



Child's Dream

A charity organisation supporting children in need

Unprivileged Children Have Dreams too...

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Funding Proposal for

Mr. John Givonetti and Mr. John Pavese

Child's Dream would like to support the following project as outlined below:

Project concerned:

Completion of a primary school for about 180 children in the impoverished village of Baan Kok in the South of Laos

Implemented and funded by:

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Executive Summary

Child's Dream is incorporated as a charitable association in Switzerland and as a charitable foundation in Thailand. Its mandate is to support underprivileged children in the Mekong Sub-Region. We would like to complete a primary school building for about 180 children living in Baan Kok and its neighbouring village in the South of Laos. Our objective is to widen the access to education as well as to reduce illiteracy. The new school will allow many more children to have an education and therefore better chances to lead a successful life and to contribute to the prosperity of the community. Education is one of the most important factors for sustainable development and a peaceful coexistence in a community.

Thank you for finding this project interesting and for helping us to make an enormous positive impact on many children's lives.

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1. Who is Child's Dream

Child's Dream is a charitable association incorporated in Switzerland (ZGB, article 60ff) and has been tax-exempt by the tax authorities of the Canton of Zurich as well as by the Federal tax authorities. We are also a charitable foundation, registered with the Royal Thai government.

Our mission is to support underprivileged children in the Mekong Sub-Region (Thailand, Burma, Laos, Cambodia and Vietnam). This area is at the core of many humanitarian crises such as human trafficking, exploitation of children and the spread of HIV/AIDS.

From our office in Chiang Mai we selectively provide support to 'grass-roots' projects, which are in dire need of help and care for children. We want to prevent exploitation of children (child prostitution, child soldiering, child labour and child trafficking) through improving living conditions and educational standards, through helping children to take pride in themselves and through restoring their dignity and instilling healthy values towards life and society.

Since its establishment in October 2003, Child's Dream implemented over 40 projects (see the red dots on the map) all over the Mekong Sub-Region. Projects are ranging from educational infrastructures (nurseries, schools, vocational training centres and colleges), orphanages and water & electricity systems to a children in-patient hospital ward. We are also providing stationery to countless schools as well as clothes and uniforms to over 3400 refugee children. In order to complete the education cycle, we offer scholarships to talented, but financially underprivileged university students.

In order to ensure an optimal use of the funds, Child's Dream provides infrastructure (schools, shelters, water systems, etc.), as well as personal items to meet health and educational needs (clothes, stationary, etc.) directly to the projects concerned.

The two founders, Marc Jenni and Daniel Siegfried, had been working for UBS Bank in Asia for many years until they realized that money not only didn't make them happy, but that it also distorted their sense of reality. More information about the founders is available at www.childsdream.org/en/aboutfounders.asp.

About 70% of all charitable funds raised originate from private individuals mostly residing in Switzerland, Hong Kong and Singapore. We are also proud to be supported by the following corporations and institutions (full list of our corporate sponsors is available at <http://www.childsdream.org/en/ourSponsors.asp>):

- Embassy of Switzerland, Bangkok, Thailand, www.eda.admin.ch/bangkok_emb/e/home.html
- UBS AG, www.ubs.com
- Credit Suisse, Asia/Pacific, www.credit-suisse.com
- Migros Genossenschafts-Bund, Zurich, www.migros.ch
- Siam City Cement, Bangkok, www.siamcitycement.com
- Charities Aid Foundation (CAF Australia), www.cafaustalia.org
- Marc Faber Limited, Hong Kong, www.gloomboomdoom.com

Given our lean structure, we are confident of maintaining an administration expense ratio below 10% (currently 6%).

The Child's Dream Team



From left: Watt, Sallo, U, Daniel, Say Thong, Marc & Tai

The Child's Dream Project Map



2. Situational analysis

After six centuries of monarchy, the Communists took control of the government in 1975 and instituted a strict socialist regime closely aligned to Vietnam. Since the revolution, isolation and economic deprivation have hindered the Communist state. Today, Laos is one of the poorest and least developed countries in the world, although a gradual return to private enterprise and the liberalization of foreign investment laws began in 1986. Laos also became a member of ASEAN in July 1997.

Laos' infrastructure is very elementary: It has no railroads, a rudimentary road system, and limited telecommunications. Electricity is available in only a few urban areas. Rural areas, however, have no electricity or potable water, and none of the basic facilities of developed societies. Little of the land is arable, and only 5% is used for the subsistence agriculture that provides 80% of total employment. Although the government attempts to eradicate the trade, Laos is one of the biggest producers of opium, and many farmers have no other source of income.

Historically, most ethnic groups had no written language, since education usually took place in Buddhist temples, where monks taught male students orally. Although literacy is on the rise, the lack of available reading material means that literacy is often short-lived. There is a lack of schools and trained teachers. In addition, parents frequently require their children to work on their family's farm rather than attend school regularly.

Child's Dream is broadening the access to basic education by building, upgrading and extending schools for remote communities in rural areas. While giving more children the opportunity to study, we intend to reduce the rate of illiteracy among children and provide them with better chances to lead a successful life.

Map, Facts & Figures of Laos



Government	Communist State
Capital	Vientiane
Population	6.37 million
Area	236 000 km ²
Ethnic groups	Lao Loum 68%, Lao Theung 22%, Lao Soung incl. Hmong & Yao 9%, Chinese 1%
Life expectancy	55.5 years
Literacy rate	66.4%
Population below poverty line	40%
GDP per capita	USD 1,900

3. Primary school in Baan Kok

Baan Kok lies in the Champasak Province in the South of Laos on an island in the Mekong. As for most parts of Laos, the educational budget of the government includes only teachers' salaries (approx. USD 20-30 per month) and a pack of chalk per semester.

The history of Baan Kok is typically Laotian: Since the villagers were fully aware of the importance of a solid education for their children, they tried over years to get funding for a school building from the government. After several refusals they started constructing a six-room building on their own initiative. It is continuously, but still too slowly, growing to offer classes in a safe environment. After seven years under construction the school already starts showing some defects – although it has never been properly used. A completion is desperately needed as long as the material and the quality of the building are still in a more or less good shape, and of course, in order for the 180 students from two villages to finally attend grade 1-5.

Child's Dream agreed to support the completion of the building. We will also finance the furniture. The projected costs are THB 599,813 (approx. USD 17,642). The project is expected to be realized by the end of December 2007.



4. Detailed budget

			In THB	In USD
Infrastructure	Construction materials	Roof tiles	15,709	
		Cement	82,909	
		Iron	35,454	
		Ceiling	27,273	
		Paint	16,545	
		Bricks	40,407	
		Wire	1,091	
		Nails	4,727	
		Finishing materials	Windows and doors	67,535
Total infrastructure			291,650	8,578
Furniture			88,364	2,599
Transportation			79,364	2,334
Labour costs			90,909	2,674
Total Project costs			550,287	16,185
Administration overhead contribution 6%			33,017	971
Project related costs 3% (monitoring costs such as accommodation, fuel, visas, etc.)			16,509	486
Grand Total			599,813	17,642

1 USD = 34 THB

5. Risk analysis

Even though we consider this project as a low risk project, operating in a rural area of Laos is not without risk:

- ✓ While we did not face any problems yet collaborating with the Laotian government, bureaucracy, corruption and a lack of governance, transparency and the country's overall stability might prevent an efficient implementation.
- ✓ The implementation of the construction of this school could be slowed down if the rainy season floods or damages the roads leading to the school. Furthermore, heavy rainfalls might cause an interruption of the work in order to ensure the workers' safety and the quality of the building.
- ✓ Although we have a lot of experience in working with budgets for school buildings, a certain risk remains that we have to cover additional costs, which we didn't consider when calculating the budget. As an example, the Laotian government plans to increase the production of cement and might prohibit the import of cement from Thailand, which is cheaper and of higher quality.
- ✓ Given the fact that Baan Kok School is a government school, the risk that the school might not be used for educational purposes is very low.
- ✓ Although the Thai Baht is a rather stable currency, exchange rate fluctuations might occur.

6. Objectives

Our overall objective is to prevent exploitation (child prostitution, child labour and child trafficking) and migration of children by

- ✓ improving living conditions and educational standards;
- ✓ helping children to take pride in themselves, restoring their dignity and strengthening their self-esteem;
- ✓ instilling healthy values towards life and society and
- ✓ encouraging the children to love and respect their own customs and culture

With this particular project we aim to achieve the following:

- ✓ broaden the access to education;
- ✓ reduce illiteracy among the children and therefore offer better chances to lead a successful life and
- ✓ increase hygiene standards in the school.

7. Implementation and ongoing management

In Laos we usually work together with the community leaders and the school committee. The construction will be implemented by a local contractor. As for all our projects, we encourage the community to participate in the construction. It gives the villagers a sense of pride and ownership, which means that they will look after the buildings better and know how to maintain them. The villagers of Baan Kok are happy to support us with their man power.

Furthermore, the community of Baan Kok and its neighbouring village will contribute stones and sand from the Mekong. For this particular project we estimate the value of the community's contribution at approx. THB 200,000 or USD 5,880. We will purchase the rest of the material in a construction shop in Sukuma. We also arranged for the transportation. Since Baan Kok lies on an island the materials can be delivered by boat only and therefore the costs for the transportation are quite high.

The implementation is scheduled to start in July and should be completed by the end of December 2007. We will frequently check on the progress and the quality of the construction. After completion Child's Dream will regularly visit the project in order to check whether the school needs extension or upgrading and whether it is still used for educational purposes. The school committee will be responsible for the ongoing management.



8. Final reporting

As with all our projects, Child's Dream will submit a detailed final report about the project summarizing all costs.

9. Funding

We would like to thank you very much for your donation of USD 16,000. The remaining amount will be covered with funds from our general donation pool.

Chiang Mai, June 27th, 2007

Child's Dream



Marc T. Jenni
Founder



Daniel M. Siegfried
Founder