

spark

Annual Report

2021



Alaa Daher, a Syrian business graduate in Lebanon, receives online training from Al Moltaqa, SPARK's local partner, financed by Arab Fund for Social and Economic Development

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1.0 Foreword



In the year that SPARK awarded its 10,000th higher education scholarship in the Middle East, our focus has continued to shift towards employment opportunities for youth. Higher education qualifications are not enough to guarantee a job, particularly in regions with high rates of youth unemployment. Similarly, the COVID-19 pandemic has exacerbated the need for strong pathways for youth to access relevant higher education, entrepreneurship development and ultimately, employment opportunities. MSMEs, which globally account for the most jobs, have suffered disproportionately because of global restrictions and SPARK's adapted programming in 2021 aimed to safeguard those businesses and jobs.

Foreword

This year, through coaching, entrepreneurship and business skills training and access to finance, over 2,400 new jobs were directly created by the MSMEs supported by SPARK's programmes, double the number expected. Similarly, the number of supported businesses reached 881, more than our initial target of 687. The main challenge facing MSMEs everywhere, but especially those in fragile states, remains to be access to finance. By collaborating with microfinance institutions and banks, SPARK was able to facilitate 1,151 startups and existing companies with loans and grants, which far exceeded our targets.

As remote working became a norm for many employers, such opportunities for refugees, IDPs and youth living in conflict-affected regions have been created. In 2021, we matched over 1,500 young job-seekers and graduates to internships and over 2,500 found employment. These internships were often remote-based and allowed youth to access on-the-job work experience opportunities in national and international companies.

Similarly, with many people now used to online and blended learning, in 2021 SPARK scaled the number of training courses provided online and reached populations that might be otherwise unable to attend in-person courses. For example, 724 students attended 6 blended courses at the University of Gaziantep in Turkey

and we were able to double the number of people trained in entrepreneurship/business skills in 2020, from 1,693 to 3,296 in 2021.

Our operational model saw the introduction of new IT systems in 2021 and an increased focus on impact measurement in cooperation with the RAND Corporation and International Security and Development Center (ISDC), which was guided by our new Theory of Change. This provides the roadmap for our programmes for creating jobs within the communities where they are implemented and in doing so, contribute to their stability.

We established new partnerships with donors, including Google.org in the Middle East and the Swiss Agency for Development and Cooperation in Rwanda, as well as expanded on existing programmes with the Qatar Fund for Development, Islamic Development Bank, Sheikh Abdullah Al Nouri Charity Society, the Netherlands Ministry of Foreign Affairs and the European Union. Throughout the COVID-19 pandemic, our funding partners have remained flexible and open to innovations to support more youth virtually and in person. We thank them for that. Going forward, our funding partnerships in the Gulf and Europe in the years to come will align with the new European Union strategy for increased European/Gulf cooperation for development, enabling SPARK to support more vulnerable youth in fragile regions.



Members of the ABAHIZI BA CYEZA cooperative plan cassava seedlings in a seed grow house supported by the CASS programme in Southern Province, Rwanda

In 2022, SPARK will develop a new strategy to drive the organisation towards 2030. The climate crisis and the digital revolution are dramatically changing the jobs we have and the way we work, especially in fragile and conflict-affected regions. Our 2030 strategy will respond to the changing needs and nature of protracted crises, as well as establish a focus on job creation themes that are future-proof, including increased services for women, supporting digital transformation and inclusion, green economies and agribusiness.

Localisation is more important than ever. Building on our partners' ideas, approaches and programmes is the only way to create a more sustainable development impact beyond our presence. In 2021, SPARK started shifting to establishing strategic partnerships with local organisations, in contrast to shorter term service-provision approaches. Renewed partnership selection and management processes helped ensure the sustainability of partnerships.

Our aim for the years to come is to establish strategic partnerships that are based on the co-design of programmes with our local partners and on offering direct, tailored capacity strengthening to them, as well as on establishing more equity in programme governance with local partners. Co-creation with expert local partners will be even more essential to SPARK's mode in 2022 and beyond as we (re)enter new, post-conflict countries such as Afghanistan, Libya and Yemen.

Our 2021 staff survey revealed that our people feel closely connected to SPARK's mission and that their daily work contributes to the impact we create. We are proud of that and aim to further facilitate this great team to create lasting impact for the entrepreneurs and businesses we support.

Yannick Du Pont, Michel Richter,
Esther Bosgra and Bilal Amin

Board of Directors, SPARK



Rhodah Nyandit, Sarah Akuul Mün, and Mary Ayen Mach stand together in the marketplace outside of their stalls in Bor, South Sudan

2.0

Supervisory Board Statement



Mirna Tarazi, 35 from Amman, founded Mashroo3 Ghorfati, a business making and selling macrame and other homeware products, supported by SPARK and Qatar Fund for Development

Supervisory Board Statement

For SPARK, 2021 was a year with challenges and new opportunities due to the COVID-19 pandemic. Remote working, blended learning and shifts in market trends created new opportunities for students and entrepreneurs. However, the economic downturn experienced in many regions also continued to most keenly impact the most vulnerable in society and many jobs were lost. Now, more than ever, SPARK's services in job creation, higher education and SME development are needed to help young people pursue their careers. With countries opening up again in 2021, SPARK was able to seize chances to support students and entrepreneurs in fragile regions of the world through innovation within its programmes and adaptation to new market realities.

The Supervisory Board wishes to express their recognition for the passion and dedication shown by the SPARK Board of Directors, the SPARK teams and our local partners. Despite often rapidly changing working conditions and adapted planning of programmes, SPARK was able to strengthen the outcomes of its programmes, its partner relations and its governance systems. Similarly, the cooperation, trust and flexibility of our donors has been crucial to SPARK's continued operations throughout the year. We thank them all for their ongoing and valued support.

In 2021, the SPARK SB was pleased to welcome three new board-members. Firstly, Wassim Beaineh, who serves as Manager International Cooperation for MENA at the Wageningen University & Research Centre and sits as Co-Chair of the Advisory Board for the Robert Carr Foundation for Civil Society Networks. Wassim joined our SB and our SB HR and Remuneration Committee.

Secondly, Fred de Vries, who serves as Head of Internationalization Strategy at the University of Twente and also as the Program Lead for African Higher Education - Digital Social Development Program at MathWorks. Fred joined our SB and our SB Impact Committee.

Thirdly, the SB welcomed Peter de Ruiter, who brings his background as a Partner at EY Poland, Tax Partner at PWC and senior roles at NABC. With expertise in international business, investing, tax and legal affairs. Peter joined the SB and Finance and Audit Committee.

Going forward, the SB will supervise and guide the BoD to deliver on its annual plans towards its 2030 strategy, with a sharp focus on generating positive impact through job creation. In order to measure, accelerate and multiply its impact generation, SPARK will continue to build on its strong foundation of being a leader in education and business development for young people in fragile regions.

Throughout 2021 we have often felt inspired by the dedication of our SPARK colleagues and our partner organisations, and their flexibility during another challenging COVID-19 year. This provides the SB with the confidence that SPARK is ready for a next phase of organisational development with the objective to enlarge its scale of impact generation.

André Veneman (Chairman)
On behalf of the SPARK Supervisory Board

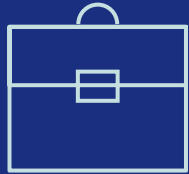
3.0

Our Work in Numbers

Rawan Krayyem, 24, from Palestine, oversees her embroidery business called "Rmzna" that mixes Palesinian embroidery and modern styles in Tripoli, Lebanon



Results This Year



2,528

Jobs Created



413

New Businesses Created



998

Existing Businesses Grown



59

Local Partners
Built Their Capacity



481

Scholarship Holders Graduated



2,574

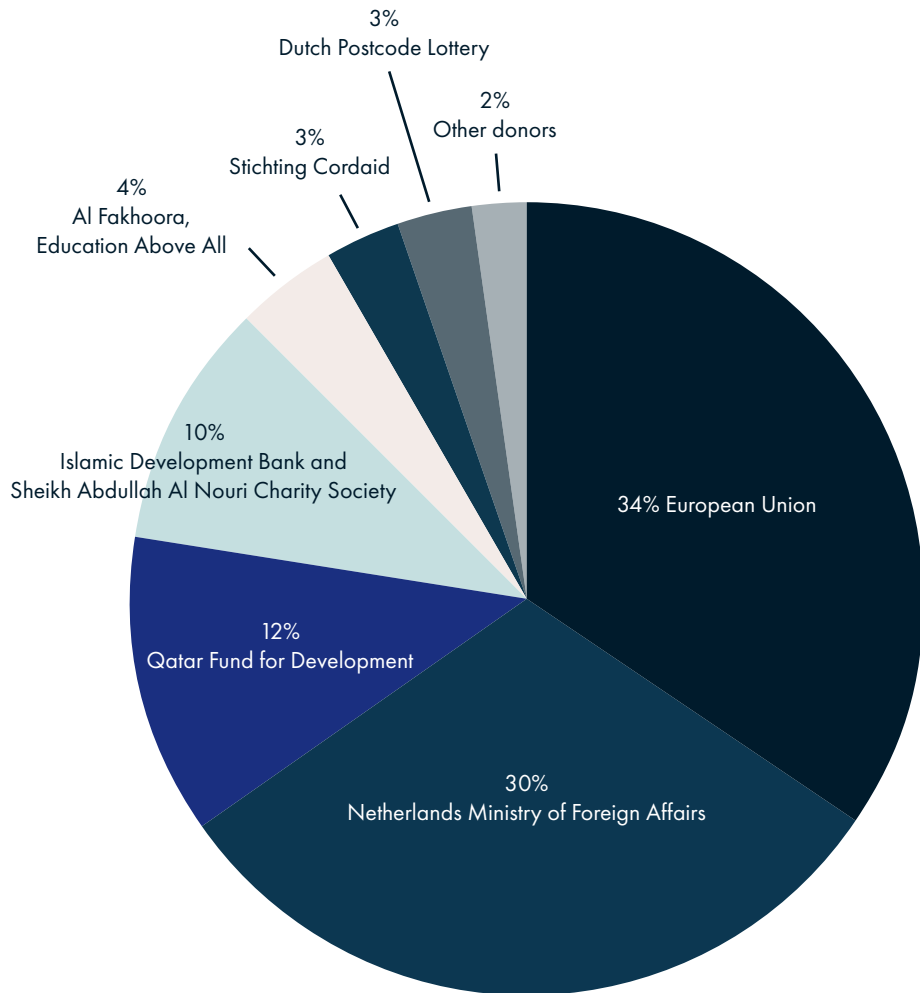
Youth Found Employment



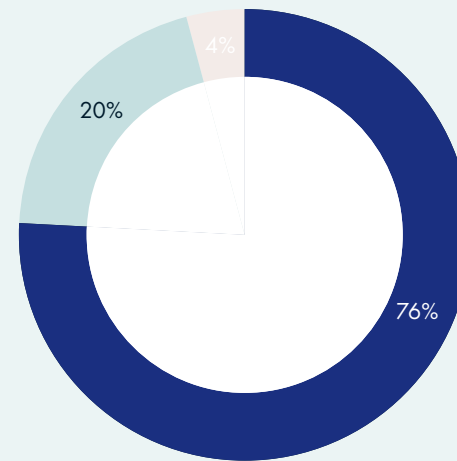
41%

of Participants of SPARK
Programmes Were Women

Where Our Funding Comes From



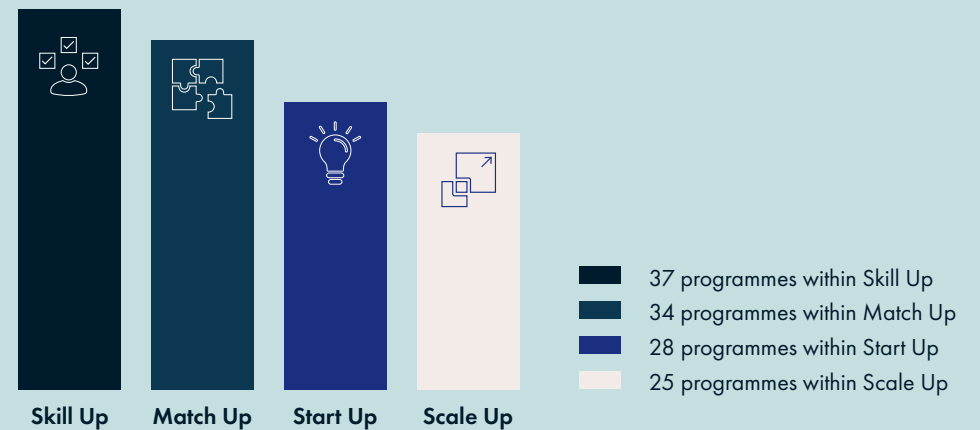
How Our Funding is Spent



Total expenditures:
€18,401,810.66

- 76% - Programmes
- 20% - Personnel
- 4% - Direct Fundraising

Programmes in Our Four Pillars:





Enas Shehade, 26, from Damascus, Syria, takes a class at CIS college as part of her Digital Marketing internship, financed by the Islamic Development Bank

4.0

How We Create Pathways to Jobs



Sally Okla, 21 from Dera'a in Syria, studies an Architectural Engineering Diploma at Khawarizmi College in Amman, Jordan, financed by the Islamic Development Bank

Mission

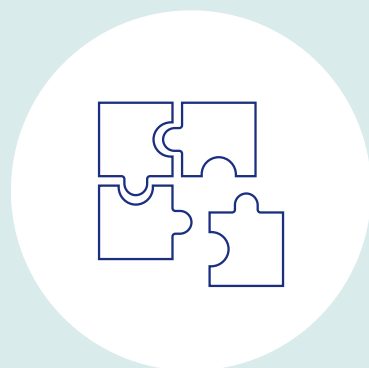
SPARK's mission is to develop higher education and entrepreneurship so that young ambitious people can lead their post-conflict societies into prosperity.

Our Four Pillars



Skill Up

Higher education curricula and career centres become stronger and give youth access to market-relevant skills and entrepreneurship training.



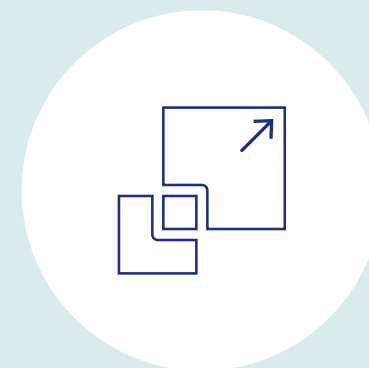
Match Up

Enabling youth to access jobs through market-relevant (higher) vocational education and internships/traineeships and actual job matching.



Start Up

Jobs are created by supporting promising, high-potential entrepreneurs (startups) with coaching, access to finance and markets.



Scale Up

Jobs are created by scaling growth oriented SMEs through coaching and facilitating better access to finance and markets.

Vision

SPARK aims to become a leader within the niche of higher (vocational) education, entrepreneurship and MSME development in fragile and conflict-affected states. In the coming years, SPARK will continue expanding its services in post-conflict regions to reach more youth and local partner organisations, helping them to create economic stability within their communities.

Values

1. Trust

2. Ignite

3. Care

4. Can-Do

5. Courageous

5.0 Narrative

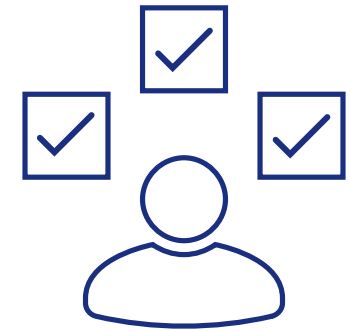


The following chapters outline some of our most successful interventions and projects from 2021. Despite delays and adaptation required to respond to the COVID-19 pandemic in 2020, most programmes were back on track by the end of 2021. The year saw the introduction of new, innovative initiatives that responded to the changing needs of people, markets and industries. In 2021, our four pillars were more strongly defined among our programmes and we increased efforts towards true localisation by cementing our role as a broker and capacity builder of local implementing organisations.

Skill Up

Definition

Higher education curricula and career centres become stronger and give youth access to market-relevant skills and entrepreneurship training.



14

Education curricula were developed or improved with universities in 2021



Story: Skill Up



Awjalan Fatimi, 24-year-old Syrian founder of the Nady Al Shabab gaming centre in the Darashakran refugee camp near Erbil, KR-I

Awjalan Fatimi, 24

Founder

Nady Al Shabab gaming centre

Iraq



Awjalan, a Syrian IT graduate, lives in Darashakran refugee camp, near Erbil in the Kurdistan Region of Iraq. Awjalan graduated from the IT department at Noble Institute with a scholarship provided by SPARK, financed by the Islamic Development Bank, Islamic Solidarity Fund for Development and the Sheikh Abdullah Al Nouri Charity Society and was inspired by an entrepreneurial career. He founded the camp's first-ever gaming centre, receiving 40-80 keen, young gamers per day. The centre provides a safe place for young people to meet, relax and game.

“Young people, especially kids, love coming to my place. It takes their minds off of what’s happening around them and in their home countries. They always ask me to play with them and show them gaming tricks. To them, I’m some sort of hero!”

Scholarships

Access to higher education for refugees not only provides increased access to employment but it also contributes to social cohesion, since attending higher education means socialisation and peer interaction. In 2021, together with the EU MADAD, Al Fakhoora (a programme by Education Above All), Islamic Development Bank, Sheikh Abdullah Al Nouri Charity Society and the Netherlands Ministry of Foreign Affairs, SPARK worked with dozens of universities and local civil society organisations (CSOs) to provide scholarships and student support services to people with refugee, IDP or vulnerable host community backgrounds in four countries in the Middle East region (Turkey, Lebanon, Jordan and Iraq). Scholarships enabled more than 1,980 students to study BA and TVET degrees in fields relevant to jobs, such as nursing, engineering, business administration and coding. To date, we have facilitated over 10,000 higher education scholarships for refugee and host community youth in the Middle East to date, yet COVID-19 and increasing economic downturns leave many graduates without employment. To address this, SPARK's scholarships also offer academic and career counselling services, psycho-social support, digital skills training, extra-curricular training and remedial courses that contribute to the increased employability of youth. For example, leadership development and economic empowerment courses help students develop their entrepreneurial ideas.

“The partnership between University of Mosul and SPARK is one of the most valuable and fruitful collaborations as it supports the efforts of UoM to rebuild the university after the liberation from ISIS. The project targets a big number of students on different subjects that enhance the skills and experience of them which fit with the requirements of the labour market.”



Rawaa Qasha

Director of the Scholarships and Cultural Relations
University of Mosul



Blended Learning

As a result of COVID-19, global education trends shifted towards online and blended modalities of learning. Before this, SPARK was working on blended modalities of learning to better support people living in vulnerable or remote places, such as refugees. The result of COVID-19 had positive and negative consequences: many universities and lecturers lacked the experience or equipment to shift curricula and teaching to online methods successfully, resulting in poor participation and motivation of students. Yet, the new normal of online working has accelerated SPARK's work towards opening opportunities for those with vulnerable or refugee backgrounds to participate more easily, if they are provided the devices and internet access needed.

Particularly notable was a co-designed project in Turkey with the University of Gaziantep, financed by EU Madad. SPARK worked with the university's faculty staff to redevelop nine courses to be offered in a blended modality, which decreased the number of dropouts among Syrian refugees and host community youth. The courses chosen for the pilot batch included subjects supporting self-employment, including entrepreneurship, web design, digital media in architecture, financial literacy, e-commerce and international trade. The participatory approach to introducing this innovation among faculty members resistant to change or with increased workloads due to COVID-19, helped SPARK succeed. It was the first implementation of BA and TVET level education at a public university in Turkey and the University of Gaziantep has plans to develop an institutional framework for blended learning in the future. Students without access to laptops or the internet were provided with necessary equipment by SPARK and our partner universities, including the University of Gaziantep, were supported with servers and storage devices.

Curricula Development

Curricula offered by higher education institutions in the Middle East often fail to prepare graduates to transition into the labour market. Tailored curricula and courses are needed to provide students with market-relevant skills that are rooted in the local needs of the private sector.

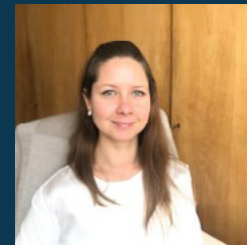
To improve curricula, the Jobs and Perspectives programme, financed by the Netherlands Ministry of Foreign Affairs, supported the development of six curricula offered by the Erbil Technical University (EPU) and University of Mosul (UoM) in Iraq. The curricula chosen for upgrading were based on local market assessments of available job opportunities. These included Technical English, Marketing, AutoCAD, Damage Assessment and Coding. International experts from European universities helped upgrading the curricula and the American University of Iraq's Centre of Gender and Development Studies provided recommendations for gender sensitivity. The new and improved TVET courses were approved by the Ministry of Higher Education and Research (MOHESR) of Iraq and delivered as main courses by EPU and UoM, reaching 1,663 students - more than initially expected.

With the support of MOHESR and the success of the six curricula, SPARK and its partners initiated Bologna Process reforms in other universities. The Bologna Process is an intergovernmental higher education reform process that, to date, includes 49 European countries and a number of European organisations. One of the main challenges in Iraq is the cultural gap and sensitive political situation

between the Kurdistan Region and federal Iraq. During a hybrid conference in Baghdad in November 2021, SPARK brought together higher education ministries from both federal Iraq and the Kurdistan Region, Netherlands Embassy, EU Commission, UNESCO, as well as presidents and vice presidents from over 40 Iraqi universities, who all committed to the Bologna adaptation process as a part of the national education plan. This step towards national policy change is designed to make interventions more sustainable and to create a better framework for future international collaborations for bridging the gaps between the educational system and labour market in Iraq.

In Jordan and Lebanon, a project financed by the Arab Fund for Economic and Social Development, connected local private sector stakeholders with universities in order to identify skills in demand by local markets. Together, we developed curricula tailored for the skills identified in the technical needs assessments. The private sector partners included companies and business representatives from organisations such as Chambers of Commerce and business alliances. The universities involved included the University of Jordan and Petra University in Jordan and the American University of Technology, Beirut Arab University, Lebanese International University and Lebanese University in Lebanon. In total, three new curricula were developed and implemented across the six universities. Despite initial reluctance to join yet more online training courses after the pandemic, over 400 of the 498 enrolled students (58% women) graduated in 2021.

“The UoM team were highly engaged, committed and creative in the collaboration. The resources (i.e. time, energy, intellectual capital) that the UoM and EPU teams have invested have certainly resulted in excellent materials that I believe will benefit many students for years to come. Also, the team from SPARK played their role impeccably as they offered support, took care of organisation, provided valuable input and made various types of resources available that empowered us to do our part.”



Dr. Marilize

Technical English Expert
University of Antwerp



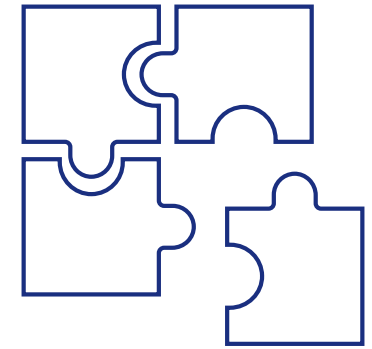
Preventing Violent Extremism

In the Kurdistan Region of Iraq, where polarisation and inequality are pervasive and the thread of youth radicalisation is a continuous threat, young people grow despondent about opportunities for their futures. The Networks of Change programme, financed by the Netherlands Ministry of Foreign Affairs, trains youth in campaigning skills to create alternative narratives and (job) opportunities. In 2021, 22 youth completed 6 months of training focused on youth-led change and community-driven campaigning, socio-political dialogue, public awareness creation, leadership and entrepreneurship. 29 participants, from previous campaign teams received a Training of Trainers and went on to train 870 youth in three rejuvenated youth centres across Erbil, Sulaymaniyah and Halabja. The training empowers young men and women to become critical thinkers, decision-makers, innovators and community leaders. In 2021, 14 of the trained campaigners found a job within 4 months of graduating from the programme, many within media, digital media and youth work. In a crowded job market that demands work experience, this programme has provided youth with a stepping stone towards their career goals.

Match Up

Definition

Enabling youth to access jobs through internships, traineeships and actual job matching.



Members of the Networks of Change youth campaign group during a conference to launch the new campaign, 22+You, targeting youth in the Kurdistan Region of Iraq



1,688

job-seekers were placed in
internships or traineeships in 2021

Story: Match Up



Bahaa Muhammad Khalil, 26-year-old Syrian refugee living in Iraq was matched to a remote internship at the Sabaa Centre for Studies and Human Development

Bahaa Muhammad Khalil, 26

Remote intern

Sabaa Centre for Studies and Human Development

Iraq



Bahaa is a Syrian refugee residing in Sulaymaniyah, Iraq. He enrolled in an internship programme financed by the Netherlands Ministry of Foreign Affairs. After a careful matching process by SPARK, he was linked to an internship with Sabaa Centre for Studies and Human Development as their main website developer, a specialist in social networking sites, and the creator of advertising campaigns.

“At the beginning, I was nervous because of this new experience in my life, I had never worked with people remotely. I am very excited to live this experience, to learn a lot of new things and develop myself. This internship gave me the opportunity to try something new in my life, while sitting at home. In the past, I was taught that we can’t work online with the same quality, but after this experience, everything changed. I had learned how to do my task online, how to connect with the team and share our ideas and complete our tasks without seeing each other face to face”.

Internships

The internship model is well known in much of the world, yet is still uncommon in many of the fragile and conflict-affected countries that SPARK works in. As a method of boosting youths' work experience, in 2021 SPARK facilitated over 1,600 internships for young job seekers. Not only did this kickstart young people's careers in many cases, it also supported struggling MSMEs in need of support to recover losses due to COVID-19.

In Burundi, SPARK's local partners, CREOP-YOUTH and INFINITY GROUP, took on the challenge of convincing potential employers of the benefits of hiring interns, as well as training youth in employability skills prior to matching them to appropriate internships for their skills. As an incentive, SPARK cofinanced 50% of intern salaries with the employers in 2021, as part of the Akazi Keza programme financed by the Netherlands Ministry of Foreign Affairs. Matchmaking events helped connect enterprises with skilled youth and a mindset change was advocated for. After much persuasion, CREOP-YOUTH and INFINITY-GROUP succeeded in placing 177 youth in paid internships, which led to permanent positions for 85 young people.

Another internship programme, funded by the Arab Fund for Economic and Social Development, worked with university Career Centres and in cooperation with the private sector in Jordan and Lebanon to facilitate internships for youth. The internships had a high success rate - 43% of the 160 students who were placed in an internship were retained in high quality jobs. This demonstrated the relevance and quality of the curricula and courses provided and a direct result of the close partnership with the private sector. Internships and jobs were largely in growth sectors like IT sector as well as service and manufacturing sectors providing longer term perspectives for them in terms of job opportunities in companies such as Telepaty, Techware in Lebanon and Texum and Al Manaseer in Jordan.



Excellent discusses his internship with his supervisor at Sunstone Beach hotel in Kagongo, Burundi

Remote Internships

The Jobs and Perspectives programme, financed by the Netherlands Ministry of Foreign Affairs, first began facilitating remote internships in 2020, as a response to the COVID-19 pandemic. Due to the success of these remote-based, 3-6 month internships, SPARK scaled up the programme in 2021 and focused on multinational companies. By linking youth to work experience opportunities, particularly in digital fields, as well as offering a monthly stipend and laptop/internet access, interns became more competitive candidates for the future digital jobs market and 47 businesses boosted their workforces.

In 2021, the project was expanded alongside university Career Centres in Iraq and Lebanon to include funding from EU Madad, the Dutch Postcode Lottery and the Islamic Development Bank. The expansion helped increase the number of women, refugees, IDP and vulnerable job seekers and enabled youth to gain internship experiences. A survey found that 90% of the interviewed interns found the internship useful; 70% believed that they have become stronger candidates in the labour market; and 70% believe that the internship will speed up the process of finding a job.

“The absence of good jobs and perspectives for a better future are the main drivers for radicalization. Therefore, the Netherlands is a strong supporter of SPARK’s programme to improve social inclusion of vulnerable youth in host and refugee communities with their valuable knowledge and great expertise.”



H.E. Michel Rentenaar
Netherlands Ambassador to Iraq
Netherlands Embassy in Iraq

Job Matching

Towards the UN Sustainable Development Goal of Decent Work and Economic Growth, SPARK matches job-seekers to sustainable, permanent jobs. Working with local partner organisations is crucial for understanding the needs of local employers and identifying opportunities for job matching. In Syria for example, our partner, the Syrian Expatriate Medical Association (SEMA), identified the huge need for trained healthcare professionals inside Syria. Financed by the Sheikh Abdullah Al Nouri Charity Society, SPARK and SEMA trained healthcare staff according to internationally-recognised curricula. 100 qualified healthcare professionals were then matched to jobs in Syrian public hospitals, with 92 out of 100 receiving long-term contracts as nurses and caregivers.

Refugees are particularly vulnerable to exploitation and Syrians living in the neighbouring host countries in the Middle East are often confined to the informal sector. Working informally can lead to reduced or unfair wages and reduced labour rights. In Turkey, a programme financed by the Qatar Fund for Development and implemented by United Work, sought to match Syrian job-seekers to employment in 2021. Despite the country experiencing an unprecedented fall in the value of its currency throughout the year, which hit the economy hard, SPARK matched over 400 Syrian workers to decent, sustainable employment opportunities in

manufacturing, food processing, textile and logistics sectors. Incentives were offered to employers, including work permit registration support and partially covering social security and salaries of employees.

In the Netherlands, after the takeover of Afghanistan by the Taliban in August 2021, the Netherlands Embassy in Kabul evacuated its staff members to the Netherlands. On the request of the Netherlands Ministry for Foreign Affairs, SPARK responded quickly to begin job-matching for the Afghan refugees arriving in the Netherlands. In the following months, SPARK will work with Tempo-Team and USG Restart, the largest career coaching organisations in the Netherlands, to prepare career profiles of each of the 37 candidates, arrange Dutch language courses and provide additional training in specific job fields where needed.

Employability Skills

In many cases, the populations SPARK works with - refugees, IDPs, women and vulnerable youth from host communities - lack soft skills and job-based knowledge when graduating or searching for employment. In 2021, SPARK and a number of partners provided career coaching and job skills training, such as time management, communication, business cultures, working in a team and basic digital skills, in order to increase youth employability. For example, a programme financed by the Islamic Development Bank (ISDB), Sheikh Abdullah Al Nouri Charity Society, provided job skills training for 261 young refugees and IDPs in Lebanon, Jordan, Turkey, Syria and Iraq before matching them to internships and a further 239 were matched to internship and 12 to job placement opportunities.



Dr. Lena Abu-El-Hajja, Head of Department at the Industrial Engineering at German Jordanian University discussing a new entrepreneurship curriculum developed together with SPARK, financed by the Qatar Fund for Development

Start Up

Definition

Jobs are created by supporting promising, high-potential entrepreneurs (startups) with coaching, access to finance and markets.



3,296

participants received entrepreneurship
& business skills trainings in 2021

Story: Start Up



Serap Küpeli

Entrepreneur

Zeugma Cooperative

Turkey



The Zeugma cooperative is a women-led enterprise based in Gaziantep, Turkey. It sources and produces locally-made food products. In 2021, they joined a project supporting women entrepreneurs to tackle COVID-19, financed by the Qatar Fund for Development, which helped them to establish the products on the leading Turkish e-commerce platform, Hepsiburada.

“As female entrepreneurs, we decided to establish a cooperative in November [2021]. We are trying to ensure that the local products grown in Gaziantep are produced in a healthy way. Our supervisory board members consist of our Syrian friends. We had the chance to work with important mentors about how social media design should be, how our products should be photographed, how we should present our products, how to communicate with the customer. We received financial support - grants. With these grants we bought goods in cash and increased our sales volume. We bought an industrial refrigerator. We have enriched our product range.”

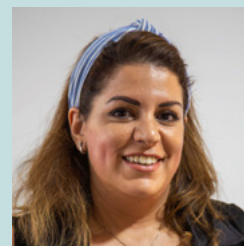
Serap Küpeli is the Turkish founder of the Zeugma Cooperative based in Gaziantep, southeastern Turkey, that sells locally-made food products via Hepsiburada.com, supported by SPARK and the Qatar Fund for Development

Tech Startups

In light of the digital revolution that is already automating and changing jobs globally, in 2021 SPARK began supporting digitalisation for MSMEs and investing in the growth of tech startups. To this end, SPARK launched a new programme in 2021 with support from Google.org, which supports youth in Lebanon, Palestine and Iraq to develop digital skills directly linked to remote jobs. The programme also includes an incubation component, to be launched in 2022, where competition to be launched in 2022 focused on refugee-led tech startups.

In Tunisia, as part of the Local Employment in Africa for Development programme financed by the Netherlands Ministry of Foreign Affairs, SPARK worked with local incubator, Wiki Start-up, to launch a startup competition for fintech and agritech companies. Hackathons and one-to-one tailored coaching sessions in branding, pitching and business planning saw 49 young entrepreneurs (39 women) participate in the entrepreneurship programme, with 12 new MSMEs founded (5 by women). Collaboration on the project with experts from the private sector, including MS Solutions (a fintech pioneer in Africa specialised in e-payment solutions) and Ezzayra Solution (leading agricultural innovations in Tunisia) helped to guide the entrepreneurs on technical and innovative solutions.

“There was interesting exchange and prospects for large-scale partnerships. The participating business owners that we brought to the project were very attentive to everyone’s needs and also tried to provide answers and solutions to all the questions of the entrepreneurs. We will try in the future to bring more investment funds and solutions to the entrepreneurs.”



Chiraz Arfaoui

Deputy General Manager

Wiki Startup Tunisia

“SPARK is exceptional in its field. Combining expertise of both TÜRKONFED and SPARK created a powerful and valuable partnership. We have conducted an intensive and effective process for Syrian and Turkish SMEs. SPARK has always been closely related to the project, paying attention to the developments, listening to needs that are faced on the way and trying to provide support whenever needed.”



Şeyda Dağlı
Coordinator
TÜRKONFED

Refugee/IDP Startups

Migrants and refugees can contribute positively to the development of their host communities. Yet refugees often lack access to finance and knowledge of the host country’s legal system, which can be bureaucratic and costly. Access to banking systems are also often limited for refugees and can be a major stumbling block in the process of establishing a business.

In 2021, SPARK focused on improving the economic inclusion of refugees in Turkey, Jordan, Lebanon and Iraq through various programmes supporting access to labour markets, finance, entrepreneurship and economic opportunities. For example SPARK supported more than 1,500 refugee and host community entrepreneurs in Turkey and the region. The project, financed by the Qatar Fund for Development, partnered with local organisations such as Jusoor, BINA, and Start up without Borders. Coaching and mentoring was provided to entrepreneurs to enable them to establish their businesses. The programme also supported 65 startups with innovative business solutions, including digital marketing and e-commerce, as well as 56 startups who received investment readiness and technical assistance to pitch their ideas to investors alongside with the financial assistance (seed funding, in-kind contribution) to develop their minimum viable products and/or establish their businesses to create jobs.

Women-led Startups

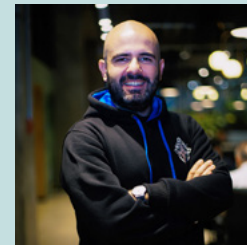
Women in fragile and conflict-affected regions face unique barriers to economic inclusion. In these countries, women still often face cultural and social barriers and those women that do work are often confined to gender stereotypical roles. Moreover, female entrepreneurs face greater hurdles than their male counterparts when it comes to access to finance, as capital or equity is traditionally held by male family members.

Jordan has extremely low rates of women's participation in the labour force. Here, SPARK developed a gender-sensitive entrepreneurship curriculum in 2021, which aligned with a national strategy to 2025 that encourages the development of women-led MSMEs. These entrepreneurs were found to lack finance, as well as a lack of knowledge on how to steer their businesses in a growth-oriented direction, for example in manufacturing, purchasing raw materials or new technologies. As part of the Jobs and Perspectives programme, financed by the Netherlands Ministry of Foreign Affairs, 400 women entrepreneurs received the training, which covered topics like business planning, financial management, sustainability and entrepreneurship

tools. Over 550 women-led MSMEs also received technical coaching and mentorship, as well as finance readiness coaching, to address these challenges. In total, 180 new jobs were created by these SMEs and 100% of new and existing jobs were safeguarded, meaning no employees were laid off during or after the pandemic. The women-led MSMEs also took on 49 job placements (17 women, 16 Syrians) to support their businesses in engineering, marketing and digital marketing. Over 75% of the interviewed business-owners expressed that they gained knowledge and benefited from the training, coaching and mentoring.

Fully virtual support for women-led businesses was provided by a programme financed by UN Women in partnership with Viveka, in which 66 aspiring women entrepreneurs received a six-week intensive online entrepreneurship training to develop their business ideas. Entrepreneurs then pitched their businesses and 33 of the finalists benefited from further five-week mentoring sessions.

“The best part of working with SPARK was that we were able to establish a win-win collaboration. We provided our expertise on entrepreneurship from the field, whereas SPARK enlightened us around gender sensitive language. Reflecting that to the trainer handbook and curricula, we created a great programme with added value for the women entrepreneurs.”



İlder Haliloğlu

CEO
Viveka



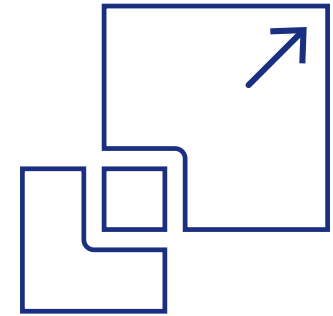
Agribusiness Startups

With many fragile and conflict-affected countries that SPARK works within, food security is a huge issue, especially as a result of the increasing impact of the climate crisis and COVID-19. In Rwanda, the Cassava Agribusiness Seed Systems programme, financed by Netherlands Organisation for Scientific Research, supported rural entrepreneurs in the cassava value chain. Cassava is among the main staple crops in the country and is important in terms of both food security and economic development. In 2021, by working with partners from both the private sector, government and international universities including IITA Rwanda, Wageningen University and Research, Rwanda Agriculture and Animal Resources Development Board, INGABO Syndicate and Kinazi Cassava Plant Ltd., the programme attracted more youth into agribusiness, not only as direct farmers of the crop, but in seed multiplication and cassava processing. The number of participants to the programme were limited in 2021 as a result of COVID-19 restrictions. Much of the training and business plan development had to be delivered virtually, which was challenging for youth in rural areas with limited access to digital equipment and the internet. Yet, 48 youth (18 women) were enrolled in a tailored incubation programme with training and coaching in cassava seed agribusiness and entrepreneurship. A business plan competition saw 14 of the youth pitch their business plans, with five bankable winners (2 women) linked to potential partners to grow their startups, including microfinance institutions, processors, markets and producers.

Scale Up

Definition

Jobs are created by scaling growth-oriented SMEs through coaching and facilitating better access to finance and markets.



Saad Chouihna from Aleppo is CEO of SaadPlast, a plastics manufacturer in Turkey hiring both Syrian and Turkish staff



1,411

startups and existing businesses
received access to finance in 2021

Story: Scale Up



Yaman Halawi

Founder

YELLA GLOBAL

Turkey



Yaman Halawi is the Syrian founder of YELLA GLOBAL, which offers high-quality services in translation, digital communication and business development. Based in Istanbul, the city hosting the largest number of refugees in the world, he found a huge need for translation services, especially within hospitals. The company has built a thriving community platform of remote freelance interpreters to widen job opportunities for refugees in the Turkish market and beyond.

During the pandemic, a programme by SPARK and TÜRKONFED with funding from the Qatar Fund for Development, supported YELLA GLOBAL to accelerate the development of their platforms and connected them to other businesses working in the translation sector.

“After this our company started to take shape,” says Yaman. “We experienced significant growth during the COVID period.” YELLA GLOBAL are now enlarging their capabilities within a multileveled, competitive market and developing their freelancers’ digital skills and interpretation expertise with specialised courses designed in-house.

Yaman Halawi is the Syrian founder of YELLA GLOBAL, a translation, digital communication and business development service based in Istanbul, Turkey, supported to scale up during the COVID-19 pandemic by TÜRKONFED, SPARK and Qatar Fund for Development

COVID-19 Response and Digitalisation

MSMEs have the potential to create cost-efficient jobs at some scale, yet since the COVID-19 pandemic exacerbated the need to digitalise, many MSMEs, especially rural companies, face challenges with technical support.

In Turkey and Jordan, SPARK worked with partners TÜRKONFED, Manafeth, Qatar Charity, Innovation for Development (I4D) and Gaziantep Chamber of Commerce to support the growth of 232 MSMEs in response to COVID-19. Through coaching and mentoring, which was tailored towards adjusting to new market realities and opportunities, all companies prepared business plans for growth and survival. Based on the plans, partner organisations provided in-kind support of up to \$5,000 USD in financial grants to help safeguard their companies through economic downturns and embrace the digitalisation within their companies. Over 130 new jobs were created and more than 600 jobs were safeguarded as a result of the programme, which was financed by the Qatar Fund for Development.

SPARK has been supporting youth and women business-owners to access online marketplaces and digitalise their workforce and internal processes. Financed by the Qatar Fund for Development, In particular, SPARK's local partner, Innovation for Development provided digitalisation training for women-led, rural cooperatives in Turkey, as well as for women social entrepreneurs, which helped 35 MSMEs to start selling their products on the leading Turkish e-commerce platform, Hepsiburada. Rural agricultural cooperatives present an important employment opportunity for women by increasing household income and economic independence. Research finds that this enables children of these women to stay in education for longer, thereby indirectly supporting rural economic and social development for stability.



“SPARK has allowed Premium Agro Consult Ltd. as a partner to operate in an autonomous state, while guiding the company closely in the implementation of activities. SPARK, as an organisation, has added more value to Premium Agro Consult staff through the provision of technical support/capacity building in the development of materials that fits well within the context of South Sudan as a fragile state.”



Ramson Duku Kweji

Relationship Manager & Lead Trainer
Premium Agro Consult Ltd.

Agribusiness

In South Sudan, the protracted conflict has undermined progress in agricultural development which remains the main source of livelihood. Much of the enabling infrastructure for agriculture has been destroyed, including finance, agri-inputs, markets and transportation, so stimulating entrepreneurship in this field remains a challenge. Decades of humanitarian aid has also enforced a mindset of receiving handouts among the population so SPARK focuses on demand-based targeting and supports early adopters of the concept as the drivers of change in this mindset. In 2021, the Food Security through Agribusiness in South Sudan (SSADP II) programme, financed by the Embassy for the Kingdom of Netherlands in partnership with Cordaid, supported agripreneurs to revamp the agricultural sector in the rural areas of Yambio, Torit and Bor. Through newly established Business Support Centres and working with our local partner, Premium Agro Consult Ltd., 26 new startups have been established and 304 existing businesses were grown in the on and off-farm sectors, offering services and products in the community, including agri-inputs, agro-processing, transportation services and raw material supplies. In 2021, the programme helped establish the first agri-input dealer in all of Yambio County. In these regions, the literacy rate is low so 49 (32 women) agripreneurs benefited from SPARK’s special training manual and template for illiterate entrepreneurs in order to create their business plans.

Access to Finance

Flexible and context-appropriate financing solutions are needed for startups and existing businesses in fragile and conflict-affected regions. Many populations that SPARK works with, including women, refugees and vulnerable host communities, lack access to bank loans because microfinance institutions (MFIs) are risk-averse in offering credit to MSMEs, especially startups, due to the lack of financial history and collateral. In 2021, SPARK worked with MFIs and fintech partners to support entrepreneurs to develop bankable business plans, find solutions for creating financial histories, and in some cases act as a guarantor, to enable financial institutions to develop confidence when investing in MSMEs in fragile states.

In Tunisia, as part of the Local Employment in Africa for Development programme financed by the Netherlands Ministry of Foreign Affairs, SPARK supported three microfinance institutions to diversify their support to rural MSMEs. Zitouna Tamkeen, one of the MFIs, was supported with technical assistance and continuous support for their Business Engineering Department. The aim was not only to grow existing value chain projects in the country but to also develop new projects in different agricultural sectors such as vegetable crops, sheep farming, dates and bio crop chains. As a result, Zitouna Tamkeen succeeded in offering over €500,000 in loans to support the growth of 52 MSMEs (8 women-owned), which led to the creation of 73 jobs (24 women). Similarly, SYRES for Development, a

local NGO and a major actor in microfinance in the region of Kef, northwestern Tunisia, was helped to build their capacity in soft skills, financial education, risk management and debt collection techniques for its staff. SPARK also supported the institution to establish a new microfinance branch in Dahmani in order to better serve local entrepreneurs and MSMEs there. The growth of our partner organisations, especially microfinance institutions, is essential for making local entrepreneurial ecosystems more accessible for startups and existing businesses. Throughout the programme, SYRES was able to recruit 16 new employees all from the region of Kef.

In South Sudan, under the SSADP II programme, financed by the Embassy for the Kingdom of Netherlands in partnership with Cordaid, SPARK worked with Rural Finance Initiative (RUF), an MFI, as well as local partner, Premium Agro Consult Ltd., who prepared entrepreneurs to develop bankable business plans through business skills training, mentorship and coaching sessions available through newly established Business Support Centres. Through this initiative, 17 startups and 12 existing businesses were provided with credit from RUF worth \$83,000 USD in 2021. Today, RUF is more confident to advance credit to the alumni of Business Support Centres, compared with other entrepreneurs.

“The partnership has been mutually beneficial. Clients that SPARK has recommended to us have been able to access loans and their repayments have been relatively good. SPARK is a valuable partner because they build the capacity of the clients we deal with which give us confidence in handling such clients.”



Yengi Lokule

CEO

Rural Finance Initiative - RUF



Mr. MUTANGANA Innocent (second from left), Chairperson of CDAN cooperative which is supported by the CASS programme in Eastern Province, Rwanda

6.0

Organisation



Impact and Job Creation

With an eye on continuously enhancing the positive impact of our programmes, our organisation increased in 2021 its programmatic-focus on job creation. This focus was guided by our new Theory of Change, which provides the roadmap for our programmes for creating jobs within the communities that they are implemented and in doing so, contribute to their stability.

In 2021, we also engaged in preparations for systematically evaluating the impact of our programmes from 2022 and beyond, by initiating standardisation in the methodology for monitoring key-results areas of our programmes and exploring collaborations with external experts for supporting us in evaluating our impact. We partnered with globally renowned institutes such as the RAND Corporation and the International Security and Development Center (ISDC) to better assess SPARK's impact.

SPARK also initiated a 2030 strategy formulation process in 2021, which was led by our in-house expert staff and in line with our focus mentioned above, it calls for a refinement of our logic relevant to future-proof job creation (for example, jobs in the tech and environmental sustainability sectors), as well as of the types of jobs that serve the needs of our target groups the most.

Strategic Partnerships

Localisation has historically been a key characteristic of our operational model. Our aim is to move towards full strategic partnerships that are based on the co-design of programmes and a more equal programme governance model. Together with our local implementing partners, we made an important step. This was done by increasingly placing a focus on establishing strategic partnerships with local organisations, in contrast to service-provision agreements. Concretely, this has led to a new selection and contracting process for partners, in which we tweaked our process to make it less transactional and fit better for longer term, more equal partnerships. More importantly, as we move towards co-creation with local partners of new programmes, these will be part of initiatives from the very outset and included in programme governance. Furthermore, we completed our first round of partnership evaluations, which focused on a two-way evaluation of the partnership, leading to a joint agenda for improvement and capacity building.

New IT Backbone System

In 2021, our organisation experienced a significant change with the implementation of new IT systems, namely a new programme management system and a new financial administration system, which are integrated with each other. The introduction of our new IT backbone system constitutes a significant change in the way we manage our programmes, while it is aimed at facilitating growth and operational efficiency for our organisation.

To support the implementation of our new IT backbone system, as well as to ensure our operations are future-proof, we also updated our IT architecture strategy. In light of this, we migrated our data and applications into a cloud computing environment.



Interns, Menas Almasri and Larissa Sabra, work together on assignments for their internship at the Lebanese International University in Beirut, Lebanon

Acquisition

In 2021, we established new partnerships with donors, including Google.org in the Middle East and the Swiss Agency for Development and Cooperation in Rwanda, as well as expanded on existing collaborations with the Islamic Development Bank, Sheikh Abdullah Al Nouri Charity Society, the Netherlands Ministry of Foreign Affairs and the European Union. In 2021, SPARK signed contracts in the amount of €14,774,139 EUR, with still €11,350,000 EUR at the end of contract/contracting phase.

Within the acquisition strategy for 2021, special attention was devoted to visibility and information gathering around opportunities with the EU. In June, an EU Partnerships Manager based in Brussels began supporting SPARK's EU relations and discussions with the EU and the Netherlands Ministry of Foreign Affairs on seizing opportunities related to 'delegated cooperation' and 'Team Europe' initiatives became centre stage.

Another priority was to reinforce the co-creation processes with our local partners and in several proposals they did not only co-create the programme but were entered in the project governance structure as co-applicants. Increasing the efficiency of the nexus between acquisition and programme implementation, as well as the continuous balancing of cost and effectiveness, were other priorities for the team.

In 2021, we continued to act fast and provide an efficient response to conflict outbreaks. For example, SPARK was asked by the Netherlands Ministry of Foreign Affairs to quickly support a group of Afghan refugees coming to the Netherlands and a number of missions were held in the neighbouring countries to Afghanistan. Similarly, SPARK reestablished activities in Libya in 2021 and were invited by the EU to design a programme.

Closely working with other departments throughout the organisation, we have contributed to the quality of our communication materials and M&E framework, emphasising the importance of the learning agenda in SPARK. The process of development of SPARK's 2030 Strategy Framework was actively supported through bringing in inputs from our donor community as an important stakeholder and partner in our work.

Finally, to ensure visibility of SPARK, share our lessons learned and keep expanding our stakeholder and donor network, we participated in over 15 events, mostly online due to COVID-19 restrictions. Yet, towards the end of the year, we participated in-person at the WISE Summit in Doha, RewirEd conference in Dubai and IsDB Annual Meeting in Tashkent.



External Communications

38,055 new followers on social media channels*

(+76.7% compared to 2020)

Almost 18 million social media impressions*

(+56% compared to 2020)

*excluding YouTube

In 2021, SPARK implemented a communications strategy that fully supported localisation by working almost exclusively with local creatives (filmmakers, photographers and graphic designers). The continued strategy aims to ensure the authentic storytelling of participants of our programmes. Moreover, new methods on social media, allowed SPARK to increase the amount of user-generated content, enabling participants to tell their own stories directly to SPARK's social media audiences through Instagram takeovers and other tools.

One of SPARK's largest social media campaigns in 2021 was a campaign and online event during World Refugee Day to celebrate achieving 10,000 scholarships for Syrian and host community youth in the Middle East. The event featured the participation of Her Highness Queen Máxima of the Netherlands and Her Highness Sheikha Moza bint Nasser, founder of Education Above All. The two high profile women talked with

Syrian refugee scholarship recipients living in Iraq, Jordan and Lebanon and the event was broadcast live on Al Jazeera Mubasher, as well as across the social media channels of SPARK and Education Above All. The event and campaign reached 328,631 people (impressions) across SPARK's channels, with almost 10,000 engagements.

Another impressive digital media moment was during our 8th IGNITE conference, which was held online due to COVID-19. Through social media we were able to push for attendance and engagement with our audiences, reaching over 1 million people (impressions).

Moving forward, SPARK will incorporate new platforms, such as Tiktok, into the communications strategy in order to reach greater youth audiences. We are also striving to proactively anticipate the constant changes in social media through training sessions to understand the latest trends, algorithms and more.

SPARK's Social Media Analytics From 2021:

Social media channels: Facebook, Instagram, Twitter, LinkedIn	Amount	% compared to 2020
Audience growth	38,055	+76.7%
Engagements	1,449,420	+175%
Post link clicks	73,814	+190.3%
Impressions	17,623,602	+56.2%



Dana Hattar, founder of Acrylic and More, an acrylic company based in Amman, Jordan

Our People

SPARK thrives if our people thrive. Since 2020 and throughout 2021, senior people managers within the organisation participated in an intense online trajectory for building their skills in managing teams and leadership. This trajectory was facilitated by an external expert.

Additionally, SPARK's new performance management system was implemented last year for the first time within the organisation. This system is based on the Objectives and Key Results methodology and is complemented by a talent management system.

We progressed steadily in transitioning from being a programme implementer to an expert organisation and convener for local partners. In 2021, we brought onboard in-house experts on digital jobs, blended learning, private sector engagement, as well as MSME growth and financing mechanisms. As part of our knowledge management we have organised two learning events in Kigali and Istanbul for key staff, partners and experts reviewing internal and external best practices. We further developed our expertise and refined our interventions in digital internships, (digital) inclusive finance, market system development, selection of entrepreneurs and blended learning. We have started to integrate most of these topics into internal training.

Integrity and Complaints Addressed

SPARK ensures integrity within its operations, by implementing a staff manual and code of conduct, a partners' code of conduct, a complaint handling procedure and a whistleblower procedure.

Regarding the latter two, SPARK distinguishes between complaints that refer to dissatisfaction expressed by a stakeholder of the organisation, regarding its programmes, staff, or other general issues relevant to the organisation's operations, as well as complaints that refer to misconduct by SPARK staff members. Complaints that are relevant to the first category are handled through our complaints handling procedure and complaints that are relevant to the second category are handled through the whistleblower procedure, which offers increased confidentiality to those who report them.

Regarding the first category, the organisation received and addressed 12 complaints in 2021. These complaints were reported by stakeholders in the Middle East region and mainly from Turkey. The topics of these complaints were mainly relevant to dissatisfaction with selection processes that were implemented within the organisation's programmes and with the stipends provided to scholarship recipients.

Regarding the second category, the organisation received one complaint in 2021 regarding the outcome of a selection process for internship placement in the Kurdistan Region of Iraq. An investigation of the complaint and the response provided by SPARK to it, conducted by the external Confidential Advisor, concluded that the complaint had been handled correctly and there was no indication of misconduct by SPARK. Moreover, in 2021, SPARK addressed and closed a complaint that was reported to the organisation in late 2020 and referred to a case in the Kurdistan Region of Iraq.

A reflection on how the organisation ensures integrity within its operations indicates that the inclusiveness and outreach of the complaints handling procedure and the whistleblower procedure must be further improved. Research commissioned by the UK House of Commons has clearly demonstrated that whilst on paper INGOs generally have procedures well in place, in reality cases do not reach the formal mechanisms. For these aims, the organisation initiated the updating of these two procedures in 2021, including a pilot for 2022 for a local, externally-led compliance mechanism.

Summary of Programmes

Programme/ Project	Donor(s)	Country(ies)	Tme(s)	Duration	Summary description	Global Indicators 2021	Target 2021	Results 2021
Akazi Keza	Netherlands Ministry of Foreign Affairs	Burundi	Match Up, Scale Up, Skill Up, Start Up	2020-2024	To boost the skills of young people to better align with labour market demand and build capacity of promising startups and existing businesses, with a special lens on women entrepreneurship in rural and peri-rural communities. The programme contributes to the development of entrepreneurial ecosystems, facilitating (agri-transformation) business incubators, boosting artisanal entrepreneurs and making long-term impact by creating decent jobs.	# of direct jobs created in businesses supported by SPARK programmes/projects # of indirect jobs created in businesses supported by SPARK programmes/projects # of new business create by youth/excluded who participated in SPARK programmes/projects # of existing businesses that grew after support received by SPARK programmes/projects # of participants in coaching or mentoring organised within SPARK programmes/projects # of participants in entrepreneurship/business skills trainings organised within SPARK programmes/projects # of participants in SPARK programmes/projects who received access to finance # of youth/excluded who participated in SPARK programmes/projects and found employment # of youth/excluded who received soft skills and/or employability training organised within SPARK programmes/projects	750 1,130 40 70 140 350 70 1,880 600	1,177 422 51 117 146 474 93 1,599 700
ANOPT	Sheikh Abdullah Al Nouri Charity Society	Palestine, State of	Start Up	2021-2021	To target startups who have been affected by the last incident in OPT (Gaza, Jerusalem)	# of participants in SPARK programmes/projects who received access to finance	20	20
Arab Fund	Arab Fund for Economic and Social Development	Jordan, Lebanon	Match Up, Skill Up	2020-2021	"To develop curricula for higher education institutes, place women and youth in 3-month internships in the private sector to enable students to have better access to the labour market."	# of education curricula that were developed or improved through SPARK programmes/projects # of local partner organisation that received capacity building # of participants in SPARK programmes/projects who were placed in an internship or traineeship position # of youth/excluded enrolled in higher education through SPARK programmes/projects # of youth/excluded who participated in SPARK programmes/projects and found employment	2 2 80 200 34	4 4 165 414 69
Brighter Futures	Nuffic	Lebanon	Skill Up	2020-2022	To support Lebanese TVET institutions and organisations to enhance quality education for refugee students and host communities. The project will be implemented by CIS college (TVET institution in Lebanon and SPARK's partner) who conduct training and curriculum development with other institutions and NGOs.	# of participants in entrepreneurship/business skills trainings organised within SPARK programmes/projects	22	25
CASS	Netherlands Organisation for Scientific Research	Burundi, Rwanda	Skill Up	2019-2022	"To test, evaluate and upscale end user preferred cassava varieties with strong resistance to Cassava Brown Streak Disease and Cassava Mosaic Diseases through different types of cassava agribusiness seed systems models .	# of participants in coaching or mentoring organised within SPARK programmes/projects # of participants in entrepreneurship/business skills trainings organised within SPARK programmes/projects # of participants in SPARK programmes/projects who received access to finance	6 215 4	8 250 4
Dynamic Futures Programme	Education Above All Foundation	Iraq, Jordan, Lebanon, Palestine, State of, Turkey	Match Up, Skill Up	2016-2022	"To promote the basic right of Syrian and Palestinian youth affected by crisis to enjoy access to higher education and employment opportunities."	# of SPARK scholarship recipients who graduated from their studies	263	154
EBRD	European Bank for Reconstruction and Development	Turkey	Skill Up	2021-2021	To support EBRD's efforts in contributing to equitable, inclusive and sustainable economic growth across its regions of operations. The project is expected to address social and environmental challenges to providing access to skills, education and training for young people.	# of youth/excluded who participated in SPARK programmes/projects and found employment # of youth/excluded who received soft skills and/or employability training organised within SPARK programmes/projects	40 40	52 61

Summary of Programmes - Continued

Programme/ Project	Donor(s)	Country(ies)	Tme(s)	Duration	Summary description	Global Indicators 2021	Target 2021	Results 2021
EU Dahil Turkey	European Union	Turkey	Match Up, Scale Up, Start Up	2021-2022	To contribute to employment creation among Syrian refugees and vulnerable Turkish community members, in 4 'refugee affected' provinces notably Adana, Gaziantep, Hatay and Sanliurfa.	# of organisations engaging in networks established within SPARK programmes/projects # of participants in entrepreneurship/business skills trainings organised within SPARK programmes/projects	2 202	155 116
EU MADAD Iraq	European Union	Iraq	Match Up, Scale Up, Skill Up, Start Up	2020-2023	To improve pathways to employment for Syrian and host community youth through higher education (blended learning), internships and entrepreneurship in Iraq .	# of local partner organisation that received capacity building # of participants in coaching or mentoring organised within SPARK programmes/projects # of participants in entrepreneurship/business skills trainings organised within SPARK programmes/projects # of participants in SPARK programmes/projects who received access to finance # of SPARK scholarship recipients who graduated from their studies # of youth/excluded enrolled in higher education through SPARK programmes/projects	60 7 307 7 50 120	13 10 339 10 43 205
EU MADAD Turkey 2	European Union	Turkey	Match Up, Scale Up, Skill Up, Start Up	2019-2023	To create access to higher education at Bachelor and TVET level (blended learning) for disadvantaged youth, including refugees, women and vulnerable Turkish youth.	# of direct jobs created in businesses supported by SPARK programmes/projects # of education curricula that were developed or improved through SPARK programmes/projects # of local partner organisation that received capacity building # of participants in SPARK programmes/projects who were placed in an internship or traineeship position # of SPARK scholarship recipients who received student services offered within its programmes/projects # of youth/excluded enrolled in higher education through SPARK programmes/projects	120 0 0 120 685 80	112 6 5 112 934 724
FSA (SSADPII) ISDB - ISFD and Al Nouri	Embassy for the Kingdom of Netherlands	South Sudan	Scale Up, Start Up	2018-2023	"To improve food security, income and employment of farmer households in selected counties, based on the Making Markets Working for the Poor (M4P) approach and aims at enhancing the food security, buying power and employment position of vulnerable population in Yambio, Torit and Bor counties."	# of participants in coaching or mentoring organised within SPARK programmes/projects # of participants in entrepreneurship/business skills trainings organised within SPARK programmes/projects	410 445	400 360
ISDB - ISFD and Al Nouri	Islamic Development Bank and Sheikh Abdullah Al Nouri Charity Society	Iraq, Jordan, Lebanon, Syrian Arab Republic, Turkey	Match Up, Skill Up, Start Up	2018-2022	"To provide access to higher and vocational education for Syrian refugees and IDPs, as well as economic empowerment and entrepreneurship support for Syrian refugees and IDPs."	# of local partner organisation that received capacity building # of organisations engaging in networks established within SPARK programmes/projects # of participants in entrepreneurship/business skills trainings organised within SPARK programmes/projects # of participants in SPARK programmes/projects who received access to finance # of participants in SPARK programmes/projects who were placed in an internship or traineeship position # of youth/excluded enrolled in higher education through SPARK programmes/projects # of youth/excluded who received soft skills and/or employability training organised within SPARK programmes/projects	4 3 40 3 110 40 70	8 6 83 12 239 173 261

Summary of Programmes - Continued

Programme/ Project	Donor(s)	Country(ies)	Tme(s)	Duration	Summary description	Global Indicators 2021	Target 2021	Results 2021
ISDB-Tadamon	Islamic Development Bank	Iraq, Jordan, Lebanon	Match Up, Scale Up, Skill Up, Start Up	2020-2022	To contribute to the immediate and medium-term efforts to prevent, contain and respond to negative impacts of COVID 19 on the youth in Jordan, Lebanon, and Iraq.	# of participants in coaching or mentoring organised within SPARK programmes/projects # of participants in entrepreneurship/business skills trainings organised within SPARK programmes/projects # of participants in SPARK programmes/projects who received access to finance # of participants in SPARK programmes/projects who were placed in an internship or traineeship position # of SPARK scholarship recipients who graduated from their studies # of youth/excluded enrolled in higher education through SPARK programmes/projects # of youth/excluded who participated in SPARK programmes/projects and found employment # of youth/excluded who received soft skills and/or employability training organised within SPARK programmes/projects	40 40 15 190 134 134 200 190	32 32 5 214 134 134 233 214
Jobs & Perspectives	Netherlands Ministry of Foreign Affairs	Iraq, Jordan	Match Up, Scale Up, Skill Up, Start Up	2019-2023	"To improve prospects for refugees and vulnerable host communities in Jordan and Iraq (KR-I) in the field of education, entrepreneurship and access to decent jobs."	# of direct jobs created in businesses supported by SPARK programmes/projects # of education curricula that were developed or improved through SPARK programmes/projects # of local partner organisation that received capacity building # of participants in coaching or mentoring organised within SPARK programmes/projects # of participants in entrepreneurship/business skills trainings organised within SPARK programmes/projects # of participants in SPARK programmes/projects who were placed in an internship or traineeship position # of youth/excluded enrolled in higher education through SPARK programmes/projects	90 2 6 170 200 100 300	130 2 6 226 400 145 330
LEAD 2	Netherlands Ministry of Foreign Affairs	Somalia, Tunisia	Match Up, Scale Up, Skill Up, Start Up	2020-2023	"To work with local partners in the public and private sector to promote entrepreneurship and boost business creation, growth, and employment."	# of direct jobs created in businesses supported by SPARK programmes/projects # of existing businesses that grew after support received by SPARK programmes/projects # of new business create by youth/excluded who participated in SPARK programmes/projects # of participants in entrepreneurship/business skills trainings organised within SPARK programmes/projects # of participants in SPARK programmes/projects who received access to finance # of participants in SPARK programmes/projects who were placed in an internship or traineeship position # of youth/excluded who participated in SPARK programmes/projects and found employment	670 600 100 1,260 60 80 250	1,109 547 306 1,107 946 170 200
NoC	Netherlands Ministry of Foreign Affairs	Iraq	Skill Up	2019-2022	"To empower Kurdish youth as leaders and innovators, training teachers, social workers and parents in the identification and mitigation skills regarding early radicalisation. To open dialogues through on- and offline activities of the Youth Digital Workforce teams. SPARK provides new pathways to success for young people in the KR-I, preventing them from turning to radicalisation as a last resort or out of economic dependence."	# of educators who participated in training for preventing youth radicalisation and violent extremism organised with SPARK programmes/projects # of youth who participated in training for preventing youth radicalisation and violent extremism organised with SPARK programmes/projects	80 25	94 51
PCL 2	Nationale Postcode Loterij	Iraq, Jordan, Lebanon, Turkey	Match Up, Scale Up	2020-2022	"To support economic resilience for refugees, IDPs and vulnerable host communities through sustainable job creation in Syria and its surrounding countries."	# of conferences organised by SPARK # of education curricula that were developed or improved through SPARK programmes/projects # of local partner organisation that received capacity building # of participants in SPARK programmes/projects who received access to finance # of participants in SPARK programmes/projects who were placed in an internship or traineeship position # of youth/excluded who received soft skills and/or employability training organised within SPARK programmes/projects	3 3 7 25 502 30	2 2 2 31 441 24

Summary of Programmes - Continued

Programme/ Project	Donor(s)	Country(ies)	Tme(s)	Duration	Summary description	Global Indicators 2021	Target 2021	Results 2021
QFFD	Qatar Fund for Development	Jordan, Turkey	Match Up, Scale Up, Skill Up, Start Up	2020-2024	"To support the creation of an enabling environment for increased employment opportunities and labour market access in cooperation with the local private sector."	# of existing businesses that grew after support received by SPARK programmes/projects # of new business create by youth/excluded who participated in SPARK programmes/projects # of participants in coaching or mentoring organised within SPARK programmes/projects # of participants in entrepreneurship/business skills trainings organised within SPARK programmes/projects # of participants in SPARK programmes/projects who received access to finance # of youth/excluded who participated in SPARK programmes/projects and found employment	55 20 110 41 20 250	334 14 1,315 169 30 400
SANAD II	Finance in Motion	Lebanon, Palestine, State of, Tunisia	Scale Up	2020-2021	"To safeguard jobs and create new employment opportunities through providing financial and technical support to MSMEs (safeguarding, scale up and startup) through the SPARK SME Credit Fund in response to the impact of COVID-19."	# of local partner organisation that received capacity building # of participants in coaching or mentoring organised within SPARK programmes/projects	7 70	13 97
EULAP	European Union	Liberia	Scale Up	2018-2021	"To improve the productivity and sustainability of nutrition sensitive agriculture at the level of smallholder farmers."	No Global Indicator association for 2021		
EIB	European Investment Bank	Jordan, Lebanon, Tunisia	Scale Up	2018-2021	To promote responsible financial inclusion of the Southern Neighbourhood populations, specifically vulnerable populations (youth, unemployed, migrants and refugees) to reduce poverty, encourage entrepreneurship and increase stability across the region	No Global Indicator association for 2021		
IPoVaF 2	SPARK	Rwanda	Scale Up	2020-2022	"To increase access to (digital) financial services that enhance productivity, income and job opportunities for Irish Potato smallholder farmers and cooperatives in Rwanda."	No Global Indicator association for 2021		
UN Women	UN Women	Turkey	Scale Up, Start Up	2020-2021	To support existing or starting women entrepreneurs from vulnerable groups, including those affected by COVID-19 lockdown or preventive measures.	No Global Indicator association for 2021		
ISDB Tadamon Libya	Islamic Development Bank	Libya	Match Up, Scale Up, Skill Up, Start Up	2021-2022	To contribute to the immediate and medium-term efforts to prevent, contain and respond to negative impacts of COVID 19 on the youth women and other vulnerable groups in Libya.	No Global Indicator association for 2021		
ISDB Tadamon SOMALIA	Islamic Development Bank	Somalia, Tunisia	Match Up, Scale Up, Skill Up, Start Up		To contribute to the immediate and medium-term efforts to prevent, contain and respond to negative impacts of COVID 19 on the youth women and other vulnerable groups in Somalia.	No Global Indicator association for 2021		

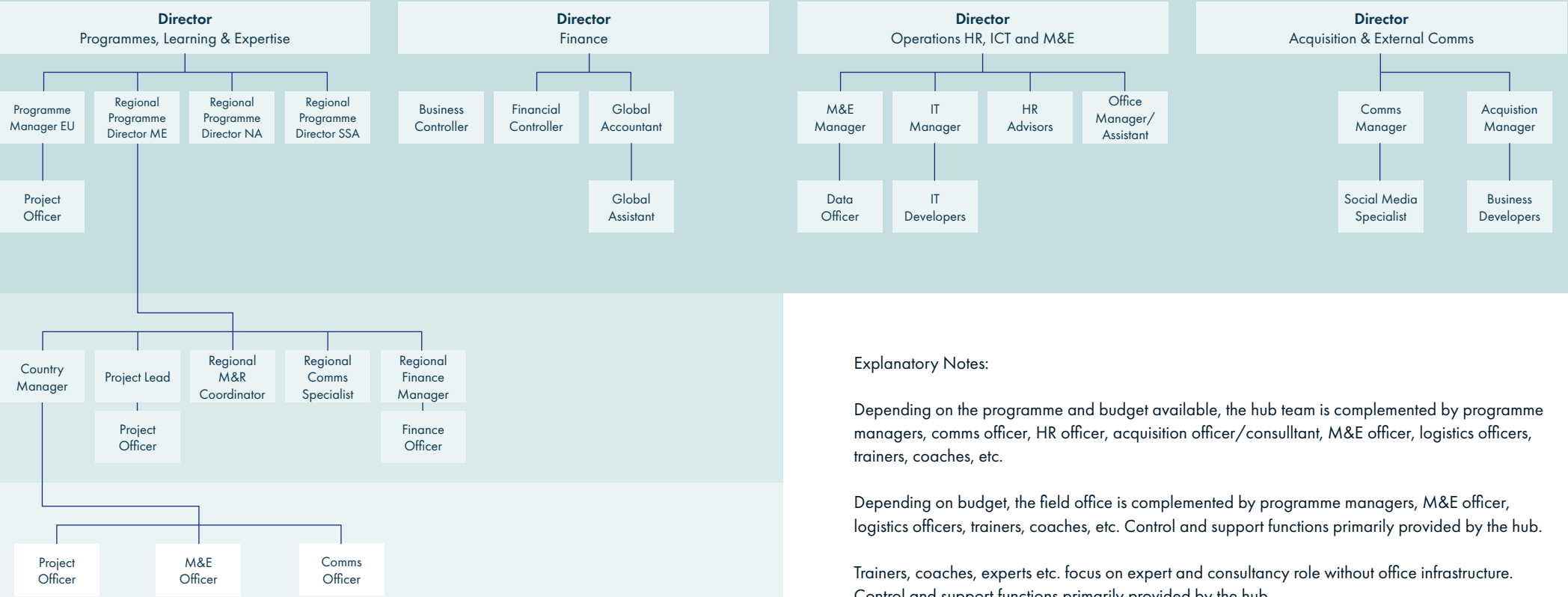
Summary of Programmes - Continued

Programme/ Project	Donor(s)	Country(ies)	Tme(s)	Duration	Summary description	Global Indicators 2021
Gwiza	Swiss Agency for Development and Cooperation	Rwanda	Match Up, Scale Up, Skill Up, Start Up	2021-2023	To support the Rwandan MSME community to thrive beyond the pandemic. The programme response for Rwanda is in line with the recently published Government of Rwanda's Economy Recovery Plan priority 4: Support Businesses and Protect Jobs.	No Global Indicator association for 2021
Google & Tides Foundation	Google.org	Iraq, Lebanon, Palestine, State of	Match Up, Start Up	2021-2023	To boost the digital skills of refugee and host community youth in Lebanon, Iraq and the Palestinian territories.	No Global Indicator association for 2021
KabCare	Netherlands Ministry of Foreign Affairs	Netherlands	Match Up	2021-2022	To assist, mentor and match 36 ex-local Afghan employees from the Dutch Embassy in Kabul in a 6-month period towards paid employment in the Netherlands.	No Global Indicator association for 2021
ABIN	Embassy of the Kingdom of Netherlands	Burundi	Scale Up, Skill Up, Start Up	2014-2021	To increase the availability of quality food and creation of decent jobs, especially for women and youth from rural areas. The long-term programme provides sustainable solutions for each of the three incubation centres established under the programme, to ensure they continue operating with local private and public partners after SPARK steps out.	No Global Indicator association for 2021
YMCB	European Union	The Netherlands, Belgium, Italy and Austria	Skill Up, Start Up	2019-2021	To develop an international network for promoting migrant entrepreneurship in Europe. Specifically, the network aims at increasing the access migrant entrepreneurs have in education and training, mentoring and access to finance.	No Global Indicator association for 2021
THSN	Generali Group, The Human Safety Net	Italy, Germany and Switzerland	Start Up	2017-2021	To offer tailored educational workshops, technical training and financial support for migrant entrepreneurs in Europe. It focuses on recently arrived asylum seekers that demonstrate brilliant business acumen and who have a high chance of being granted asylum or subsidiary protection. With this programme, SPARK is a partner to the Generali Group – The Human Safety Net entity, responsible mainly for the provision of technical advice.	No Global Indicator association for 2021
IEO	Netherlands Ministry of Foreign Affairs	Jordan	Match Up, Scale Up, Skill Up	2016-2021	To reduce migratory and radicalisation tendencies amongst Syrian youth, and prepare for the reconstruction of Syria by creating employment and entrepreneurship opportunities.	No Global Indicator association for 2021

SPARK Overall Organisational Chart 2021 Hierarchical & Functional Lines

Supervisory Board

Board of Directors



Explanatory Notes:

Depending on the programme and budget available, the hub team is complemented by programme managers, comms officer, HR officer, acquisition officer/consultant, M&E officer, logistics officers, trainers, coaches, etc.

Depending on budget, the field office is complemented by programme managers, M&E officer, logistics officers, trainers, coaches, etc. Control and support functions primarily provided by the hub.

Trainers, coaches, experts etc. focus on expert and consultancy role without office infrastructure. Control and support functions primarily provided by the hub.

The position of Regional Programme Director can be combined with the position of Programme/Project/Country Manager. The Country Manager position can be combined with the Programme/Project Manager position.

Core Team
 Three Regional Hubs
 Country Offices

Risk Analysis

1 (low) - 5 (high)

Risk	Likelihood	Impact	Mitigation
Delays in implementation because of increased instability in countries	4	3	Continued monitoring and back up plan
Declined donor interest in Syria crisis/Turkey and other protracted crises	4	5	Monitoring and gradual growth of projects with tweaked focus
Lack of sufficient new programme development	3	5	Increased number of initiatives developed with local partners
Balance innovation and programme implementation	4	4	Hiring experts, learning and collaboration between acquisition and programmes
Complaints do not reach proper mechanisms to address these	4	4	Upgrade of the local signalling capability of the organisation to ensure complaints reach proper channels and increase local channels
Tackling issues with unclear roles and bureaucratic processes	4	4	Proactive follow-up of issues, prioritisation of new finance structure
Not seizing upon the wish of staff to enhance culture of care	3	4	Well-defined HR processes, capacitating people managers
Internal financial and M&E systems not up to standard for larger multi donor programmes	4	4	Completion of system upgrades to ensure compliance with standards
Financial mismanagement or fraud in one of SPARK's markets	3	4	Improving control environment and conduct risk-based audits

7.0

Finance



Achol Jok Bior sells dried fish at Bor's fish market in South Sudan

Investment Policy

Financial resources are available in the short-term to carry out SPARK activities, and in the long-term to guarantee the continuity of the organisation. SPARK does not invest in shares, bonds or real estate. Liquid assets that are not required for activities in the short-term are kept in a savings bank account. These liquidities can be retrieved directly from the bank accounts.

Fraud prevention and correction

During the review of last quarter's financials, SPARK management found unusual cash transactions out of SPARK's bank account in the Republic of South Sudan. An internal investigation found that cash from the SPARK bank account was misappropriated. This unfortunate event took place despite the dual signatory control in place to manage the SPARK bank account. An independent audit was conducted to identify the causes of the control lapse and confirm the total loss to SPARK. The total loss to SPARK due to this financial misappropriation is €123,659. This amount is provided for in 2021 financials and SPARK will cover this loss from its internal reserves to ensure that donor funds and project participants are not impacted. Furthermore, the finance team is reviewing internal processes to improve the organisation-wide control environment. SPARK's management has hired a local law firm to advise the future course of action as per the local legal system.

SPARK is committed to preventing and addressing fraud and corruption within the organisation, its local partners and contracted external parties. To do so, we review appropriate financial and administration procedures on a regular basis, a Complaints Handling Process (which includes a Whistleblower Policy) and specific contractual conditions for partner organisations. SPARK complies to a comprehensive Anti-Fraud and Corruption Policy.



Jean Baptiste Hatsindiyeze digs up casava on a cooperative farm in Ruhango, Rwanda

Board of Directors and Supervisory Board Remuneration

The Supervisory Board, upon advice of the Remuneration Committee, has determined the remuneration policy, the salaries and the amount of other remuneration components for the Board of Directors. The policy is updated periodically. The last evaluation was in July 2021.

For determining the remuneration policy, amounts and components, SPARK follows the Regulations for the remuneration of directors of charity organisations (see www.goededoelennederland.nl). These regulations take into account the Dutch legislation on maximising senior level incomes (Wet Normering Topinkomens).

The regulations provide a maximum standard for annual income based on weighted criteria. The weighting at SPARK was done by the Remuneration committee. This led to a so-called BSD score of 379 points for the CEO with a maximum annual income excluding other remuneration 2021 114.366 of EUR (40 hours / 12 months) and a BSD score of 348 for the other BoD members with a maximum annual income excluding other remuneration 2021 of EUR 102.538 (40 hours/ 12 months) or EUR 82.030 (32 hours/12 months).

The actual annual income. see table above, of the CEO amounted to EUR 106.506, slightly lower than the applicable ceiling of EUR 114.366 of the applicable score. The annual incomes of the other Directors (80% FTE) amounted to EUR 39.678 - 76.549, also slightly lower than the applicable ceiling of EUR 82.030.

Taking into account the absence of any other remuneration components, the Supervisory Board views the total remuneration, including the slight deviations for the annual income compared to the BSD scales, as acceptable and fair.

The taxable allowances/additions, the employer's pension contribution and other long-term benefits are low in proportion to the annual income and compared with the market.



Financial Results

Increase in 2021 Income

In 2021, SPARK's income and expenditure were €18.4 million, an increase of 5% compared to 2020. Though income and expenditure were lower than the budget, as expected, the income from an anticipated project did not materialise.

Positive Net Result

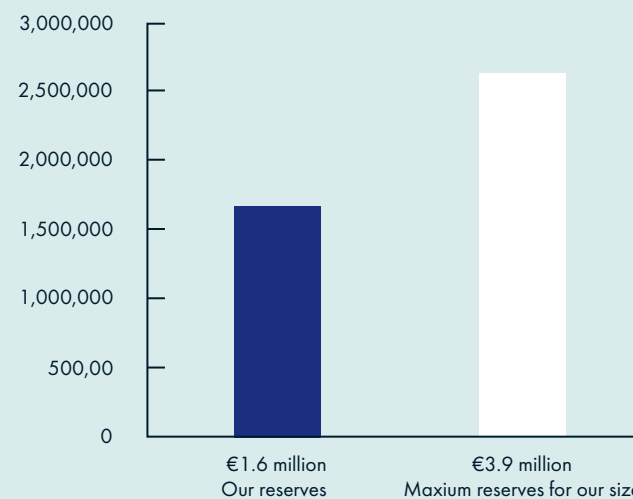
The bottom line net result was €38,467 for 2021. This positive financial result was achieved due to improved cost management processes despite high, one-off costs during 2021. SPARK management's continued focus on cost management resulted in 92% of 2021 expenses directly being spent on the organisation's key objectives of higher education and private sector development.

Loan Guarantee Fund

Besides regular programme activities, SPARK has provided financial access (support) through loans and/or guarantees instead of grants. Loans are predominantly disbursed through financial institutions in SPARK's intervention countries. The funds that were provided by donors for this purpose, and repaid amounts of these loans and/or guarantees, are administered in the Loan Guarantee Fund which totaled €1 million at the end of 2021.

Continuity Reserve

The positive charge to the Continuity Reserve resulted in reserves increasing by 2.5% to €1.63 million in 2021 from €1.59 million in 2020. This level is deemed rather slim but sufficient for now. Our ambition is to let this reserve grow, similar to the intended income growth over the coming years. The continuity reserve will assure the continuation of operations in case of a drastic reduction in donor funding or a major incident.



2022 Budget Summary

The 2022 budget was approved by the SB in December 2021. It shows a forecasted increase in income to €19.8 million compared to €18.5 million in 2021. This 7% increase in income assumes that SPARK will generate and spend a net €3 million of additional income and expenses from new projects in 2022.

The approved 2022 budget shows a small positive bottom-line result of €2,338.

Statement of income and expenditures		
Approved 2022 budget, rounded figures in €		
Income from projects	To realise reimbursement of direct project expenses excluding staff costs & "overheads"	14,427,151
	To realise reimbursement and profit charge on staff costs	4,142,077
	To realise "overhead" charges	1,293,788
Write-offs	Write-offs, non-reimbursable project expenses	-45,000
Total income		19,818,017
Expenditures	Reimbursable project expenses excl. staff costs & overheads	14,247,151
	All staff costs	4,473,577
	Other organisational costs, non-reimbursable	754,950
Total expenditure		19,655,697
Balance before financial income and expenditure		162,388
Financial income or expenditure, non-reimbursable		160,000
Total statement of income and expenditure		2,338
Addition to/withdrawal from:		2,338
Distribution of result		2,338

8.0

Financial Report 2021



Egide Mugabo stands in his showroom, where a variety of his furniture sits on display, in Kigali, Rwanda

Balance Sheet

(all amounts in euros)

Assets	31 December 2021	31 December 2020
Fixed Assets		
Tangible fixed Assets	14,908	32,044
Financial fixed assets	269,799	301,302
	284,706	333,345
Current Assets		
Receivables & Accruals	3,119,536	2,963,451
Cash & cash equivalents	5,675,583	5,930,011
	8,795,119	8,893,462
Total	9,079,825	9,226,807

Reserves and Liabilities	31 December 2021	31 December 2020
Reserves and funds		
Reserves - Continuity reserve	1,633,097	1,593,044
Funds - Loan Guarantee Fund	1,014,488	1,016,072
	2,647,585	2,609,116
Current Liabilities		
Payables & Accruals	6,432,241	6,617,691
Total	9,079,825	9,226,807

Statement of Income and Expenditures

(all amounts in euros)

	Realisation 2021		Budget 2021		Realisation 2020
Income					
Income from Companies		79,171		117,612	41,249
Income from Government Grants		16,305,359		19,865,212	15,206,888
Income from Other Non Profit Organisations		1,994,134		2,429,502	2,321,581
Income for Services		17,365		-	108,688
Write Off Non-Eligible Expenses		(133,592)		(100,000)	(209,294)
Other Income		193,622		30,000	162,750
Total Income		18,456,059		22,342,326	17,631,862
Expenditures					
Spent on Objectives - Higher Education		6,732,409		8,167,280	8,923,632
Spent on Objectives - Private Sector Development		10,209,522		12,084,271	7,205,900
	92.1%	16,941,931	90.5%	20,251,551	16,129,532
Cost of Income Generation	3.5%	641,152	3.5%	783,164	624,644
Management and Accounting	4.4%	818,728	6.0%	1,341,395	703,243
Total Expenditures	100%	18,401,811	100%	22,376,110	17,457,419
Balance Before Financial Income/Expense		54,248		(33,784)	174,443
Balance of Financial Income and Expenditure		(15,780)		(60,000)	(207,416)
Exceptional Losses		-		-	(110,000)
Balance of Income and Expenditure		38,468		(93,784)	(142,973)
Distribution of Result - Addition To/Withdrawal From:					
Allocated Loan Guarantee Funds		(1,584)		-	(69,347)
Operational Result Available For Continuity Reserve		40,052		(93,784)	(73,625)
Total		38,468		(93,784)	(142,973)

Cash Flow Statement

(all amounts in euros)

Cashflow Statement	31 December 2021	31 December 2020
Cashflow From Operational Activities		
Result	38,468	(142,973)
Depreciation Fixed Assets (Incl. Cars)	19,360	26,522
Depreciation Financial Fixed Assets (IBCM Loan)	-	110,000
Gross Cashflow From Operation Activities	57,829	(6,451)
Mutation In Current Assets	(156,085)	464,801
Mutation (Decrease) In Current Liabilities	(185,450)	(526,046)
Net Cashflow From Operational Activities (A)	(283,707)	(67,696)
Cashflow From Investment Activities		
Investment In Fixed Assets	(2,361)	(9,662)
Disposal Of Fixed Assets	136	-
Investment In Financial Fixed Assets	31,503	(60,863)
Cashflow From Investment Activities (B)	29,278	(70,526)
Cashflow From Financing Activities		
Donor-Restricted Cash Limited To Long Term Purposes	-	-
Cashflow From Financing Activities (C)	-	-
Mutation In Cash And Cash Equivalents (A+B+C)	(254,429)	(138,221)
Cash And Cash Equivalents 1 January	5,930,011	6,068,233
Cash And Cash Equivalents 31 December	5,675,583	5,930,011
Mutation In Cash And Cash Equivalents	(254,429)	(138,221)

Specification and Allocation of Costs According To Category (Model C)

(all amounts in euros)

			Costs Income Generation	Management & Accounting	Total 2021	Budget 2021	Total 2020
Costs of Implementation	Higher Education Development	Private Sector Development					
Grants and Contributions:							
Expenses	5,854,122	8,064,831	-	-	13,918,953	20,251,551	15,002,307
SPARK contribution to projects	-	80,817	-	-	80,817	-	105,878
Direct Fundraising	-	-	127,900	-	127,900	193,000	142,063
Publicity and Communication	-	-	-	-	-	92,000	-
Personnel Costs	777,084	1,826,058	394,915	624,884	3,622,940	1,264,767	1,811,177
Housing costs	4,968	11,673	17,593	28,818	63,052	55,610	81,199
Office and general costs	92,313	216,925	98,387	161,164	568,788	500,182	295,230
Depreciations	3,923	9,219	2,358	3,862	19,361	19,000	19,566
Total	6,732,409	10,209,522	641,152	818,728	18,401,811	22,376,110	17,457,419

Total number of staff (Full Time Equivalent):

For 2021 123 compared to 124 for 2020

Explanation related to grants and contribution:

The total of grants and contributions was 6,251,781 lower than the budgeted amount.

Budget 2021 included 4,000,000 income from new projects to be utilised in 2021. Only 25% of these signed contracts was spent in 2021.

Remaining difference is related to less spending on the existing contracts.

Explanation distribution of expenditures:

Cost of income generation as % of total income is: 3.5%

For other costs as % of total expenditure, see the Statement of Income and Expenditure.

SPARK has an office in Amsterdam and Belgrade and several field offices in the countries where the projects are implemented.

SPARK's programmes serve two objectives: Higher Education (development) (HE) & Private Sector Development (PSD).

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

Division of the expenditures for HE, PSD, Costs of Income Generation and Management & Accounting:

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

Operational and organisational costs of the field offices ("Publicity and Communication", "Housing costs", "Office and general costs" and "Depreciation") are also directly allocated to the objectives. If a field office has worked on projects with different objectives, the expenditures are allocated towards the objectives HE and PSD based on the time spent (hour registration) on different programmes.

Personnel costs: every staff member must write its hours to projects or indirect activities. SPARK uses internal tariffs. Costs are calculated to the Objectives, Income generation and Management & Accounting based on the worked hours and the tariffs. This was changed during 2021. Personnel costs for the Objectives in 2020 were included in the expenses for Objectives.

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

Accounting Principles

General

The annual accounts 2021 have been drawn up according to generally accepted accounting principles in the Netherlands and RJ 650 for Fundraising organisations. The accounts include the financial statements of Stichting SPARK in Amsterdam, The Netherlands, and the regional offices in Serbia, Kosovo, Macedonia, Liberia, Palestine, Burundi, Rwanda, South Sudan, Turkey, Somalia, Iraq, Lebanon, Tunisia and Jordan.

Principles of Valuation

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

Fixed Assets

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

	NL	Rwanda	Burundi	Liberia	Palestine	South Sudan	Lebanon	Jordan
Furniture	25%	20%	20%	20%	10%	25%	-	-
Computer Hardware	33%	50%	20%	25%	20%	25%	20%	-
Cars	25%	25%	20%	25%	25%	25%	N.A.	20%
	Kosovo	Serbia	Yemen	Gaziantep	Somalia	Iraq	Tunisia	
Furniture	20%	20%	25%	25%	33%	46-48%	20%	
Computer Hardware	20%	20%	33%	25%	33%	46%	33%	
Cars	25%	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	

Accounting Principles - Continued

Financial Fixed Assets

SPARK has signed contracts with local partners to manage loan guarantee funds which benefit start ups and SMEs established under the Private Sector development projects. The participation is stated at its actual value at year end. Costs of fund management, defaults, interest received and currency revaluations are presented as expenditures or income in the Statement of Income and Expenditures. These financial fixed assets are financed from an earmarked Loan Guarantee Fund, see below for further explanation about the fund.

Cash & Cash Equivalents

All amounts presented under the Cash & cash equivalents heading, are directly accessible. Foreign currency accounts are valued at the EURO - foreign currency exchange rate per 31 December 2021.

Reserves and Funds

SPARK can freely access the amounts presented under the Continuity reserve. The earmarked Loan Guarantee Funds were originally financed by the Dutch Ministry of Foreign Affairs through project grants such as MFS, BSCK and others. The ownership of the funds has been transferred to SPARK. SPARK pledges to keep using the funds for purposes in line with the original objectives. Therefore, the funds are presented as allocated reserve under the Reserves & Funds. The additions to and withdrawal from the fund from the start to current book year can be found in the explanatory notes to the balance sheet.

Liabilities - Partner Obligations

SPARK entered into contractual obligations with partner organisations and transferred project responsibilities to them. The project grants as well as the project expenses include amounts that are funded to and expended by partner organisations. SPARK books expenses and income related to partner contracts as per installment paid since this is the most accurate estimate of the progress of work at hand by the partner. Expenses and income are adjusted to the exact correct amounts as soon as the partner contract is completed and the total expenditures occurred under the contract are clear and can be settled.

Foundation of Determining The Result

The result has been determined as follows:

Grants are recognised as income in the statement of income and expenditure in proportion to the progress of the project expenditure. Income and expenditure are recorded in the period to which they relate.

Allocation of General Organisational Costs To The Objectives

Operational and organisation costs of the Amsterdam office have been allocated to the objectives using the time registration 2021 of all Amsterdam personnel. For further clarification, please refer to the explanation provided under "specification and allocation of costs according to category" (Model C).

Income From Own Fundraising - Contributions in Kind

In kind contributions are stated at their fair value, however, in 2021 no such contributions were received. The contributions are presented under Income from own fundraising and under the particular cost sort / activity they relate to in the Statement of Income in Expenditures.

Explanatory Notes Balance Sheet

(all amounts in euros)

Assets	31 December 2021	31 December 2020		
Tangible Fixed Assets				
Furniture	5,530	9,834		
Computer hardware	6,597	16,093		
Cars	2,780	6,115		
	14,907	32,043		
Fixed Assets				
	Total 2021	Furniture	Computer Hardware	Cars
Book value previous year				
Purchase value	467,479	88,606	252,543	126,330
Accumulated depreciation	(435,436)	(78,772)	(236,449)	(120,215)
Book value 01 January 2021	32,043	9,834	16,093	6,115
Mutations				
Purchases	2,361		2,361	-
Disposals	(136)		(136)	
Depreciation	(19,361)	(4,304)	(11,721)	(3,336)
	(17,136)	(4,304)	(9,496)	(3,336)
Book value year end				
Purchase value	469,704	88,606	254,768	126,330
Accumulated depreciation	(454,797)	(83,076)	(248,171)	(123,550)
Book value 31 December 2021	14,907	5,530	6,597	2,780
Fixed assets used for operations (furniture & hardware)		12,127		25,928
Fixed assets directly related to the objectives (cars)		2,780		6,115
		14,907		32,043

Explanatory Notes Balance Sheet - Continued

(all amounts in euros)

Assets	31 December 2021		31 December 2020
Financial Fixed Assets			
Participation Loan Guarantee Funds			
Balance 01 January 2021	296,301		235,438
Mutation 2021	(31,503)		60,863
Balance 31 December 2021	264,799		296,301

Specification Mutation 2021:

Defaults	(5,019)		
Reimbursement and closed contract with banks / participants	(29,919)		
Interest, provisions and exchange rate differences	3,435		
Total Mutation	(31,503)		

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

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

Loans (IBCM)		5,000	5,000
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The loan of 151,379 has been revaluated during 2019 to 115,000 as agreed between IBCM and SPARK.

In 2020, a further provision has been made and the book value has been decreased to €5,000. No further changes in 2021.

Total Financial Fixed Assets		269,799	301,302
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Explanatory Notes Balance Sheet - Continued

(all amounts in euros)

Assets	31 December 2021	31 December 2020
Current Assets		
Prefinancing By SPARK On Donor Grants	2,941,904	2,585,623
Accounts Receivables and Prepaid Expenses	177,632	377,828
	3,119,536	2,963,451
Prefinancing By SPARK On Donor Grants		
Project MADAD EU	-	1,069,116
Project ISDB+NUR, IsDB	737,067	419,596
Project ISDB+NUR, Al Nouri	184,268	78,916
Project ABIN	125,438	105,752
Project EULAP	112,230	183,554
Project IEO-MFW	-	580,000
Project JAP	646,459	116,146
Project FSA	57,606	32,543
Project ISDB Tadamon	570,418	-
Nuffic	10,894	-
Project SANAD	30,432	-
CASS	1,476	-
ARAB FUND	214,840	-
Al Fakhoora	240,815	-
ALNOURI OPT	9,959	-
	2,941,904	2,585,623

Assets	31 December 2021	31 December 2020
Accounts Receivables and Prepaid Expenses		
Prepaid expenses	133,439	82,274
Other receivables	30,569	111,074
Other Receivables - Service Contracts:		
AfDB	-	167,364
EIB	13,624	17,116
	177,632	377,828
Cash & Cash Equivalents		
Cash Amsterdam	2,143	11,593
Current & Savings Accounts The Netherlands	4,417,529	4,103,385
Cash Abroad Offices	34,382	41,595
Current Accounts Abroad Offices		
Kosovo	17,340	44
Serbia	47,484	40,752
Rwanda	52,174	31,730
Burundi	214,687	88,981
Liberia	-	62,115
Palestine	10,882	7,374
Somalia	6,854	35,192
Turkey	297,474	670,909
South Sudan	72,483	142,376
Yemen	35	35
Lebanon	7,408	26,787
Iraq	373,661	308,152
Jordan	120,469	358,992
Tunisia	577	-
	5,675,583	5,930,011

All liquidities are directly accessible.

Explanatory Notes Balance Sheet - Continued

(all amounts in euros)

Reserves and Liabilities	31 December 2021	31 December 2020
Continuity Reserve	1,633,097	1,593,044
Balance 01 January 2021	1,593,044	
Mutation 2021	40,052	
Balance 31 December 2021	1,633,097	

Continuity Reserve

The continuity reserve covers all remaining risks that are not addressed in any other allocated reserve. The continuity reserve should, for example, compensate unforeseen, sudden and temporary stagnation of income or unforeseen excessive expenses. The Executive Board and the Supervisory Board have set a general guidelines to determine the maximum requirement of continuity reserve. When determining the maximum of the reserve, SPARK takes the "Richtlijn Goede Doelen Nederland "Financial management for Charities" into account (maximum 150% of the annual costs of the executive organisation).

The main guidelines to determine the height of the reserves are as follows:

- SPARK does not aim for large savings because the focus should be on our final beneficiaries;
- Country offices cost is not counted as annual organisational costs because they are directly connected to available project funding; The continuity reserve is € 1.6 million on 31 December 2021. The annual costs of the executive organisation can be defined as the Personnel costs for Amsterdam and Belgrade office staff, housing costs and office and general costs (see Explanatory notes to the Statement of Income and Expenditure for the amounts), some regional offices coordinating staffs and they add up to approximately € 2.6 million as per level of 2021 (including non payroll staff). The continuity reserve on 31 December 2021 is therefore 62% of the annual costs of the executive organisation and are well below the maximum of 150% explained above. The continuity reserve has increased for € 40 K compared to 2020.

Loan Guarantee Fund	31 December 2021	31 December 2020
Revolving Loan Guarantee Fund Business Start-Ups	1,014,488	1,016,072
Balance 01 January 2021	1,016,072	
Mutation 2021	(1,584)	
Balance 31 December 2021	1,014,488	

SPARK has been contracting local partners to manage loan guarantee funds facilitating access to finance for starting and growing businesses. This is part of SPARK's Private Sector development projects. Few direct loans were provided to businesses in Afghanistan, Kosovo, and Liberia. However, in 2021 funds are cash collaterals deposited at local micro-finance institutions or banks for a fixed period. Common practice in these facilities is that Micro Finance Institutes or banks disburse and manage loans from their own funds; the deposit minus administrative costs and minus defaults, plus gained interest on the deposit (or from the entrepreneurs) is returned to SPARK after a certain period. The fund is credited for these returns that stay earmarked in this fund for new, future investments.

Total Loan Guarantee Fund Mutation Since 2007 Can Be Summarised As Follows:

Cumulative deposits into the funds:	2,099,181
Withheld management costs for banks:	(49,460)
Received interest added:	168,998
Exchange rate differences / currency revaluations:	5,035
Deducted bankrupt / delayed loans losses	(832,546)
Loan amounts not used and returned (2016, 2017)	(144,574)
Funds transferred to external parties (up to 2021)	(232,145)
	1,014,488

The Revolving Loan guarantee fund is € 749,690 higher than the current investments from the fund per end of year, which are represented as € 264,799 of financial fixed assets on the balance sheet. This means that € 819,690 is available for new (re)investments at the end of 2021. The cumulative table above shows, among others, how much has been deposited in the fund since the start and how much has been deducted because of bankrupt lenders and write offs on loans. Entrepreneurs pay interest rates, mostly ranging from 5% to 15%, which are lower than commercial market rates.

Explanatory Notes Balance Sheet - Continued

(all amounts in euros)

Reserves and Liabilities	31 December 2021	31 December 2020
Current Liabilities		
Grants Received in Advance	5,130,828	5,353,106
Partner Obligations and Payables	12,710	679,624
Creditors	539,370	1,259
Other Payables	749,333	583,703
These Current Liabilities re Further Specified Below:	6,432,241	6,617,691
Grants Received in Advance		
Project IEO - NLMFA	-	157,413
Project EME - EU	-	33,294
Project THSN Global - Generali	-	31,230
Project Asfari Foundation	20,380	20,380
Project CASS	-	71,652
Project NOC	124,093	353,204
Project Al Fakhoora	-	438,204
Project MADAD Iraq	1,069,884	1,581,983
Project LEAD 02	2,152	380,322
Project MTK 02	320,379	182,379
Project AKAZI KEZA	104,275	335,018
Project ARAB FUND	-	78,321
Project New PCL	166,687	765,152
Project QFFD	447,002	788,487
Project YMCB	-	1,873
Project ISDB Tad	-	95,943
Project UN Women	-	38,250
Project EUDAHIL	1,324,282	-
Project EBRD	3,000	-
Project Google	514,845	-
KABCARE	159,918	-
Gwiza Project-SDC	873,931	-
	5,130,828	5,353,106

Reserves and Liabilities	31 December 2021	31 December 2020
Partner Obligations and Payables		
Programme IEO	12,710	679,624
Short Term Debts & Accruals		
Creditors	539,370	1,259
Other Payables:		
Stipends and Tuition Fees	152,953	1,427
Procurements for Projects	146,964	372,381
Project And General Audit Costs	83,237	81,122
Income Tax, Social Security, Pensions, Severance	55,408	28,889
Vacation Days & Allowance	104,754	95,516
Other Payables (Cash Advances & Conference Collection Acc)	40,096	-
Other Short Term Debts	55,921	4,368
Accrual for South Sudan	40,000	-
Accrual IBDA	70,000	-
	749,333	583,703

The total estimated amount of outstanding holidays in 2021 is € 70,300 including field offices.

Explanatory Notes Balance Sheet - Continued

(all amounts in euros)

Off Balance Sheet Commitments - The Following Programmes / Projects Relate to Periods Exceeding The Year 2022:			
Name	Donor	Period	Balance Remaining To The End Of Period
Dynamic Futures Programme: Syrian Refugees and Palestinian Expansion (AF)	Education Above All Foundation	30/04/2016-01/05/2022	€ 170,874
ABIN, Burundi Agribusiness Incubation Network	NLMFA	20/11/2014-30/06/2022	€ 11,422
MADAD Turkey 02	EU	01/09/2019-30/09/2023	€ 3,888,818
Jobs and Perspectives (J&P)	NLMFA	01/08/2019-31/07/2023	€ 1,256,569
Networks of Change (NOC)	NLMFA	01/08/2019-31/07/2023	€ 377,089
Cassava Agribusiness Seed Systems (CASS)	International Institute of Tropical Agriculture	01/04/2019-31/03/2022	€ 60,319
Improving Access to Education for Syrian Refugee and IDPs in Syria Region through Providing Vocational Education for Employment in-order-to Empower a workforce for the Reconstruction of Syria (ISDB+NUR, Al Nuri)	Al Nouri Charity Society	16/08/2018-30/07/2022	€ 21,538
Improving Access to Education for Syrian Refugee and IDPs in Syria Region through Providing Vocational Education for Employment in-order-to Empower a workforce for the Reconstruction of Syria (ISDB+NUR, IsDB)	Islamic Development Bank	16/08/2018-30/07//2022	€ 81,500
Food Security through Agribusiness Project South Sudan (FSA)	Stichting Cordaid	16/08/2018-31/07/2023	€ 789,468
Akazi Keza	NLMFA	01/07/2020 -30/06/2024	€ 2,483,109
Support to Higher Education for Syrian refugees Iraq IDPs and vulnerable Iraqi host community youth - Phase 2 - EU MAD IRAQ	EU MADAD	01/04/2020-31/12/2023	€ 3,117,700
COVID 19 in ISDBs Member Countries through its Tadamon CSO Pandemic Response accelerator - ISDB Tad	Islamic Development Bank	13/10/2020-13/09/2022	€ 339,580
Local Employment in Africa for Development phase II LEAD - LEAD2	NLMFA	01/01/2020-31/12/2023	€ 3,732,310
Internships and work for Syrian youth - NEW PCL	PCL	19/03/2020-19/03/2022	€ 166,687
Supporting Economic Resilience for Refugees, IDPs and Vulnerable Host Communities through Sustainable Job Creation in Syria and Countries of Surrounding Region - QFFD	Qatar Fund	17/06/2020-17/12/2024	€ 5,092,425
Employment creation through improved access to finance for Syrians under Temporary Protection and Host Communities DAHIL, Greater Gaziantep Initiative	EU	1/4/2021-31/05/2022	€ 1,724,282
The Dutch organisation for internationalisation in education.	Nuffic	01/09/2020-30/03/2022	€ 5,066
Google.org Digital Skills and Employability	Tides Foundation	05/10/2021-31/07/2023	€ 514,845
Gwiza project-MSME Support Programme in response to COVID-19 in Rwanda	SDC	18/10/2021-17/10/2023	€ 1,490,440
"Programme proposal" in the context of supporting Afghan trainees to the Dutch labour market.	NLMFA	24/09/2021-30/09/2022	€ 559,431

The nature of grants received is not structural or permanent but incidental and one-time for a period between two and four years mostly.

Explanatory Notes Balance Sheet - Continued

(all amounts in euros)

Obligations to implementing partner organisations:

The following obligations to implementing and strategic partners relate to the period after 2021.

Per 31 December 2021, the still open contractual obligations to implementing and strategic partners amount to:

Middle East implementing part

Implementing Partner Name	Project	Period	Outstanding Obligation	EUR
Atta	Al Nouri	01/02/2020-31/01/2022	USD 4,517	€ 4,006
MTC/Manafeth	QFFD,JAP	15/11/2020-28/02/2022	JOD 30,786	€ 38,508
TTI	QFFD	14/11/2021-30/04/2022	JOD 5,717	€ 7,151

These rental obligations are payable for periods exceeding the year 2021:

As of 09 March 2020 SPARK HQ is located at Haarlemmer Houttuinen 15H in Amsterdam. The total expenses per year are € 34,608. The contract duration is up to 08 March 2025.

SPARK's field offices rental obligations:

Burundi	up to 31/12/2022	USD 10,200	€ 9,046
Iraq	up to 15/03/2022	USD 19,800	€ 17,559
Iraq	up to 15/03/2023	USD 20,400	€ 18,092
Jordan office	up to 31/10/2022	JOD 9,500.00	€ 11,883
Jordan warehouse	up to 15/12/2023	JOD 1,000.00	€ 1,251
Lebanon	up to 30/06/2022	USD 5,610	€ 4,975
OPT	up to 31/01/2023	USD 10,320	€ 9,152
Rwanda	up to 30/04/2024	USD 14,256	€ 12,643
Serbia	up to 31/03/2023	EUR 8,400	€ 8,400
Somalia	up to 30/06/2022	USD 12,000	€ 10,642
South Sudan	up to 31/12/2022	USD 13,200	€ 11,706
Tunisia	up to 30/06/2022	TND 31,487	€ 9,693
Turkey	up to 23/09/2022	TRY 100,000	€ 6,985

Explanatory Notes Statement of Income and Expenditure

(all amounts in euros)

Income	Realisation 2021	Realisation 2020
For further details see section "Specifications of income"		
Income From Companies		
Generali (HSN, THSN, THSN Global, THSN France, THSN Germany)	19,297	41,249
SANAD (City Bank Europe)	59,874	-
	79,171	41,249

Income From Government Grants		
Grants EU - MAD Iraq, EME, EUDAHIL, EULAP, MTK02, YMCB	5,527,377	7,401,022
Grants NLMFA - ABIN, LEAD, IEO, NOC, JAP, AKAZI KEZA, KAB-CARE	6,219,618	4,600,516
Grant IPoVaF, AFR	-	53,844
Grant ISBD+NUR, IsDB&AI Nouri, SSDB Tad, AlNouri OPT	1,884,724	1,272,860
Grant QFFD	2,115,150	1,870,130
Grant Arab Fund	385,921	8,517
Grant Gwiza project (SDC)	26,069	-
Grant EBRD	70,000	-
UN Women	76,500	-
	16,305,359	15,206,888

Income	Realisation 2021	Realisation 2020
Income From Other Non Profit Organisations		
Al Fakhora, Education Above All	679,019	1,379,166
Grant Postcode Lottery (NPL) (activity grant), New PCL	598,465	295,456
FSA, Coridad	551,729	520,567
CASS, IITA	142,188	126,392
Nuffic	22,734	-
	1,994,134	2,321,581

Total of grants raised	18,378,664	17,569,718
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Income For The Delivery Of Products and/Or The Provision of Services		
AfDB (service contract)	-	60,298
KfW (service contract)	-	31,273
EIB (service contract)	17,365	17,116
	17,365	108,688

Write Off Non-Eligible Expenses	(133,592)	(209,294)
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Other Income (BUR Incubators, Release Underspent Project Budget: THSN Global & EU MAD)	56,816	-
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Other Income		
Other income (COVID NOW subsidy Dutch government)	136,806	162,750
Total income	18,456,059	17,631,862

Explanatory Notes Statement of Income and Expenditure - Continued

(all amounts in euros)

Expenditures	2021	2020
Details of "Specification and allocation of costs according to category" (Model C)		
Grants and contributions	13,918,953	15,002,307
SPARK own contribution to projects	80,817	105,878
Direct costs fundraising	95,759	113,581
Publicity and Communication	32,141	28,482
Personnel Costs	3,622,940	1,811,177
Housing costs	63,052	81,199
Office- and General costs	568,788	295,230
Depreciation	19,361	19,566
Total expenditures	18,401,811	17,457,419

Grants and Contributions

Private Sector development programmes	8,063,247	
Loan Guarantee and Credit Fund costs	1,584	7,637
Subtotal Private Sector Development	8,064,831	6,140,550
Higher Education programmes	5,854,122	
Subtotal Higher Education	5,854,122	8,861,757
Total Grant and contributions	13,918,953	15,002,307

SPARK Own Contribution in Projects

EMEN UP	12,770	
YMCB	4,605	
MTK02	40,496	61,710
EULAP	22,946	44,168
	80,817	105,878

Expenditures	2021	2020
Direct Costs Fundraising		
Feasibility studies and project acquisition	95,759	113,581
	95,759	113,581

Publicity and Communication

SPARK general - promotion and advertising	32,141	28,482
	32,141	28,482

Personnel Costs

Amsterdam, Belgrade, Macedonia, Kosovo	-	-
Gross salaries including holiday allowances	933,631	1,079,869
Social security premiums & Pensions	187,585	149,726
Other personnel costs	81,836	63,698
Staff training (including field office staff)	10,805	7,678
Non-payroll staffs	201,502	-
Maternity leave	-22,012	-
Field offices		
Field office coordinating personnel	1,871,867	510,206
Non-payroll staffs	357,726	-
	3,622,940	1,811,177

Note:

In 2020 (and previous years) gross salaries and related contributions for staff were directly allocated to the projects. In 2021 the method of allocating staff costs has been changed. All staff costs are reflected under Personnel Costs, and through Staff allocations reported under respective projects.

Explanatory Notes Statement of Income and Expenditure - Continued

(all amounts in euros)

Expenditures	2021	2020
Housing Costs		
Rent and utilities - Amsterdam & Belgrade office	63,052	45,851
Rent and utilities - field offices	-	35,348
	63,052	81,199

Note:
Field offices rent costs and utilities are directly booked under projects (therefore included in the HE or PSD project costs).

Office and General Costs

Amsterdam, Belgrade, Pristina - Main		
Office supplies, telecommunication & postage, other office costs	3,663	19,973
IT infrastructure services - maintenance	59,496	7,704
Development of Finance Software	113,137	14,181
Organisational fees and memberships	16,857	13,230
Administration and auditing	74,232	57,221
Tax & legal advice	464	1,208
Quality assurance	2,111	2,027
Insurances	19,814	30,872
Representation	-	615
Contingencies Main	16,556	(2,195)
MASP Implementation	46,284	114,057

Expenditures	2021	2020
Field Offices / Projects - Middle East, North Africa, Sub Sahara		
Office supplies, telecommunication & postage, other office costs	-	6,117
IT infrastructure services - maintenance	-	352
Organisational fees and memberships	-	544
Administration and auditing	-	3,020
Tax & legal advice	-	27,611
Insurances	-	113
Representation	-	2,531
Other general expenditures (car costs)	-	6,773
Contingencies	216,174	(11,001)
MASP Implementation	-	275
	568,788	295,230

Note:
Starting 2021 all field offices' general costs are booked directly under projects, therefore no costs booked under this section, except under Contingency. Contingencies consists the cost to the financial misappropriation in South Sudan of €123,659.

Depreciation

Amsterdam		
Depreciation fixed assets	8,449	8,667
Field offices / projects	-	-
Depreciation fixed assets	10,912	10,899
	19,361	19,566

Total Expenditures	18,401,811	17,457,419
Balance Before Financial Income/Expense	54,248	174,443
Balance of Financial Income And Expenditure	(15,780)	(207,416)

Exceptional Losses

Depreciation of loan and receivables IBCM	-	(110,000)
	-	(110,000)

Balance of Income and Expenditure	38,468	(142,973)
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Remuneration Board of Directors

(all amounts in euros)

Amounts in €	Yannick du Pont	Michel Richter	Addie van Dalen	Bilal Amin	Esther Bosgra
Position	CEO	Programme Director	Finance Director	Finance Director	Operations Director
Employment Agreement	Permanent	Permanent	Permanent		Permanent
Hours/Week	40	40	40	40	40
Part Time Percentage	100	80	80	100	80
Period	Jan-Dec	Jan-Dec	Jan-June	Jul-Dec	Jan-Dec

Remuneration

Gross Salary	94,992	67,095	33,547	36,436	67,095
Holiday Allowance	7,599	5,368	2,684	2,915	5,368
Vacation Hours Paid	-	-	2,831	-	-
Fixed End of Year Allowance	-	-	-	-	-
Subtotal Year Income	102,591	72,463	39,062	39,351	72,463

Taxable Allowances					
Pension Costs (Employer's Share)	3,915	4,086	616	3,136	1,803
Total Remuneration 2021	106,506	76,549	39,678	42,487	74,266

Comparative Figure 2020	104,278	73,991	73,377	0	72,870
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Amounts in €	E.P. Offerhaus	H.R.C. Huijgens	T.T. Schrofer	Wassim Beaineh	Andre Herman Johan Venema	Peter de Ruiter	Frederik Jan de Vries
Position	Member	Former Chair	Member	Member	Chair	Member	Member
Period	Jan-March	Jan-Dec	Jan-Dec	March-Dec	March-Dec	July-Dec	March-Dec

Allowances

expense allowance	375	1,500	1,500	1,500	1,500	0	750
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The Supervisory Board, upon advice of the Remuneration Committee, has determined the remuneration policy, the salaries and the amount of other remuneration components for the Board of Directors. The policy is updated periodically. The last evaluation was in July 2021.

For determining the remuneration policy, amounts and components, SPARK follows the Regulations for the remuneration of directors of charity organizations (see www.goededoelennederland.nl). These regulations take into account the Dutch legislation on maximizing senior level incomes (Wet Normering Topinkomens).

The regulations provide a maximum standard for annual income based on weighted criteria. The weighting at SPARK was done by the Remuneration committee. This led to a so-called BSD score of 379 points for the CEO with a maximum annual income excluding other remuneration 2021 114.366 of EUR (40 hours / 12 months) and a BSD score of 348 for the other BoD members with a maximum annual income excluding other remuneration 2021 of EUR 102.538 (40 hours/ 12 months) or EUR 82.030 (32 hours/ 12 months).

The actual annual income, see table above, of the CEO amounted to EUR 106.506, slightly lower than the applicable ceiling of EUR 114.366 of the applicable score. The annual incomes of the other Directors (80% FTE) amounted to EUR 39.678 - 76.549, also slightly lower than the applicable ceiling of EUR 82.030. Taking into account the absence of any other remuneration components, the Supervisory Board views the total remuneration, including the slight deviations for the annual income compared to the BSD scales, as acceptable and fair.

The taxable allowances / additions, the employer's pension contribution and other long-term benefits are low in proportion to the annual income and compared with the market.

Specification of Income

(all amounts in euros)

Income Per Donor	Realisation 2021 €	Realisation 2021 %
Project (Cash) Grants from Donors		
Grant ABIN - NLMFA	19,686	0%
Grant IEO - NLMFA	251	0%
Grant LEAD2 - NLMFA	1,948,112	11%
Grant JaP - NLMFA	1,150,293	6%
Grant NOC - NLMFA	838,961	5%
Grant AKAZI KEZA, NLMFA	1,321,360	7%
Grant Kab-Care - NLMFA	140,082	1%
Subtotal NLMFA	5,418,746	29%
NEW Postcode Lottery	598,465	3%
Subtotal Postcode Lottery	598,465	3%
Grant MAD - EU	800,872	4%
Grant MAD IRAQ - EU	1,748,899	10%
Grant MTK 02 - EU	3,174,597	17%
Grant EULAP - EU	229,459	1%
Grant EUDAHIL - EU	275,718	1%
Grant EMEN -UP	81,325	0%
Ssubtotal EU	6,310,870	34%

Income Per Donor	Realisation 2021 €	Realisation 2021 %
Grant ALNOURI - Al Nouri	54,866	0%
Grant ISDB+NUR, Al Nouri	311,884	2%
Grant ISDB+NUR, IsDB	732,868	4%
Service Contract EBRD	70,000	0%
Grant YMCB	17,380	0%
Grant THSN Generali	19,297	0%
Grant Al Fakhoora	679,019	4%
Grant CASS	142,188	1%
Grant FSA	551,729	3%
Grant QFFD	2,115,150	11%
Grant ABFD Arab Fund	385,921	2%
ISDB Tadamon	785,105	4%
Grant SDC	26,069	0%
Grant Nuffic	22,734	0%
Grant SANAD	59,874	0%
UN Women	76,500	0%
EIB	17,365	0%
Subtotal Others	6,067,949	33%
Subtotal of Grants Raised	18,396,029	100%
Other income (BUR incubators, release underspent proj budget: THSN Global & EU MAD)	56,816	0%
Write off non-eligible expenses	(133,592)	(1%)
Other income (COVID NOW subsidy Dutch Government)	136,806	1%
Subtotal of Other Income	60,030	0
Total Income	18,456,059	100%

Board of Directors

Yannick Du Pont - CEO

Member of the DIHAD International Scientific Advisory Board, Dubai (unpaid)
Board member, Foundation Max van der Stoel, The Hague (unpaid)
Board member, Littlebitz Foundation, The Hague (unpaid)
Member of the advisory board, Centre for Theory of Change, New York (unpaid)

Michel Richter - Director of Programmes

Director, Stichting voor Bewaring van IGNITE Fund (unpaid)

Bilal Amin - Director of Finance

Esther Bosgra - Director of Operations

Stichting Coherente - Board member

Supervisory Board

André Veneman - Chairman

Corporate Director Sustainability at AkzoNobel (retired)

Tamar Schrofer - General Member

Programme coordinator Develop2Build,
Netherlands Enterprise Agency (RVO)

Edo Offerhaus - General Member

Managing Director, NLinBusiness

Wassim Beaineh - General Member

Manager International Cooperation, MENA, Wageningen University & Research
Co-Chair of the Advisory Board, Robert CARR Fund for Civil Society Networks

Fred de Vries - General Member

Head of Internationalization Strategy, University of Twente
African Higher Education - Digital Social Development Program Lead, MathWorks

Peter de Ruiter - General Member

Former Tax Partner at PwC and Senior Counsel at NABC

9.0

Auditor Report



Mohamad Ghyas Omari, owner of electronics repair store, Teknik Store in Istanbul, Turkey receives SME support from SPARK and Qatar Fund for Development

Stichting SPARK
Haarlemmer Houthuinen 15H
1013 GL AMSTERDAM

INDEPENDENT AUDITOR'S REPORT

To: the Board of Directors and the Supervisory Board of Stichting spark

Report on the audit of the financial statements 2021 included in the annual report

Our opinion

We have audited the accompanying financial statements 2021 (page 56-75) of Stichting SPARK, based in Amsterdam.

In our opinion the accompanying financial statements give a true and fair view of the financial position of Stichting SPARK as at 31 December 2021 and of its result over the period 1 January 2021 up to 31 December 2021 in accordance with the Guideline for annual reporting 650 "Fundraising Organizations" of the Dutch Accounting Standards Board.

The financial statements comprise:

1. the balance sheet as at 31 December 2021 (with a balance sheet total of € 9,079,825);
2. the statement of income and expenditure for the period 1 January 2021 to 31 December 2021 (with a total positive result of € 38,468); and
3. the notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

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 accompanying financial statements' section of our report.

We are independent of Stichting SPARK 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 opinion.

Report on the other information included in the 2021 annual report

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

Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements;
- contains all the information regarding the management report and the other information as required by the Guideline for annual reporting 650 'Fundraising Organizations'.

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 is responsible for the preparation of the management report and other information in accordance with the Guideline for annual reporting 650 'Fundraising Organizations' of the Dutch Accounting Standards Board.

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 the Guideline for annual reporting 650 "Fundraising Organizations" of the Dutch Accounting Standards Board. Furthermore, the Board of Directors is responsible for such internal control as management 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 company's ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the company 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 company's ability to continue as a going concern in the company financial statements.

Supervisory Board is responsible for overseeing the company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit assignment 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 errors and fraud 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.

Was signed, Amersfoort, 30 June 2022.

WITh accountants B.V.
Drs. J. Snoei RA

Enclosure.

Enclosure to our auditor's report by the accompanying financial statements 2021 of Stichting SPARK, based in Amsterdam

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 e.g.:

- identifying and assessing the risks of material misstatement of the company 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 company's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- concluding 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 company'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 company 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 a company to cease to continue as a going concern;
- evaluating the overall presentation, structure and content of the company financial statements, including the disclosures; and
- evaluating whether the company financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors and 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.

List of Abbreviations

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ABIN	Agri Business Incubation Network programme	ISFD	Islamic Solidarity Fund for Development
AF	Al Fakhoora programme	J&P	Jobs and Perspectives programme
AfDB	African Development Bank	KR-I	Kurdistan Region of Iraq
AFR	Access to Finance Rwanda	LEAD	Local Employment in Africa for Development programme
AN	Sheikh Abdullah Al Nouri Charity Society	LGF	Loan Guarantee Fund
BoD	Board of Directors	MASP	Multi-Annual Strategic Plan
BvS	Budget versus spent	MENA	Middle East and North Africa
CASS	Cassava Agribusiness Seed System	MFI	Microfinance Institution
CoC	Chamber of Commerce	MSME	Micro, Small and Medium Enterprises
CoC	Code of Conduct	M&E	Monitoring and evaluation
CSO	Civil society organisation	NGO	Non-Governmental Organisation
DA2F	Digital Access to Finance programme	NLMFA	Netherlands Ministry of Foreign Affairs
DTT	Deradicalisation Training Teachers programme	NoC	Networks of Change programme
EAA	Education Above All	OKR	Objectives and Key Results
EBDA	Entrepreneurship and Business Development Activities programme	PCL	Dutch National Postcode Lottery
EBRD	European Bank of Reconstruction and Development	PSD	Private Sector Development
EMEN-UP	Network for Migrant Entrepreneurs to Scale Up and Grow programme	QFFD	Qatar Fund for Development
EU	European Union	QUEST	Qatar Upholding Education for Syrians Trust
EU MADAD	European Union Regional Trust Fund in Response to the Syrian crisis	RACI	Responsible, Accountable, Consulted and Informed
EULAP	European Union Liberia Agriculture programme	RPD	Regional Programme Director
FCAS	Fragile and Conflict Affected States	SANAD	Start-up Bootcamp and Incubation for Young Entrepreneurs
F&C	Finance and control	SB	Supervisory Board
HBB	home-based business	SHF	Smallholder farmer
HE	Higher Education	SME	Small and Medium Enterprises
HES	Higher Education Services programme	SSADP II	South Sudan Agribusiness Development Project II
HR	Higher Education Services programme	TAMSS	Tunisian Association for Management and Social Stability
HQ	Headquarters	THSN	The Human Safety Net programme
IBCM	International Business College Mitrovica programme	TvA	Target versus achieved
IEO	Improving Employment Opportunities programme	TVET	Technical and Vocational Education and Training
INGO	International Non-Governmental Organisation	YEEP	Youth Entrepreneurship and Employment Project
IPOVAF	Irish Potato Value Chain Financing programme	YMCB	Entrepreneurial Capacity Building for Young Migrants programme
IsDB	Islamic Development Bank	YWAE	Youth and Women Agribusiness Entrepreneurship programme

Contact

Follow SPARK on:

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General contact:

Stichting SPARK
Haarlemmer Houthuinen 15H
1013 GL Amsterdam

spark@spark-online.org

+31 (0)20 753 0311

www.spark.ngo

Newsletter :

Subscribe to our newsletter via

www.spark.ngo

Bank account information:

Account Holder Stichting SPARK

Account Number 655131957

IBAN NL62 INGB 0655 1319 57

BIC INGBNL2A

Place Amsterdam, the Netherlands

The texts, numbers and design of this Annual Report are checked

