

## **DESK FOR PROJECT COORDINATION AND ADMINISTRATION**

### **PURPOSE AND TASK**

The Desk, in collaboration with the DMD Area Desks, carries primary responsibility for the coordination and assessment of all project applications received from and endorsed by the LWF constituency. It is also the task of the Desk to coordinate the financial resources made available to the Department for programs and projects and to monitor the policies and procedures of the LWF supporting network, which have implications for the work of the Department.

### **MAIN ACTIVITIES**

The Program Committee for Mission and Development, an LWF Council Committee, has the mandate to set the overall direction for programmatic activities of the DMD area and global desks, which relate to more than one member church. By contrast, the LWF Project Committee has the mandate to deal with policy and procedures related to various aspects of the project cycle that shall guide its work and to approve projects endorsed by and implemented through individual member churches. To ensure appropriate coordination of these two distinct different activities, the Project Committee submits an annual report to the LWF Council through the Program Committee for Mission and Development.

In 2006 a total of 39 projects were submitted to the Project Committee for approval compared to 45 in 2005. The total financial volume approved in 2006 for the period 2007-2009 is USD 3'227'700 for Africa, USD 1'664'800 for Asia, USD 217'700 for Latin America and USD 2'513'000 for Europe.

Out of the above 39 projects, 3 applications had a budget frame of up to or less than USD 50'000 and were therefore approved by the LWF Interdepartmental Project Screening Committee (IPSC) in compliance with existing procedures. The total financial volume of these approved applications adds up to USD 55'100.

The table below shows the distribution of funds required annually for all projects approved for the period 2007-2009, i.e. the table includes also projects approved in previous years (2004-2005) where the required funding needs extend into the budget years of 2007 ff.

	2007	2008	2009	Total
Africa	3'418'800	2'512'400	957'300	6'888'500
Asia	1'647'630	1'086'630	388'600	3'122'860
Europe	385'100	326'500	98'100	809'700
Latin America	2'184'975	1'389'900	833'800	4'408'675
Total	7'636'505	5'315'430	2'277'800	15'229'735

The above total funding needs represent a formidable challenge to DMD since the LWF relies primarily still on the resources of member churches and their related agencies to carry out its mandate as an expression of Christian solidarity for caring and sharing. Parallel to this view, DMD is also committed to review with the member churches the need to prioritize their needs on the one hand, and on the other hand to discuss with major contributors their own priority setting as a reflection of our common responsibility in the communion of Lutheran churches.

The DMD Program Plans ( Statement of Needs for 2006 ) had a total budget volume of close to USD 6.5 million. Total funds available for program implementation were USD 4'520'087. The consequence is that programmatic support requests from member churches had not only to be prioritized, but were also often reduced through mutual negotiations.

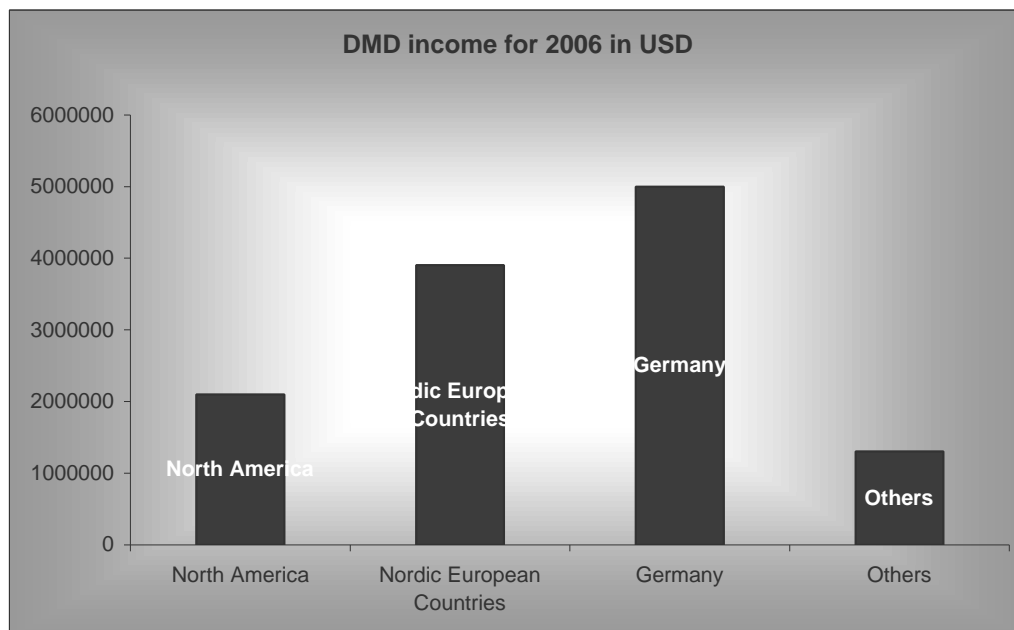
The overarching aim of these programs is to strengthen the diverse ministries of the LWF member churches as they search for appropriate ways of caring for all aspects of human community. The reports of the area and global desks provide an insight into this aspect of the DMD work. The 2007 Program Plans are appended to this report.

### **Financial Support**

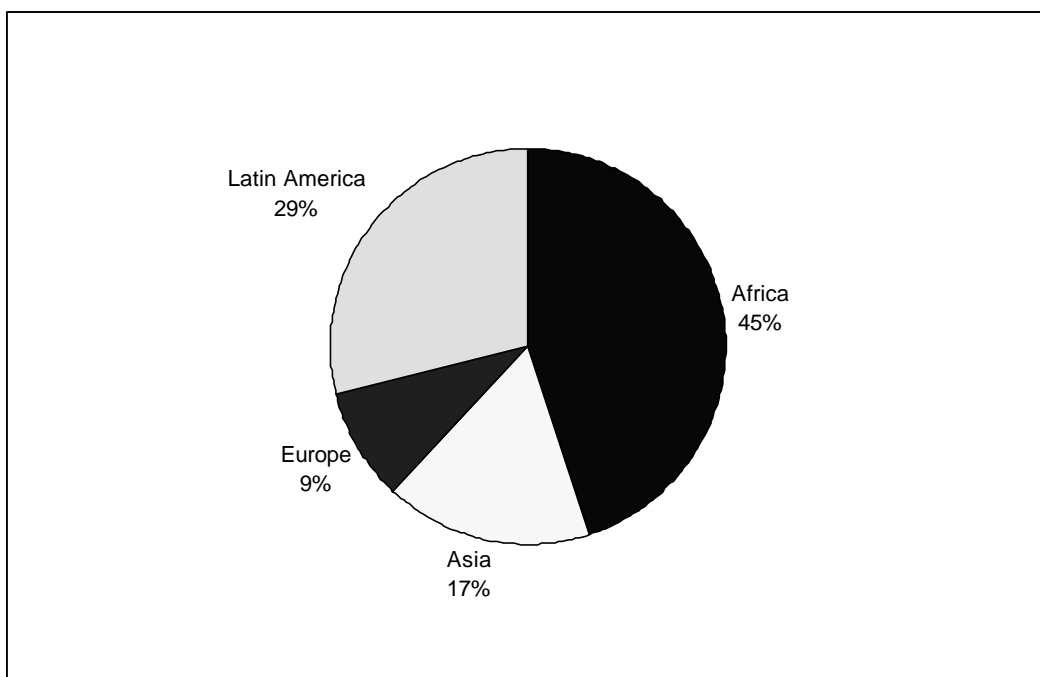
The main pillars for DMD support are Germany, the Nordic countries and Northern America. Support from mission agencies is normally linked to specific projects for member churches where a bilateral relationship exists. However, recognition must also be given to smaller, but regular contributors and occasionally donations from individuals, for example in the form of bequests, are received.

The DMD total cash receipts from supporting partners for 2006 was USD 11'830'835 i.e. USD 2'853'700 for programs, USD 6'368'408 projects and USD 2'608'727 Geneva Coordination Costs as illustrated in the following chart.

The graph below shows the sources of DMD income for 2006, grouped into geographical regions.



In 2006 the ratio available resources among programs and projects was 37% / 63d%. The ratio of sharing project funds among the geographical regions is as follows:



Most of the supporting agencies are engaged in an ongoing process of redefining their institutional strategic plans and priorities, giving more focus to thematic issues. This will also have an impact on the DMD project portfolio, which is determined primarily by the priorities of the member churches. A shift of funding from the individual project support to more program funding funding is a visible trend.

### **European Projects**

The PCA desk monitors the implementation of about 25 projects. As for projects in other continents, the system of requesting audited financial statements has been applied also for these projects. A process of dialogue with the churches, particularly in Eastern Europe, to make a shift in the type of project support requested from DMD, i.e. a shift from church building renovation / construction to the more thematic-based projects (e.g. diakonia, leadership training, violence against women) is showing visible results.



Compared to other continents, the financial resources provided to Eastern European churches in particular is of course rather modest, compared to other continents. Yet voices are being raised whether this support is at all needed given the changed political context of several Eastern European countries. (E.g. EU-membership). This principle question will be a topic for discussion within the LWF context in the near future in order to set clear directions for the future.

### **CONCLUDING REMARKS**

Over the years, the LWF and the partner networks have tried different ways to improve their ability to respond together, as a communion, to the needs of a suffering world. Churches use different instruments to deal with the adverse effects of a globalized regressive economy in their countries.

Embedded in the above trend are many different challenges which all for different ways of dealing with the question of sustainability in the churches. For decades issues related to stewardship have been discussed with churches and what are the best strategies to enhance the capacity of member churches to become financially more independent to sustain their core ministries as a church. It is a challenge for years to come to reach a common understanding on the right policies and strategies in a joint collaborate effort of the LWF communion, as the context for each member church is different. We are therefore challenged to continue searching for a way forward.



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Secretary for Project Coordination and Administration