



Vi Agroforestry

ANNUAL REPORT 2018

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Jene Thermistockless Anastaz, Tanzania.

OUR FUNDRAISING ACTIVITIES ARE AUDITED BY THE SWEDISH FUNDRAISING CONTROL

We have a 90-account for fundraising that is monitored by the Swedish Fundraising Control. This ensures that the fundraising is ethical and professional and that at least 75 per cent goes to the intended purpose.



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Vi Agroforestry

Vi Agroforestry is a Swedish development organisation that plants trees in Kenya, Rwanda, Uganda and Tanzania. Four countries that have been severely affected by deforestation and climate change, and that have endured the devastating effects on both humans and nature for many years.

Since its inception in 1983, Vi Agroforestry has contributed to the planting of over 120 million trees and helped more than 2.3 million people out of poverty.

Our work has evolved over the years having distributed plants directly to farmers, to offering trainings and capacity building instead. The concept of agroforestry has been introduced, which refers to trees being used together with crops and livestock farming on the farmers' land. With the help of the farmers and their organisations, knowledge is passed on.

In Sweden, Vi Agroforestry focuses primarily on fundraising, communication and advocacy.

Vi Agroforestry's vision

A sustainable environment that enables women and men living in poverty to improve their lives.

Mission

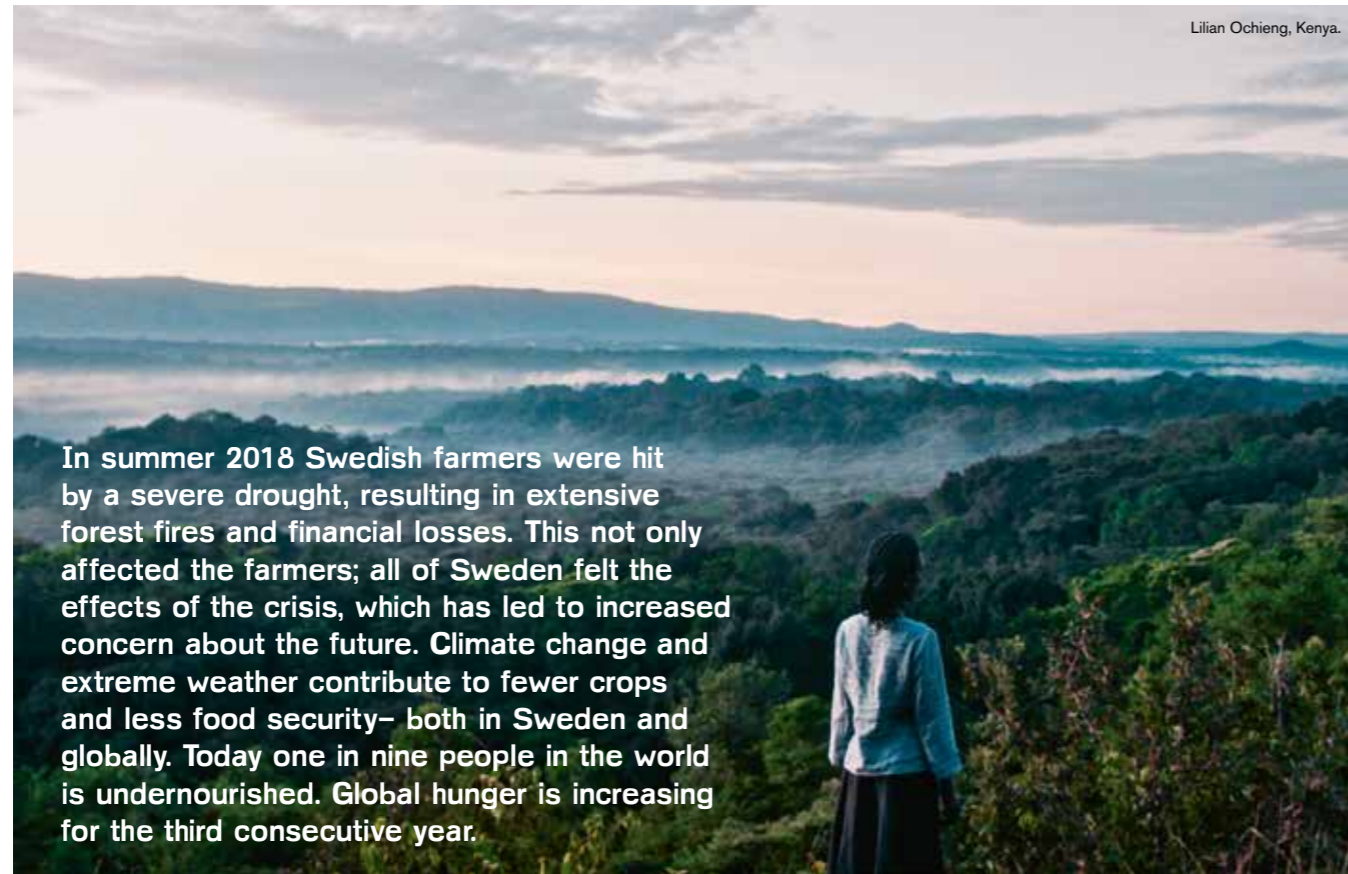
To fight poverty and climate change – together.

Through agroforestry and the strengthening of farmers' organisations, to empower farming families to reduce poverty, hunger and deforestation, and contribute to increased biodiversity.

Target group

Smallholder farmer families living in poverty, with a special focus on women, young adults and children, who are members or potential members of democratic farmers' organisations, in areas vulnerable to climate change in Sub-Saharan Africa.

People are changing the world



Lilian Ochieng, Kenya.

In summer 2018 Swedish farmers were hit by a severe drought, resulting in extensive forest fires and financial losses. This not only affected the farmers; all of Sweden felt the effects of the crisis, which has led to increased concern about the future. Climate change and extreme weather contribute to fewer crops and less food security – both in Sweden and globally. Today one in nine people in the world is undernourished. Global hunger is increasing for the third consecutive year.

At the time of writing, hundreds of thousands of young people around the world have gone on strike to influence politicians towards taking firm action. The climate crisis is here – but so too is an unshakeable desire to strive for a sustainable future. The same unshakeable desire can be found at Vi Agroforestry.

Together with our partner organisations we are endeavouring to create a better environment and reduce poverty. We do this by supporting farmers in sustainable, climate-smart agricultural practices. How? By planting trees that grow among crops and livestock. This is what is termed agroforestry – a complex term but an excellent method. Using this method, Vi Agroforestry helps ensure that people have enough to eat while at the same time they can adapt to climate change. In turn this helps reduce greenhouse gas emissions and protect biological diversity.

But tried-and-tested methods and well-founded knowledge alone are not enough. The foundation of Vi Agrofor-

estry's success is our dedicated employees who are helping to change the world – every day. From untiring consultants, persevering economists and creative fundraisers, to engaging communicators and knowledgeable experts in equality and climate compensation, we would like to say a special thank you to you all for a successful year.

2018 was also the year that Vi Agroforestry made its breakthrough as an advocacy organisation. We contributed to the Swedish government's reporting to the UN about fulfilling the global goals. We arranged several high-profile seminars, released reports and were invited to take part in panels and conferences. The aim of our advocacy work is to highlight the importance of sustainable agriculture as a method for improving the environment and reducing poverty.

Vi Agroforestry works in four countries around Lake Victoria in Eastern Africa. All the people Vi Agroforestry works with have at least three things in common: none of them has chosen to

live in poverty, all have the same value and the same rights, and all of them want to contribute to a better world, one where our children can live full, worthy lives without poverty and the threat of climate change.

At Vi Agroforestry we have rolled our sleeves up that bit further; there is a lot to do.

Together with you, we make a difference.



Anna Tibblin
Anna Tibblin,
Secretary General

Pia Carlsson Thörnqvist
Pia Carlsson Thörnqvist,
Chair of the Board

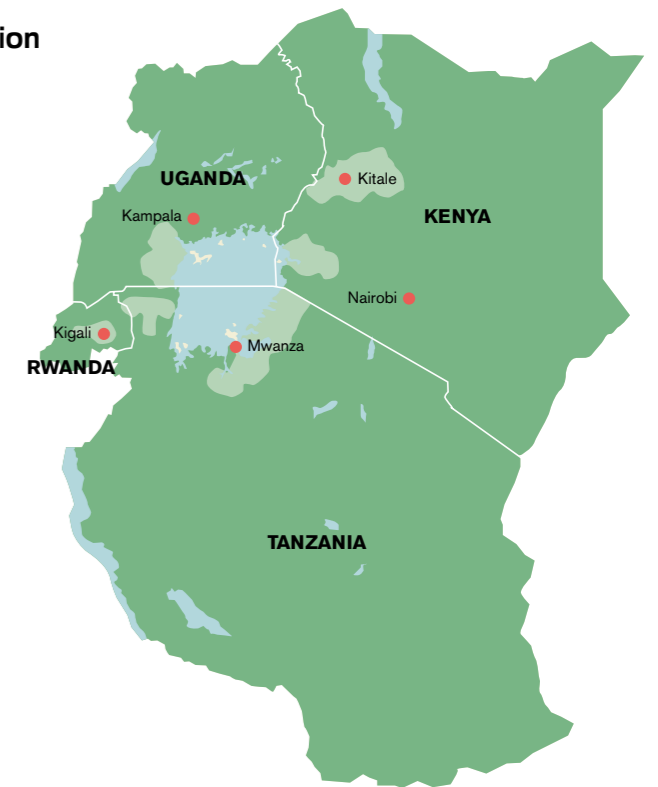
Vi Agroforestry fights poverty and climate change

Vi Agroforestry is a Swedish development organisation that fights poverty and climate change through tree planting and sustainable agricultural practices.

Vi Agroforestry works holistically to introduce sustainable agricultural practices together with farmers who earn a living from smallholder farms in the countries around Lake Victoria. This has clear positive effects for both the farmers' livelihoods and the climate.

Agroforestry, using trees together with crops and livestock farming, is at the core of what we do. Trees provide food, increased harvests, fuel, feed and income. Trees give families an opportunity to withstand the effects of climate change such as drought, floods and strong winds. Trees provide a better climate with balanced ecosystems, which in turn results in greater biodiversity and combats climate change.

Vi Agroforestry does not run its own projects, instead we work in partnership with local farmer organisations. Vi Agroforestry's close partnerships with local, regional and national farmers' organisations go beyond funding. They are mutually beneficial partnerships based on transferring knowledge and characterised by dialogue, respect and local ownership for long-term, sustainable commitment. The goal is always for our partners to end up supporting themselves.



Where we work

Vi Agroforestry works in a number of areas around Lake Victoria in Eastern Africa.

KENYA: Around Kitale, Kisumu and Narok.

UGANDA: the eastern, western, northern and central parts.

TANZANIA: Mara, Kagera, the Serengeti and Mwanza.

RWANDA: the southern, central and northern parts.

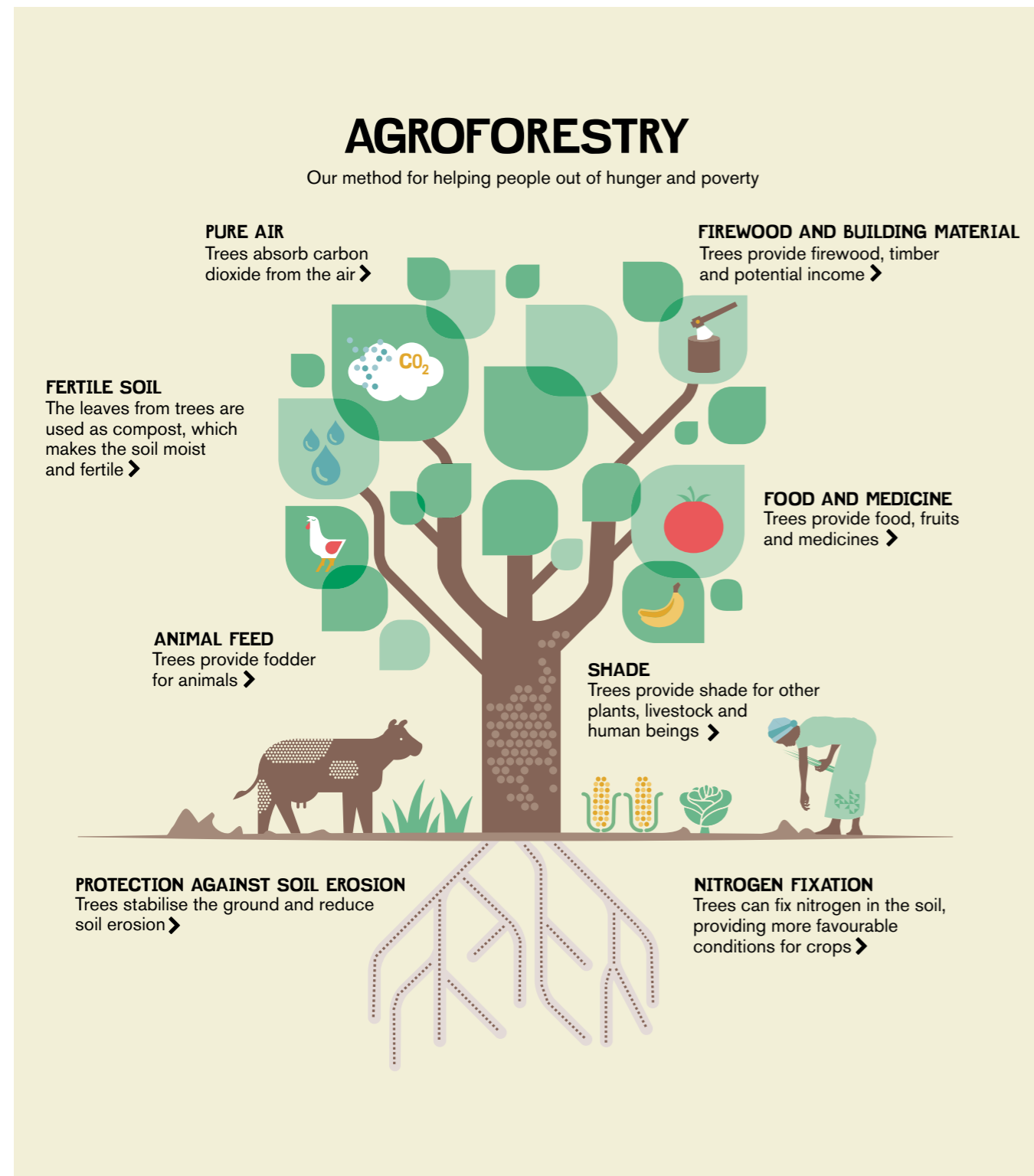
We also run a joint programme with We Effect in Malawi. The areas where Vi Agroforestry works are selected based on criteria such as the area's vulnerability to climate change, the resources available and the value that Vi Agroforestry can add.



Saidat Nakayinga, Uganda.

Our method is called agroforestry

Agroforestry may sound complex and difficult, but it is an excellent method for creating a better environment and fighting poverty. The overall concept is about letting trees grow among crops and livestock in harmony, for everyone's benefit. The trees provide shade, feed for the animals, compost material and also add moisture to the soil. An agroforestry tree contributes with; provides; more water than it consumes. Agroforestry contributes to recreation of natural ecosystem and the results are unique: bigger harvests, a more comfortable climate and greater resilience to the effects of climate change.



Planting trees and sustainable agriculture

Eastern Africa around Lake Victoria is at the heart of Vi Agroforestry's projects. It is home to our partner organisations and the farmers we work with. 2018 was a productive year that included an increased focus on women, young adults and children; projects that produced excellent results and exciting new projects; participation in international events and support for old and new partner organisations. But, above all, plenty of trees and agroforestry.



Focus on women, young adults and children

Equality is a prerequisite for sustainable development. Although women play a major role in agricultural production, it often men who control the sale of crops and how the income is used. Vi Agroforestry's work places a greater emphasis on women, young adults and children, who are often among the most vulnerable groups of people. By strengthening women and young adults and securing their access to resources, services and employment opportunities, production will increase and poverty decrease. Vi Agroforestry also works to raise the profile of children's rights and engage children in agriculture, which creates good guardians of the environment and prepares them for the future.

Partnerships

Vi Agroforestry works with local farmers' organisations in Eastern Africa with the aim of ensuring that knowledge about sustainable agricultural practices remains in the region even after Vi Agroforestry has left. A great deal of our work consists in strengthening local farm-

ers' organisations so that they can meet their members' needs in the best way possible. Increasing capacity in relation to leadership, democracy and resource mobilisation creates sustainable farmers' organisations that can contribute to better standards of living for their members.

Economic security

Sustainable agricultural practices increase harvests, and Vi Agroforestry is therefore training smallholder farmers in running profitable agricultural companies and developing their farms. Smallholder farmers can improve their livelihoods through increased knowledge about strong value chains and better access to financial services, via savings and loans groups. Vi Agroforestry supports farmers' organisations in developing market-oriented production and working together on processing. This enables smallholder farmers to receive a bigger share of the value of the finished product, and secures long-term market access.

Communication and advocacy work

In order to fight poverty and climate change, Vi Agroforestry has to inspire

confidence and increase awareness, and deliver results in order to receive funding for its work. To become the first choice in terms of agroforestry, Vi Agroforestry needs a strong brand, overarching plans for long-term advocacy work, as well as the necessary platforms that connect research and results.

Sustainable development for the environment and for farming families' livelihoods also requires a favourable political climate. Vi Agroforestry, together with its partners, advocates change at local, regional, national and international levels and actively takes part in the political dialogue through its advocacy work.

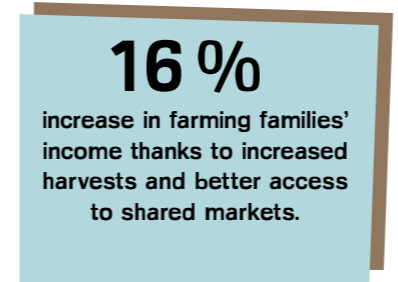
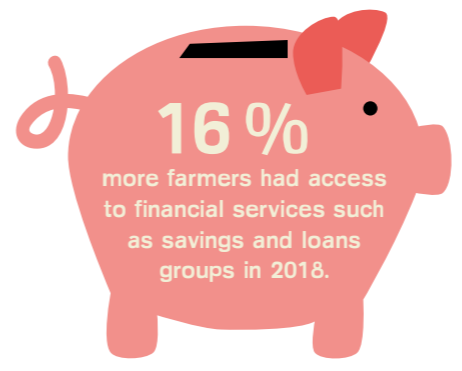
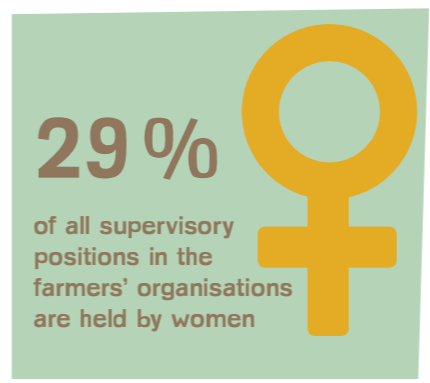
Continued focus on agroforestry

Vi Agroforestry's unique combination of simultaneously fighting poverty and climate change underlies its strategy, which extends up to 2021. This is made possible through our focus on tree planting and sustainable agricultural practices – agroforestry. Sustainable agriculture helps farmers both to adapt to and counter climate change by sequestering carbon in trees and soil. Sustainable agriculture also generates higher incomes and higher living standards. Agroforestry increases biological diversity and fertility while reducing soil erosion, which enables diversified food production and bigger harvests.



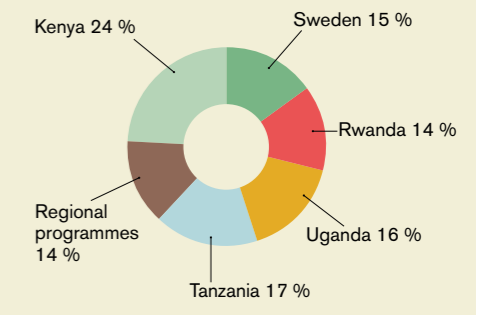


Results



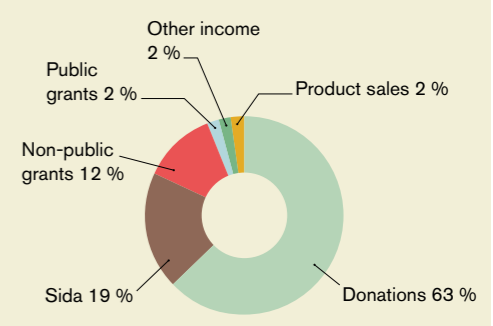
Geographical distribution

The allocation per country of the purposes stated.



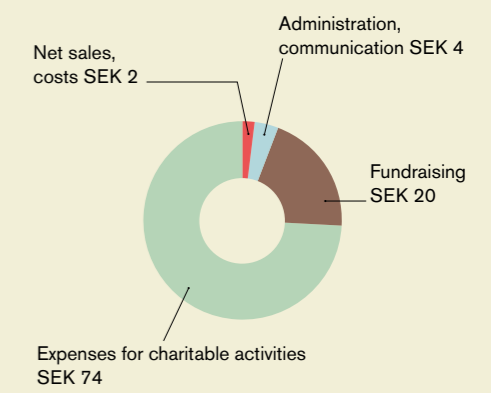
Income

Vi Agroforestry's operation is funded by donations and grants from Sida and other non-public organisations.



How the money is used

For every SEK 100 raised by Vi Agroforestry, SEK 74 goes to the charitable activities, SEK 20 is spent on fundraising, SEK 4 on administration and communication and SEK 2 on product sales.



Tanzania

Seminar on agroforestry

Vi Agroforestry arranged a national symposium with its partner organisations in Tanzania. The symposium attracted almost 4,000 participants and gave the partner organisations an opportunity to tell the general public and authority representatives about their progress. Visitors included farmers, government representatives, the Swedish Ambassador to Tanzania and others. The symposium enabled all of the partners to meet, hold discussions and share experiences.



Greater knowledge to strengthen human rights

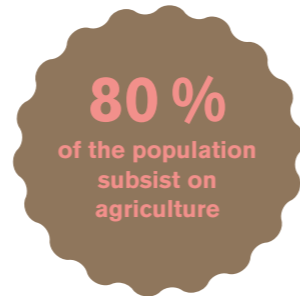
To get to the true causes of poverty, Vi Agroforestry bases its work on a rights perspective. The aim is to empower farmers to insist on their human rights and to increase the capacity of those responsible for upholding them. Empowerment is crucial in effecting change and in achieving inclusive, sustainable systems for earning a living in rural areas. All of the partner organisations in Tanzania increased their capacity for demanding social responsibility during the year. By strengthening the farmers' organisations, they can insist on answers from local agencies about how public funds intended for, say, the agricultural sector, have been used.

Less conflict between people and animals

Vi Agroforestry's EU-funded project in Tanzania and Kenya has accelerated during the year. The aim of the project is to promote regional collaboration in the Mara-Serengeti National Park areas, where there is currently a conflict of interest between smallholder farmers and the tourism industry. During the year, farmers in the area were trained in

agroforestry so as to fight poverty and climate change, and conserve animal life. Vi Agroforestry took part in Mara Day to meet other players working in the area, and to talk about the project with the general public and authority representatives.

Around 80 % of Tanzania's population subsist on agriculture and the majority, like Edwin and his family, have only a small area to farm. After receiving training in sustainable agricultural practices, Edwin has made his farm more efficient. Today he uses natural compost, and trees grow around the vanilla plants which protect against both sun and drought. The farmers' organisation enables farmers in the area to process and sell the vanilla together. This means the price can be increased and more money goes directly to the farmer.



"We lived a simple life. There were no opportunities to save money or invest. But thanks to the vanilla, that's all changed. I planted a couple of seedlings, and when I sold my harvest I was taken aback by the price. It felt as though our lives had changed overnight. We could buy a bit more land to grow more crops. My heart is in agriculture and nothing could stop me doing what I love. The vanilla is like a precious stone for us farmers, and with the right practices the crop can lift an entire family out of poverty," says Edwin Kamugisha.



Edwin Kamugisha.

Kenya

Global Landscape Forum

Vi Agroforestry has attended several international events during the year, including the Global Landscape Forum in Nairobi. The forum attracted thousands of visitors from around the world and Vi Agroforestry was an active participant as both an exhibitor and panel member.

Increased interest in agriculture among young people

In order to increase interest in the environment and reduce youth unemployment, Vi Agroforestry in Kenya and its partner organisations have arranged several activities for young people during the year. Young people have been given training in the production and sale of residual products from agriculture. For example, they have learnt to produce bags, rugs, hats and jewellery from banana leaves. An arranged sporting event created opportunities to highlight leadership and different job opportunities in the agricultural sector.

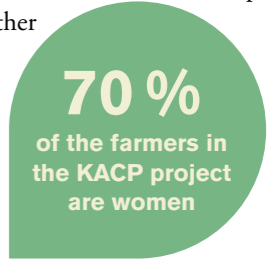
Success for Vi Agroforestry's climate compensation project

In western Kenya, Vi Agroforestry is working on the Kenya Agricultural Carbon Project (KACP), a climate compensation scheme. Around 30,000 farmers are involved in the project, 70 % of them women. Thanks to Vi Agroforestry, the farmers are given information about sustainable agricultural practices that improve the water holding capacity of soil and bind nutrient-rich soil, which increases resistance to the effects of climate change. At the same time, these practices result in more carbon being sequestered, i.e. stored, in the soil compared with conventional agriculture. Carbon dioxide is sequestered in trees and land alike as the farmers use sustainable cultivation methods such as planting trees among crops, and this means that carbon credits can be sold. Selling carbon credits to companies and private individuals generates direct payments to the participating farmers. However, the main gain for the families

is the increased harvests, which lead to more food on the table and higher income from sales of food surpluses. Thus the project not only brings environmental benefits, but also economic and social gains for thousands of families who live around Lake Victoria. Vi Agroforestry's KACP project made further progress during the year. There has been an increase in the number of carbon credits sold and a climate calculator has been launched. Now it is even easier for companies and private individuals to compensate for their emissions. Together we can fight both climate change and poverty.

Cathrine Mary Ekombe has been involved in Vi Agroforestry's climate compensation project since 2010. Together with the women's group "Vakna/Wake up", she has planted more than

400 trees on her farm. Cathrine explains how the trees have resulted in more fertile soil and bigger harvests. The group also receives a grant based on how much carbon dioxide is sequestered through the trees. It has chosen to invest the money in the shared savings and loans group. Cathrine says that she no longer has to worry about food or money for her children's school fees. The trees are continuing to grow, and Cathrine says that the group has already decided what to do with the money from the next payment. The members want to develop their farms further and build henhouses.



Cathrine Ekombe.

"I left school early because my father didn't think it was worth paying school fees for a daughter who would be married off one day. Instead I got married and became a farmer. The crops didn't grow very well and the soil was dry. My husband said that trees would destroy what we grew. When I came into contact with Vi Agroforestry, I learnt about sustainable agricultural practices and how the trees could help our farming. The crops grew and we started a savings and loans group with the women in my group. By helping each other our lives have changed. We can save money and receive interest or borrow money if there's something we need. My husband relies on me and my new knowledge, and for the first time I feel independent. Now I'm the secretary of our group and I know that I'll survive. I have power and I'm proud of myself. I wanted all of my children to be able to go to school and now that's possible. The only thing I dream about is more trees. I want to have 1,000 trees on the farm – for a better climate and a better life!"

Uganda

Sustainable future for refugees

Last year Uganda accepted more refugees than the whole of Europe. The refugee camps in northern Uganda are placing a big strain both on the communities and the environment. Together with the Red Cross, Vi Agroforestry has received funding for the “Hej morgondag/Hello Tomorrow” project from the Swedish Postcode Lottery. By educating new arrivals and the local population in sustainable farming practices, while simultaneously investing in clean water, toilets and fuel-efficient stoves, the project aims to contribute to socially and environmentally sustainable communities.

Cooking on solar energy

In a pilot project in 2018, Vi Agroforestry’s partner in Uganda introduced solar-powered stoves. The stoves are smoke-free, quick to heat up and, above all, reduce the demand for firewood. The project was designed to give 200 women and young people training in installing, maintaining and repairing the stoves. But there was a lot of interest in the project, and 1,610 women and young people were trained

during the year. The stoves have not only had a positive impact on the environment, they also create a potential new source of income that can improve living conditions for women and young people.

1610
women and young people have been given training in solar-powered stoves

Women reforesting Uganda

The natural forest in Uganda has been felled at an alarming rate. Over the past 25 years, almost two-thirds of the country’s forest has disappeared. This affects the whole community, and in particular the farming families who live on the edges of the natural forest. But the negative trend can be curbed. In 2018, Vi Agroforestry started up a project in eastern Uganda funded by the Swedish Postcode Lottery. In this unique project, Vi Agroforestry works with local authorities and women’s farmer groups to protect and

reforest Uganda. The women are given training in how they can replant and look after the forest. By utilising the forest’s resources and applying new business development methods, such as growing mushrooms and beekeeping, the women also have an opportunity to improve the living situation for themselves and their families. Together with the female “tree heroes”, Vi Agroforestry is stopping the felling and reforesting Uganda – one tree at a time.

Two-thirds of the forest in Uganda has disappeared as a result of felling. One of the many forests that no longer exists is the one that used to be behind Jamila’s house. Like many others, the family is now especially vulnerable to the effects of climate change. In 2018, Vi Agroforestry began a project in Mayuge and Bugiri in eastern Uganda, with the aim of reforesting the land and improving living standards for smallholder farmers who had previously been dependent on the forest. The women in the project are given training in sustainable agricultural practices and tree planting, and learn to replant and manage the forest.

“I’ve heard my mother-in-law talk of the dense forest where she used to pick branches to use as firewood. But now there’s no forest. All the trees have gone. The climate has really changed and switches between long, dry periods and periods of far too much rain. It affects my harvests and my family’s income. I’ve always dreamt of more trees, but before I didn’t have the chance to buy seedlings and seeds. I often dream that the forest will come back. It would help all of us living in the area. That’s why I’m proud of this project. I’ll be involved in replanting the forest. I also want to learn more about beekeeping and I’m going to plant more trees on the farm. The trees will give us a better income,” says Jamira Kyakuwar.



Jamira Kyakuwar.

Rwanda

Greater focus on sustainability

Vi Agroforestry in Rwanda has increased its focus on sustainability during the year. Our partner organisations have planted more trees and introduced beekeeping. They have also increased the use of natural compost and increased their work on renewable energy methods. Furthermore, to reduce littering and negative effects on nature, decomposable planting containers that can be re-used and recycled have been introduced in nurseries.

New crops and processed raw ingredients

By educating the farmers’ organisations in market-oriented production, collective working practices and processing, smallholder farmers can receive a larger share of the value of the finished product

and, furthermore, long-term access to the market can be secured. In Rwanda, the focus on “Agriculture as a business operation” and value chains increased in 2018. One of our partner organisations, Zamuka, introduced sustainable new crops to its members, such as mushrooms, tomatoes and honey. The organisation also invested in a mill where its members can grind their grain and market their own recipes for porridge.

Stephanie Mukabagoro and Alfred Ntagozera live a couple of hours from Rwanda’s capital, Kigali. In 2010 the family joined the Abasurutsarugo farmers’ group (“Farmers for a better life”). Through Vi Agroforestry they have received training in sustainable agricultural practices and, as a result, managed to yield bigger harvests and increase their income. They have also received training

in equality and been able to make major changes at home. Alfred and Stephanie’s success story has not passed unnoticed. Many neighbours ask what the secret to their superb plants is. Alfred says that he usually begins by showing his neighbours the crops to try to pique their interest in sustainable agricultural practices, and that he and Stephanie then talk about how the families can achieve even better results if they work together.

Greater focus
on sustainability during the year



Stephanie Mukabagoro and Alfred Ntagozera.

“At first I was very sceptical about growing trees. I thought they’d destroy the soil and drive out our other crops. We had a very conventional farm and divided up our jobs. If you’d met us then, you’d have understood that life wasn’t easy. We lived in a house made of clay with one little window and no lighting,” says Stephanie. “We used to grow beans, potatoes and cassavas. But nothing grew well. Thanks to our new knowledge, we switched to bananas and started planting trees. Walking among my banana crops today makes me want to laugh with joy. I think about how far we’ve come. We’ve managed to change our lives together. Today we help each other with our bananas, and we share the responsibility. We’ve learnt how to have a good farm, and how to have a good life,” says Alfred.

Fundraising record, climate meetings and tree planting

Campaigns during the year

The spring campaign followed up the previous year's success in terms of the number of views on TV, for instance. The 2018 Christmas campaign reached an all-time high for fundraising via social media. In total, over half a million kronor was donated via Facebook advertising alone.

Frida Ochieng, Kenya. Photo: Robin Asselmeyer.



James Walusimbi, Wilson Nyariwo, Jean Rukundo. Photo: Lena Martens Kalmelid.

During the summer, Vi Agroforestry's country managers and deputy country managers travelled to Sweden for a study trip. One of the aims was to strengthen relations with our Swedish business partners. During the trip the group also visited Swedish farmers to share knowledge and be inspired by Swedish agriculture.

The trend is turning – more people are donating their deposits

Deposits worth just under 6.6 million kronor were donated via Coop in 2018, an increase of more than 600,000 kronor compared with 2017. After a couple of years where donations from deposits for bottles declined, the trend has now turned and Swedes are now returning more items and donating a higher percentage of deposits than they did in both 2016 and 2017. The money from deposits in 2018 equates to more than 330,000 new trees in Eastern Africa.



Coop's management and Sweden's Ambassador to Kenya visited some of Vi Agroforestry's projects together during the autumn. In Kitale, they met climate compensation farmers in the KACP project and dairy farmers in the Livelihood project. For example, they visited farmers who showed how tree planting and sustainable agricultural practices increased the family's milk production.



Climate compensation

Vi Agroforestry's project for climate compensation is called the Kenya Agricultural Carbon Project (KACP), and it is being carried out in western Kenya. The project is directed at smallholder farmers, and carbon dioxide is sequestered in both trees and the land by the farmers using sustainable farming methods such as agroforestry, cover crops and mulching on their farms.

Several new companies began climate compensation via Vi Agroforestry. A total of 80 companies carried out climate compensation in 2018.

Lilian Ochieng, Kenya. Photo: Robin Asselmeyer.



Photo: Melina Atterflod.

Almedalen

Vi Agroforestry built on the natural success with tree planting during Almedalen. Politicians, sustainability experts and business leaders planted over 600 trees at the "Sweden in the World" square. The public also got to plant trees via the mobile unit. The trees that were planted are symbolic and are being planted on Gotland. The corresponding number of real trees were planted in Kitale, Kenya, after the summer.



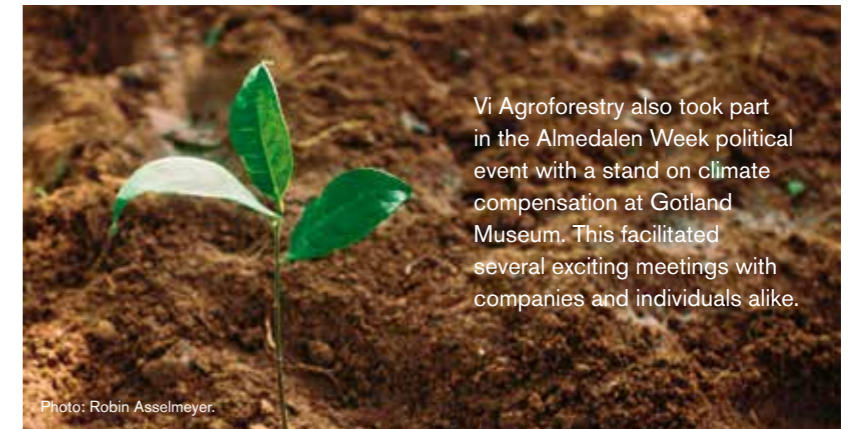
From Alverbäck's 50th anniversary. Photo: Jenny Nilsson.

During the year Vi Agroforestry developed new corporate packages. The packages facilitate more strategic collaborations, as well as effective communication and reporting. An emphasis has been placed on mapping which efforts are required to improve business collaborations. Vi Agroforestry has also strengthened its relations with Coop, KF, Folksam and Riksborgen, among others.

Vi Agroforestry was present when representatives of the world's countries gathered for a meeting of the UN's Food and Agriculture Organization in Rome. Vi Agroforestry's representatives, including its deputy regional manager Wangu Mutua, actively participated in the dialogues and advocated agroforestry as a method for combatting the increasing levels of hunger in the world.



Wangu Mutua. Photo: FAO.



Vi Agroforestry also took part in the Almedalen Week political event with a stand on climate compensation at Gotland Museum. This facilitated several exciting meetings with companies and individuals alike.

Photo: Robin Asselmeyer.



Photo: World Vision/Silas Köch.

Tony Rinaudo won the Right Livelihood Award

The Right Livelihood Award, known as the alternative Nobel Prize, was given to Rinaudo for his success in getting farmers to work on regenerating trees and forest. Tony Rinaudo and Yacouba Sawadogo talked to Vi Agroforestry's Linda Andersson at a much-appreciated breakfast seminar partly organised

by Vi Agroforestry. Tony Rinaudo spoke about his experiences of the award-winning Farmer-Managed Natural Regeneration (FMNR), a method for quick and cost-effective forest regeneration. He also visited our operation that focuses on regeneration among farmers in Uganda.



Photo: Elinor Franzén.

During the year, Vi Agroforestry held two major seminars on KACP at events held by Hållbart näringsliv, the association for sustainable business, and business daily Dagens Industri. The seminar for Hållbart näringsliv was held together with Max, Folksam and Louise König, and dealt with how climate compensation can benefit business and contribute to the five global goals that Vi Agroforestry focuses on.

Vi Agroforestry's Board



Unn Edberg

Member
CEO of Vi Media AB and
Editor-in-Chief of Vi magazine

Elected to the Board: 2018
 Other significant posts:
 Board member of Stiftelsen
 Teskedsorden, Sveriges
 Tidskrifter (Swedish Magazine
 Publishers Association) and
 Norra Västerbotten Tidnings AB.
 Vice Chair of Utgivarna (Swedish
 Publishers' Association).



Henrik Ekman

Member
Author and Programme
Buyer, SVT

Elected to the Board: 2012
 Other significant posts: Member
 of the Royal Swedish Academy
 of Agriculture and Forestry.



Magnus Kindbom

Member
Forest Director and Head of
TRF Skogsägarna

Elected to the Board: 2018
 Other significant posts: Member
 of the Royal Swedish Academy
 of Agriculture and Forestry.



Bodil Jönsson

Member
Head of Format and
Customer Experience, Coop

Elected to the Board: 2011
 Other significant posts:
 No other posts reported.
 Previously Marketing Director,
 Coop Marketing, and Marketing
 Manager, Coop Stores and
 Supermarkets.



Pia Carlsson Thörnqvist

Chair of the Board
Membership and Branding
Manager, KF

Elected to the Board: 2017
 Previously Communications and
 Marketing Director at Folksam
 and Marketing Manager at KPA
 Pension.



Anna Tibblin

Secretary General

New Secretary General for Vi
 Agroforestry and We Effect.
 Previously International Director
 and Regional Director in Southern
 Africa and Latin America, has
 worked with evaluations of devel-
 opment cooperation in her own
 consulting company and has also
 been a journalist for daily news-
 papers and development media.

Directors' report

General information about operations

Purpose and vision

The purpose of the foundation is “through nurseries, tree planting and other associated measures to contribute to an ecological balance and to a better, more secure food supply for the poor and worst off in areas threatened by ecological impoverishment”, which goes hand in hand with Vi Agroforestry's vision of “a sustainable environment that enables women and men living in poverty to improve their lives”.

Target group and mission

Vi Agroforestry's target group is in four countries around Lake Victoria in Eastern Africa. The recipients comprise farming families living in poverty, with a special focus on women, young adults and children. Vi Agroforestry provides advice, training and tree planting through agroforestry methods. Agroforestry refers to a system of land use where trees and shrubs are grown together with crops and integrated with animal rearing, with a view to achieving a sustainable environment.

Vi Agroforestry has been working in partnership with local farmers' organisations since 2011. Through agroforestry and support for farmers' organisations, Vi Agroforestry contributes to poverty reduction, increased incomes, increased biological diversity and climate adaptation. Support is also given to farmers' own savings and loans groups. Furthermore, Vi Agroforestry integrates equality issues into its entire operation and great emphasis is placed on local ownership and influence, as this provides solid, long-term results.

Our organisation

We have four project offices in our countries of operation – Kenya, Tanzania, Uganda and Rwanda – and one regional office in Nairobi, Kenya. Vi Agroforestry has also been represented in Malawi since 2006. The head office is in Stockholm.

Prioritised areas of operation

A sustainable environment as a basis for poverty reduction is crucial to Vi Agro-

forestry's vision of development. The operation is based on a human rights perspective with a focus on working in partnerships to provide local ownership. The Board's decisions about prioritised areas provide guidance for the operation. These areas are:

- Sustainable, climate-adapted agriculture based on agroforestry
- Economic security
- Gender equality and empowerment
- Systems and management for strong farmers' organisations
- Communication, fundraising and resource mobilisation
- Advocacy work

The following principles guide Vi Agroforestry:

- Local ownership and implementation of activities in the field
- Focus on human rights and the responsibility of states to uphold these rights
- Focus on farmers' organisations as tools for social and political influence
- Flexibility and respect when working with partner organisations
- Strengthening the individual's influence through democratic organisations
- Building long-term capacity among partner organisations
- Accountability, long-term responsibility and transparency

Collaboration with We Effect

In 2003, Vi Agroforestry began a close collaboration with We Effect. This collaboration was a natural progression as both organisations are rooted in the Swedish co-operative movement, share the same target groups and partly have the same principals. The collaboration benefits both organisations, enabling them to become more effective and reach more people. Today, the close collaboration is reflected both in the countries of operation and at the head office. The regional manager of Vi Agroforestry and the regional managers of We Effect all report to the organisation's international director.

Significant events during the year

In spring, Pia Carlsson Thörnqvist was appointed new Chair of the Board and

the Board was given a new composition with a smaller number of members. The foundation's new Secretary General, Anna Tibblin, took up her position on 1 June 2018.

Vi Agroforestry has had a five-year strategy since 2017, and in 2018 the new Agroforestry for Livelihood Empowerment Programme (ALIVE), was introduced to bring together all operations in the region. The programme has a strong focus on areas such as climate and equality. In 2018, the organisation's quality management system was launched in accordance with ISO 9001:2015.

Targeted activities in the region

2018 is the first year for the ALIVE programme, which encompasses all projects and initiatives. The programme was slightly delayed because it was the first year.

One new results area is advocacy work. A strategy and plan for the work were produced together with the head office, and these were then broken down into local plans at both country level, together with partners, and at regional level. The strategy has a focus on women, children and young people. A study was carried out during the year to gather experiences and lessons, and propose initiatives for the future. The role of regional equality advisor has been re-instated. Deputy country managers and country managers made a field trip to Sweden together in June. They visited the head office (a first for many of them, even though they have worked for Vi Agroforestry for almost 20 years), went on field trips relating to agriculture and forestry, and engaged in dialogue with the management group.

In **Rwanda** Vi Agroforestry works with several local partner organisations. The office was relocated during the year but stayed in Kigali. The aim of the move was to cut costs. Rwanda introduced stricter legislation on local and international organisations, with new requirements on control and reporting, and the introduction of taxation.

In **Tanzania** Vi Agroforestry works with several local partner organisations. The president of Tanzania continued his hard line, on the pretext of fighting corruption and abuse of power, but the result is less scope for civil society.

In **Uganda** the office relocated from Masaka, where it has been for 25 years, to Kampala. Kampala also has two representatives of We Effect in the same office. During the year, Uganda was granted two special projects by the Swedish Postcode Lottery: “Kvinnliga trädhjältar/Female tree heroes”, and one together with the Red Cross, in the refugee camps in northern Uganda. The shrinking scope for civil society is noticeable in Uganda, where all opposition to the president is brutally struck down and restrictions are placed on social media.

In **Kenya** there is a spirit of consensus after the concerning election year of 2017, and economically there is very low inflation. Energy prices have, nonetheless, risen dramatically during the year, which makes everyday life more difficult for the people.

During the year a first meeting was held with the local board for Vi Agroforestry Kenya. Two members from the Board in Sweden have been elected onto the local board.

During the year, Vi Agroforestry initiated a dialogue with the Livelihood Fund and the private-sector player in the current project, Brookside Dairy, about starting up a new project within the framework of their new round of funding. At the end of 2017, Vi Agroforestry received its first approved EU agreement, and the SEMA programme was launched during the year and is now in full swing.

Vi Agroforestry has taken part in several global conferences and events, including the Global Landscape forum in Nairobi and the FAO's Food Security Committee in Rome. Vi Agroforestry also took part in a global climate financing meeting in Paris.

Several years ago, Vi Agroforestry developed a method for carbon dioxide sinks

in Africa. By using long-term sustainable farming practices, the farmers contribute to carbon sequestration in trees and thus to a better climate. The farmers also get paid for this and the activity is certified in accordance with Plan Vivo. In Tanzania, farmers have worked in accordance with the Plan Vivo standard since 2010. In Kenya we use a similar method, KACP. This enables companies and organisations to offset their carbon dioxide emissions while helping to reduce poverty. Farmers' incomes are increasing, as is their access to food.

The operation in Sweden

Several ministers, other people in power, sustainability managers and a Nobel Laureate were among those who planted trees at Vi Agroforestry's activity at the Almedalen Week political event. We were also at the Aktuell Hållbarhet sustainability arena there, talking about climate compensation. In autumn, Agroforestry Network published its report entitled *Achieving the Global Goals through Agroforestry*, which was launched at a well-attended seminar and with a debate article that was widely distributed.

Fundraising and communication

Vi Agroforestry's donations reached a new record in 2018 of SEK 61.8 million, an increase of 17 per cent on the previous year. This is due to an increase in one-off donations and the number of monthly donors, thanks to a positive collaboration with Coop, where Vi Agroforestry was given the opportunity to sign up monthly donors in Coop's stores during the summer.

Fundraising through the donate button on reverse vending machines increased by 16 per cent, and interest in climate compensation increased. Efforts to enable private individuals to offset their carbon through climate compensation began during the year. As of 1 July 2018, climate compensation is a service and therefore subject to VAT.

A new marketing film was produced in spring, recorded in Kenya, which very clearly shows the heart of Vi Agroforestry. The film is the hub of the concept used in campaigns and ongoing communica-

tion. To date it has been shown both on linear TV and on several digital channels, and sequences and stills from it are used in ongoing digital and print advertising.

During the year we carried out two fundraising and awareness campaigns, one in spring and one at Christmas. The aim was to increase our profile and increase people's engagement in climate and the fight against poverty by supporting Vi Agroforestry's operation. The focus of the media initiatives during the year has been to achieve good reach and capture relevant target groups, and the statistics for reach and engagement on social media are good.

Vi Agroforestry was involved in Stockholm Consumer Cooperative Society's family day at Skansen open-air museum, and in the *Show of Christmas* concert. Our annual report “Varmare klimat – iskall nyhet?/A warmer climate – ice-cold news?”, about media coverage of the climate issue, was presented at a packed seminar, and a debate article signed by Vi Agroforestry, Fores and Malena Ernman, was published in conjunction with the report, first in Swedish tabloid *Expressen* and then widely in local media. The report attracted a lot of attention in several media during the year. Local media also paid attention to extensive reporting of the donate button on reverse vending machines, which was followed up by a debate article together with Coop.

The FRII Code of Quality

Vi Agroforestry is a member of the Swedish Fundraising Council (FRII), which is a collective body for Swedish fundraising organisations. FRII has developed a Code of Quality for ethical, professional and transparent fundraising activities, to which Vi Agroforestry adheres. Since 2013, compliance with the code has been monitored by an external auditor.

Financing of operations

Operating income amounted to SEK 98 million in 2018. Donations from organisations, companies and individual donors are a key component in fundraising and create scope for action for the organisation. The funds raised, including

product sales, amounted to SEK 75.6 million. Public grants in 2018 totalled SEK 20.5 million, which equates to 21 per cent of total income. We Effect has the status of a framework organisation for Sida CIVSAM, which is why grants from Sida to Vi Agroforestry come via We Effect.

Miscellaneous

One important event was the presentation of the Right Livelihood award to Tony Rinaudo for his work on Farm

Managed Natural Regeneration. Vi Agroforestry was also involved both in field visits and other events to honour Tony Rinaudo in conjunction with the award.

Future development and events after the balance sheet date

Vi Agroforestry is continuing in line with its set strategy.

Financial position and performance

The remaining figure to carry forward

for the year, after transfers to earmarked funds, totalled SEK 6.3 million. Vi Agroforestry is a non-profit organisation. However, the Board considers it important to have equity as a buffer, to ensure its long-term survival. Securities held as non-current assets are recognised at the average cost. Vi Agroforestry will maintain low risk in its financial investments, in accordance with the foundation's policy of consolidation and capital investment.

Income statement

Amounts in SEK	Note	2018	2017
Operating income			
Donations	3	61,868,838	52,842,800
Grants	3	32,391,231	34,565,592
Net sales		1,889,929	970,642
Other operating income	4	2,230,851	1,683,464
Total operating income		98,380,849	90,062,498
Operating costs			
Expenses for charitable activities	5		
	6	-69,700,785	-68,992,343
Fundraising expenses		-18,822,410	-13,559,269
Cost of goods and services sold		-2,290,866	-1,966,528
Administrative expenses		-4,187,000	-4,229,382
Total operating costs		-95,001,061	-88,747,522
Operating result		3,379,788	1,314,976
Earnings from financial investments			
Earnings from securities and receivables accounted for as non-current assets	7	2,050,153	912,429
Interest income		200,380	18,599
Interest expenses		-14,758	-4,816
Total earnings from financial investments		2,235,775	926,212
Result for the year		5,615,563	2,241,188
Change in earmarked funds			
Result for the year according to the income statement (see above)		5,615,563	2,241,188
Utilisation of earmarked funds from prior years		2,155,316	2,003,987
Earmarking of funds		-1,448,182	-2,155,316
Remaining amount for year/retained equity		6,322,697	2,089,859

Balance sheet

	Note	31 Dec 2018	31 Dec 2017
Assets			
Non-current assets			
Intangible assets			
Capitalised expenditure for software	8	852,934	1,279,400
Financial assets			
Securities held as non-current assets	9	43,144,801	42,933,189
Total non-current assets		43,997,735	44,212,589
Current assets			
Inventories etc.			
Products		122,398	161,764
Receivables			
Accounts receivable – trade		1,135,830	-
Other receivables		3,228,929	1,574,319
Prepaid expenses and accrued income	10	656,192	5,192,615
		5,020,951	6,766,934
Cash and bank		36,631,053	20,448,721
Total current assets		41,774,402	27,377,419
Total assets		85,772,137	71,590,008
Equity and liabilities			
Equity			
Foundation capital		17,151,242	17,151,242
Retained equity		39,867,891	33,545,194
Earmarked funds		1,448,182	2,155,316
		58,467,315	52,851,752
Provisions			
Provision for pensions and similar obligations	11	3,571,044	3,501,344
Current liabilities			
Accounts payable – trade		6,715,581	4,380,010
Income tax liabilities		404,310	407,743
Liability received, unutilised grants	12	8,880,607	3,919,639
Other liabilities	13	5,172,024	4,084,091
Accrued expenses and deferred income	14	2,561,256	2,445,429
		23,733,778	15,236,912
Total equity and liabilities		85,772,137	71,590,008

Change in equity

	Foundation capital	Retained equity	Earmarked funds	Total equity
At the beginning of the year	17,151,242	33,545,194	2,155,316	52,851,752
Earmarked	-	-1,448,182	1,448,182	-
Utilised	-	2,155,316	-2,155,316	-
Result for the year	-	5,615,563	-	5,679,163
Equity, 31 Dec 2018	17,151,242	39,867,891	1,448,182	58,467,315

Cash flow statement

Amounts in SEK	Note	2018	2017
Operating activities			
Result after financial items		5,615,563	2,241,187
Adjustments for non-cash items			
Depreciation/amortisation and impairment losses		426,466	426,466
Capital result from sale of financial assets		-2,050,153	-760,855
Other provisions		69,700	92,439
		4,061,576	1,999,237
Cash flow from operating activities before changes in working capital		4,061,576	1,999,237
Changes in working capital			
Changes in inventories		39,366	208,662
Change in current receivables		1,745,983	1,175,810
Change in current liabilities		8,496,866	-214,742
Cash flow from operating activities		14,343,791	3,168,967
Investing activities			
Disposal of/reduction in financial assets		81,097,734	7,179,510
Investments in financial assets		-79,259,193	-7,331,126
Cash flow from investing activities		1,838,541	-151,616
Cash flow for the year		16,182,332	3,017,351
Cash and cash equivalents at the beginning of the year		20,448,721	17,431,370
Cash and cash equivalents at the end of the year		36,631,053	20,448,721

Notes

Note 1: Accounting policies and valuation methods

Notes with accounting policies to the income statement and balance sheet.

Amounts in SEK unless otherwise stated

General accounting policies

This annual report has been drawn up in accordance with the Swedish Annual Accounts Act, the Swedish Accounting Standards Board's BFNAR 2012:1 (K3) and Swedish Fundraising Council (FRII) Guidelines for annual reports. The accounting policies and valuation methods are unchanged compared with the previous year.

Recognising income

A transaction in which Vi Agroforestry is given an asset or service that has a value without giving back the equivalent value in exchange is a donation or received grant. If the asset or service is received because the association has met or will meet certain conditions and the association has an obligation to repay the counterparty if the conditions are not met, it is a received grant. If not, it is a donation.

Donations are generally recognised as income when they are received. Donations of equities, real estate and art, for example, are recognised as income when they are donated. A donation entered as income is recognised as either an asset or cost, depending on whether or not the donation is used immediately.

Donations that Vi Agroforestry intends to put to continuous use in the operation are recognised as non-current assets. Other donations are recognised as current assets. As a general rule donations are measured at fair value.

Grants are recognised as income when the conditions for receiving the grant have been met. Received grants are recognised as liabilities until the conditions for receiving the grant have been met. Grants received to cover particular costs (e.g. for administration) are recognised in the same financial year as the cost that the grant is intended to cover.

Recognition of costs

Operating costs mainly comprise expenses for charitable activities, fundraising expenses and administrative expenses. Other operating costs that cannot be attributed to the main functions are costs of goods sold, which include purchasing, administrative and sales costs.

Expenses for charitable purposes comprise costs attributable to Vi Agroforestry's mission in accordance with the statutes, which include approved costs for project activities and costs for reporting, follow-up and auditing. Fundraising expenses comprise costs attributed to work to raise money in the form of donations and grants from donors. Administrative expenses include central functions such as IT, Finance, HR, administrative systems, other joint costs for the foundation and audit expenses.

Remuneration to employees after termination of employment

Plans for remuneration after termination of employment are classified as defined benefit plans and the simplification rules stated in BFNAR 2012:1 are applied. Pension obligations have been secured through a transfer of funds to a pension fund. In cases where the pension fund exceeds the obligation, no asset is recognised and in cases where the pension fund falls short of the obligation, a provision is recognised.

Valuation methods

Assets, liabilities and provisions are measured at cost unless otherwise stated below. Leases are recognised as operating leases and recognised linearly, i.e. no agreements have been capitalised.

Receivables and liabilities

Receivables have been stated, after individual valuation, at the amounts that are expected to be received. Receivables and liabilities in foreign currencies have been translated into Swedish kronor at the closing day rate.

Stock of products

Stock is measured using the lowest value principle, i.e. at the lower of cost and fair value. The average cost per product is

used and fair value equates to the respective product's net realisable value.

Valuation and depreciation/amortisation methods for non-current assets

Linear depreciation/amortisation is according to plan based on the original costs and estimated useful life. Impairment is only recorded for permanent impairment that can be calculated reliably.

Property, plant and equipment exceeding one price base amount are recognised as an asset in the balance sheet when it is probable, on the basis of the information available, that the future economic benefit associated with the holding will accrue to the foundation and the cost of the asset can be reliably calculated.

Since the purchases are deemed to be financed through grants, the grants decrease the cost of the non-current assets.

Buildings comprise buildings in Africa used in the operation, but owned and recognised by the foundation in Sweden.

Real estate holdings promote long-term operations in the relevant country and are financially beneficial. Buildings cannot be moved with the operation and potential proceeds from any sale are uncertain. Due to these circumstances, the depreciation period for buildings has been set at 10 years.

The following depreciation periods are used: Buildings abroad: 10 years, equipment: 5 years, computers: 3 years. Long-term interest-bearing assets are measured at amortised cost less any impairment losses. All assets held to diversify risk are considered to be part of a securities portfolio and viewed as one item when valued at the lower of cost or market value, and for impairment testing.

Earmarked funds

Funds raised are reported as earmarked funds within equity where the donor or the Board has indicated the specific purpose for which they are to be used but the foundation has not yet incurred relevant expenses.

Note 2: Accounting estimates

Vi Agroforestry makes estimates and assessments about future development. By definition the resulting accounting estimates will rarely correspond to the actual outcome.

Note 3: Fundraising

Donations recognised in the income statement	2018	2017
Fundraising		
Individual donors	35,361,864	23,117,423
Coop donate button on reverse vending machines	6,575,929	5,648,298
Coop shopping bags	3,177,686	3,786,664
KF organisation grant	-	1,500,000
Swedish Postcode Lottery	11,000,000	10,000,000
Other donations from companies and organisations	4,425,280	6,024,383
Corporate donations, climate compensation	1,328,079	2,766,032
Total funds raised, donations	61,868,838	52,842,800

Other donations from companies and organisations include SEK 359,147 (314,515) from Robur Humanfonden.

Donations consist of donations received from the general public, companies and organisations etc., as well as bequests from wills, lottery income and the realisable value of donated assets.

Grants recognised as income	2018	2017
Fundraising		
Radiohjälp	551,021	1,547,916
Livelihoods Mount Elgon, Kenya	5,415,927	6,067,980
Swedish Postcode Lottery, special projects	3,122,067	2,628,698
World Bank	-	2,416,489
Nordic Climate Facility	1,283,793	1,177,950
Other grants	1,470,248	1,852,890
Total funds raised, grants	11,843,056	15,691,923

Public grants

EU, Tanzania and Kenya	1,462,540	-
Swedish Council for Higher Education, trainee programme	-	153,669
Sida Civsam, EU own contribution	365,635	-
Sida Civsam, framework grant	18,720,000	18,720,000
Total public funding, grants	20,548,175	18,873,669

Total fundraising comprises the following	2018	2017
Donations recognised in the income statement	61,868,838	52,842,800
Grants recognised in the income statement	11,843,056	15,691,923
Total funds raised	73,711,894	68,534,723

Note 4: Other operating income

	2018	2017
Local income abroad	442,236	519,776
Other income	1,788,615	1,163,688
	2,230,851	1,683,464

Local income refers to interest income and agreements for small-scale directly-funded projects in each country. Other income consists of sales of seeds and products from demonstration plantations, sales of scrapped non-current assets and

moderate rental income. This income has been used in the operation, reducing the need for funds from Sweden.

Note 5: Personnel and audit costs

Average number of employees	2018	2017
Work location		
Women, Stockholm, Sweden	10	11
Men, Stockholm, Sweden	2	1
Women, Kitale, Kenya	16	22
Men, Kitale, Kenya	4	21
Women, Nairobi, Kenya	6	4
Men, Nairobi, Kenya	3	5
Women, Masaka, Uganda	8	11
Men, Masaka, Uganda	8	9
Women, Mwanza, Tanzania	4	5
Men, Mwanza, Tanzania	11	11
Women, Kigali, Rwanda	6	6
Men, Kigali, Rwanda	9	11
Total employees	87	117

Salaries and other remuneration	2018	2017
Service in Sweden		
Salaries and remuneration	6,364,658	5,865,460
Payroll overheads	3,887,411	2,717,685
Service abroad		
Kenya	9,658,716	8,727,202
Uganda	1,992,134	1,523,101
Tanzania	2,871,902	1,876,438
Rwanda	2,232,265	1,631,588
Total salaries and remuneration	27,007,086	22,341,474
Payroll overheads in Sweden (of which pension costs)	3,887,411	2,717,685
Remuneration less than one half price base amount	65,140	79,028

Pension commitments for work in Sweden are safeguarded by a pension solution from Folksam.

In 2018, 592 hours, corresponding to 72 days, were worked by employees paid by the hour and 43 hours by volunteers.

The Board and senior executives

Salaries and remuneration, and pension costs include costs for the former CEO who left on 31 May 2018 and the newly appointed Secretary General as of 1 June 2018. Salaries and remuneration to the CEO and Secretary General total SEK 376,947 (466,012). No remuneration is payable to Board members over and above this. The Secretary General has the following conditions of employment: mutual notice period of six months; in the event of notice being given by the employer, severance pay corresponding to six months' salary is paid.

Of the foundation's pension costs, including statutory taxes, SEK 99,998 (239,994) relates to the CEO and Secretary General. The foundation's outstanding pension obligations to the Board amount to SEK 0 (0).

There were no transactions with Board members, senior executives or key individuals during the year.

Total Board members on balance sheet date	2018	2017
Women	3	6
Men	2	2
Total	5	8

Number of Secretary Generals/ CEOs and other senior executives	2018	2017
Women	1	1
Total	1	1

Note 6: Expenses for charitable activities

	2018	2017
Kitale, Kenya	17,089,924	18,610,911
Kampala, Uganda	10,998,564	8,662,455
Mwanza, Tanzania	11,623,743	10,502,345
Kigali, Rwanda	9,951,790	9,532,362
Regional office, Nairobi, Kenya	9,815,908	15,970,115
Trainee programme	-	143,616
Quality assurance and communication in Sweden	10,220,856	5,570,539
Total expenses for charitable activities	69,700,785	68,992,343

Expenses for charitable activities comprise direct project costs as well as personnel costs in the operation. During the year, part of the operation was run under the Kenya Agricultural Carbon Project (KACP). The operation is certified for carbon dioxide sequestration. According to Vi Agroforestry's statutes, the purpose of the foundation is through nurseries, tree planting and other associated measures to contribute to an ecological balance and to a better, more secure food supply for the poor and worst off in areas threatened by ecological impoverishment.

Over time, Vi Agroforestry has seen reason to rethink its interpretation of this and now also includes elements of communication with the general public and companies/organisations in Sweden. Communicating the foundation's activities is a prerequisite for its survival and can be considered to be "associated measures". Vi Agroforestry includes the elements that do not have a direct fundraising focus.

Note 7: Earnings from securities and receivables accounted for as non-current assets

	2018	2017
Unit trust dividends	-	151,574
Capital gains from sales	2,050,153	760,855
Total	2,050,153	912,429

Note 8: Capitalised expenditure for software

	2018	2017
Opening cost	2,132,332	2,132,332
Closing accumulated cost	2,132,332	2,132,332
Opening amortisation	-852,932	-426,466
Amortisation for the year	-426,466	-426,466
Closing accumulated amortisation	-1,279,398	-852,932
Carrying amount at end of period	852,934	1,279,400

Note 9: Securities held as non-current assets

	2018	2017
Accrued cost		
At the beginning of the year	42,933,189	42,020,759
Investments	79,259,193	7,331,126
Disposals	-79,047,581	-6,418,696
Closing accrued cost	43,144,801	42,933,189
Breakdown of securities holdings		
Hedge funds	8,178,590	8,037,265
Unit trusts	13,244,800	11,885,363
Fixed-income funds	21,721,411	21,522,771
Total	43,144,801	41,445,399

The holding is viewed as a securities portfolio. The securities portfolio has been measured at the amortised cost on the balance sheet date. The figures above also show the breakdown of the holding between unit trusts and fixed-income funds. An allocation service exists, and re-allocation takes place within specified parameters. The foundation's "Policy for consolidation and capital investments" regulates investments.

Note 10: Prepaid expenses and accrued income

	2018	2017
Prepaid expenses and accrued income in Sweden	309,216	4,753,878
Prepaid expenses abroad	346,976	438,737
Total prepaid expenses and accrued income	656,192	5,192,615

Note 11: Provisions

	2018	2017
Opening carrying amount	3,501,344	3,408,906
Additional provisions, commitments abroad	69,700	92,438
Closing carrying amount	3,571,044	3,501,344

Provisions comprise regionally regulated estimated expenditure for future termination of employment for local personnel and expenditure related to restructuring of the operation.

Note 12: Liability received, unutilised grants

	2018	2017
SLU	-	13,336
AGRA	-	313,214
Radiohjälpen	-	551,021
Sida, EU own contribution	1,738,683	-
Swedish Council for Higher Education	8,026	8,026
Swedish Postcode Lottery, special projects	5,402,903	2,524,970
Rotary Club, Rwanda	94,184	94,184
Rotary Club, Tanzania	62,014	-
Danish Family Planning	21,555	-
EU	1,512,730	-
FAO	40,512	-
World Bank	-	414,888
Total	8,880,607	3,919,639

Note 13: Other liabilities

	2018	2017
Plan Vivo climate compensation	2,745,732	3,829,276
KACP climate compensation	2,159,433	110,264
Employee taxes, Sweden	167,150	144,551
Other liabilities abroad	99,709	-
Total other liabilities	5,172,024	4,084,091

Note 14: Accrued expenses and deferred income

	2018	2017
Personnel-related costs	556,100	588,733
Other accrued expenses	2,005,156	1,856,696
Total accrued expenses and deferred income	2,561,256	2,445,429

Stockholm, 24 April 2019



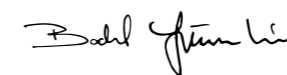
Unn Edberg
Board member



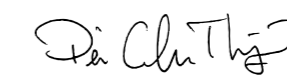
Henrik Ekman
Board member



Magnus Kindbom
Board member



Bodil Jönsson Lindgren
Board member



Pia Carlsson Thörnqvist
Chair of the Board



Anna Tibblin
Secretary General

Auditor's report

To the Board of the *Vi planterar träd* fundraising foundation, org. reg. no. 802012-8081

Report on the annual accounts

Opinions

We have conducted an audit of the annual accounts of the *Vi planterar träd* fundraising foundation (Vi Agroforestry) for 2018.

In our opinion, the annual accounts have been prepared in accordance with the Swedish Annual Accounts Act and in all material respects fairly present the foundation's financial position as of 31 December 2018 and its financial performance and cash flows for the year in accordance with the Swedish Annual Accounts Act. The directors' report is consistent with the other parts of the annual accounts.

Basis for our opinions

We have conducted our audit in accordance with generally accepted auditing standards in Sweden. The auditors' responsibilities according to these standards are described in more detail in the sections *Authorised public accountant's responsibility* and *Elected auditor's responsibility*.

We are independent in relation to the foundation in accordance with generally accepted auditing standards in Sweden. As an authorised public accountant, I have fulfilled my professional ethical responsibility in accordance with these requirements.

We believe that the audit evidence we gathered is sufficient and appropriate as a basis for our opinions.

Responsibilities of the Board of Directors and Secretary General

It is the Board of Directors and the Secretary General who are responsible for preparing the annual accounts and for ensuring they provide a true and fair view according to the Swedish Annual Accounts Act. The Board and Secretary General are also responsible for the internal control that they deem necessary to prepare annual accounts that do not contain any material misstatements, whether due to error or impropriety.

In preparing the annual accounts, the Board and Secretary General are responsible for assessing the foundation's ability to continue the operation. They provide information, when appropriate, concerning conditions that may affect the ability to continue operations and use the going concern assumption. The going concern assumption is not, however, applied if the Board intends to liquidate the foundation, cease operations or has no realistic alternative than to do either.

Authorised public accountant's responsibility

I have to conduct the audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. My objective is to achieve a reasonable degree of assurance as to whether or not the annual accounts as a whole contain any material misstatements, whether due to error or impropriety. Reasonable assurance is a high degree of assurance, but no guarantee, that an audit performed according to ISA and generally accepted auditing standards in Sweden will always discover a material misstatement if such exists. Misstatements can arise due to impropriety or error and are considered to be material if individually or together they can reasonably be expected to affect financial decisions that users make based on the annual accounts.

As part of an audit according to ISA, I use professional judgement and have a professionally sceptical approach during the entire audit. Moreover:

- I identify and assess the risks of material misstatements in the annual accounts, whether they are due to impropriety or error, formulate and carry out auditing procedures based in part on these risks and gather audit evidence that is adequate and suitable to form a basis for my opinions. The risk of not discovering a material misstatement due to impropriety is higher than for a material misstatement due to error because improprieties may involve acting in collusion, falsification, intentional omission, incorrect information or

disregarding internal controls.

- I obtain an understanding of the part of the foundation's internal control that is of significance to my audit to carry out auditing procedures that are suitable considering the circumstances, but not to make a statement on the effectiveness of internal controls.
- I evaluate the suitability of the accounting principles used and the reasonability of the Board's and Secretary General's estimates in the accounting and associated disclosures.
- I draw a conclusion on the suitability of the Board and Secretary General using the going concern assumption in preparing the annual accounts. I also draw a conclusion, based on the audit evidence collected, about whether or not there are any material uncertainty factors pertaining to such events or conditions that may lead to significant doubt about the foundation's ability to continue its activities. If I draw the conclusion that there is a material uncertainty factor, I must call attention in my auditor's report to the disclosures in the annual accounts regarding the material uncertainty factor or, if such disclosures are inadequate, modify the opinion regarding the annual accounts. My conclusions are based on the audit evidence gathered up to the date of the auditor's report. Future events or circumstances may, however, mean that a foundation can no longer continue its activities.
- I evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts portray the underlying transactions and events in a manner that provides a true and fair view.

I must inform the Board and Secretary General of the audit's planned scope and emphasis as well as its timing. I must also provide information about significant observations during the audit, including any significant deficiencies I identify in the internal control.

Elected auditor's responsibility

I have to conduct an audit in accordance with the Swedish Foundations Act and thereby in accordance with generally accepted auditing standards in Sweden. My objective is to achieve a reasonable degree of certainty as to whether or not the annual accounts were prepared in accordance with the Swedish Annual Accounts Act and if the annual accounts provide a true and fair view of the foundation's position and performance.

Report on other legal and regulatory requirements

Opinion

In addition to our audit of the annual accounts, we have also conducted an audit of the Board's management of the *Vi planterar träd* fundraising foundation (Vi Agroforestry) for the year 2018.

In our opinion the Board members have not acted in contravention of the Swedish Foundations Act, the foundation mandate or the Swedish Annual Accounts Act.

We recommend that the members of the Board of Directors be discharged from liability for the financial year.

Basis for our opinions

We have conducted our audit in accordance with generally accepted

auditing standards in Sweden. Our responsibility as set out in these standards is described in more detail in the section on "The auditor's responsibility". We are independent in relation to the foundation in accordance with generally accepted auditing standards in Sweden. As an authorised public accountant, I have fulfilled my professional ethical responsibility in accordance with these requirements.

We believe that the audit evidence we gathered is sufficient and appropriate as a basis for our opinion.

Responsibilities of the Board of Directors

The Board of Directors is responsible for the management in accordance with the Swedish Foundations Act and the foundation mandate.

The auditors' responsibility

Our objective regarding the audit of the management, and thereby our opinion, is to gather audit evidence in order to be able to assess with a reasonable degree of assurance whether any Board member in any material respect has:

- committed any act or any negligence that may give rise to liability for damages for the foundation or whether there is cause for dismissal, or

- in any other way acted in contravention of the Swedish Foundations Act, the foundation mandate or the Swedish Annual Accounts Act.

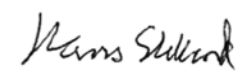
Reasonable assurance is a high degree of assurance, but no guarantee, that an audit performed according to generally accepted auditing standards in Sweden will always discover actions or neglect that may give rise to liability for damages for the foundation.

As part of an audit according to generally accepted auditing standards in Sweden, the authorised public accountant uses professional judgement and has a professionally sceptical approach during the entire audit. The review of the management is mainly based on the audit of the accounts. What additional review procedures are carried out are based on the authorised public accountant's professional assessment and other selected accountants' assessment on the basis of risk and materiality. This means that we focus the review on such measures, areas and circumstances that are significant to the operation and where deviations or violations would be of particular significance to the foundation's situation. We go through and test decisions made, decision documentation, actions taken and other circumstances that are relevant to our opinion.

Stockholm, 15 May 2019
Öhrlings PricewaterhouseCoopers AB



Erik Albenius
Authorised Public Accountant



Hans Eklund
Elected auditor



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Account holder: Insamlingsstiftelsen Vi platerar träd
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