

Empowering Women for Real Change

ANNUAL REPORT
2009-10



Sindh Rural
Support Organization

Empowering Women for Real Change

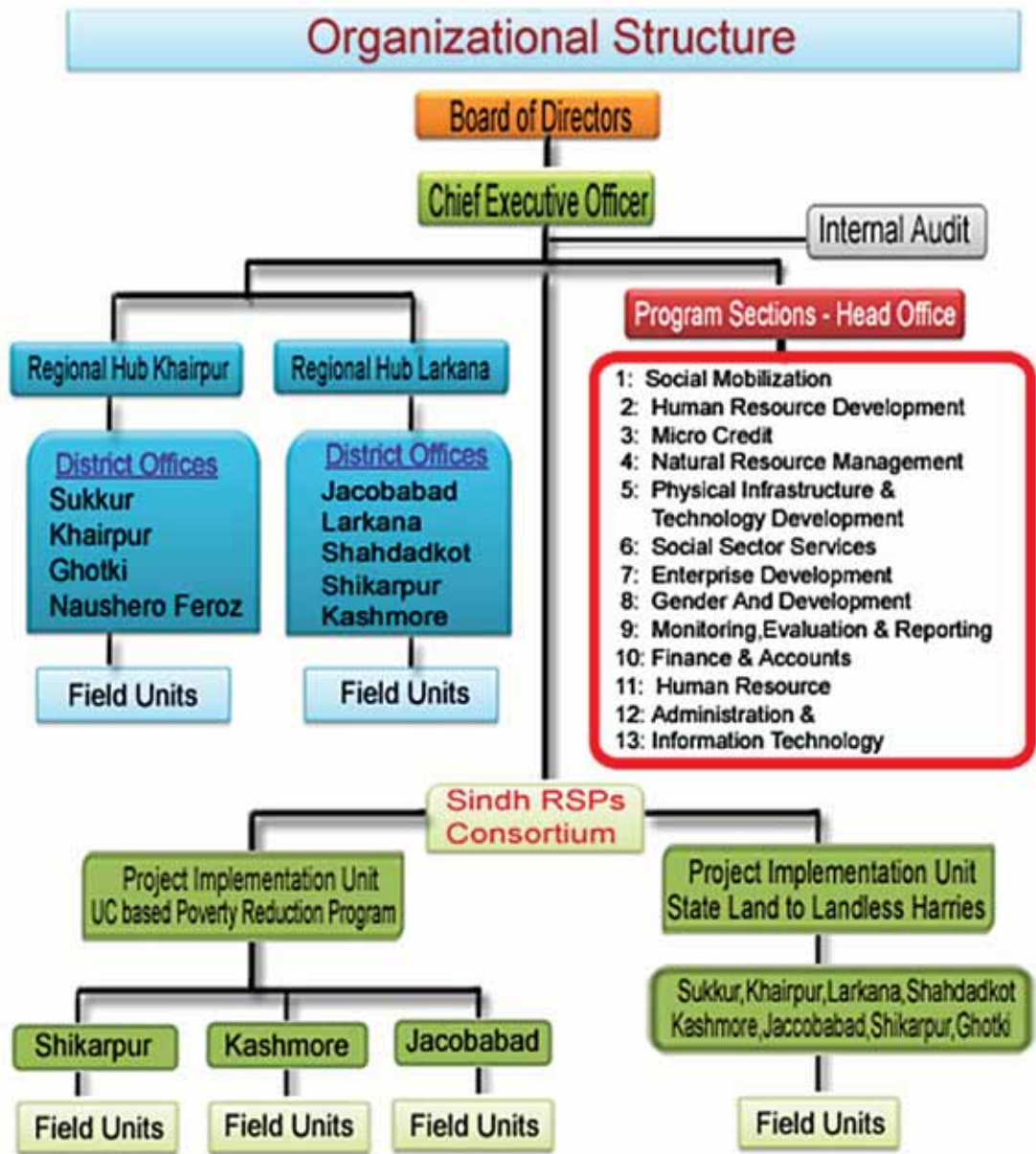
Annual Report 2009-10



Sindh Rural Support Organization

www.srso.org.pk

Organogram



Acknowledgment

SRSO MER Unit would like to thank all those who participated in producing this report, particularly the members of staff for their contributions.

The MER Unit wishes to acknowledge with special thanks for the continuing guidance and support of Mr Fazallulah Qureshi. We are grateful to him for patiently reading the draft and for suggesting additions and amendments which are incorporated in this report. His support and guidance instilled great knowledge and learning throughout the year.

We would like to express our deep appreciation to other honorable Chairman and SRSO directors as well for being so concerned about this report and their back up support to MER. Without their support, it would have not been possible to complete this report on time.

Finally we wish to record our thanks to the Chief Executive Dr Sono Khangarani who has provided efficient support and confidence in MER at all times throughout the year.

Syeda Nazia Shah

Acronyms

AIT	Asian Institute of technology	MHI	Micro Health Insurance
AKRSP	Agha Khan Rural Support Programme	MINFAL	Ministry of Food, Agriculture & Livestock
AFT	Azaan Foundation Trust	MIP	Micro Investment Plan
ALC	Adult Literacy Center	MMR	Maternal Mortality Rate
BoD	Board of Directors	MNA	Member of National Assembly
BoR	Board of Revenue	MPG	Machinery pool Group
CBV	Community Based Volunteers	MRL	Micro Revolving Loan
CIF	Community Investment Fund	N.F	Noshero Feroze
CO	Community Organization	NRSP	National Rural Support Programme
Cr.O	Credit Officer	NRM	Natural Resource Management
CRP	Community Resource Person	NGO	Non Government Organization
CLEW	Community Livestock Extension Worker	PAX	Participants
CPI	Community Physical Infrastructure	PDH	Pakistan Demographic and Health Survey
CPITD	Community Physical Infrastructure development	PHC	People's Housing Cell
CMP II	Crop Maximization Project II	PITD	Physical Infrastructure & Technology Development
CMST	Community Management Skill Training	PPAF	Pakistan Poverty Alleviation Fund
DoH	Department of Health	PPHI	People Primary Health Initiative
DPO	District Programme Officer	PMIL	Prime Minister's Special Initiative for Livestock
DVM	Doctor of Veterinary Medicine	PMSIL	Prime Minister Special Initiative for Live Stock
DWHP	Drinking Water Hand Pumps	PSC	Poverty Score Card
EC	Executive Committee	PWD	Population wealth Department
ED	Enterprise Development	PWEP	People's Women Empowerment Programme
EPI	Expanded Programme on Immunization	RPM	Regional Programme Manager
EU	European Union	RCED	Rural Credit & Enterprise Development
F	Female	RSP	Rural Support Programme
FA	Farmer Association	RSPN	Rural Support Programme Network
FALAH	Family Advancement for Life and Health	SABAH	Saarc Business Association for Home Based women workers
FAO	Food and Agricultural Organizations	SAFWCO	Sindh Agriculture and Forestry Workers Coordination Organization
FCOs	Female Community Organizations	SDK	Shahdadt
F & A	Finance & Accounts	SHP	Shikarpur
FP	Family planning	SRSO	Sindh Rural Support Organization
GAD	Gender & Development	SSS	Social Sector Service
GDP	Gross Domestic product	SO	Social Organizer
GFATM	Global Fund to fight Aids, Tuberculosis & Malaria	SM	Social Mobilization
Gtk	Ghotki	SMT	Social Mobilization Team
GOP	Government of Province	SUK	Sukkur
GOS	Government of Sindh	SZABIST	Shaheed Zulfiqar Ali Bhutto Institute of Science and Technology
GSM	Green Social Marketing	TBA	Traditional Birth Attendant
HRD	Human Resource Development	TNA	Training Need Assessment
HH	House Hold	TNI	Training Need Identification
ICAP	Institute of Chartered Accounts of Pakistan	ToT	Training of Trainers
IGG	Income Generating Grant	TRDP	Thardeep Rural Development Programme
IWEIP	Integrated Water & Sanitation	TT	Tetanus Toxoid
ILO	International Labor Organization	UC	Union Council
JCB	Jacobabad	UCBPRP	Union Council Based Poverty Reduction Programme
KHP	Khairpur	UNFPA	United Nations Population Fund
KKOT	Kandhkot Kashmore	UNICEF	United Nation International Children's Emergency Fund
KPF	Khushal Pakistan Fund	USAID	United States Agency for International Development
LDDB	Livestock Dairy Development Board	WCO	Women Community Organization
LHW	Ladies Health Worker	WEP	Women Empowerment Programme
LRK	Larkana	WFP	World Food Programme
LLHP	Landless Haree Project	WHO	World Health Organization
L/S	Livestock		
M	Male		
MCHCI	Mother & Child Healthcare Initiative		
MCO	Male Community Organization		
MDGs	Millennium Development Goals		
MER	Monitoring Evaluation & Research		
MERU	Monitoring, Evaluation & Research Unit		

Contents

	SRSO Governance	6
	Foreward by Chairman	8
	Preface	9
1.	SRSO at Glance	12
2.	Social Mobilization	16
3.	Capacity Building	24
4.	Rural Credit & Enterprise Development (RCED)	32
	A Focus on District Ghotki	42
	Union Council Based Poverty Reduction Programme Khairpur	48
	UCBPRP Shikarpur and Kandhkot Kashmore	50
5.	Micro Health Insurance	56
6.	Enterprise Development (ED)	58
7.	Social Sector Services	62
8.	Gender and Development (GAD)	66
9.	Community Physical Infrastructure and Technology Development	70
10.	Natural Resource Management (NRM)	76
11.	Monitoring Evaluation & Research Unit (MERU)	80
12.	Internal Audit Unit	84
13.	SRSO's Library	86
14.	Procurement Unit	88

SRSO Governance

SRSO Governance

SRSO is privileged to have very dynamic and diversified set of directors. The board of SRSO is a balanced mix of representatives from public and private institutions, the press intelligentsia, academia and the agriculture sector and industrial sectors. The board members, led by Chairman Shoaib Sultan Khan, frequently visit SRSO to provide strategic leadership. SRSO's Executive Committee, led by Mr. Fazallulah Qureshi, Mr. Rashid Bajwa and Mr. Nazar Memon, review SRSO's finances and programme on a quarterly basis.



Mr. Shoaib Sultan Khan
Chairman



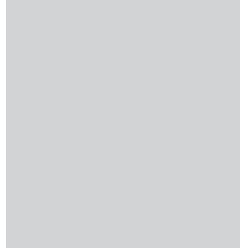
Mr. Fazalullah Qureshi
Director



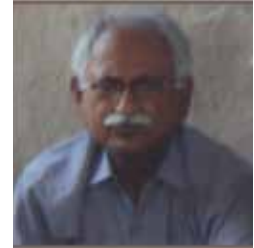
Muhammad Nazar Memon
Director



Dr. Rashid Bajwa
Director



Ms. Faryal Khan
Director



Mr. Ghulam Mustafa Abro
Director



Mr. Aazar Ayaz
Director



Mr. Tasneem Ahmed Siddiqui
Director



Mr. Suleman Shaikh
Director



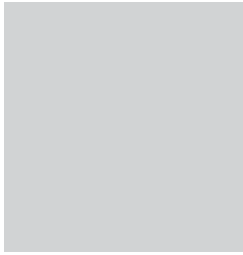
Mr. Suleman G. Abro
Director



Dr. Sono Khangharani
Director / CEO SRSO



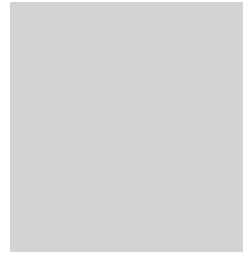
Ms. Sherin Narejo
Director



Begum Saeeda Soomro
Director



Ms. Naheed Shah
Director



Brig. (R) Akhter Zamin
Director



Arif Hassan
Director



Nazar Hussain Mahar
Director

Ex Officio Members

ACS, Finance Secretary, Secretary Local Government and Secretary Law.

SRSO Company Secretary: Mr. Masood-ul-Hassan,

SRSO Auditors: M/S Ford Rhodes Sidat
Hyder & Co.
Chartered Accountants,
Lal View Building, 4-Bank Square, Lahore Pakistan

SRSO Banks:

1. First Women Bank, Queen Raod, Sukkur
2. Allied Bank Limited, Mohammad Bin Qasim Road, Sukkur
3. Askari Bank Ltd, Sarafa Bazar, Sukkur
4. My Bank Ltd, Marich Bazar, Sukkur
5. United Bank Ltd, Minara Road Branch, Sukkur
6. Kasb Bank, Racecourse Road Branch, Sukkur
7. Js Bank, Shaheed Gani, Road Branch, Sukkur
8. Dawood Islami Bank, Main Branch, Sukkur
9. Faisal Bank Ltd, Race Course Road Branch, Sukkur

List of Partners for the reporting year 2010:

1. Government of Pakistan (GoP)
2. Government of Sindh (GoS)
 - a. P&D Department
 - b. Ministry of Women Development
 - c. MINFAL
 - d. PHC
3. Pakistan Poverty Alleviation Fund (PPAF)
4. Rural Support Programmes Network (RSPN)
5. Adamjee Insurance
6. OXFAM GB (through TRDP)
7. United Nations Children's Funds (UNICEF)
8. Food and Agriculture Organisation (FAO)
9. World Food Programme (WFP)
10. United States Agency for International Development (USAID)

Foreward by Chairman



In 2009, SRSO was assigned the task of implementing the Union Council Based Poverty Reduction Programme (UCBPRP) by the Chief Minister, it was a challenge and an opportunity offered to the Programme for the first time in its six years of existence. This annual report covers the first year of that challenge.

The success of the approach for poverty reduction followed by SRSO depended on a) willingness of the rural poor to organize themselves and identify competent and honest leaderships from amongst themselves to take their organized communities forward; b) to generate their own capital through regular savings and c) to fully participate in building up human capital through the programmes human resource development initiatives. On the SRSO side, there was need for a dedicated, compassionate and motivated team of professionals and field and support staff.

The achievements presented in this Report reflect how well the communities embraced the development partnership and fulfilled their part of the terms of partnership and how effectively, on the SRSO side, the staff lived up to the expectations of the communities.

Personally, I am most impressed both by the SRSO staff and community members particularly women, on their achievements specially in Union Council Based Poverty Reduction Programme which was a challenge to be implemented in most difficult districts. I leave it to the readers to make their own judgment.

Of course, nothing would have been possible without the tremendous support of the Government of Sindh and personally of the Chief Minister Syed Qaim Ali Shah. We are all most grateful to him and to the officials of the Sindh government.

I visit SRSO every three months but I can claim, as the Chinese saying goes “A good manager does nothing himself but leaves nothing undone”. The “Leaves nothing undone” part is entirely due to the CEO Sono Khanharani and his dedicated team and the wonderful Board of Directors of SRSO, especially its Executive Committee members Mr. Fazlullah Qureshi, Mr. Nazar Memon and Dr. Rashid Bajwa.

Shoaib Sultan Khan
Chairman



As someone who is from southern Sindh, I had never envisaged that I would one day be able to work so closely with people in northern Sindh. Districts in northern Sindh together constitute one of the most marginalised areas of Sindh, where the challenges faced are many. I therefore feel both honoured and humbled to have been given this opportunity to work in northern Sindh under the aegis of SRSO.

This annual report details SRSO's efforts in northern Sindh, while at the same time creates awareness and understanding about the area's people. SRSO's objective is to improve the economic status of households in the area and explore how social mobilization can be harnessed to fulfill their needs. SRSO is undertaking this through a group of devoted staff who are indigenous to northern Sindh, and who possess commitment and enthusiasm in spite of limited resources and difficult conditions.

Indeed, northern Sindh is currently facing a particularly difficult moment of crisis. More than ever, people's lives are deeply affected by poverty and are being constantly disrupted by natural disasters, tribal conflicts and karo-kari. The threats of violence and terrorism have also added to this increasingly uncertain and unsafe environment. SRSO's calling to serve northern Sindh has therefore even become more critical and relevant, and the account of the past year laid out in this report constantly conveys this sense of urgency informing SRSO's efforts.

Despite its immediate challenges, SRSO has learnt to also remain focused on the long-term through the realisation that constant, incremental steps add up to impact people's lives in the long run, no matter how insurmountable circumstances may appear. SRSO is therefore committed to meet its sense of urgency with an enduring devotion to the people of northern Sindh. I hope that the following pages, in their articulation of the various efforts SRSO has made, are able to carry through this abiding sentiment to the reader.

Sono Khangharani
Chief Executive Officer





Sindh Rural Support Organization (SRSO) is pioneering the challenging initiative of the Government of Sindh for reducing poverty by tapping into people's own potential, through Union Council Based Poverty Reduction Programme (UCBPRP). With huge funding of Rs. 3.3 billions, UCBPRP project was initiated in result of the immense confidence of Honourable Chief Minister Syed Qaim Ali Shah , on SRSO from February 1, 2009 in two districts: Shikarpur and Kandhkot-Kashmore for a period of 30 months. The project contributed enormously in terms of outreach and funding in the reporting period (2009-10).

SRSO at Glance

Brief Introduction

The Sindh Rural Support Organisation (SRSO) is an autonomous not-for-profit organisation currently working in the rural areas of upper Sindh. Established in 2003 and registered under the Companies Ordinance, SRSO is dedicated to rural development in the province.

Specifically, the mission of SRSO is to facilitate the establishment and improvement of sustainable livelihoods of the rural poor in Sindh. SRSO realises this mission through the mobilisation of poor communities, so that they are able to plan and implement their own development agendas. The rural development programmes of SRSO include social mobilisation, women empowerment, capital formation, natural resource management, community physical infrastructure, human resource development, enterprise development, social sector services and rural credit.

Operational Area

SRSO is currently working in 9 districts of upper Sindh: Qamber Shahdadkot, Larkana, Shikarpur, Jacobabad, Kashmore-Kandhkot, Ghotki, Sukkur, Khairpur and Naushehro Feroz. These districts experience dry and mild winters but extreme summers, with temperatures sometimes rising to 52 C. This particular climate informs and distinguishes the language, folklore, traditions, customs and lifestyle of these districts. A variety of faiths and sub-sects are represented here,

including Agha Khani, Memon, Kathiawari, Christian and Hindu, although the majority of the population is Muslim.

SRSO's operational area substantially contributes to the national economy through various industrial sectors, including chemicals and fertiliser, food processing, power and energy, and oil and gas exploration.

Agriculture is the mainstay of SRSO's operational area. rich soil, abundant sunshine and four distinct seasons make the area an ideal place for cultivating a variety of agriculture crops. cotton, wheat, mustard, sugarcane, and barseem are the main crops grown in the SRSO districts on the left bank of the Indus, while the main crops in the SRSO districts on the right bank of the Indus are rice, wheat, gram, and barseem. cotton, sugarcane, and oilseed are deemed industrial crops while the remaining are devoted to commercial use. Fruit orchards are also widely spread throughout these districts, producing mango, banana, guava, jujube, date palm, papaya and lemon. Notably, the area constitutes the largest dates and dry dates producer in Asia, with exports made to India, Australia, America and other countries throughout the world. This rich agricultural life has galvanised the growth of SRSO's Natural Resource Management unit.

Upper Sindh is divided into two major agro-ecological zones. These are as follows:



Zone-1: Rice/Wheat Zone in the Right Bank of River Indus

Zone-2: Cotton/Wheat Zone in the Left Bank of River Indus

The agricultural life in the districts on either side is largely determined by the state of the Indus River, which at varying times may experience either floods or shortages.

Livestock represents an important component of the agricultural sector in Pakistan, especially in the SRSO operational districts of upper Sindh. This is understandable given that in these districts, the majority of the small and medium farmers who have to necessarily rely on livestock to undertake agricultural activities and ensure subsistence. Despite the central role of livestock in agriculture life in Sindh, it has not yet received adequate attention in economic planning at the provincial and national level.

While feudalism has been gradually eliminated in a number of countries, it still persists in Pakistan, particularly in upper Sindh. Feudalism in this area is manifest in large landholdings and bonded labour. 'Feudals' and 'Waderas' in the area of upper Sindh have a direct influence on the economic and political life of the poor.

The areas of SRSO operations experience low education levels. Half of the children of the school-going age do not attend schools, despite the presence of standard structures of education such as schools, colleges, universities, medical colleges, business, science and technology institutes, and technical and vocational centres/institutes in the area.

The lack of proper health services is also pervasive in the area, particularly in the case of the rural areas. This crisis has made it difficult to eradicate polio, malaria, dengue fever and other infectious and nutritional problems in upper Sindh. The status of primary healthcare therefore is in urgent need of review.

The incidence of poverty in the upper Sindh is very high. This is reflected in the population of SRSO's operational area, which comprises small or subsistence level farmers, landless sharecroppers, agricultural labourers and livestock herders. The problem of poverty in the area is compounded by low rainfall, poor quality water, saline land and a poor irrigation system.

Scope of Work

In order to realise its objective of poverty reduction, SRSO is working with the government and other partner organisations to improve economic life and explore alternate livelihoods, promote cooperatives, improve water supply, increase agricultural yield, raise rights-based awareness and diminish the influence of feudalism and facilitate spread of education and health facilities.



Social Mobilization

Philosophy

The objective of SRSO is poverty alleviation. SRSO therefore works with poor men and women to help them realise their potential abilities, skills and knowledge, so that they are able to articulate their own aspirations and effectively marshal the resources they require to meet their identified needs.

SRSO employs the social mobilisation approach in its work, which entails organising rural people for a common purpose. In the scheme of social mobilisation, SRSO provides 'social guidance' to rural people with the programmatic tools of training, institutional support, micro-credit infrastructure development, natural resource management and linkage development.

Broadly, in the experience of SRSO and its fraternity of RSPs, the benefits of having institutions of the people are manifold, such as:

- Inclusion of the poorest into the development process
- Inclusion of women into the development process
- Greater unity and social cohesion
- Increase in social capital
- Creation of sustainable rather than project-based organisations
- Grassroots-driven development agenda, compared to donor-driven agendas
- Local capacities being built in

management, problem identification and solving, and financial literacy

- Increase in local resource mobilisation through savings, membership fees and local donations, in addition to resources being generated through external organisations
- Ability of the poorest to develop linkages with external stakeholders in order for their collective voices to be heard

Social Organisation

Consistent with the RSPs second generation approach of social mobilisation, SRSO started mobilising rural communities and federating their institutions into three tiers. At the first tier, communities are organised into Community Organisations (COs). On average, these COs consist of 15 households. COs ordinarily carry out activities such as household level development planning, trainings, savings, microcredit and micro-investment. CO members meet on a fortnightly or monthly basis to discuss their plans and problems, thereby enhancing existing social capital and becoming more development oriented.

At the second tier, the COs federates at the village level into a Village Organisation (VO) and then these VOs are further federated at union council level to form Local Support Organisation (LSO). Federating COs into VOs and LSOs provides rural communities with the opportunity to mobilise their villages

as well as entire the union council. The LSOs in particular, with their union council level structure, not only aggregate the collective requirements of its member villages but also form linkages with those external organisations and government line departments which best serve the developmental requirements of its communities. The power of social mobilisation therefore provides poor communities with a unified vision and voice for availing resources and services which were previously inaccessible to them.

As of June 2010, SRSO socially mobilised rural people across 274 union councils in its 9 operational districts of Sukkur, Khairpur, Ghotki, Noshero Feroz, Shikarpur, Jacobabad, Larkana, Qamber Shahdadkot and Kandhkot Kashmore. This effort encompasses the organisation of 342,489 rural households into 22,073 COs (18,403 WCOs and 3,670 MCOs) and 3,954 VO. By the end of the reporting year, SRSO did not reach the third tier of social mobilisation, the LSO, due to the still developing maturities of the two preceding tiers of social mobilisation under SRSO, the CO and VO.

While the high number of rural organised households represents a significant achievement, the need for social mobilisation is still undiminished: SRSO still has to mobilise 69% of the total rural households in its operational districts. Fortunately, beginning in 2008-09, a major expansion in the physical, financial and human resources devoted to social mobilisation is being carried out by SRSO, particularly because of two major projects, the Union Council Based Poverty Reduction Programme (UCBPRP) funded by Government of Sindh and the Social Mobilisation Project funded by the Pakistan Poverty Alleviation Fund (PPAF).

Identifying and Targeting the Poor

Like other RSPs, SRSO is also striving for poverty reduction in its operational areas. Critical to the work of poverty reduction is overcoming the challenge of identifying and profiling the actual poor. Recognising this, SRSO has adopted the Poverty Scorecard

(PSC). Developed by Dr. Mark Schreiner of the Centre for Social Development at Washington University in Saint Louis, the PSC was recently adopted with some modifications by the World Bank for measuring poverty in Pakistan.



The PSC is thus a simple and practical tool for measuring poverty at different levels i.e. the household level, the deh level, the union council level, the taluka level and the district level. It is also a double blind instrument with neither the enumerator nor the respondent able to interpret possible results because it does not ask direct questions about incomes and expenditures. The PSC facilitates in the identification and targeting of the poor by estimating the likelihood of how poor a household is when compared to the other households in the local vicinity. As the targeting is done by reaching out to every household in a deh/union council, the PSC also serves as a census survey. It also determines how poverty levels change over a period time with interventions and thus can be used for implementing poverty reduction programmes/projects and more importantly, for measuring their real time impact on the ground.

In the area SRSO is working 56% of the population is living below the poverty line. SRSO conducted the PSC Survey to estimate



the poverty status of households in more than 173 union councils of its operational districts and subsequently used PSC in multiple poverty reduction programmes for targeting poor such as in the “Grant of Land to Landless Harees” project and the Union Council Based Poverty Reduction Programme.

Micro Investment Plans

Once the targeted community is identified and organised, SRSO’s Social Organisers help the members draw up micro investment plans (MIPs). Established at three levels, the households, the group and the village, these plans help the CO members identify their economic needs in concrete terms and plan ways to improve their economic standing.

Strategic Planning for Strengthening Social Mobilisation and Sustainability

Subsequent to its adoption of second generation social mobilisation i.e. federating COs into VOs and LSOs, the central focus has become the consolidation existing community institutions. During its annual programme review, SRSO arrived at the judgment that realise that despite the impact of existing interventions, much more was still needed to be done for the sustainability of these institutions. Subsequently, SRSO has opted for the consolidation of existing institutions over the prospect of scaling up outreach in the future.

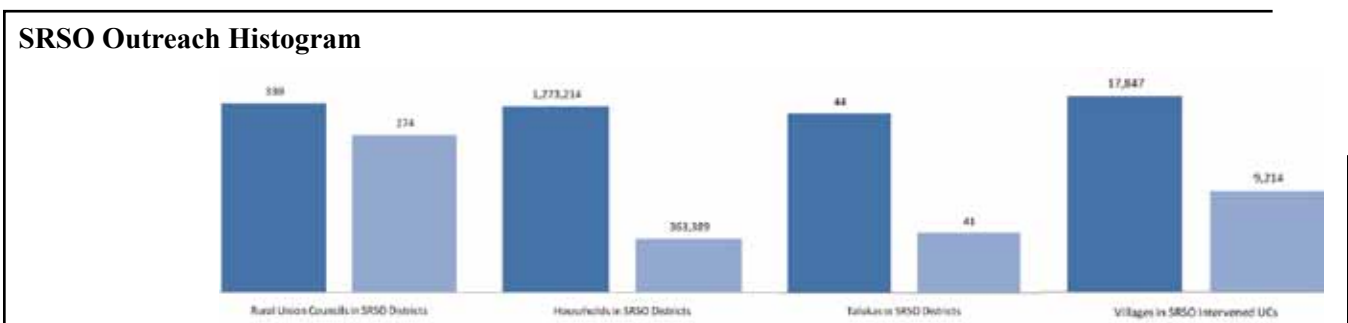


Table 1: SRSO Outreach as of June 2010

S.#	Indicators	Achievement as of June 2010
1	No. of Total Districts	9
2	Total No. of Union Councils	424
3	Total No. of Rural Union Councils in SRSO Districts	330
4	Total No. of Union Councils SRSO presence	274
5	Total No. of Taluka	44
6	No. of Talukas having SRSO presence	41
7	Total No. of villages in SRSO Districts	17,847
8	No. of Villages having SRSO presence	9,214
9	Total No. of Households in SRSO Districts	1,273,214
10	No. of House Hold Organized	363,389

Table 2: Village Organization (VO) Formation as of June 2010

District	VO Formation during 2009-10	Total VO Formation as of 2010
Sukkur	10	34
Khairpur	229	229
Ghotki	38	50
Noshero feroze	3	16
Shikarpur	1,207	1,722
Larkana	55	65
Jacobabad Core	1	8
JCB UCBPRP	212	212
Shahdadkot	10	25
Kandhkot-Kashmore	1,363	1,593

Table 3: Community Organization/C.O formation as of June 2010

District	COs Formed during 2009-10			Total COs Formed as of 2010		
	Male	Female	Total	Male	Female	Total
Sukkur	30	560	590	686	930	1,616
Khairpur	-	998	998	-	998	998
Ghotki	598	2,234	2,832	1,455	2,680	4,135
Noshero feroze	16	363	379	318	604	922
Shikarpur	-	5,126	5,126	-	5,640	5,640
Larkana	9	760	769	265	1,050	1,315
Jacobabad (Core)	49	171	220	622	589	1,211
Jacobabad UCBPRP	-	588	588	-	588	588
Shahdadkot	28	764	792	324	1,048	1,372
Kandhkot-Kashmore	-	4,276	4,276	-	4,606	4,276

Table 4: C.O Membership as of June 2010

District	CO Membership during 2009-10			Total COs Membership as of 2010		
	Male	Female	Total	Male	Female	Total
Sukkur	485	8,100	8,585	10,229	13,271	23,500
Khairpur	-	17,899	17,899	-	17,899	17,899
Ghotki	2,018	37,090	39,108	16,538	44,663	61,201
Noshero feroze	385	4,224	4,609	5,536	8,026	13,562
Shikarpur	-	87,142	87,142	-	98,743	98,743
Larkana	128	10,589	10,717	4,890	13,620	18,510
Jacobabad Core	599	2,619	3,218	10,321	8,595	18,916
JCB UCBPRP	-	9,127	9,127	-	9,127	9,127
Shahdadkot	459	11,080	11,539	5,195	15,097	20,292
Kandhkot-Kashmore	-	76,968	76,968	-	78,650	78,650

Table 5: Households Organised as of June 2010

District	Households Organized	
	During 2009-10	Total as of 2010
Sukkur	8,479	20,846
Khairpur	17,899	17,899
Ghotki	36,198	50,867
Noshero feroze	5,247	11,864
Shikarpur	87,142	98,743
Larkana	10,686	18,363
Jacobabad (Core)	3,112	16,493
Jacobabad UCBPRP	9,127	9,127
Shahdadkot	11,088	19,637
Kandhkot-Kashmore	76,968	78,650

Table 6: Community Savings as of June 2010

District	Community Savings during 2009-10			Total Community Savings as of 2010		
	Male	Female	Total	Male	Female	Total
Sukkur	147,918	1,013,175	1,161,093	1,421,536	2,431,889	3,853,425
Khairpur	87,163	437,264	524,427	2,080,051	1,656,217	3,736,268
Ghotki	756,330	2,840,795	3,597,125	5,683,811	3,810,050	9,493,861
Noshero feroze	201,983	540,237	742,220	1,937,953	1,893,792	3,831,745
Shikarpur	-	5,809,253	5,809,253	-	7,011,494	7,011,494
Larkana	28,200	1,914,975	1,943,175	994,391	2,603,277	3,597,668
Jacobabad (Core)	122,143	271,700	393,843	2,321,654	2,089,878	4,411,532
Jacobabad UCBPRP	-	71,325	71,325	-	71,325	71,325
Shahdadkot	110,540	1,504,211	1,614,751	1,001,276	2,768,250	3,769,526
Kandhkot-Kashmore	-	4,825,506	4,825,506	-	5,188,506	5,188,506







“Poverty may rob people of their choices, but not of their innate abilities. SRSO respects local knowledge and local solutions, while at the same time introducing new perspectives and new practices to the local community through capacity building opportunities, and national and international exposure”.



SRSO works for **Change**

Embracing People’s Own Potential to Deliver Change

Capacity Building



Community Managerial Skills Training Programmes

It is vital for sustainable development of rural areas that the local people's participation remains part and parcel of the whole process from the beginning. This training programme therefore works to empower the community to such an extent that it is able to self-manage its own development efforts.

To this end, the programme trains local activists in order to raise their awareness of development issues, and to create the necessary skills for being effective motivators, solicitors and well-equipped resource persons for their communities.

With this training effort, SRSO is creating a cadre of community leaders and managers who can act as a link between their communities and the government in a bid to help increase productivity and income-generating opportunities.

The major community managerial skill trainings organised during the reporting year are given below:

Community Training at CO and VO level

The CO is the ideal grassroots organisation for identifying potential recipients for various household level interventions under each PSC band, while the VO is suited for carrying out common development work at village level. It is essential that the capacity building

SRSO's Human Resource Development (HRD) unit develops the capacities of both SRSO staff and community members, so that they are able to effectively manage their projects and institutions.

There are four main components of the HRD capacity building effort:

1. Community Managerial Skills Training Programmes (at both the CO and VO level),
2. Community Vocational Trainings Programme,
3. Staff Training Programme, and
4. National and International Exposure Visits

of the members of both institutions is carried out in order to make them fully functional: otherwise, an effective mechanism for the delivery and monitoring of services through these two tiers of social mobilisation cannot be developed.

The following are the main community trainings conducted during reporting year of 2010:

targeted CO members and their families, with the underlying criteria that the targeted individuals must fall under the PSC 0-18 band and be under 35 years of age.

During the reporting year, SRSO deployed these interventions through its core programme activities, together with its Union Council Based Poverty Reduction Project (UCBPRP) and its Social Mobilisation

CO Level Trainings

- Community Management Skills Training (CMST) (also includes bookkeeping for COs)
- Community Investment Fund (CIF) Need Identification Training
- Training of Trainers (ToT) for Community Resource Persons (CRPs)
- Credit Record Keeping Trainings

VO Level Trainings

- Management and Planning Training
- Bookkeeping Training
- CIF Appraisal and Usage Monitoring Training

Yearly Achievement

In comparison to the previous year, the number of Community Training increased from 154 to 3,611, in which 82,772 participants from 30,620 (COs & VOs) were trained.

In the year 2009-10, the Community Vocational Training Programme provided 3.41% of the organised households that were identified as being under the poverty line (poverty scorecard band of 0-18) with vocational training. These training led to either self or external employment of both men and women. Out of total 11,710 trained participants, 5,227 are women and 6,483 are men which created a new landmark in the history of SRSO.

Community Vocational Training Programme

This programme aims to facilitate a transition out of poverty for extremely poor women and youth in SRSO's operational rural areas. The programme's capacity building interventions include skills development, vocational and technical training, and the coordination of linkages of the extremely poor with the markets. The programme

Project. On several instances, the Institute for Rural Management (IRM) facilitated SRSO in this process.

To achieve a higher impact, SRSO's HRD Unit emphasised Training Need Identification (TNI) and Training Need Assessment (TNA). Strategic planning for post-training support to the trainees (wherever needed) was also planned in advance.



Staff Training Programme

The Staff Training Programme was convened with the objective of expanding the knowledge base of SRSO personnel and equipping them with the necessary skills and tools to respond to all types of challenges in their respective professional fields.

This component has grown rapidly since its modest beginnings. As of June 2009, 1,188 staff members (683 men and 505 women) were trained over the course of 97 training events. The figure rose up to 1,640 in the year 2009-10. 49% trained staff were women.

These training events variously comprised different sectoral trainings, management skills enhancement training, presentation and communication skills training, gender mainstreaming, various strategic workshops, seminars and exposure visits particularly designed to improve the performance of both individuals and departments along various management levels.

National and International Exposure Visits

During the reporting year, the HRD unit took the step of arranging national and international exposure visits for both staff and community members, with particular emphasis on women. This endeavour brought women community members out their conservative local contexts into various national and international platforms that allowed them to both build their capacities and voice their concerns. Two of the community members (women) were provided exposure to Ahmedabad (India) for one month training course on enterprise development. The training was organized with collaboration of SABAH Pakistan. In addition, 02 men and 07 women staff were sent for training and International exposure visits of different countries.



Table 7: Statistical Description of HRD activities as of June 2010

Community Training	Achievement during 2009-10				Total Achievement as of 2010					
	Events	Beneficiary COs/VOs	Male Participants	Female Participants	Total	Events	Beneficiary COs/VOs	Male Participants	Female Participants	Total
CO Level Training										
Community Management Skills Training (CMST) also includes Book-keeping for Community Organizations	1,162	11,697	636	22,757	23,393	1,546	13,019	5,601	25,437	31,038
Core Programme	78	768	36	1,500	1,536	462	2,090	5,001	4,180	9,181
Social Mobilization Project [Ghotki]	350	3,550	-	7,100	7,100	350	3,550	-	7,100	7,100
CMP II Project	30	300	600	-	600	30	300	600	-	600
UCBPRP [Khairpur]	67	707	-	1,413	1,413	67	707	-	1,413	1,413
UCBPRP [Shikarpur & Kandhkot]	637	6,372	-	12,744	12,744	637	6,372	-	12,744	12,744
CIF Need Identification Training	330	3,296	-	6,592	6,592	330	3,296	-	6,592	6,592
TOT for CRPs- Training of Trainers for Community Resource Persons	4	34	19	48	67	36	287	19	555	574
CMST Refresher	29	296	19	572	591	29	269	19	572	591
Activist Workshops/Experience Sharing Workshops	958	1,910	58	28,591	28,649	1,054	2,346	58	35,138	35,196
Exposure Visits	20	301	-	602	602	20	301	-	602	602
BISP Waseela-e-Haq Enterprise Development Training	2	2	-	43	43	2	2	-	43	43
TBA Training	154	3,077	-	3,077	3,077	154	3,077	-	3,077	3,077
Others Sectoral Training*	13	108	50	275	325	560	3,760	3,384	7,897	11,281
VO Level Training										
VO Management and Planning Training	395	2,812	-	8,436	8,436	1,082	3,116	-	9,347	9,347
VO Annual Planning Training	1	1	-	19	19	1	1	-	19	19
VO Book-keeping Training	246	5,142	19	5,123	5,142	274	5,708	19	5,689	5,708
VO CIF Management/Appraisal and Usage Monitoring Training	297	1,945	-	5,836	5,836	327	2,081	-	6,244	6,244
Grand Total	3,611	30,620	801	81,971	82,772	5,415	37,290	9,100	101,212	110,312

*other setoral includes PET, Health & Education Awareness, Enterprise Development Training, Community Conferences, and Other projects orientation training and workshops.

Changing Patterns of Life

“I never imagined that I could become an earning person. It never crossed my mind that I would ever be a professional artisan and an entrepreneur,” says Akhtiar Khatoon, a resident of a remote village Humayoon in Shikarpur District. Her husband Gulshan Ali and 6 children of 6 to 16 years of age stand next to her. Her handiwork material and some finished products are displayed in a mud hut just near her.

Akhtiar Khatoon's husband is an agriculture labourer and works for a local landlord. He is a hard worker but struggled to support his large family. He knew that Akhtiar was a capable artisan who could produce good patchwork and embroidery but could not earn any money on it without the necessary investment: they lacked the resources to buy the material required to produce items up to a profitable quantity.

Life for Akhtiar Khatoon changed however when SRSO approached and motivated the women of the village to form a CO. A CO was formed and Akhtiar Khatoon became one its most active members.

Among the initiatives made by the CO, microcredit was offered to its members. The needs of the CO member needs were identified and listed. Akhtiar Khatoon was one of the women who qualified for a microcredit loan. She applied and got the loan of Rs.10000. With the loan, she purchased a sewing machine and various types of raw materials necessary for producing clothes and other items. She worked hard, made a variety of items and sold them to locals. She made humble profits and refunded the loan too. “This built my confidence, improved the financial position of my family and inspired me to do innovative things,” says Akhtiar Khatoon. “Since then, there has been no looking back. I have finally seen the path...”

After this start up, she applied for and got another loan of the same amount. She successfully expanded her business to produce and clothes, bed sheets, pillows, cushions and ralees etc, in her village and in Shikarpur City. Akhtiar Khatoon now caters to the needs of people from other villages too. Her monthly income has increased to up to Rs.6000 – a great amount to supplement her husband’s income. This financial change has also brought a qualitative change in her and her family’s life. She has become a role model for other members’ of her community as well, especially young girls. She now plans to open up a center in village to train women in her village on the community model of 'change'.

“I never imagined that I could become an earning person. It never crossed my mind that I would ever be a professional artisan and an entrepreneur,”



SRSO works for
Akhtiar Khatoon

Akhtiar Khatoon, an SRSO microcredit beneficiary from a remote village Humayoon in Shikarpur District.

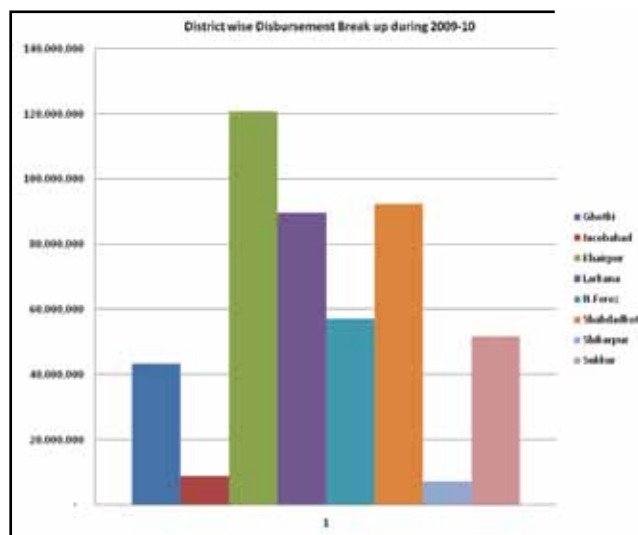
Rural Credit & Enterprise Development (RCED)

Enhancing Access of the Poorest to Microfinance

Poor and marginalised communities, especially women in rural sector, are typically considered high risk borrowers, with a high likelihood of default. Conventional banks avoid loans to the rural poor because of the lack of collateral, high transaction costs resulting from limited infrastructure, the lack of information, the small size of loans (leading to proportionally high administrative costs), and contract enforcement problems. Despite this state of affairs, the RSPs approach has overcome these misconceptions via CO/VO lending. Social relations and networks in poor rural communities form the social collateral that substitutes for conventional collateral. This microfinance model has been revolutionary in the sense that it has

successfully challenged conventional perceptions and proved that non-collateral based loans to the poor can constitute a financially sustainable endeavour.

With the microfinance sector increasingly becoming an important tool for poverty alleviation in the world, the RSPs have made a major contribution to this sector by accessing lines of credit from commercial banks to provide microcredit to low-income people living in rural areas. Of a piece with this effort, in 2003, SRSO started providing subsidised microcredit in rural areas. In the last seven years, SRSO has posted fast growth in terms of outreach, particularly because a ‘transformed’ or a ‘created’ microfinance sector is now beginning to flourish through a conducive regulatory environment.



SRSO’s Rural Credit and Enterprise Development (RCED) unit has functional responsibility for managing the microcredit component of SRSO. The unit has focused on the identification of potential borrowers through a transparent and rigorous process, and aims for the sustainable delivery of financial services to the poor at household level.

Since 2009, the RCED unit has been imparting systems and procedures for managing credit operations as an activity separate from the work of social organisers and other program staff: the RCED staff is responsible for credit

disbursement, recoveries and monitoring to ensure transparency.

Specifically, the RCED unit is working with the following objectives:

- To increase outreach of microcredit by following an efficient, proactive and focused credit delivery mechanism for the poor.
- To minimise delinquencies.
- To achieve financial self sufficiency of microcredit operations by setting up a suitable organisational structure around microcredit.

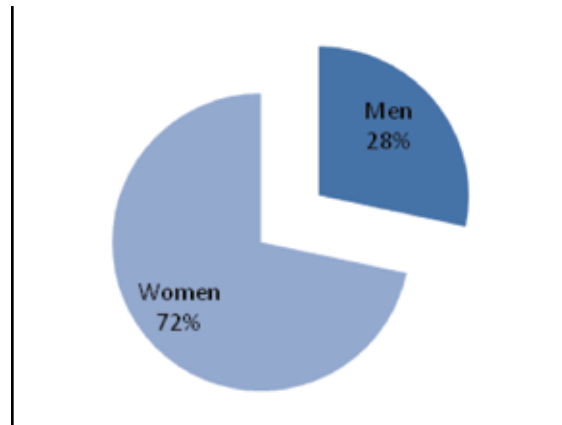
In order to achieve the abovementioned objectives and to increase microfinance outreach, 32 credit field units have been established by SRSO, representing a human resource of 250 personnel.

Addressing Strategic Gender Needs through Microfinance Interventions

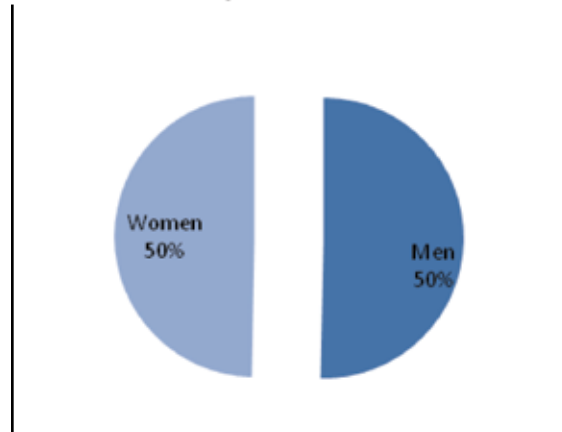
SRSO believes that access to financial services is critical in addressing the issue of gender disparities. SRSO has therefore made it mandatory to extend every intervention, particularly financial assistance, specifically through women community organisations. This decision has encouraged a rise in women membership in community organisations.

This initiative has gained recognition across the country, and is attracting the interest of various donors and potential partners focused on sustainably reducing the financial vulnerabilities of women in rural or remote settings.

Gender wise Disbursement during 2009-10



Gender wise Break up of Total Disbursement Since inception as of June 2010



Annual Achievement of Regular Credit Programme

In regular microcredit, SRSO funding had been equitably disbursed in the rural areas of 232 union councils of SRSO 09 operational districts. All of these microcredit facilities are catering to women exclusively. The number of individuals who have availed SRSO regular credit rose to 62,638. The average size of these loans was Rs 13,726 of which 72% went to women. Repayments till reporting period continued to be at 97%.

Sectoral distribution of credit continued to be like previous year. Income generating activities in agriculture accounted for 80% of the total portfolio, while livestock activities represented 12%. The share of enterprise rose to 8%. Figures show that more of this credit was utilised in agricultural activities (See Figure 1.2).

Table 11: Statistical Description of Rural Credit & Enterprise Development –RCED (Regular Credit) activities as of June 2010

Activity	2009-10										Sub Total	Grand Total
	Achievement Since Inception as of June 2009	Ghotki	Jacobabad	Khairpur	Larkana	N.Feroz	Shahdadkot	Shikarpur	Sukkur			
Total Disbursement	298,078,822	43,409,000	9,069,000	120,890,800	89,812,000	57,241,000	92,494,000	7,331,000	51,747,000	471,993,800	770,072,622	
Male	253,905,800	12,184,000	135,000	93,719,300	5,390,000	11,025,000	2,301,000	503,000	8,432,000	133,689,300	387,595,100	
Female	44,173,022	31,225,000	8,934,000	27,171,500	84,422,000	46,216,000	90,193,000	6,828,000	43,315,000	338,304,500	382,477,522	
No of Loans	28,252	3,408	670	7,160	6,914	4,340	7,406	642	3,846	34,386	62,638	
Male	24,062	805	9	5,177	360	696	190	41	537	7,815	31,877	
Female	4,190	2,603	661	1,983	6,554	3,644	7,216	601	3,309	26,571	30,761	
No of COs	2,446	276	53	333	714	301	703	49	251	2,680	5,126	
Male	1,931	7	-	184	17	19	15	2	12	256	2,187	
Female	514	269	53	149	697	282	688	47	239	2,424	2,938	
Disbursement in Live Stock	179,262,522	4,119,000	-	11,467,500	3,030,000	19,299,000	3,798,000	3,277,000	9,302,000	54,292,500	233,555,022	
Male	149,575,500	882,000	-	495,000	24,000	2,962,000	12,000	120,000	1,808,000	6,303,000	155,878,500	
Female	29,687,022	3,237,000	-	10,972,500	3,006,000	16,337,000	3,786,000	3,157,000	7,494,000	47,989,500	77,676,522	
No of Borrowers	17,083	330	-	865	267	1,507	332	295	698	4,294	21,377	
Male	14,245	57	-	39	2	192	1	10	123	424	14,669	
Female	2,838	273	-	826	265	1,315	331	285	575	3,870	6,708	
Disbursement in Agri-Input	81,834,300	37,956,000	9,069,000	106,177,300	73,002,000	32,687,000	73,047,000	3,623,000	39,916,000	375,477,300	457,311,600	
Male	73,470,300	10,148,000	135,000	92,352,300	5,318,000	7,603,000	1,575,000	-	5,710,000	122,841,300	196,311,600	
Female	8,364,000	27,808,000	8,934,000	13,825,000	67,684,000	25,084,000	71,472,000	3,623,000	34,206,000	252,636,000	261,000,000	
No of Borrowers	7,635	2,997	670	6,056	5,529	2,389	5,802	312	2,948	26,703	34,338	
Male	6,882	680	9	5,083	354	469	124	-	351	7,070	13,952	
Female	753	2,317	661	973	5,175	1,920	5,678	312	2,597	19,633	20,386	
Disbursement in Enterprise	36,982,000	1,334,000	-	3,246,000	13,780,000	5,255,000	15,649,000	431,000	2,529,000	42,224,000	79,206,000	
Male	30,860,000	1,154,000	-	872,000	48,000	460,000	714,000	383,000	914,000	4,545,000	35,405,000	
Female	6,122,000	180,000	-	2,374,000	13,732,000	4,795,000	14,935,000	48,000	1,615,000	37,679,000	43,801,000	
No of Borrowers	3,534	81	-	239	1,118	444	1,272	35	200	3,389	6,923	
Male	2,935	68	-	55	4	35	65	31	63	321	3,256	
Female	599	13	-	184	1,114	409	1,207	4	137	3,068	3,667	

Table 12: Year wise trend of Average Loan Size

	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-10
Average Loan Size in Agri - Inputs	9,561	9,606	9,642	9,864	10,328	11,721	14,061
Average Loan Size in Livestock	9,933	9,668	9,117	10,266	10,993	12,237	12,644
Average Loan Size in Enterprise	9,857	9,893	9,926	10,010	10,425	11,355	12,459
Average Loan Size per Borrower	9,827	9,682	9,766	10,185	10,696	11,876	13,726
Average Loan size per CO	95,107	83,098	91,895	98,827	94,706	118,762	176,117

Designing the Right Product for the Right People

Along with providing conventional (regular) microcredit, the credit programme of SRSO also deals with two other components:

1. People's Women Empowerment Programme (PWEP)
2. Community Investment Fund (CIF)

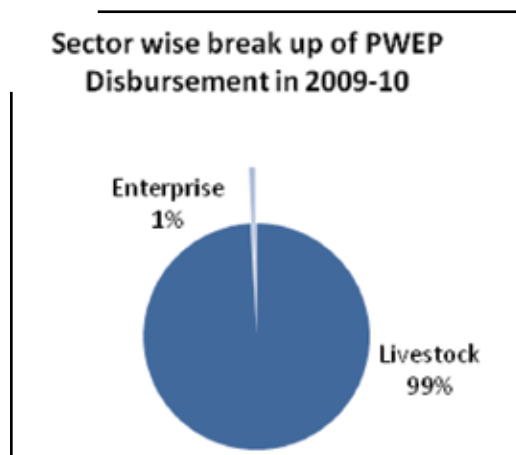
People's Women Empowerment Programme (PWEP)

Making Microfinance Work for the Ultra Poor

This programme, which was launched in 2008 with funding from the Sindh government's Women Development Department, provides interest free loans to deserving poor women to help them start or support small businesses of their own within their homes. The overarching objective PWEP is to reduce the levels of poverty in the targeted communities, and it is doing this by:

1. Organising marginalised women into community organisations;
2. Undertaking a prior identification assessment, and direct credit provision accordingly;

3. Making loan packages more flexible;
4. Providing business support (input identification and procurement, marketing support);
5. Promoting savings, as internal fund-generation leads to financial independence; and
6. Providing rights-based training to beneficiaries, so that they can:
 - a. Build their productive assets,
 - b. Increase and diversify their incomes,
 - c. Decrease their risks by accessing social safety nets e.g. health insurance,
 - d. Improve their entrepreneurship and management skills.



Annual Achievement of PWEP Credit Programme

The process of indentifying of the poor is same here as it is in other SRSO programmes, which is with the help of poverty scorecard (PSC). The loans size is between Rs. 10,000 and 30,000, and the repayment tenure is 6 to 30 months. As of the reporting year, 6,773 (women) beneficiaries of the programme have been provided credit of Rs81.07 millions without interest.

SRSO has also provided appropriate technical skills training, focusing on management as well as marketing linkages.

The average loan size remained Rs. 11,970 and the recovery rate remained 97%. 80.24% of the interest free loans are being utilised on Livestock for asset building & income generation, followed by 0.28% and 0.55% on agriculture and enterprise development activities respectively (See Figure 1.2).

Table 13: Statistical Description of People’s Women Empowerment Programme –PWE (Interest free Loan) activities as of June 2010

Activity	Achievement as of June 2009	Disbursement in 2009-10						Sub Total	Total
		Ghotki	Khairpur	Larkana	N.Feroz	Shahdadt	Sukkur		
Total Disbursement	41,575,000	11,175,000	2,152,000	10,228,000	640,000	8,474,000	6,828,000	39,497,000	81,072,000
Female	41,575,000	11,175,000	2,152,000	10,228,000	640,000	8,474,000	6,828,000	39,580,000	81,072,000
No of Loans	3,456	1,108	186	820	55	580	569	3,318	6,774
Female	3,456	1,108	186	820	55	580	569	3,318	6,774
No of COS	366	88	22	90	9	67	79	355	721
Female	366	88	22	90	9	67	79	355	721
Disbursement in Live Stock	41,066,000	11,388,000	2,152,000	9,909,000	640,000	8,474,000	6,804,000	39,367,000	80,433,000
No. of Beneficiaries	3,414	1,123	186	793	55	580	568	3,305	6,719
Disbursement in Agri-Input	275,000	-	-	-	-	-	-	-	275,000
No. of Beneficiaries	21	-	-	-	-	-	-	-	21
Disbursement in Enterprise	234,000	-	-	319,000	-	-	-	319,000	553,000
No. of Beneficiaries	21	-	-	26	-	-	-	26	47

Zameeran’s Flory (Case Study)

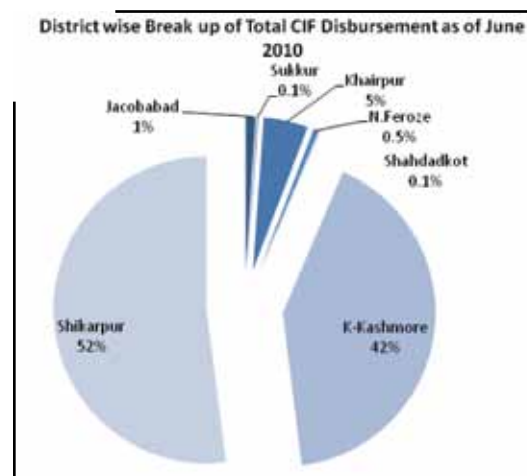
Zameeran and her family never had enough food or money to survive. In order elevate her family out of this condition, Zameeran tried many things, including starting a business of making and selling Peruvian dolls and models.

All these efforts failed until one day she made a simple business plan for a village grocery shop and successfully received Rs. 12,000 in interest free loan from SRSO. Together with other women also receiving such loans, Zameeran was able setup shop and stock it with sugar, tea, and other materials regularly used in her village.

Today, Zameeran earns enough to support her family. Her weekly earnings have almost tripled, jumping from Rs. 1000 to about Rs. 3000. She now dreams of someday owning her own retail store in the village.

Community Investment Fund (CIF)

The bands of “extremely poor” and "chronically poor" (PSC Category 0-18) consist of poor who have an ability to earn incomes but lack productive assets. They earn a living for themselves and therefore do not need grants. However, their ability to repay the interest on any kind of loans is very limited and therefore the most appropriate intervention for them is setting up of a village-based revolving fund at the community level called the Community Investment Fund or CIF'. CIF is managed by an organised community and provides interest free loans of up to Rs. 20,000 per household for PSC

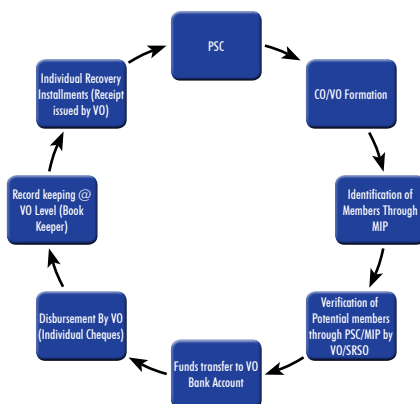




Annual Achievement of CIF Programme

During the reporting year, CIF was provided in four UCBPRP districts i.e. Shikarpur, Kandhkot Kashmore, Khairpur & Jacobabad only. 30,982 beneficiaries (all are women members) received CIF in 2009-10 which makes total of 36,529 as of June 2010. The major disbursement is in Shikarpur and Kandhkot Kashmore which stands at 93% followed by 6% in Khairpur and 1% in Jacobabad District. Out of total, 45% of the Village Organizations (VOs) received CIF as of June 2010. The district wise break up of overall CIF disbursement since inception as of June 2010 can be seen in figure _____.

Flow Chart of CIF & IGG



Category 0-11 households and Rs. 25,000 per household for PSC Category 12-18 households.

CIF is a cost-effective method of providing microfinance services to the poor and poorest women, particularly in areas which are relatively underserved by MFIs. It is a fund owned, run and managed by the exclusive COs of these women. In addition to using its microfinance resources, CIF encourages beneficiary CO members to mobilise their

Overall Annual Achievement (Regular Credit, PWEP and CIF)

While maintaining a diversified portfolio in microfinance during the reporting year of 2010, SRSO gave special consideration gender equality, equitable distribution of funds, and the up scaling of small and manageable loans through COs and VOs. The amount of microfinance given to each CO and VO was determined by the strength of its track record as well as its absorption and debt service capacity. By far the most significant aspect of financing has been the development of appropriate credit synergies and risk management frameworks. The emphasis on performance-based lending played an important role in assuring the quality of programmes and their outcomes. As a result of these efforts, SRSO's credit programme has expanded from Rs. 90 million in the financial year of 2009 to Rs. 472 million in the financial year of 2010, indicating an increase of 424% (See Figure 1.1). Concurrent with this expansion of credit, the number of borrowers also rose from 7,585 in the financial year of 2009 to 34,386 by the end of the financial year of 2010, indicating an increase of 352%.

Sectoral distribution of credit in reporting year was quite diverse from last year's disbursement trend. 2009-10 shows income generating activities in agriculture accounted for 79.5% of the total portfolio which was 42% in year 2008-09, while livestock activities decreased from 42% to 11.5% this year. The share of Enterprise Development also decreased from 15% in 2008-09 to 9% in 2009-10. The trend indicates the likelihood that more of the rural population was engaging itself in farm activities (See Figure 1.2).

The average loan size remained Rs13,725 in regular credit, Rs. 11,970 in Interest Free Loan & Rs.8,962 in CIF. Similarly, the recovery rate was 97%, in both regular credit & Interest Free Loans while it was reported 100% in Community Investment Fund (CIF).

PPAF, the Government of Sindh and Sindh's Women Development Department were the main partners who provided credit line to SRSO in reporting year of 2010.

own savings and use them for internal lending as well.

CIF consists of two broad components. The first is the Micro Revolving Loan (MRL). On average, 80% of the CIF is kept aside for MRLs. The remaining 20% of CIF is devoted to the Income Generating Grant (IGG). This

grant fund is meant to provide assistance to those community members who are not able to generate enough income to repay loans. IGGs can be provided for the purchase of productive assets or for the social support of individuals facing extreme circumstances, e.g. disabilities.

Table 14: Statistical Description of CIF disbursement as of June 2010

Activity	achievement as of June 2009	Khairpur	Shikarpur	Kandhkot Kashmore	Jacobabad	Total Achievement in the Year 2009-10	Total Achievement since Inception as of June 2010
Community Investment Fund CIF (Rs.)	68,161,700	15,984,000	132,110,999	126,091,901	3,489,000	277,675,900	345,837,600
No. of Beneficiaries	5,547	2,152	14,360	14,088	382	30,982	36,529
Average Size of CIF	12,288	7,428	9,200	8,950	9,134	8,962	9,467

Lesson Learnt

- Multiple loans to one household should be avoided.
- Involving community activists in financial transactions (or interventions where finance is involved) is a risk.
- Door to door appraisals minimise risk.
- Regular routine meetings and proper follow ups decrease risk.
- Small loan sizes are easy to repay as compared to big amounts.
- Delinquent loans should be considered as the weakness of the organisation not the fault of borrowers
- Simple packages should be introduced for increasing outreach
- The loan portfolio should be reviewed every 3 months
- Disbursements should be made both seasonally and according to the calendar.
- Low income people have initiatives and are engaged in economic activities: they only need social and technical support in terms of credit.
- Credit should be provided to promote existing businesses, not to start new businesses
- The higher the loan size, the greater the risk of default.
- The right selection of borrowers ensures successful credit recovery



“Before forming the village organisation, we had no courage, we didn’t know our rights, we didn’t know how to raise our problems or go about solving them. But now we have a forum. We now raise issues in a unified voice and we are listened to.”



SRSO works for Mai Amna

**A Village Organisation Member from
Ghotki**

Mai Amna, aged 34, realised the importance of girls’ education, women rights, CNIC and voter registration, and the importance of birth, death and marriage certificates after attending a workshop at village Ali Ahmed Siyal, District Ghotki.

She started a campaign in her village and organised all 100% households there into COs and VO. The major initiatives taken by her VO were the establishment of an Adult Literacy Centre through linkage with NCHD, the registration of births and deaths in the village, the registration of women CNICs, and the support to community members from CO savings in emergencies, particularly during deliveries.

A Focus on District Ghotki

A Focus on District Ghotki

Ghotki is one of the oldest operational districts of SRSO, where the maximum amount of funds have been invested across all sectors: Social Mobilisation, Health, Education, Microcredit, Physical infrastructure Development, Natural Resources Management, Capacity Building and Livelihood. The major donors working in this district are PPAF, Government of Sindh, Engro and UNICEF. Around 241.934 millions (Rs.) have been invested through different projects benefitting 245,691 poor households. This section of report takes a special look at Ghotki.



Social Mobilisation Project

SRSO has been working in district Ghotki since 2003. Initially, the Social Mobilisation project funded by PPAF was implemented in two talukas only i.e. Ghotki and Khan Garh. Eventually it increased in to three more talukas, namely Mirpur Mathelo, Daharki, and Ubauro Ghotki.

The project primarily undertook social mobilisation in these areas, focusing on developing and fostering community institutions in the form of COs, VOs, and LSOs, and building capacities of these

community institutions so that they are able to identify and prioritise their own problems, mobilise resources, and develop linkages for services delivery and advocacy for rights. At a later stage, the project's scope was further enhanced by adding additional activities, namely the construction of CPIs, the arrangement of community exposure visits, and technical skill trainings. The following were the project's major activities:

Social Organisation

SRSO intervened in 35 rural union councils in five talukas and organised 3,568 COs (862 male and 2,656 female) with a 60,795 strong membership. In addition, 45 VOs are also formed. These mobilised communities and villages represented 49% of the total households in these 35 union councils. Special emphasis was placed on including women, to the effect that 88% of the total membership in COs and VOs was occupied by women.

Capacity Building Training

These trainings were included to build the capacities firstly, of newly recruited project

staff in the concepts and methodology of social mobilisation and secondly, of organised members of COs in the concepts and methodologies of organisational and development processes. against project target.

Poor and Gender Inclusion:

According to SM Project indicators set by PPAF, SRSO had to ensure inclusion of at least 50% poor in the COs and at least 40% women as CO members. For inclusion of 50% poor, PPAF had to implement Poverty score card in the districts and then SRSO had to implement their activities according to the Poverty score card data provided by PPAF, but the poverty score card couldn't be implemented and SRSO had to identify poor by the conventional way i-e through community and personal observation.

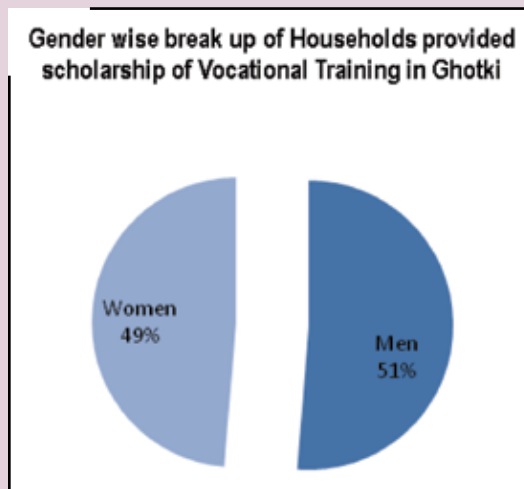
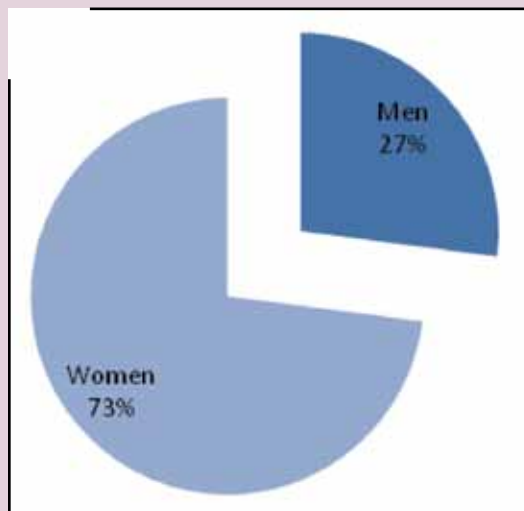
As far as the inclusion of women is concerned, SRSO had already been working with women members only in all programme area. Considering this, SRSO decided to organize rural household with women representation only. In result, 73% of the total membership is women membership. The percentage was 34% in start but was raised up to 73% during reporting period.

1.1. Capacity Building Training

Capacity building trainings in the SM project were included to built at the first the capacity of newly recruited project staff in concept and methodology of social mobilization and secondly capacity building of organized members of the COs in understanding the concept and methods of organization and to undertake development interventions.

With regard to the capacity building of the Communities, community management skills trainings have been given to the presidents and managers of the Cos have been generated in Social Mobilization Project Ghotki. The pax having the number 7100 have been trained of the 3,550 Cos. The training in the trades of Computer hard ware, Plumbing, Building electrician, Auto Electrician, Machine Embroidery, Hand

Embroidery, Beautician etc have also been imparted to the identified members after TNAs and Resolutions from the Community. In addition, 27655 community members both men and women were provided awareness on social indicators like importance of Girls' Education, Women Rights, CNIC & Vote Registration and importance of Birth, Death and Marriage certificates and law of inheritance etc.



Physical Infrastructure Development

The development of Community Physical Infrastructure (CPI) development was the third main component of the project and in Ghotki. A total 163 CPI schemes were implemented, including for brick pavements, DWHPs, and water course linings.

Apart from PPAF Funded Social Mobilization Project, SRSO has been running its operation in Ghotki with funding of other donors as well like UNICEF, Ministry of Livestock and Agriculture (MINFAL), Engro, Khushaal Pakistan Funds (KPF) and SRSO own

funds. SRSO has huge portfolio of credit disbursement since 2003 till date. Following is the brief summary of interventions, beneficiary households and investment in terms of different projects implemented in district Ghotki.

Table 15: Summary of Projects intervened in District Ghotki

Projects	Cost in Millions	Beneficiary Households
Microcredit Programme	88.50	13,654
Education Project	13.58	2,891
Mother and Child Health Care Initiatives (MCHCI)	5.05	47,940
Landless Harees Project (LLHP)	4.581	201
Micro Health Insurance (MHI)	7.58	13,788
Capacity Building	20.45	7,903
PPAF Funded Social Mobilization Project	102.19	159,314
Grand Total	241.935	245,691

Table 16: Annual Progress of PPAF Social Mobilisation Project District Ghotki

Activity	Project Targets	Achievement (as of June 2009)	Annual Plan 2009-10	Achievement against annual target 2009-10	Total Achievement as of June 2009-10
PSC US	35	17	20	-	17
Village Organised	1,900	209	950	1,696	1,905
COs Formed	3,550	1,291	1,875	2,271	3,562
Men	1,420	857	1,125	2	859
Women	2,130	434	750	2,269	2,703
VDO Formed	240	12	120	28	40
LSO Formation		-	6	-	-
HH Organized	75,000	14,669	37,500	36,198	50,867
Membership	75,000	22,093	37,500	39,108	61,201
Men	45,000	14,520	22,500	2,018	16,538
Women	30,000	7,573	15,000	37,090	44,663
Savings	37,500,000	5,896,736	18,750,000	2,830,352	8,727,088
Men	22,500,000	4,927,481	11,250,000	2,493	4,929,974
Women	15,000,000	969,255	7,500,000	2,827,859	3,797,114
Project Indicators					-
Indicator Workshops (events)	35		35	35	35
Men	500		500	385	385
Women	3,000		3,000	1,782	1,782
Total	3,500		3,500	2,067	2,067
CNIC Awareness	75,000		75,000	27,655	27,655
Male	45,000		45,000	17,353	17,353
Female	30,000		30,000	10,302	10,302
Rights	45,000		45,000	18,897	18,897
Nikah Nama	30,000		30,000	10,344	10,344
Law of Inheritance	75,000		75,000	27,655	27,655







“I could not sleep the whole night after I received a cheque of Rs. 8000 from the Community Investment Fund (CIF) to start a grocery shop for my family’s livelihood. I dreamt of my children eating enough food and my husband receiving sufficient medicine, which I had been unable to afford.”



SRSO works for Sajan

Mst Sajan is an affectionate caretaker of her children and handicapped husband. Her husband’s disability forced her to step out of her home to feed her family. As she was a landless labourer, she could not find any way to start work, but her commitment to help her family led her to a very active member of CO Marvi in village Shaheed Muhaammad Siddique. When her CO federated into VO Shaheed Mohammad Siddique, Sajan was nominated for a CIF loan.

She received an amount of Rs. 8000 to start a small grocery shop in the village. She is now proficient in running her small business, earning a monthly income of Rs. 3000. In addition to contributing to CIF loan recovery, Sajan is also a regular in personal savings too and saves Rs. 50 per month. According to her, her confidence is due her interactions within her COs and VO and the trust they place in her.

skills to its organized households including their siblings (both male and female) so that their social and economic condition could be improved, which ultimately helps in alleviating the poverty.

SRSO has set-up two vocational training facilities/centres the talukas of Khairpur and Sobhodero exclusively for women and trained a number of participants in the trades included tailoring, hand embroidery, machine embroidery and kundi work. Training for other trades, such as motor driving, motor mechanic, computer software, computer hardware, building electrician, generator repairing, and Urdu/Sindhi Typist etc. are being outsourced to NRSP-IRM in Sukkur as well as in other locations.

During Reporting year, 730 women and 364 men community members were trained in different trades of vocational skill training programme.

Community Investment Fund (CIF)

The programme used the instrument of CIF with the objective of providing beneficiaries flexible and interest free revolving loans/funds for creating opportunities in self employment, small enterprise development, growth, and ultimately poverty reduction.

In the reporting year, UCBPRP disbursed Rs. 25,123,000 to 4,587 poor female beneficiaries falling in the 0-18 category of the PSC.

Micro Health Insurance (MHI)

Anticipating the benefit of the Micro Health Insurance to the poor households, SRSO provided MHI to poor households falling in the 0-18 PSC band. Out of 4000 people, 2750 deserving community members were enrolled into MHI. During the last quarter of the reporting year, 20 cases were claimed from Adamjee Insurance in which Rs.191,000/- was reimbursed to community members.

UCBPRP Shikarpur and Kandhkot Kashmore

The Union Council Based Poverty Reduction Programme (UCBPRP) is a pioneering and challenging initiative of the Government of Sindh for reducing poverty by tapping into people's own potential. UCBPRP is being implemented by Sindh Rural Support Organization (SRSO) and was initiated on February 1, 2009 in two districts: Shikarpur and Kandhkot-Kashmore for a period of 30 months (across the reporting years between 2008-11).

With the RSPs' social mobilization approach as it's the organising principle, UCBPRP is specifically designed to target rural women. Capacity building in human capacities for

harnessing the competence of local people is the primary objective of the programme.

As of June 2010, a total 177,393 households have been organized into 10,247 COs and 3,315 VO. Under UCBPRP, these organised institutions received a range of assistances, as outlines below:

Microfinance

The two districts contained 4,305 households that did not have the capacity to pay back even interest free loan/credit, but did nevertheless possess the potential to perform and escape the poverty trap. The intervention of Income Generating Grant (IGG) was designed for such households. As of June 2010, a total of Rs. 26.657 million have been disbursed under IGG among 2,661 women beneficiaries.

The programme also used the instrument of CIF with the objective of providing beneficiaries flexible and interest free revolving loans/funds for creating opportunities in self employment, small enterprise development, growth, and ultimately poverty reduction. Interest free loans of up to a ceiling of Rs. 20,000 per household for 0-11 PSC households and Rs.25,000 per household for 12-18 PSC households were disbursed under CIF, amounting to Rs. 323.978 million to 33,594 VOs as of June 2010.

Vocational Trainings

UCBPRP includes a component whereby youth from extremely poor and chronically



poor households are identified and provided scholarships for receiving vocational trainings. As of June 2010, a total of 9,191 participants had been trained in 38 different trades.

Micro Health Insurance (MHI)

Anticipating the benefit of the MHI to the poor households, SRSO provided MHI to poor households falling in the 0-18 PSC band. The MHI is being providing a social safety net to 56,541 such households. As of June 2010, 56,000 households with 339,246 beneficiaries have been insured in both districts. As of June 2010, a total 561 patients have been treated and Rs. 2,592,660 had been paid by Adamjee Insurance.

Education

As of June 2010, UCBPRP functionalised 39 Girls Primary Schools and 52 Boys Primary Schools, in which 3660 girls and 2096 boys have been enrolled respectively. There are also 20 Second Shift Girls Primary Schools established under the programme, where 1323 girls have been enrolled so far. 9 Early Childhood Centres have been established in project districts and its enrolment stands at boys 103 and girls 159.

Community Physical Infrastructure (CPI)

Under the project, 50 percent of the villages having a VO are given one CPI scheme, which may include sanitation and drinking water supply. As of June, 2010 a total of 663 schemes have been initiated of which 121 had been completed. Under the initiated schemes 32,900 man days of skilled labour and 131,600 man-days of un-skilled labour have been provided to the villagers. Shelter support is being provided in the form of Low Cost Houses (LCHS) to the extremely poorest households who live in thatched huts and require shelter. As of June 2010, construction on a total of 2,564 LCHS has been initiated and 200 have been completed and the households are residing in them. To enhance the productivity of poor farmers in agriculture and livestock, the trainings are being given by UCBPRP besides undertaking specialised R&D. As of June, a total of 244 VO members

had been trained in agriculture and livestock sector and 600 Family Nutrition Kits (FNK) had also been installed at household level.

Health

Another initiative of UCBPRP is the training of Traditional Birth Attendants (TBAs), which relates to healthcare and the knowledge of poor women regarding pregnancy and ante-natal care. Under this intervention, as of June 2010, a total 2,539 poor women/participants have been trained.

About Income Generating Grant (IGG)

The lowest band of the extremely poor or the poorest of the poor (PSC Category 0-11) consists of widows or people with chronic disabilities. They lack productive assets and are dependent upon others for subsistence. Hence, any financial assistance provided in cash is by and large consumed. Social mobilization ensures monitoring of IGGs and ensures that they will not be sold or consumed. The grant amount for the UCBPRP has an upper ceiling of maximum of Rs.20,000 per household.

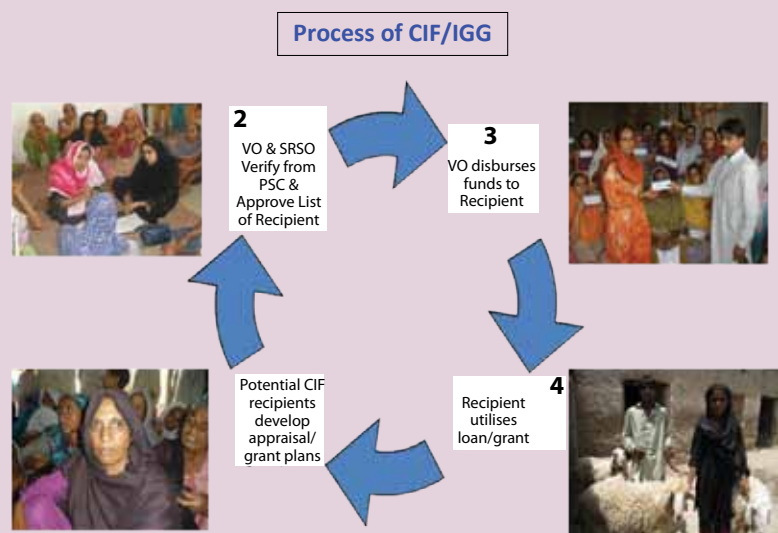


Table 17: Statistical description of IGG disbursement as of June 2010 (in PKR)

Districts	During 2009-10		Total Achievement as of June 2010	
	Beneficiaries	Amount Disbursed	Beneficiaries	Amount Disbursed
Shikarpur	734	6,721,483	1,499	13,726,844
Kandhkot Kashmore	967	8,855,142	1,162	10,640,822
Total	1,701	15,576,625	2,661	24,367,666

Table 18: Statistical Description of overall Progress of UCBPRP project as of June 2010. (Shikarpur & Kashmore)

S. No.	Activity	District	Total achievement as of June, 10
1	Poverty Score Card	Shikarpur	50
		Kashmore	37
Sub – Total			87
2	U.C Covered	Shikarpur	50
		Kashmore	37
Sub – Total			87
3	Households Organised	Shikarpur	98,743
		Kashmore	78,650
Sub – Total			177,393
4	CO Formation	Shikarpur	5,640
		Kashmore	4,607
Sub – Total			10,247
5	Village Organisations Formed	Shikarpur	1,722
		Kashmore	1,593
Sub – Total			3,315
6	Households to be Given Income Generating Grants	Shikarpur	1,499
		Kashmore	1,162
Sub – Total			2,661
7	Households to be Given Community Investment Fund	Shikarpur	19,534
		Kashmore	16,060
Sub – Total			35,594
8	Households to be Given Scholarship for Vocational Training	Shikarpur	5,287
		Kashmore	3,904
Sub – Total			9,191
9	Villages to be Give Drinking Water Supply Schemes as CPI	Shikarpur	393
		Kashmore	270
Sub – Total			663
10	Locations to improved under Low Cost Village Improvement Scheme	Shikarpur	44
		Kashmore	12
Sub – Total			56
11	Low Cost Housing Scheme	Shikarpur	1,318
		Kashmore	1,246
Sub – Total			2,564
12	CO members trained in management skills and book keeping	Shikarpur	7,769
		Kashmore	4,975
Sub – Total			12,744
13	CO members trained in CIF Need Identification	Shikarpur	4,024
		Kashmore	2,568
Sub – Total			6,592

S. No.	Activity	District	Total achievement as of June, 10
14	No. of Participants Trained in VO Management & Planning Training	Shikarpur	4,716
		Kashmore	3,409
Sub – Total			8,125
15	No. of Participants Trained in VO CIF Training	Shikarpur	3,048
		Kashmore	2,668
Sub – Total			5,716
16	VO Book Keeping Training (No of Pax)	Shikarpur	2,532
		Kashmore	2,401
Sub – Total			4,933
17	Experience Shairing Workshops	Shikarpur	19,155
		Kashmore	9,133
Sub – Total			28,288
18	Productivity Enhancement Training	Shikarpur	117
		Kashmore	127
Sub – Total			244
19	TBA	Shikarpur	1,532
		Kashmore	1,007
Sub – Total			2,539
20	Non Functional Schools to be Functionalised	Shikarpur	47
		Kashmore	44
Sub – Total			91
21	2nd Shift Girls Schools to be Established	Shikarpur	6
		Kashmore	16
Sub – Total			22
22	Early Child Hood Centres to be Established	Shikarpur	4
		Kashmore	5
Sub – Total			9

Zareena a 30 year old girl, married but left by her husband and living with her parents at Karampur, Kandhkkot. She suffers from TB and Meningitis. Since she belongs to the poor family, her parents could not bear the expenses of her treatment. Unable to treat her, Zareena's family took left her at a shrine. In the meanwhile, her mother became the member of a CO and received an SRSO mediated family insurance cover. Zareena's was then admitted by her mother to a private panel hospital for proper treatment, where a neurologist and a neurosurgeon diagnosed two abscesses at the parietal and frontal region of her brain following a CT scan. Zareena's life was threatened. The doctors advised for immediate surgery but the total expenses of Rs. 118,000 were beyond her ailment limit. The SRSO management immediately responded by deciding to bear the extra expense from SRSO's own Insurance pool. Zareena was operated on and recovered after successful surgery.

“SRSO through micro health insurance gave me a new life when I was barred from my in laws and my parents were helpless to bear expenses of my treatment. SRSO is great hand holding to the poor in their hard times.”



**SRSO works for
Zareena**

Micro Health Insurance

According to the World Health Organisation (WHO), the out-of-pocket health expenditure in Pakistan stands at 71 per cent — a heavy burden for the poor, especially for low income family households. WHO also observes that those who can only afford to pay the least usually also get the poorest quality of services.

SRSO has taken an initiative to provide Micro Health Insurance (MHI) cover to the poorest through its COs spread across its 9 Sindh districts. MHI seeks to improve poor people's access to affordable high quality health services. SRSO started MHI in collaboration with the Adamjee Insurance Company Ltd in October 2005, covering the cost of hospitalisation, accidental injuries, disabilities, and compensation in cases of

accidental death. The cover per insured person is Rs. 25,000, while effective annual premium is set at Rs. 250.

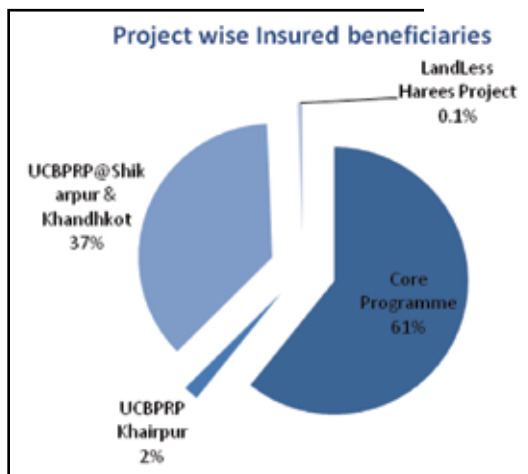
SRSO launched a second product, the MHI Credit Policy, in 2007 for existing and prospective credit members. With an annual premium set at Rs. 150, this policy provided a cover of Rs. 15,000. In 2008, a family package was introduced, which provided cover for the entire family including for children below 18 years of age. The cover limit for each family member was Rs. 15,000, with an annual premium set at Rs. 600. This package made the unprecedented step of provided Rs. 7,500 for covering the costs of child birth.

UCBPRP MHI in Districts Shikarpur, Kashmore, Kandhkot and Khairpur

SRSO has made MHI an integral part of UCBPRP to avert health related shocks that push the vulnerable below the poverty line and the poor into chronic poverty. In the context of UCBPRP, MHI is enabling three basic objectives:

1. Enlisting good hospitals into the programme, where treatment would be provided without charge
2. Making it possible for patients to visit any hospital (government or private) in the province for treatment
3. Incorporating PPHI's existing services

With an annual premium set at Rs. 550,





the UCBPRP MHI provided a cover of Rs. 25,000.

SRSO also took the initiative to fund the UCBPRP MHI from its own resources to poor households falling within 0-18 PSC band in Khairpur, thereby providing the same annual converge as given under the Government of Sindh funded MHI in the Shikarpur and Kashmore districts. As of the end of the reporting year 2010, 2,750 such households out of a total 4000 were given MHI coverage, with the remaining to be covered in upcoming year.

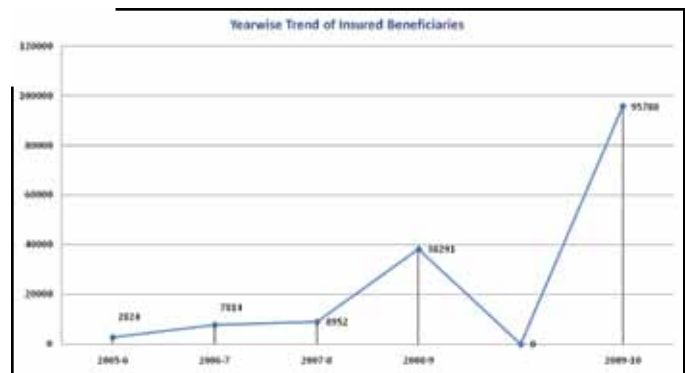


Table 19: Statistical Description of MHI progress as of June 2010.

Sr.no	Micro Health Insurance Policy	As of June 2009	Achievement During 2009-2010	Total Achievement Since Inception as of June 2010
1	Micro Health Insurance Policy membership			
	Male	20,722	3,955	24,677
	Female	37,159	91,833	128,992
	Total Membership	57,881	95,788	153,669

Enterprise Development (ED)

The SRSO Enterprise Development section works to harness the immense talent of rural artisans by implementing capacity building initiatives at the community level. Specifically, this section works to develop women artisans into entrepreneurs and master trainers so that their economical, technical and social status within their communities is strengthened. Creating market opportunities

for these women artisans through the creation of linkages and the development of marketing skills are also one of its main focus areas.

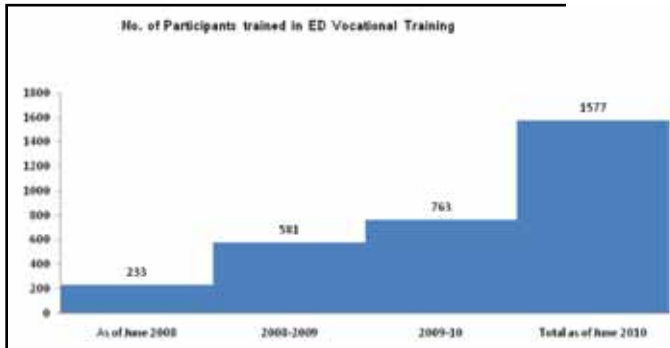
One of the other central focuses of the Enterprise Development section is to develop firstly, new ideas for products while using the existing art and crafts practices of interior Sindh and secondly, new training manuals by following market survey reports and current trends in design.

In detail, the ED section performs the following discrete activities:

- Skill enhancement/capacity building trainings on a variety of crafts
- Product designing, research, and business creation exercises
- Product promotion through different marketing channels
- Business development exercises, marketing trainings/workshops
- Exposure visits of renowned locations, industries, home-based workers and groups
- Local, national and international exhibitions, seminars and conferences
- Market surveys, business feasibility exercises and business plan creations
- Institution building at the community level

Lesson Learnt During the Reporting Year:

- Sectoral strategy for integration of ED



and other sectors is required.

- Coordination of issues at the field level was observed.
- Linkages and marketing opportunities need to be further realised.

International Exposure Visit of SRSO Artisans to Ahmedabad, India

Sabah Pakistan organised 30 days international exposure visit and technical training at Ahmedabad India for SRSO's artisans. Three artisans in total, along with SRSO ED manager went on this visit. The basic objectives of the training were:

- To educate the artisans in creating small business plans
- To educate the artisans in market skills, networking with customers
- To support artisans in visiting some inspirational locations in India that would have supported their work objectives
- To give them the opportunity to meet with designers in India, and other valuable people involved in the development of traditional crafts in the country

This visit was an unprecedented initiative for these women artisans, who had previously been unable to travel even beyond their own communal boundaries. The visit also successfully achieved its capacity building objectives.

Expected Outputs:

- Income generation, improved livelihood options
- Establishment of small business groups at the local level,
- Social development
- Skill enhancement
- Awareness regarding market demand, quality work, presentation and marketing skills
- Woman empowerment



Table 20: Significant achievements of ED since inception as of June 2010

Activity	As of June 2009	Achievement June-2009-10	Total Achievement as of June 2010
Baseline Survey of Villages	53	-	53
No. of Producers Identified	1,007	-	1,007
No./Type of Crafts Identified	8	-	8
No. of Products Upgraded / Modified	70	-	70
Total no. of Vocational Skill Training Events Held	69	31	100
Total No. of Participants (HHs) trained in Vocational Trainings	814	763	1,577
No. of COs benefited	86	170	256
No. of Villages Covered	53	128	181
Enterprise Development Workshops (Awareness)	16	12	28
Training of Master Trainers	4	2	6
Exposure Trips for Artisans and Producers	2	1	3
Exhibitions	20	19	39
Community Based Training Workshops (Product Development)	60	17	77
Market Survey	5	1	6



“I want to be a doctor in the city. I have never been to the city but education will one day take me there”



SRSO works for Ayesha

Ayesha is among the 27% of girls who get to go school in district Ghotki.

SRSO's two year Education Project in Ghotki saw girls' enrolment increase in its operational area during 2009-10.

Social Sector Services

The lack of access to social services, particularly education, health, water and sanitation, is one of the most pressing issues facing rural communities in Pakistan. The level of access for is even lower for women and children because of the lack of the public and private health and education systems. According to the Pakistan Demographic and Health Survey (PDHS) of 2006-07, the country has alarmingly high rates of maternal mortality (276 deaths per 100,000 live births), infant mortality (78 deaths per 1,000 live births) and under-five child mortality (94 deaths per 1,000 live births). In 2001, Pakistan had a gross enrolment rate of 84.3% and an overall literacy rate of 53%, figures which are amongst the lowest in the world. Access to potable water is 93%, of which only 24% of the rural households receive piped water.



Over 50% of Pakistan's population has poor access to sanitation facilities.

While these statistics represent national averages, the situation is considerably worse in the rural areas where weak social service delivery is profoundly visible. SRSO's Social Sectors section works with and in support of organised communities in overcoming these challenges. Key areas of SRSO Social Sector activities include: education and health particularly mother and child healthcare. Activities related to sanitation and access to safe drinking water have been undertaken by SRSO's Community Physical Infrastructure (CPI) section.

The following were the major projects implemented in the reporting year to provide social sector services at the grassroots level through the community itself.

Community-Based Mother and Child Health Care Initiative

The alarming rate of infant mortality (78 deaths per 1,000 live births) and under five mortality (94 deaths per 1,000 live births) situates Pakistan amongst the nine countries of South Asia as the second worse to improve children's health. The maternal health situation in the rural areas is worse compared to in urban areas, with the maternal mortality ratio 319 in rural areas compared to 175 in urban areas, according to the PDHS of 2006-07.



In 2009, SRSO entered into a partnership with UNICEF through RSPN, to develop a community-based model for introducing integrated health interventions in remote rural communities of Sindh.

Through this initiative, partnerships were fostered between SRSO and governmental health departments (DoH, EPI, the National Programme for FP, and PHC) for bridging the gap between rural communities and public sector service delivery.

This project was implemented in non-LHW locations of 37 union councils variously selected from 5 districts of Sindh: Shikarpur, Ghotki, Kashmore, Larkana and Shahdadko. SRSO reached out to a total population of 424,256 people across these districts. The main objective of the project was reducing IMR and MMR in the target communities. The project aimed at developing a community channel for the dissemination of messages and supplies, educating communities on various preventive mother and child health care messages, and extending outreach of health department services (immunisation, TT vaccination and de-worming etc.) in non-served areas.

Significantly, under the project, a local cadre of Community Resource Persons (CRPs) were identified from within the targeted communities and trained in conducting community health interventions. Specifically, a total of 1,702 CRPs (851 women and 851

men) were identified and trained on the registration of the target population, the delivering community health sessions, and the extension of services of de-worming and immunisation to women and children at their doorsteps.

As anticipated, strong coordination was developed with the National Programme for FP and PHC in the identification of uncovered LHW areas and EPI for the extension of immunisation services to the community. During the Mother and Child Week, approximately 42,425 children under the age of two were registered and immunised, and 12,728 women (expectant mothers) received TT-1 vaccinations in the targeted locations. Approximately 41,330 children between the ages of 2 to 5 years received Mebendazole tablets for de-worming purposes. To ensure the maximum coverage at the community level, approximately 367 religious leaders were sensitised and involved in an advocacy campaign, and 19,610 school children were reached out to with health and hygiene messages. Linkages were developed with MNCH, UNFPA, Greenstar Social Marketing (GSM) and the Population Welfare Department (PWD) for birth spacing interventions, with approximately 28 percent of the uncovered population in the target UCs reached out to through this initiative.



Improving Quality of Primary Education in Rural and Remote Areas of District Ghotki (PPAF Funded Project)

The state of education in general and of female children in particular has been dismal in the country. Despite efforts being made in both the public and private sectors, female literacy rates remain abysmally low. It was in response to this state of affairs that the 'Improving Quality of Primary Education' project was initiated in the rural areas of District Ghotki in Sindh by SRSO in collaboration with two partners, PPAF and the District Education Department, Ghotki.



PPAF provided the financial support while the District Education Department supported technical inputs necessary for the project.

The project is focused on increasing student enrollments into primary schools for girls within local communities through their complete involvement in the establishment, operation and management of these schools. For effective and sustainable participation, SRSO is extending social mobilisation and technical support through the capacity building of teachers, and ensuring teachers' salaries, infrastructural improvement, and learning resources etc. The support mechanism is based on initiating a gradual increase in parental and community participation, and a gradual decrease in SRSO's involvement so that final ownership of the schools rests with the local communities themselves.

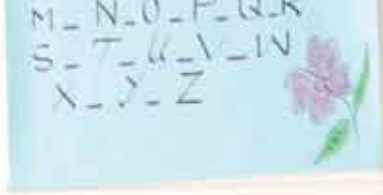
SRSO is working to improve the quality and management of primary education in a total of 15 primary schools in the villages of Qadirpur, Dehraki and Ubaro of District Ghotki. It is doing this by building the capacities of 33 primary school teachers and ensuring access of 1,425 students to quality education. SMCs are being strengthened for project sustainability.

Yearly Achievement of the Sector

1,968 CRPs (both men and women) were identified and trained in the Mother and Child Health Care Initiative project. These CRPs registered 71,435 women of reproductive age to the project's assistance. 12,508 pregnant women were given TT shots. 46,088 children of ages up to 2 years were immunised and 54,717 children of ages between 2 and 5 years were given de-worming tablets. About 186,710 participants attended health education sessions: the participants included men and women community members, religious leaders and school going children.

In the GFATM funded anti-Malaria project, 63 awareness-raising community seminars were organised, followed by orientation workshops, training events, puppet shows and meetings with health service providers. 97,100 mosquito nets were also distributed among pregnant women and families having children of ages up to 5 years.

In 2009-10, the FALAH project was extended from two districts to five. This extension began in Jacobabad and then continued into two more districts under a modified community based volunteers (CBV) model. During 2009-10, 561 community dialogues were conducted and 287 community activists, both men and women, were identified. 1,289 sensitisation sessions were conducted in order to sensitise married couples over birth spacing. 59 Saholat Clinics were arranged for service delivery in association with other partners.



Date: - 11-6-2011

بِسْمِ اللّٰهِ الرَّحْمٰنِ الرَّحِیْمِ

A B C D E F G H

مہتمومون :: بسنت



Gender and Development (GAD)

One of SRSO's key roles is promoting gender equality both internally, within its own organisation and externally, through its programmes and projects. This is particularly necessary because in rural areas, many women are deprived of their basic entitlements as a result of patriarchal systems that exclude them from decision-making, asset-ownership and the ability to engage in activities outside their households. This exclusion often results in economic poverty, illiteracy,

scarce opportunities and lack of access to healthcare. When women are disempowered, their families and communities also suffer. When women are empowered through social mobilisation, awareness-raising, access to health, education, sanitation and livelihood opportunities, their families and communities also benefit. SRSO therefore believes that unless gender related inequalities are not addressed, its mission of the poverty reduction cannot be successfully undertaken. Accordingly, SRSO places its gender policy within the framework of gender mainstreaming, where gender is a cross cutting issue informing all SRSO activities.

In 2009-10, 2511 community members (both men & women) were addressed & sensitized in gender mainstreaming to further replicate this message into their community at a grassroots level.

Specifically, therefore, the main objectives of SRSO's Gender and Development (GAD) section are:

Table 21: Yearly Progress of GAD during 2009-10

Sr.no	Activities	Events	Participants
1	Gender and Development Training for Professional Staff of SRSO	1	39
2	Gender Sensitisation Workshops for Community	14	511
3	Gender Fair Environment w\shops for Supporting & Auxiliary Staff.	2	30
4	Coordinated in Gender mainstreaming workshop with NRSP Senior Management.	1	15
5	Gender Resource Committee meetings.	4	
6	Gender Focal Persons Meetings:	7	
7	Computer Training for SRSO Women Staff	1	18
8	Capacity Building Programme on Social Mobilisation for Social Organisers	10	45
9	Celebration of International Women's Day	7	1500
10	Mother's Day Celebration	2	500

- To promote gender equality at the both the organisational and programme level.
- To take a lead role in formulating strategies and monitoring mechanisms for the successfully implementation of the gender policy.
- To promote SRSO women staff representation at a higher position level, by ensuring capacity building opportunities.
- To facilitate and coordinate capacity building of staff and community members in gender awareness and sensitivity through training sessions, discussions and exposure visits.
- To ensure clear understanding of gender mainstreaming and gender issues amongst SRSO staff so that they can advance the cause of gender mainstreaming in SRSO efforts



International Women's Day

In order to mark the International Women's Day, SRSO's GAD section organised seven events during the month of March 2010 in the districts of Shikarpur, Sukkur, Khairpur and Larkana under the theme of "Empowering Women for Poverty Reduction". The objective of these events was to provide a forum to women from rural communities for sharing their experiences concerning the challenges they have faced in society. These events also exclusively featured exhibits for women artisans, with the objective of allowing them to display their products and supporting them in developing linkages at the local as well as national level. The events were publicised through the print and electronic media, with by numerous press and media representatives covering its activities.

With its focus specifically on rural women, SRSO ensured the participation of Women Community Organisation (WCO) members. These WCO members spoke of and highlighted the women issues in different speeches, tableaus and songs. On the basis of WCO performance, awards were also distributed for the categories of Female Social Organisers, Community Organisations, and Community Resource Persons.

Principle guest at the events included Mr. Shoaib Sultan Khan, members of the Board of Directors, Dr. Shereen Narejo, Programme Coordinator SGRRP, Government of Sindh, Ms. Mahreen Bhutto MNA, and Ms. Touqir Fatima Bhutto, Provisional Minister for Women Development.

Village Sain Bux Shar, comprising of 60 poor households, is one of the most neglected villages of the largely agricultural union council Shadi Shaheed, District Khairpur. Despite its reliance on agriculture, the village had an unlined water course for irrigation, which lost nearly one-third of the irrigation water to seepage, percolation and evaporation. The excessive seepage was particularly harmful, as it reduced crop yield through water logging.

The water shortage from this irrigation crisis ultimately led to internal conflict within the village community.

Responding to the increasing conflicts among their male counterparts, the women of Sain Bux Shar, who had been organised by SRSO into a Women Community Organisation Saleemat, decided to pass a resolution for lining the water course scheme with SRSO support. Accordingly, a lined water course scheme 1,300 feet in length was constructed, benefitting all 60 households in the village. 80% of the funding for the project, amounting to Rs. 561,675 was provided by PPAF through SRSO facilitation.

The project helped in increasing yield and saved about 33% water which was being previously wasted. 30 acres of additional land is now being cultivated due to timely availability of sufficient water for irrigation. Above all, however, the village women's efforts gave new legitimacy to their decision making within the public life of the village.

Type of Project	: Lining of W/C
Total Cost (Rs)	: 707,375
PPAF Share (Rs)	: 561,675
BHHs	: 60
Beneficiaries	: 480
Irrigated Area	: 30
PPAF Share/HH (Rs)	: 9,361
Discharge	: 0.109 Cume
	: 3.85 Cusec



**SRSO works for
Livelihood and Women
Empowerment through CPI
Schemes**

Community members have contributed 63.47 million in funds as their CO share (in both cash and labour) as of June 2010.

39.48 million in funds were provided to extremely poor community members against skilled and unskilled labour during CPIs construction.

SRSO's Community Physical Infrastructure and Technology Development (CPITD) unit works through community based organisations to ensure the development of physical infrastructure at the grassroots level. The poor living in rural communities qualify for this support. The main focus of CPITSD's activities is to provide potable water to the communities, improve local communication networks, provide irrigation facilities and conserve land for cultivation, while adequately safeguarding the environment.

Since its inception, the unit has rapidly expanded the scale of its operations. The funding from the donors rose from Rs.265 million in the financial year of 2003 to Rs.766 million by end of the financial year of 2004, representing an increase of 189.1% (See Figure 2.1). Total projects approved during this period were 7,018. Broadly, the projects

were classified into Drinking Water Supply, Communication, Irrigation, and Others (flood protection dams, causeways and retaining walls). 43 % of the projects provided drinking water supplies, 14% improved local level communication networks, 28% improved local irrigation facilities, 13% projects provided sanitation facilities and 2% fell in the Other category, which included assistance related to the generation and distribution of hydroelectric power (See Figure 2.2).

This year, SRSO made headway in the initiation and implementation of CPIs in two major projects, UCBPRP and PPAF. The types of CPIs included in these two projects were housing, sanitation, communication, irrigation, drinking water supply, and village improvement schemes. These CPIs aimed at accelerate the development in underdeveloped and remote areas of Sindh by scaling up the work in those areas.

Under UCBPRP, the CPITD unit is working towards value addition, by providing Income generating opportunities to the extremely poor community members by involving them as labour in construction of the CPIs on market-based wages.

The objectives of this activity were:

- To motivate VOs to rehabilitate closed or non-functional drinking water supply schemes, while also carrying out

mohallah level sanitation projects on a self help basis

- To devise a mechanism for VO's to make non-functional schemes functional and to make them responsible for their management, operation and maintenance.
- To provide food for work in return for skilled and unskilled labour for construction of infrastructure schemes.
- To increase income of the poor.
- To empower the poor, especially women.
- To increase the access of the poor communities to infrastructure in order to improve their livelihoods.
- To improve the local environmental conditions
- To create a sense of ownership and responsibility

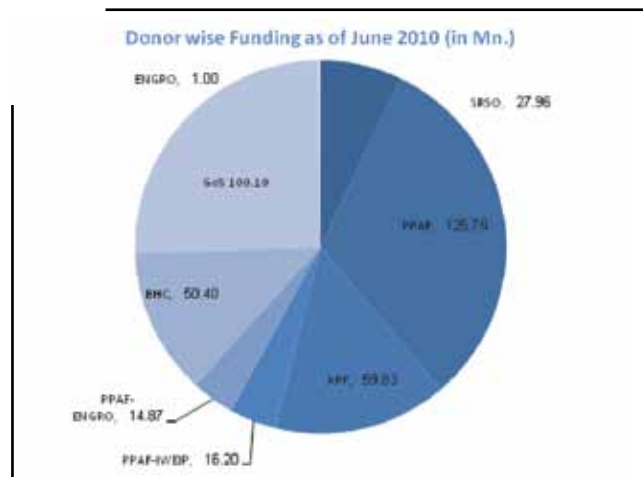
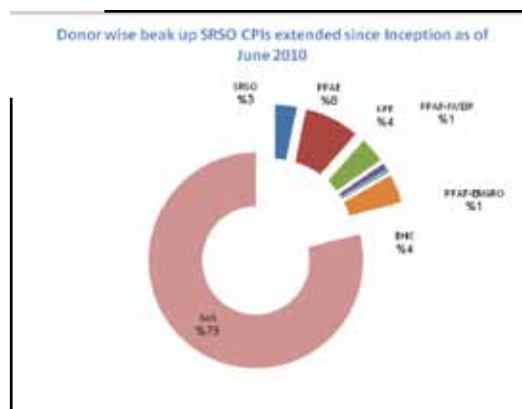


Table 22: Description of CPIs extended during 2009-10

No: of Schemes completed in 2009-10	3,965
BHHs	16,568
Total Cost	122,125,766
Types of Schemes	
Irrigation	1
DWSS	591
Communication	34
Sanitation	89
Schools Buildings	16
Low Cost Village Improvement Schemes	51
Low Cost Houses	3,183

Table 23: Description of community members employed through CPIs construction:

Type of Labor	Shikarpur			Kashmore-Kandhkot			Total		
	Man-days Labor Provided	Amount earned (Rs.)	Average Amount Earned per Man-day (Rs.)	Man-days Labor Provided	Amount earned	Average Amount Earned per Man-day	Man-days Labor Provided	Amount earned	Average Amount Earned per Man-day
Skilled Labor	17,100	6,840,000	400.00	15,800	6,320,000	400.00	32,900	13,160,000	400.00
Unskilled Labor	68,400	13,680,000	200.00	63,200	12,640,000	200.00	131,600	26,320,000	200.00
Total	85,500	20,520,000	600	79,000	18,960,000	600	164,500	39,480,000	600

Table 24: Year wise & Donor wise trend of SRSO total CPIs extended since inception as of June 2010 (amount In millions)

Donors		July-2003 to June-2004	July-2004 to June-2005	July-2005 to June-2006	July-2006 to June-2007	July-2007 to June-2008	July-2008 to June-2009	July-2009 to June-2010	Total
Donors Cumulative	Activities	23	22	73	108	202	260	3965	4,653
	Total Rs.	5,682,214	6,881,033	17,957,468	28,747,929	80,271,672	97,825,160	222,225,766	459,591,242
	Donor Share Rs.	4,326,401	5,167,016	14,030,218	22,749,801	64,185,632	73,977,245	211,686,100	396,122,413
	CO Share Rs.	1,355,813	1,714,017	3,927,250	5,998,128	16,086,040	23,847,915	10,539,666	63,468,829
SRSO	No. of Activities	1	9	48	65	9	20		152
	Total Rs.	561,786	2,959,111	12,636,918	15,181,393	2,130,975	2,060,403	-	35,530,586
	Donor Share Rs.	421,522	2,318,814	9,859,281	11,969,847	1,695,500	1,699,800		27,964,764
	CO Share Rs.	140,264	640,297	2,777,637	3,211,546	435,475	360,603		7,565,822
PPAF	No. of Activities	22	13	25	43	45	63	173	384
	Total Rs.	5,120,428	3,921,922	5,320,550	13,566,536	14,550,349	37,061,297	81,646,307	161,187,389
	Donor Share Rs.	3,904,879	2,848,202	4,170,937	10,779,954	11,615,567	20,417,994	72,014,753	125,752,286
	CO Share Rs.	1,215,549	1,073,720	1,149,613	2,786,582	2,934,782	16,643,303	9,631,554	35,435,103
KPF	No. of Activities					148	31		179
	Total Rs.	-	-	-	-	63,590,348	11,203,561	-	74,793,909
	Donor Share Rs.					50,874,565	8,959,275		59,833,840
	CO Share Rs.					12,715,783	2,244,286		14,960,069
PPAF-IWEIP	No. of Activities						48		48
	Total Rs.	-	-	-	-	-	20,253,947	-	20,253,947
	Donor Share Rs.						16,199,976		16,199,976
	CO Share Rs.						4,053,971		4,053,971
PPAF-ENGRO	No. of Activities						2	14	16
	Total Rs.	-	-	-	-	-	3,053,952	13,271,619	16,325,571
	Donor Share Rs.						2,508,200	12,363,507	14,871,707
	CO Share Rs.						545,752	908,112	1,453,864
BHC	No. of Activities						96	104	200
	Total Rs.	-	-	-	-	-	24,192,000	26,208,000	50,400,000
	Donor Share Rs.						24,192,000	26,208,000	50,400,000
	CO Share Rs.								-
GoS (UCBPRP)	No. of Activities							3,673	3
	Total Rs.							100,100,000	100,100,000
	Donor Share Rs.							100,100,000	100,100,000
	CO Share Rs.								-
ENGRO	No. of Activities							1	1
	Total Rs.	-	-	-	-	-	-	999,840	999,840
	Donor Share Rs.							999,840	999,840
	CO Share Rs.								-





“I was a labourer before I was allotted land. I now think of myself as a land owner, and owning land is source of great contentment for me and my family,”



SRSO works for Mai Hakim

Mai Hakim, 40, walking through her land near house. She is one of the SRSO implemented Landless Harees project beneficiaries, who were awarded 25 acres of land with Rs. 30,000 in cash support for land preparation.

Natural Resource Management (NRM)

Agriculture is the single largest sector of Pakistan's economy. It contributes 24% to the country's GDP, and employs more than 43% of the country's workforce. About 68% of the total population of Pakistan lives in rural areas and depends upon agriculture for subsistence.

SRSO's target beneficiaries largely look upon small-scale farming systems as the primary source of their livelihoods. Despite this, they are marginalised and often do not produce enough to enable their families to have food security throughout the year. Smallholder farmers are also particularly vulnerable to climatic and economic shocks. Notwithstanding these evident challenges, the agriculture sector has not received consistent attention from the national government and international donors.

Recognising the critical importance of agricultural life and its marginalised status, SRSO has deliberately focused on helping increase natural resources within the geographical context of Sindh. The experience of SRSO has been of increasing the small farmer's access to decision-making, markets, knowledge, science and technology, assets and equal opportunities. SRSO believes that this can turn farming into a viable livelihood for millions more smallholder farmers across the province.

Combating Rising Food Prices in Pakistan
In 2010, the European Union (EU), and the

Food and Agriculture Organisation (FAO) granted funding to SRSO for a project supporting small farmers (harees, share croppers and tenants) in the districts of Sukkur and Khairpur. Titled "Combating Rising Food Prices in Pakistan", the project provided each beneficiary small farmer agri-inputs and vegetable seeds necessary for cultivating one acre of land. The following other interventions were also made under the project:

- SRSO formed 12 Machinery Pool Groups (MPGs) for vegetable, cereal and water usage at the union council level in the two districts. The MPGs provided seed graders, power tillers, job planters, store bins, drillers and flour grinders at the household level.
- SRSO established 20 Farmers Field Schools (12 for Women and 8 for Men) in the 12 union councils in districts of Khairpur and Sukkur. The schools provided training to 18,996 farmers in 2010.
- 15 water courses and 15 water channels were rehabilitated by SRSO in the district of Sukkur also benefitted farmers.

Following the completion of the project, FAO conducted a survey that showed that this set of interventions increased the yield in the project by nearly 30%.

Crop Maximisation Project II

Between September 2008 and April 2010, SRSO, with funding from the Ministry of Food and Agriculture, Government of Pakistan, implemented the Crop Maximisation Project II in 90 villages of 3 Sindh districts (Khairpur, Noushero Feroze and Larkana). The mandate of the project was to strengthen small farmers, through technology transfer for raising yield and through linkages development for effective sale of outputs in the market. To help deploy this mandate, the project saw the formation of farmer's associations, which were federated with SRSO's VOs.

Prime Minister Special Initiative for Livestock Project

Livestock is a major source of income for poor households. Recognising the value of livestock, between 2007 and 2010, SRSO, with funding from the Ministry of Food and Agriculture, Government of Pakistan, implemented the Prime Minister Special Initiative for Livestock (PMSIL) in 87 union councils of 9 Sindh districts. The Project envisaged addressing the issues of inadequate and poor quality of livestock feed and limited animal health coverage. To resolve these issues, the project enlisted 9 veterinary doctors along with 250 CLEWS.

The 'State Land to Landless Harees' Project

With funding from the Land Utilisation Department of the Government of Sindh, this initiative saw state land being granted to the poorest female harees. The project's first phase was launched in March 2009 in 19 districts of Sindh, out of which 8 were SRSO operational districts. On the successful completion of the project targets within the stipulated time, an identical second phase was initiated in July 2010.





Despite being badly affected by it, climate change is not a priority for many poor people. This is so because many poor people are dealing with other everyday challenges such as the extreme lack of food, water and shelter. It is important therefore for to help the poor become aware of the new challenges the future shifts in climate may bring.

Responding to this call, during the reporting year, SRSO started an awareness raising and disaster preparedness campaign in collaboration with OXFAM GB. Public awareness workshops, sessions with community members during routine meetings, meetings with stakeholders, partner organisations and government departments, and walks and rallies were carried out by SRSO's SMTs and MER team.

Monitoring Evaluation & Research Unit (MERU)

Monitoring, evaluation and research collectively constitute a key instrument in ensuring the ongoing learning necessary for the improvement of development interventions. In order to measure and ensure the effectiveness of its organisation's work in long-established areas of focus, SRSO's Monitoring, Evaluation and Research Unit (MERU) has conducted numerous studies. These internal studies have greatly helped the SRSO staff in determining the level and types of efforts necessary in achieving optimum results in terms of the depth and breadth of SRSO's activities.

MERU continuously reviews SRSO progress, and any strengths and weaknesses with monthly meetings. Considering SRSO's priorities, the following three activities were undertaken by the unit during the reporting year:

1. Regular Monitoring and Reporting of Core Activities
2. Publication of SRSO Success Stories
3. Research (Socio-Economic Baseline and Poverty Scorecard Surveys)

Publications

In addition to launching its organisation's online platform, the SRSO website, MERU also established separate a Publication Cell to document SRSO activities and achievements. This cell has started releasing a quarterly newsletter (in English) and a semi-annual

magazine (in Sindhi), with the aim of communicating SRSO achievements at the provincial, national and international level. Starting with the reporting year of 2009, the cell has also been using in-house capacities to produce its organisation's annual reports. Another initiative taken by the cell in the reporting year was publishing case studies of community members who, with SRSO support, endeavoured to make significant changes in their livelihoods and their families.

As a natural consequence of SRSO's work with rural community, the unit is also composing and translating books, reading materials, brochures, reporting formats and other project-related material in the Sindhi language for field staff and community activists.

Research

Impact Assessment of SRSO Programme in Districts Khairpur, Sukkur, Shikarpur, Larkana and Nosherveroze

In order to assess the impact of SRSO's overall programme, MERU commissioned RSPN to initiate a third-party impact assessment of SRSO work. Broadly, the impact assessment confirmed that those people who have benefited from the programme have been able to increase their incomes and therefore, their asset base.

Socio-Economic Baseline Survey

In February 2010, PPAF and ENGRO



commissioned SRSO to conduct a socio-economic baseline survey in 16 villages of District Sukkur where they jointly intended to implement a set of interventions. SRSO's MER unit accordingly conducted the survey with its own in-house expertise. This baseline survey was carried out in union council Long Bhatti, district Sukkur, using the same methodological tools used in socio economic baseline survey carried out by RSPN and designed by the senior economist Mehmood Hassan Khan.

The baseline will be used to carry out an impact assessment of the ENGRO programme in this area in 2015. The baseline survey includes data and analysis on demography, education, health, and the economic condition of households in terms of absolute poverty and asset ownership, loans and debts. Qualitatively, various dimensions of women's and men's perception on problems, and the status of household level decision-making were also studied. Throughout the survey, a methodological distinction was made to bifurcate indicators and corresponding data between poor and non-poor respondents.

Poverty Scorecard Survey in Districts Khairpur and Jacobabad

As a rule, prior to undertaking any intervention on the ground, SRSO conducts situation analysis through prescribed methodology and procedures in order to assess the existing socio-economic status of the area. A significant tool in the approach is that of the Poverty Scorecard (PSC)², which ensures the accurate identification of the poorest of the poor (as per the Government of Pakistan's definition of poverty). Given its accurate statistical portrait of the poor, SRSO's PSC supplemented situation analysis allows for more precise and more feasible interventions to be identified.

While the PSC surveys of the initial districts were carried out by SRSO with technical support from NRSP and RSPN, SRSO has now started to undertake this survey on its own. In the reporting year of 2010, SRSO's MER unit conducted a PSC survey in 48 union councils in two districts, Khairpur and Jacobabad. For this survey, the MER unit constituted an exclusive PSC wing, which comprised of senior MER professionals and which, based on lessons learnt, employed an



²The Poverty Scorecard was developed by Mark Schreiner, a senior academic based at Washington University, and was finally modified by the World Bank. The scorecard used by SRSO is based on the Pakistan Integrated Household Survey 2001.

improved survey practices, notably with the inclusion of women enumerators, forward campaigning and door-to-door marking of surveyed houses.

Despite challenges related to social sensitivities, tough weathers and sparsely populated areas (especially in the case of Jacobabad), it took only six months to complete task in both districts. As it was first time that SRSO's MER unit had assumed sole responsibility for a PSC survey, its results were not only shared with management and stakeholders but were also shared with experts for data comparison to ensure the reliability. In the coming year, the MER unit is planning to independently conduct further PSC surveys in the remaining districts.

Capacity Building

In 2009, three MER professionals from SRSO attended a week-long training on basic monitoring and evaluation tools and techniques. One participant was also provided with opportunity to receive training on "Managing for Development Results" at the Asian Institute of Technology (AIT) in Bangkok.

Strategic Planning and Envisioning

In order to ensure that the organisation's various sectors view their respective programmes in multidimensional ways and annually plan future courses of action, SRSO's MER unit has been undertaking strategic planning workshops. These workshops apply a multiple set of tools to help each sector arrive at an in-depth understanding of upcoming projects and forecasting the future scope of work in each sector. The sectors have also benefitted from the workshops by becoming better able to formulate their own areas of activities, and their strategies for growth and expansion while taking into account their strengths and weaknesses.



Internal Audit Unit

SRSO started its Internal Audit Unit in the year 2008 to ensure financial transparency and incorporate best practices pertaining to internal controls.

Responding to its organisation's growing needs, activities and size over time, the unit has been strengthened further with the appointment of Manager Internal Audit in January 2010 and the formation of Audit Committee by the Board of Directors during the same year. In order to establish a corporate framework, the Board has approved charters for both the committee and the unit as a whole.

The framework of internal audit at SRSO now includes the identification of issues in internal control and other relevant financial and systemic gaps, weaknesses and errors. This is accompanied by the process of providing corresponding recommendations to ensure resolutions to any identified issues and subsequent compliance. The unit also prescribes guidelines for SRSO's programme activities, ranging from financial monitoring to programme monitoring.

The most recent progress made by SRSO in developing its internal auditing has been the introduction of the 'prepayment audit', which entails the auditing of all material payments prior to the financial settlement of all transactions made.

For the future, SRSO's management intends to further strengthen the unit by providing training to enhance audit skills, carrying out additional hiring and providing additional resources.

Handwritten notes on a sheet of paper, appearing to be a list of names or identifiers in a single column.



S.N	Taluka	UC	Village
1	✓		
2	✓		
3			
4			
5	✓		
6	✓		
7			
8			
9			

SRSO's Library

SRSO believes in personnel development that particularly builds the capacity of employees in the field of work within which their organisation operates. This allows SRSO employees to more confident, professional and proficient in the daily work. From this perspective, SRSO has established a library in its premises.

Open to and accessed by every kind of employee, the library is well equipped with books and resources focusing on a range of relevant subjects including development, social mobilisation, gender sensitivity, training development, personnel management, monitoring and evaluation, human resources, and physical infrastructure.

Daily newspapers, some periodicals, annual and short-term reports, manuals and newsletters have also been made available and are readily used by SRSO's staff.





Procurement Unit

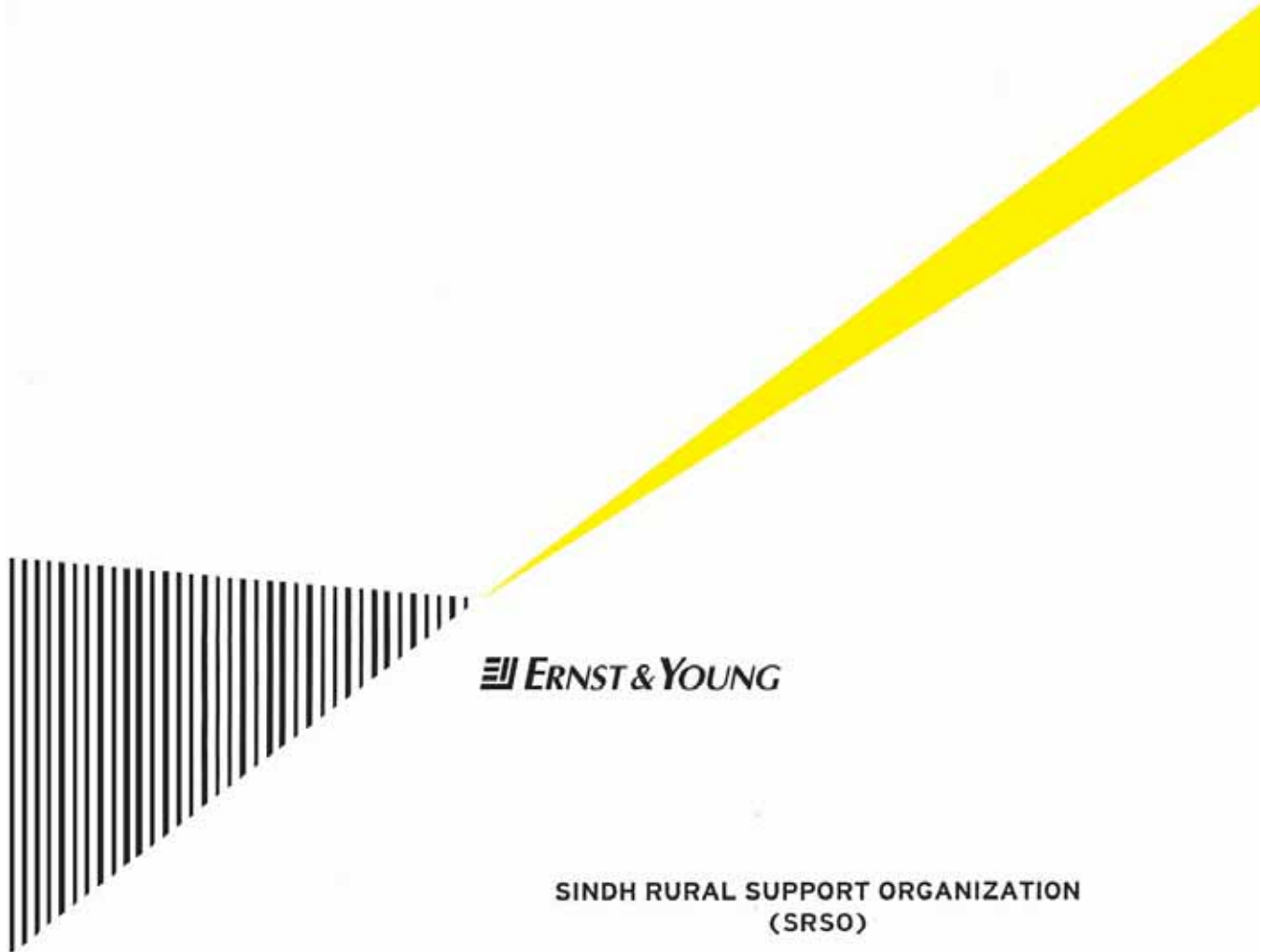
The Procurement Unit of SRSO was established in August 2010, with the aim of providing goods and services through transparent and cost-effective procurement. This unit is now centralised, with any instance of procurement at SRSO made directly through it.

The unit is run by a dedicated Procurement Officer and an Assistant Procurement Officer.

Since its inception, it has successfully accomplished its targets, as tabulated below:

Details of Procurement
For the financial year ended 30 June 2010

	Rupees
Fixed Assets	
Furniture and Fixture	9,645,186
Office Equipments	5,696,880
Computers	10,869,082
Audio Visual Equipment	884,840
Vehicles	42,012,966
Sub Total	69,108,954
Others	
Stationery	14,596,381
Family Nutrition Kits, Poultry Birds and Vegetable Seeds	5,690,868
Services Hired For Maintenance	3,112,998
Books and Publications	1,358,479
Office Supplies	915,952
Advertisements and Publicity	349,832
Miscellaneous	1,012,192
Sub Total	27,036,702
Grand total	96,145,656



ERNST & YOUNG

**SINDH RURAL SUPPORT ORGANIZATION
(SRSO)**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

Ernst & Young Ford Rhodes Sidat Hyder
Chartered Accountants
Mall View Building, 4-Bank Square
P.O. Box No. 104, Lahore 54000, Pakistan
Tel: +9242 3721 1531-38
Fax: +9242 3721 1530 & 39
www.ey.com



Ernst & Young Ford Rhodes Sidat Hyder
Chartered Accountants
Mall View Building, 4- Bank Square
P.O. Box No. 104, Lahore 54000, Pakistan
Tel: +9242 3721 1531-38
Fax: +9242 3721 1530 & 39
www.ey.com

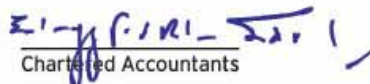
AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of the **Sindh Rural Support Organization (the Company)** as at **30 June 2010**, and the related income and expenditure account, cash flow statement and statement of changes in fund together with the notes forming part thereof, for the year then ended and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

It is the responsibility of the company's management to establish and maintain a system of internal control, and prepare and present the above statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with auditing standards as applicable in Pakistan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting principles and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

- a) in our opinion, proper books of account have been kept by the company as required by the Companies Ordinance, 1984;
- b) in our opinion:
 - (i) the balance sheet and income and expenditure account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies consistently applied.
 - (ii) the expenditure incurred during the year was for the purpose of the company's business; and
 - (iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the company.
- c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, income and expenditure account, cash flow statement and statement of changes in fund together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and, give the information required by the Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the company's affairs as at 30 June 2010 and of the surplus, its cash flows and changes in general fund for the year then ended; and
- d) in our opinion no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980.


Chartered Accountants

Engagement Partner: Naseem Akbar

Lahore: 13 November 2010

SINDH RURAL SUPPORT ORGANIZATION
BALANCE SHEET AS AT 30 JUNE 2010

ASSETS	Note	2010 Rupees	2009 Rupees Restated
Non-current assets			
Property and equipment	5	169,584,557	129,593,365
Intangible assets	6	13,714	20,469
Long term investments	7	233,174,329	234,560,758
Total non-current assets		402,772,600	364,174,592
Current assets			
Stock	8	339,279	1,740,877
Grant receivable	9	44,093,308	11,560,184
Short term advances	10	35,598,931	5,509,727
Microcredit loans	11	355,892,819	103,810,177
Prepayments		28,833,965	28,784,870
Short term investments	12	784,312,133	771,312,133
Mark-up accrued / service charges	13	25,205,707	25,313,672
Other receivables	14	188,262,998	27,837,208
Cash and bank balances	15	1,509,621,036	882,111,741
Total current assets		2,972,160,176	1,857,980,589
TOTAL ASSETS		3,374,932,776	2,222,155,181
LIABILITIES			
Non-current liabilities			
Deferred grants	16	1,444,347,105	660,057,895
Employee benefits	17	9,000,554	17,956,120
Total non-current liabilities		1,453,347,659	678,014,015
Current liabilities			
Short term borrowings	18	220,000,000	170,000,000
Loan for microcredit	19	151,330,000	74,810,273
Mark-up accrued	20	4,467,356	4,585,138
Trade and other payables	21	92,999,415	12,582,273
Total current liabilities		468,796,771	261,977,684
TOTAL LIABILITIES		1,922,144,430	939,991,699
NET ASSETS		1,452,788,346	1,282,163,482
Represented by:			
Endowment fund		1,000,000,000	1,000,000,000
Accumulated surplus	22	442,788,346	272,163,482
		1,442,788,346	1,272,163,482
Surplus on revaluation of fixed assets		10,000,000	10,000,000
		1,452,788,346	1,282,163,482
CONTINGENCIES AND COMMITMENTS	23	-	-

The annexed notes from 1 to 39 form an integral part of these financial statements.


Chief Executive


Director



**SINDH RURAL SUPPORT ORGANIZATION
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2010**

	Note	2010 Rupees	2009 Rupees Restated
INCOME			
Profit on investments and bank deposits	24	160,950,019	139,675,925
Grants	25	1,236,077,044	410,062,340
Income from microcredit loans	26	23,639,755	8,069,317
Other income	27	<u>96,382,732</u>	<u>43,637,414</u>
		1,517,049,550	601,444,996
EXPENDITURE			
Operating expenditure	28	316,429,025	128,204,027
Provision for non - performing microcredit loans		9,907,637	302,631
Programme assistance	29	1,003,547,820	325,478,516
Finance cost	31	<u>16,540,204</u>	<u>10,039,598</u>
		1,346,424,686	464,024,772
Surplus for the year		<u>170,624,864</u>	<u>137,420,224</u>

The annexed notes from 1 to 39 form an integral part of these financial statements.



Chief Executive




Director

Eghe.

**SINDH RURAL SUPPORT ORGANIZATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2010**

	2010	2009
	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus for the year	170,624,864	137,420,224
Adjustments for non-cash charges and other items:		
Depreciation	31,461,279	12,941,991
Amortization - intangibles	6,755	1,811
Financial charges	16,540,204	10,039,598
Employee benefits - net	6,002,766	6,451,486
Provision for non - performing microcredit loans	9,907,637	302,631
Amortization of premium on long term investment	1,386,429	909,052
Grants-restricted funds	(1,236,077,044)	(384,328,608)
Amortization of grants related to fixed assets	(19,490,659)	(18,953)
Stock written off	579,914	-
Gain on disposal of fixed assets	(140,972)	(8,612)
	<u>(1,189,823,691)</u>	<u>(353,709,604)</u>
Deficit before changes in working capital	(1,019,198,827)	(216,289,380)
Effect of working capital changes:		
(Increase)/decrease in current assets		
Stock of medicines	821,684	1,488,036
Microcredit loans receivables	(261,990,279)	(74,768,967)
Short term investments	(13,000,000)	(3,912,133)
Short term advances	(30,089,204)	16,483,461
Prepayments	(49,095)	(24,858,513)
Mark-up accrued / service charges	107,965	3,220,757
Other receivables	(160,425,790)	(27,095,885)
	<u>(464,624,719)</u>	<u>(109,443,244)</u>
Increase/(decrease) in current liabilities		
Short term borrowings	50,000,000	(12,881,184)
Loan for microcredit	76,519,727	21,453,409
Trade and other payables	80,417,142	4,048,171
	<u>206,936,869</u>	<u>12,620,396</u>
	<u>(257,687,850)</u>	<u>(96,822,848)</u>
Cash used in operations	(1,276,886,677)	(313,112,228)
Finance cost paid	(16,657,986)	(10,871,459)
Employee benefits paid	(14,988,730)	-
Grants received	2,007,323,789	906,428,754
Net cash generated from operations	698,790,396	582,445,067
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure incurred on fixed assets	(72,481,101)	(103,192,728)
Proceeds from sale of fixed assets	1,200,000	83,000
Receipt from long term loan	-	180,291,216
Proceeds from sale of long term investment	-	912,133
Net cash (used in)/ generated from investing activities	(71,281,101)	78,093,621
Net increase in cash and cash equivalents	627,509,295	660,538,688
Cash and cash equivalents at the beginning of the year	882,111,741	221,573,053
Cash and cash equivalents at the end of the year	<u>1,509,621,036</u>	<u>882,111,741</u>

The annexed notes from 1 to 39 form an integral part of these financial statements.



Chief Executive



Director





Credits

Author:

Syeda Nazia Shah

Contributors:

All Section and Field Managers

Photographs:

Faheem Siddiqui
www.fahimsiddiqui.com

Design, Layout & Printing:

 Kifayat Publishers
C-77, 1st Floor, Phase-II Ext., DHA
Main Korangi Road, Karachi.
Tel: 021-35392846-7
E-mail: kifayatacademy@yahoo.com

Address:

**Sindh Rural Support
Organization**

A-42, Sindhi Muslim Society,
Airport Road, Sukkur.

Tel: (071) 5633516, 5633657,
5631629

Fax: (071) 5631791

Web: www.srsso.org.pk

Copyright © SRSO 2010



Sindh Rural Support Organization

Head Office

A-42, Sindhi Muslim Society, Airport Road, Sukkur.

Tel: (071) 5633516, 5633657, 5631629

Fax: (071) 5631791

Web: www.srso.org.pk