



The Children of Central Asia Foundation

A large, sepia-toned photograph of a young boy with dark hair, looking thoughtfully to the side. His arms are crossed over his chest, and he has a contemplative expression. The background is blurred, showing some foliage.

**Annual Report
2010 — 2011**

Moving Forward

Launched in 2009, The Children of Central Asia Foundation (COCA) is a nonprofit international humanitarian organization dedicated to improving lives and livelihoods of children at risk.

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ADDITIONAL CHILDREN OF CENTRAL ASIA RESOURCES

The Children of Central Asia Foundation provides assistance to orphanages, other charitable organizations, hospitals, rehabilitation centers for disabled children, homeless shelters and schools through charitable and educational programs. For more information, please visit our Web site at www.childrenofcentralasia.org

MESSAGE FROM THE CHAIR

DEAR FRIENDS,

I take great pleasure in presenting the first annual report of the Children of Central Asia Foundation, Inc. (COCA).

In 2011, two UN organizations issued reports and asked the governments in Europe and Central Asia to put an immediate end to the practice of sending children under the age of three into state-run institutional care.

The reports revealed that across Europe and Central Asia, including inside the European Union, more than a million children and adults are living in long-term residential care, where they languish — often for a lifetime. The reports state that hundreds of thousands of babies with disabilities are routinely placed in state-run homes, severely hampering their development. Many suffer in appalling conditions.

The UN International Children's Foundation (UNICEF) urged Governments in Central and Eastern Europe and Central Asia to reform child welfare policies that undermine children's rights and wellbeing. UNICEF indicated, "Children belong where their best interests are met – in loving, caring homes, not in institutions where we know they all too often receive substandard care." UNICEF further noted "We need to support initiatives that help families stay together by increasing their access to social services – and governments need to invest in building stronger social protection systems that reach the most vulnerable families and most disadvantaged communities."

Additionally, the Office of the UN High Commissioner for Human Rights (OHCHR) Regional Representative provided, "Many Central and Eastern European countries have largely maintained the system of large-scale residential institutions for children of all ages. Placement of children into institutions — including those under 3 years of age — is still the society's main response to disability, poverty or perceived lack of parental skills rather than a measure of protection from individual abuse, from which these societies often fail to protect children. Those CEE countries which are members of the EU should stop using the European Structural Funds to reinforce their child care systems in their current form. They should instead use the Funds to launch fundamental reform of their systems of child protection and care."

The UN further described children living in institutional care, particularly those with disabilities, as among the most vulnerable and stigmatized. The region has the highest number of children in the residential care in the world at around 600,000.

Twenty years after the shocking media reports describing abused children living in deplorable conditions in state-run orphanages in Romania, little has changed. Nearly 60 percent of children with disabilities remain in state care, often in deplorable conditions. When many in the region are debating on how to increase birth rates, investing more in child-friendly services, supporting parents in their care-giving role and helping children who were already born to develop their full potential is right in principle and in practice.

Whether as part of a broader human rights and child care strategy or a shorter term intensification of an existing program, the Children of Central Asia, with its technical expertise, is leading the way in child-services design and implementation of related programs. COCA is recognized as among the best investment for developing collaborative partnerships with Government in seeking alternatives to residential care and to prevent institutionalization.

Thanks to strong support from governments and donors in the Central Asian Republics, we have built a reputation for transparency and accountability. Our administrative costs are low, at less than 10 per cent of the organization's budget. And we are able to leverage our funds; in 2011, every dollar contributed to COCA's core programming was matched by \$5 from other sources.

If we are to meet the challenge set forth by the UN leadership in human rights and childcare and to end the practice of sending children under the age of three into state-run institutional care, now is the time to increase efforts in the area of child-services.

We invite you to join with us as we improve the lives of millions of around the world as we make a lasting change for children at risk.

Thank you for your support!! COCA looks forward to reaching out to improve the lives and livelihoods of children at risk.



John Griffin Chairperson

Launched in 2009, COCA's mission is to fund, develop, pilot, and replicate local initiatives to serve the starving, homeless, poor, oppressed, street, abandoned, orphaned, special needs, suffering, war-zoned, underprivileged, and high risk children around the world by providing special programs, residences, and education in otherwise destitute situations.

SETTING THE STAGE

During the Soviet Union's central planning period, Central Asia witnessed major progress in its social sectors. A comprehensive network of systems providing social services, social protection, and social assistance was established. State-owned and collective enterprises, trade unions, and government agencies operated a wide range of facilities for children and young people, including schools, health centers, kindergartens, canteens, and culture and sports centers. In addition, they often provided housing, transportation, and utility services including heating, electricity, and water at highly subsidized rates.

Although a relatively poor region, poverty in Central Asia was masked or cushioned by extensive social protection and social assistance systems providing help on an entitlement basis for many beneficiaries, particularly children and their families. The net impact was to provide a broad range of basic services with access to all. Literacy was nearly universal and an extensive health care system provided widespread coverage.

The breakup of the former Soviet Union resulted in independence for the Central Asian Republics in 1991. The "stans" (Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan) emerged, with scant warning, from being constituent entities of the continent-sized Soviet Union, to assume the responsibilities of independent nations. Independence resulted in transitional changes for the political and economic systems and for society.

Moreover, independence and the chaotic collapse of central planning prompted a severe economic depression in Central Asia. Between 1991 and 1995, national output declined by approximately 50 percent.

Limited fiscal resources restricted social spending. Real public spending for social services, protection, and assistance fell by more than half within the last five years. As a result, social infrastructure deteriorated.

The transitional period was characterized by difficult economic conditions. These conditions resulted in a massive increase in the incidence of poverty. The emergence of economic problems such as unemployment, social problems, increased crime rates, and sharply reduced public fiscal resources created a crisis.

The transition involved huge social and economic costs; costs which were borne in many cases by the most vulnerable. In particular, families with children felt the brunt of the costs of transition. They faced the closure of education and health facilities. The task of feeding their children was exacerbated for poor families by declining social assistance allowances. Worsening health indicators, including a greater incidence of malnutrition, clearly showed the impact of transition. The present generation is receiving less investment in human resources development than the last generation. A generation is thus at risk of lower development of its individuals' unique potentials.

The enormous social costs were particularly harmful to needy and other children at risk. With the collapse of central planning, the delivery of social services deteriorated seriously: now, kindergartens and preschools closed, hospitals ran without medicines or supplies, schools went unheated, and transport systems ceased to operate.

Social problems followed the breakdown of public control and the collapse of the economy. Crime rates rose sharply, particularly crime involving young people. Existing substance abuse problems such as those involving alcohol increased and new problems involving drug and drug trafficking surfaced.

The above problems exacerbated the economic pressures facing families and reduced the ability to care for children and help them develop to their potential. In the extreme, some particularly vulnerable groups of children were left without any support resulting in the emergence of the phenomenon of homeless children in Central Asia.

Given the deteriorating economy, there are problems to rectify in housing, water supply, sanitation, heating, transportation, family assistance, public employment programs, and public safety. The following seven (7) areas appear to be the most negative developments that closely concern children:

- 1) The incidence of poverty has increased with children in large families and those with special needs facing desperate circumstances. Household poverty has been exacerbated by the decline in social and infrastructure services that had previously cushioned the impact of relatively low incomes in the Soviet Union.
- 2) The labor markets are developing, however, because of the five-year depression, there is only a weak demand for labor. Older firms need to retrench and new firms have yet to establish a significant presence. Unemployment, unknown in these countries before independence, has emerged as a serious problem, particularly for young people.
- 3) The central planning collapse has ended subsidies that had previously supported social infrastructure ranging from child care facilities to transportation systems to municipal services including district heating. This extensive infrastructure has deteriorated with failing service provision and increased costs. These changes exacerbate the impact of other economic problems, particularly increasing the impact of poverty on families and children.
- 4) The education system is faltering with kindergartens and preschool facilities closing. School systems are not able to pay staff and teacher salaries, conduct routine maintenance, or invest in new curriculums in order to reorient the system towards the emerging needs of the new economic system.
- 5) The social support mechanisms such as free school meals have ended. Coupled with growing household poverty, hunger is becoming a recurring problem among the countries' poor, especially in remote areas.
- 6) The health system is deteriorating. Hospitals and health care lack financial support and medicines and other supplies are often unavailable. As a direct consequence of reduced

health care, increased poverty, and less healthy living conditions, infectious diseases such as tuberculosis have reappeared, especially among children and their mothers. The deteriorating conditions in the health sectors mostly affect children and mothers; child and mother mortality rates have been increasing.

- 7) The social safety net, including social protection and social insurance payments, has collapsed. The loss of this widespread support for families and the declining real value of public transfer payments have eroded the living standards of children.

While working in Central Asia, Dr. Griffin observed the above mentioned struggles faced by children at risk. COCA was organized to address these crisis conditions, setting the standard in improving lives and livelihoods of children at risk.

WHO WE ARE.....

- A team of experts with solid field experience
- A cost-effective entity, using innovative solutions and keeping admin costs low
- Customized and innovative, approaching each project with a fresh perspective
- Local staff on the ground who understand local needs and solutions
- Sustainable, empowering communities
- Results-oriented, targeting regions where the greatest impact can be made
- Open and transparent, with good governance as a guiding principle



BUSINESS IS BUSINESS.....

Humanitarian efforts are the COCA Foundation's framework to bring relief to the needy children of the Central Asian Republics. The Foundation will reach out to those children at risk.

COCA provides humanitarian assistance to local entities including orphanages, community centers, other charitable organizations, hospitals, rehabilitation centers for disabled children, homeless shelters, schools, clinics and similar organizations through our charitable and educational programs. COCA believes that supporting and working in conjunction with these local organizations is the most effective method to achieve our objectives.

COCA will create a global network that will fund, develop, pilot, and replicate local initiatives that serve children.

We believe in continuously challenging ourselves and others to promote an environment that honors the dignity and value of each individual who lives and works as a humanitarian;

We believe that:

Persons are more than tasks;

Growth and development are unending life processes;

All people are entitled to self-determination wherever they live;

Relationships are fundamental building block of a thriving community;

The individuals engaged in the delivery of services and support are deserving of appreciation, honor and support by their peers and the larger community;

We will endeavor to welcome and engage with all humanitarian organizations in Central Asia;

We come to COCA with an attitude of respect openness, compassion and kindness; and

Risk taking is a normal part of life.

CHILD-SERVICES

The people that we serve are:

- Children who are overcoming stressors in their lives, such as poverty, homelessness, , discrimination, abusive situations, addictions, unstable homes, oppression, and abandonment. Orphaned, street and other high risk children are the primary marketing focus of COCA programs in fostering positive changes through goal setting, self-discipline, skill development, and friendship.
- Families are also our focus when local adults are able to help children work on solutions for their family stresses, and provide an objective but caring sounding board.
- Care about kids and their community. The typical adult-child relationship demands a commitment that must be sold to the potential adult coach.
- As a critical social support system for children, COCA will impact how many other local services will be called in to respond to humanitarian efforts in the community.

The base line for COCA is children at risk from ages 1 -17.

COCA AT WORK

Looking back over this past year, it is heartening to see that COCA's partnerships have created an "enabling environment" for the non-profit sector. It is evident that without the partnerships of the local community, COCA could not be making the impact it does.

Moreover, we are extremely excited, proud, and fortunate to announce that the uber-talented film maker, Sohrob Fatoorechie, has created a feature documentary on behalf of COCA. In case you don't know Sohrob, he is the eleven (11) years young film director behind this year's much-lauded documentary film release, "EYE OF THE BEHOLDER." The film produced for COCA tells the emotional stories of life and hope expressed by orphans. The filming is complete and we have a very solid rough cut. The finish line is wonderfully close and we are on target to have a Washington DC cinema premiere in the end of the year.

Over the past financial year, the organization has undergone a number of changes. Despite these changes, we have successfully developed the organization's logo and web site as well as our training workshops and seminars for 15 volunteers. Taking into account the cascading effect of this work, we truly believe that we have made a valuable contribution to the sustainability of COCA in the non-profit humanitarian sector.

Ms. Rosana Cimolino was appointed as the new Corporate Secretary. She has been instrumental in bringing stability and direction to the organization during this period of change.

CHILDREN OF CENTRAL ASIA FOUNDATION

FINANCIAL STATEMENT

Years Ended December, 31, 2010 and 2011

	<u>2011</u> (unaudited)	<u>2010</u>
Revenues		
Where the Money Comes From		
Contributions	\$90,000	\$65,000
Other	<u>-0-</u>	<u>-0-</u>
Total Revenues	90,000	65,000
Expenses		
Where the Money Goes		
Operating Expenses		
Licenses/Registration	180	240
Website Development	<u>70</u>	<u>192</u>
Total Operating Expenses	250	432
Program Services Expenses		
Research	6,318	4,073
Education	9,274	6,567
Professional Services	11,680	8,567
Travel	<u>59,743</u>	<u>43,502</u>
Total Program Expenses	87,015	62,709
Total Expenses	87,265	63,141
Revenues Over Expenses		
Change in Net Assets	<u>2,735</u>	<u>1,859</u>
Net Assets, January 1	65,000	63,141
Net Assets, December 31	<u>67,735</u>	<u>65,000</u>

The complete, audited COCA Nonprofit Financial Report is available upon request.

WORKING TOGETHER.....

The Children of Central Asia Foundation is led and managed by a Board of Directors. The Board is intentionally diverse. The panel is composed of the following individuals (subject to change at its January 2012 Board meeting);

- Dr. Turegeldy Sharmanovich Sharmanov, Director
- Dr. Mukhambet Zhumanzaruly Kopeyev, Director
- Dr. John Griffin, Founder and Managing Director

Dr. Turegeldy Sharmanovich Sharmanov

Dr. Turegeldy Sharmanovich Sharmanov was the Minister of Healthcare of the Kazakh Soviet Republic from 1971 to 1982. Dr. Sharmanov has been elected to the Parliament of the Republic of Kazakhstan 3 times.



On behalf of the Republic of Kazakhstan (RK), Dr. Sharmanov initiated and led an international conference on medical-sanitarian aid held at Alma-Ata, Kazakhstan on in 1978.

The Conference had official representatives from 146 countries under the sponsorship of the World Healthcare Organization (WHO) and UN International Children's Foundation (UNICEF).

The Conference adopted the historic Alma-Ata Declaration which to this day is one of the fundamental documents of the world healthcare and is commonly known as the Magna Carta of Health of the twentieth century.

Earlier in his career, Dr. Sharmanov served as chief doctor, research department manager, rector, and pharmacology director. Dr. Sharmanov has dedicated much of his life to public service :

- The founder and the head of the Kazakh Academy of Nutrition;
- The academician of the National Academy of sciences of Republic of Kazakhstan and the Russian Academy of medical sciences;
- The winner of State Premium of Republic of Kazakhstan and Independent premium "Tarlan";

- Honored worker of Republic of Kazakhstan;
- Member of WHO experts' committee on nutrition; and
- The winner of the United Nation's Leon Bernard Prize

It is the tremendous sense of faith and charity that drives Dr. Sharmanov to call for public awareness of nutritional issues and promote healthy lifestyles.

Dr. Mukhambet Zhumanazaruly Kopeyev



Dr. Mukhambet Zhumanazaruly Kopeyev's current post as the Deputy Chair of the Senate of the Republic of Kazakhstan Parliament represents his commitment and imprint for peace and prosperity of the Kazakhstani people. His work as an distinguished politician of the Republic of Kazakhstan culminated in two decades of government experience, including holding multiple positions in the Komsomol, Soviet, and economic office.

Dr. Kopeyev has also served under the 1st President of the Republic of Kazakhstan, Dr. Nursultan Nazarbayev, in key administrative and policy-making posts.

Throughout a very successful career, he worked as an accomplished lawmaker, effective lawyer, mining engineer and foreman, recipient of multi-government awards (three orders, five medals) and the United Nations Educational, Scientific and Cultural Organization's (UNESCO) Commemorative Token (2007). Dr. Kopeyev is an internationally known and recognized authority and pioneer in the development of audit activity and accounting in the Republic of Kazakhstan.

Dr. John Griffin



Dr. John Griffin brings more than 30 years of professional experience and skills in international business, development and foreign policy. Before joining the U.S. Agency for International Development, Dr. Griffin worked with Special Olympics, United Nations, San Diego Shelter Program for the Homeless, U.S. Department of Agriculture and World Bank.

Dr. Griffin's skills and experience are in the areas of energy, food security, agribusiness, rural development, economic growth,

enterprise development, maternal childcare, health, nutrition, HIV/AIDS prevention and awareness, vocational training, and gender and women's issues.

In the mid-2000s, COCA's founder, Dr. Griffin, who previously worked in Central Asia for seven years, embarked on a study to better understand the plight of needy and vulnerable children population of the region. Using demographic and health surveys, government statistics, interviews with government officials, representatives of the international community, NGOs, combined with field visits/observations to health and education facilities, factories, agricultural enterprises, and small workshops, and survey information collected on street children and children in bazaars, Dr. Griffin's findings cried out a need to help all children at risk. Moreover, the findings resulted in the formation of the Children of Central Asia Foundation, Inc.

Today, the need has not lessened; it is greater than ever. Civil wars and depressed regional economies have created thousands of helpless orphans and abandoned children and destroyed educational opportunities, even for children who remain with their families. Morality is self-evident.

Dr. Griffin is devoting his time, compassion, love, knowledge, and funds to help the needy children of Central Asia and around the world in their struggle to attain full human dignity.



ANSWERING THE CALL...

I want to express our sincere gratitude to our donors for their continued financial support.

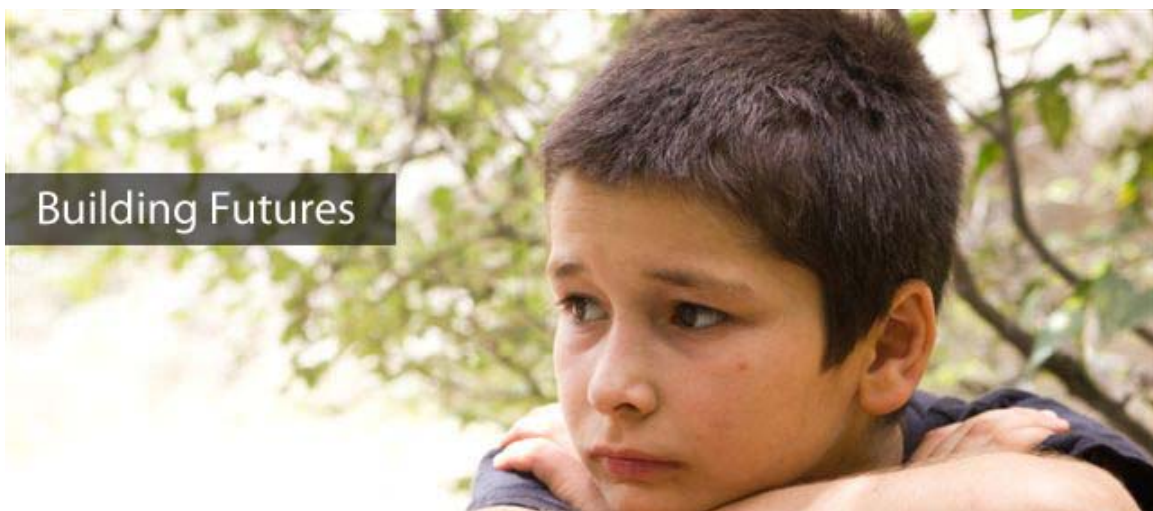
Additionally, I wish to acknowledge the support that the Board of Directors has shown me and thank them for their continued commitment.

I would also like to thank Corporate Secretary Cimolino and the rest of the COCA's volunteer team for their hard work and perseverance during a challenging year. Become a volunteer, grow with us!

Moreover, I would like to thank our bankers, attorneys, auditors, consultants and other service providers.

We know that many nonprofits have had a very difficult year. For most, contributions are flat or down, and the decrease or loss of foundation and government funding has created significant budgetary challenges.

Individual donors can make a real difference this year, keeping COCA afloat during these tough times.





THE CHILDREN OF CENTRAL ASIA FOUNDATION

THE CHILDREN OF CENTRAL ASIA FOUNDATION is dedicated to improving lives and livelihoods of children at risk.

OUR VISION is to facilitate a strong, globally effort that provides leadership, education, and support to children at risk.

OUR PURPOSE is to ensure that the world's most vulnerable –especially children at risk – improve their lives and livelihoods in attaining full human dignity.

OUR MISSION is to fund, develop, pilot, and replicate local initiatives to serve the starving, homeless, poor, oppressed, street, abandoned, orphaned, special needs, suffering, war-zoned, underprivileged, and high risk children around the world by providing special programs, residences, and education in otherwise destitute situations.

FOR MORE INFORMATION

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