warm welcome to our Annual report, 2011. This snapshot of our year shows how we continued to link grassroots activism with state-level lobbying, and amplify the voices of partners and women, men and youth living in poverty to achieve legal, social, economic and environmental change.

And in 43 countries around the world – by placing human rights at the heart of all we do – we did just that. With the fantastic support of thousands of supporters and campaigners worldwide, we made good things happen. In this report we are proud to show you some powerful examples of what we achieved towards ending poverty and injustice, and also to show how we are doing our very best to learn lessons from what went well, and what didn't.

This was our transition year from the old strategy, *Rights to End Poverty*, to the new strategy, *People's Action to End Poverty*. The new strategy has a greater than ever emphasis on connecting people, mobilising and bringing change through changing attitudes. Internally, 2011 was a year of huge change for ActionAid, as the Board, Assembly, national boards and staff across our federation worked together to co-create this ambitious new strategy, debate our theory of change and determine the areas where ActionAid can have the most impact in the coming years. In the meantime we restructured the International Secretariat, started drafting our new programme framework and developed country by country strategy plans in line with the international strategy.

During 2011 the global economic slump and Eurozone crisis made themselves felt on our fundraising with individuals and big donors, for example through the cancelling of the next round of grants from the Global Fund. There were disappointing outcomes from the fourth High Level Forum on Aid Effectiveness in Busan, South Korea, where donors failed to agree a target for ending 'tied aid' – a practice whereby donor governments force countries to spend aid on their goods and services. Women's rights were also not prioritised. Added to this, activists had only limited success at the UN Climate Change conference in Durban, and NGOs faced ever-shrinking democratic space in countries as far apart as Ethiopia, Uganda and Vietnam.

However, despite this, we kept our efforts strong. We reached millions of people, from those still homeless and landless after the Haiti earthquake, to people facing drought and hunger in East Africa, to women farmers struggling to grow enough to survive because of climate change. To highlight but a few of the 43 stories of change we are pleased to share here, we helped change laws in Pakistan, transform education for girls in Tanzania and Nigeria, and stopped a biofuel plantation in Kenya.

This report is available to all our stakeholders, but its primary audience is our board and assembly members, our staff and our partners who are directly responsible for our work. Our exciting new website is designed to provide accessible information about this work for our supporters and the general public.

We hope you will feel proud of the work in this report, and enjoy reading the stories of change that we asked every Country Programme, Affiliate and Associate to share as part of it. We hope they will inspire, inform and show how people's action to end poverty can bring change.

This report is dedicated to three staff members who tragically died in 2011 – Chinyere Emetu-Awa from Nigeria, Romano Nasur from Kenya and Sunil Sharma from India – who, as passionate and committed members of the ActionAid family, helped us towards our vision of a poverty free world.•

Joanna Kerr Chief Executive Irene Ovonji-Odida Chair of the Board

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