And Development Organization**

Opinion

We have audited the financial statements of **New Way Social And Development Organization** which comprise the statement of financial position as at December 31, 2020, and the statement of fund and disbursement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Organization as at December 31, 2020, and its financial performance for the year then ended in accordance with accounting policies mentioned in note 3 to the financial statements.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the Financial Statements section of our report. We are independent of the Organization in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with accounting policies described in note 3 to financial statements, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Management is responsible for overseeing the Organization's financial reporting process.



Head Office

House 5, Sarak e 5, Selo Main Road Near Masjid e Sang e Kasha
(Kabul University), Kabul, Afghanistan.

Other Offices

Herat, Mazar-e-Sharif, Kandahar.



+93 - 799-543-365

+93 - 787-098-321

+93 - 202-503-367



Info@ocafghan.com / ocafganistan@gmail.com



www.oc.af / www.ocafghan.com/afghancreative.com



ANNUAL AUDIT REPORT OF 2020



Oriental Consultants

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. 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.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain 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.
- Obtain 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 Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 Organization'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 the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicated with management, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Oriental Consultants
Engagement Partner
Sayyed Ul Abrar
Date: January 30, 2021
Place: Kabul Afghanistan



Head Office

House 5, Sarak e 5, Selo Main Road Near Masjid e Sang e Kasha
(Kabul University), Kabul, Afghanistan.

Other Offices

Herat, Mazar-e-Sharif, Kandahar.



Info@ocafghan.com / ocafghanistan@gmail.com



www.oc.af / www.ocafghan.com/afghancreative.com



+93 - 799-543-365
+93 - 787-098-321
+93 - 202-503-367



ANNUAL AUDIT REPORT OF 2020

NEW WAY SOCIAL AND DEVELOPMENT ORGANIZATION
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2020

	Note	December 31 2020 AFN
Current Assets		
Cash and cash equivalent	4	270,260
Fund Receivable	5	1,729,740
Total Assets		2,000,000
Funds and Liabilities		
Funds Balance		-
Liabilities		
Loan Payable	6	2,000,000
Total Funds and Liabilities		2,000,000

The annexed notes from 1 to 8 are an integral part of these financial statements



FINANCE MANAGER





EXECUTIVE DIRECTOR



ANNUAL AUDIT REPORT OF 2020

NEW WAY SOCIAL AND DEVELOPMENT ORGANIZATION
STATEMENT OF FUND AND DISBURSEMENT
FOR THE PERIOD ENDED DECEMBER 31, 2020

	Note	December 31 2020 AFN
INCOME		
Grant Income	7	20,489,531
Gross profit		20,489,531
EXPENDITURE	Annex-1	
Staff salaries and benefits		10,318,046
Food cost		1,977,631
Material & Supplies		1,506,000
Communication		207,269
Equipment		847,950
Utilities		417,058
Printing & Stationery		791,744
Advertisement		342,170
Rent Cost		391,759
Transportation		1,385,504
Vehicle Rent		2,223,050
Total Expenditure		20,408,181
Surplus (Deficit) for the year		81,350

The annexed notes from 1 to 8 are an integral part of these financial statements



FINANCE MANAGER





EXECUTIVE DIRECTOR



ANNUAL AUDIT REPORT OF 2020

NEW WAY SOCIAL AND DEVELOPMENT ORGANIZATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED DECEMBER 31, 2020

1. STATUS AND NATURE OF OPERATIONS

New Way Social and Development Organization (NSDO) is a non profit, non governmental, and non political organization established in 2011 under registration No 2185 with Ministry of Economy (MoE). NSDO is a development, advocacy, and humanitarian organization with its primary focused are women and children. NSDO's work has seen momentous changes in the lives of thousands of marginalized and vulnerable communities, particularly women and children living in fragile and humanitarian situations in Afghanistan. This remarkable transformation has realized by the pronounced support and backing of to NSDO upright partners, including German International Cooperation (GIZ), USAID, Save the Children International, GFA, DAI, UN-HABITAT, UNAMA and International development stakeholders.

1.1 Names of projects and respective donors

Project's name	Donor Name
Active Citizens for Responsive and Accountable Sub-National Governnace	UN Habitat
Sustainable Economic Development and Employment Promotion (SEDEP)	GIZ
COVID Response to Value Chain Partners	GIZ

2. BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the Accounting Policy adopted by NSDO.

2.2 BASIS OF MEASUREMENT

These financial statements have been prepared under the historical cost basis.



ANNUAL AUDIT REPORT OF 2020

**NEW WAY SOCIAL AND DEVELOPMENT ORGANIZATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED DECEMBER 31, 2020**

2.3 TRANSACTIONS IN CURRENCIES OTHER THAN REPORTING CURRENCY

Transactions in currencies other than the reporting currency (AFN) are accounted for at the exchange rate prevailing on the date of transactions. Funds received from the donors are converted in the reporting currency at the time of receipt.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 PROPERTY, PLANT AND EQUIPMENT

Items of property and equipment (assets) purchased out of Donor funds are written off against the fund received from the various donors.

3.2 CASH AND CASH EQUIVALENTS

Cash and bank balances include cash in hand and balances in bank accounts and are stated at cost in the balance sheet .

3.3 FUNDS

These financial statement have been prepared on modified cash basis of accounting. On this basis grant income is recognized when received rather than we earned.

3.4 RECOGNITION OF EXPENSES

Expenses are recognized as and when these are incurred. The expenses related to the projects such as travelling and conveyance, labour and transportation charges, office supplies, utilities, communication, advertisement and promotion charges are directly charges against the grant/donations specifically related to concerned project.

3.5 TAXATION

No tax related provisions have been made in these financial statements because entity is exempted from income tax.

3.6 LOAN AND ADVANCES

These are stated at cost as reduced by appropriate provision for impairment. Known impaired loans and advances are written off, while loans and advances considered doubtful of recovery are fully provided for.



ANNUAL AUDIT REPORT OF 2020

NEW WAY SOCIAL AND DEVELOPMENT ORGANIZATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED DECEMBER 31, 2020

	Note	2020 AFN
4 Cash and Cash Equivalents		
Cash In Hand		
AFN		130,380
US Dollar		-
		130,380
Cash at Banks		
Balance with Banks in Currents Accounts:		
FMFB SEDEP Account		1,275
FMFB NSDO AFN Account		130,751
FMFB NSDO USD Account		7,854
		139,880
		270,260
5 Fund Balance		
Opening balances		1,648,390
Fund Received during the period		20,489,531
Expenditure during the period		(20,408,181)
		1,729,740
6 Liabilities		
Loan payable		2,000,000
		2,000,000
7 Fund Received form Donors		
GIZ SEDEP		18,971,560
UN Habitat -		1,517,971
		20,489,531
8 General		

Figures have been rounded off.

These Financial Statement has been approved and authorized for issue in the meeting of

Board of Directors held on 28 Jan, 2021.


FINANCE MANAGER




EXECUTIVE DIRECTOR


NEW WAY SOCIAL & DEVELOPMENT ORGANIZATION
موسسه اجتماعی و اقتصادی راه نوبی

ANNUAL AUDIT REPORT OF 2020

Annex - 1

Organization	New Way Social and Development Organization
Audit Period	From 1 January 2020 to 31 December 2020.
Report	Summary of Project Expenditure

Description	SEDEP	Covid Response To Value Chain Partners	Active Citizens for Responsive and Accountable Sub-National Governnace	Total
Budget	15,138,420	2,022,050	1,517,971	18,678,441
EXPENDITURE				
Staff salaries and benefits	9,923,100	72,000	322,946	10,318,046
Food cost	1,575,300	-	402,331	1,977,631
Material & Supplies	412,500	1,056,300	37,200	1,506,000
Communication	168,000	1,000	38,269	207,269
Equipment	232,100	597,400	18,450	847,950
Utilities	84,000	270,500	62,558	417,058
Printing & Stationery	598,060	6,850	186,834	791,744
Advertisement	330,000	-	12,170	342,170
Rent Cost	240,000	-	151,759	391,759
Transportation	1,325,100	18,000	42,404	1,385,504
Vehicle Rent	1,980,000	-	243,050	2,223,050
Grand Total	16,868,160	2,022,050	1,517,971	20,408,181
Net Balance	(1,729,740)	-	-	(1,729,740)



Page 6

M

Islamic Republic of Afghanistan
Ministry of Economy
NGOs Department



جمهوری اسلامی افغانستان
وزارت اقتصاد
ریاست مؤسسات غیر دولتی

Certificate of Registration

جواز نامه فعالیت

(NSDO)

Former Registration No: () Date / /

New Registration No: (2185) Date / 14 / 1390

To: *New way Social and Development
Organization*

According to the final decision No: (2185)

Dated / / of High Evaluation
commission of NGOs your Organization is
entitled to work in Afghanistan as an NGO.

You shall respect and observe the Afghanistan
constitution, NGO law and the rest of laws and
regulations enforced in the Islamic Republic of
Afghanistan.

شماره ثبت قبلی () تاریخ / /

شماره ثبت جدید (۲۱۸۵) تاریخ ۱۳۹۰/۴/۱۴

به مؤسسه محترم اجتماعی و اقتصادی راه لوین (

باساس تصویب کمیسیون عالی ارزیابی مؤسسات غیر دولتی

تحت فیصله شماره (۲۱۸۵) مورخ ۱۳۹۰/۴/۱۴

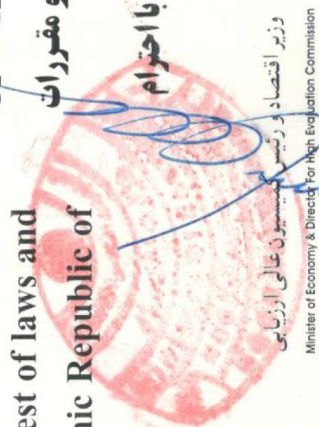
برای مؤسسه شما اجازه فعالیت در افغانستان منظور است.

مؤسسه مکلف است در اجراءات خویش تمام مواد مندرج قانون

اساسی، قانون مؤسسات غیر دولتی و سایر قوانین و مقررات

نافذہ جمهوری اسلامی افغانستان را رعایت نماید.

با احترام



وزیر اقتصاد و رئیس کمیسیون عالی ارزیابی
Minister of Economy & Director for High Evaluation Commission

