

Food security in focus

Sustainable agriculture now is more important than ever. [PAGE 4](#)

Political advocacy

In Tanzania, agroforestry will soon be included in agriculture policy.

[PAGE 14](#)

Gifts that grow

6,456,641 trees were planted in 2019, A big thank you, to all our generous donors. [PAGE 5](#)



Vi Agroforestry

ANNUAL REPORT 2019

Salome Oside believes in trees as the solution to climate change.

Where trees grow people grow and so does hope.
We delve into Vi Agroforestry's history, the future and how agroforestry is improving the life of Salome Oside and other smallholder farmers.

What is agroforestry?

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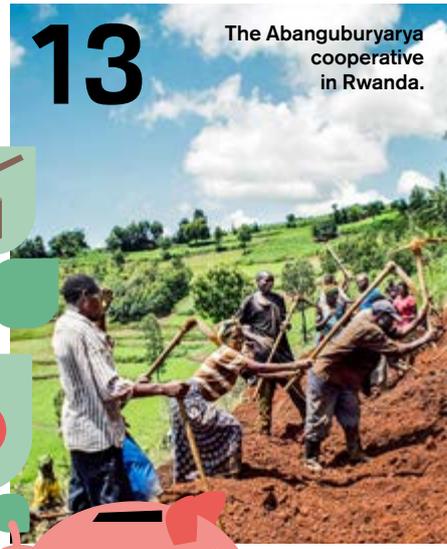


PHOTO LISA BRUNZELL



The year in figures.



6

Mother of 14, Mary in Kenya was in contact with Vi Agroforestry already in 1992, when our writer Karin Alfredsson visited the region on a reporting mission.

PHOTO STIG-GÖRAN NILSSON

Cover photo: Salome Oside lives in Kajagon-go, Kenya. Nothing could previously be grown on the family's land. The solution was agroforestry – planting trees and crops together. They now have money for school fees, and food on the table.



PHOTO ELIN LARSSON



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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(Secretary General's and Chairman's comments)

The future is defined now

The coronavirus pandemic has reached all the countries where Vi Agroforestry operates. The number of cases of infection continues to rise, as does the death toll. Borders have been closed and communities have been shut down in an attempt to reduce the spread. These are devastating developments, not just to human health and the economy, but also to democracy.

We cannot yet grasp the consequences of the crisis, but one thing we know for certain: it's the people living in poverty and vulnerability who will be hit hardest. Those who can't afford to stock up on food, who have no margin or government safety net.

Vi Agroforestry has helped to improve people's living conditions and their resilience, and this is something we are tremendously proud of. By working together, sharing knowledge and standing up for their own rights and the rights of others, people have grown in self-confidence – and have more power over their own lives. Indeed, this annual report shows some fine examples.

At the time of writing, we have received several reports about greater global hunger and increasing poverty in the wake of COVID-19. Many previous results now risk coming to nothing. The COVID-19 pandemic draws attention to injustices in the world. It is putting our compassion to the test. Even so, it is when the problems become visible that they are possible to solve.



Vi Agroforestry is currently preparing for a reorganisation of its operations. When the borders open and people can once again move freely, there will be an acute and immediate need to get to work and get local economies up and running again. We believe that cooperative solutions have a tremendously important part to play.

No one country can solve the crisis alone. Unless the most vulnerable countries can handle the pandemic, no one will succeed. We can afford to have global justice. We can't afford not to. It is important now that we set our sights firmly on the global goals of Agenda 2030 and make sure they become reality. This is our shared responsibility. The world we want after the crisis will be defined by how we act here and now.

We can't predict the future, but we do know for certain that our support and global solidarity will be more important than ever. We know that people are stronger together.

Anna Tibblin,
Secretary General

Pia Carlsson Thörnqvist,
Chair of the Board

Vi Agroforestry

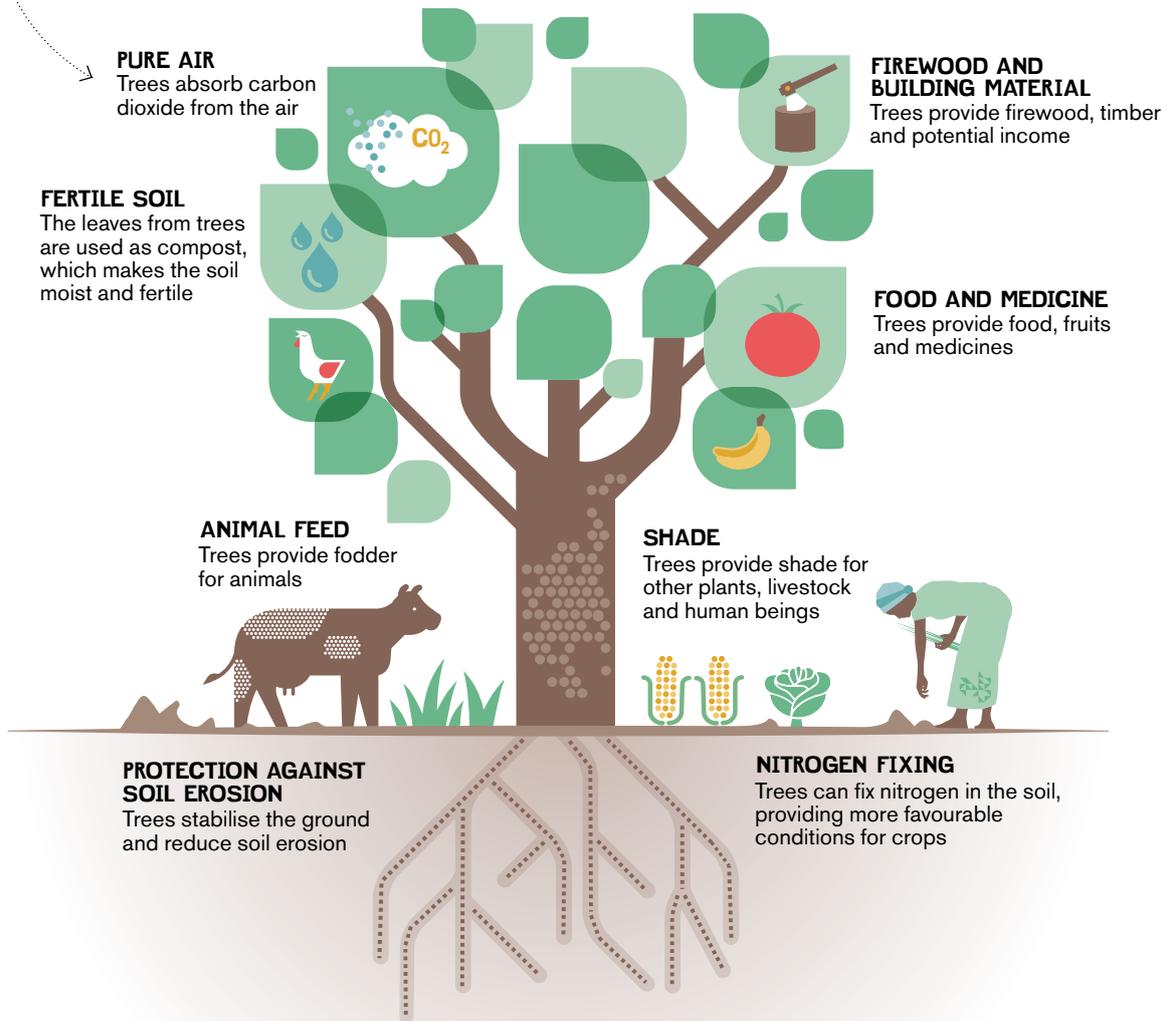
Vi Agroforestry is a Swedish development organisation fighting poverty and climate change – together through Sustainable Agricultural Land Management in Kenya, Rwanda, Uganda and Tanzania – countries that have been severely affected by deforestation, climate change and their devastating effects on both humans and nature.

Since its inception in 1983, Vi Agroforestry has contributed to the planting of over 134 million trees, and has helped more than 2.4 million people out of poverty over the past 10 years. The work has evolved over the years, from originally distributing plants to farmers, to now advising them. 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 the partner organisations, knowledge is passed on.

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

Agroforestry – Vi Agroforestry's method for helping people out of poverty and hunger.



Agroforestry can reduce poverty and hunger in the world

The cornerstone of Vi Agroforestry's work is agroforestry, i.e. planting trees among crops.

The method is good for the climate and produces bigger harvests, higher incomes and more food on the table.

According to the latest global food safety report by the UN Food and Agriculture Organization, FAO, more than 820 million people do not have enough food. Vi Agroforestry works to fight poverty and improve the environment by educating smallholder farmers in Sustainable Agricultural Land Management (SALM) and agroforestry. By putting food security on the agenda, we can contribute to the UN's Sustainable Develop-

ment Goal number 2: Zero Hunger.

The majority of people who live in extreme poverty live in rural areas and depend on their farming for survival. Smallholder farming still accounts for most of the world's food production. Initiatives to improve opportunities for farmers in countries with widespread poverty are crucial in halting the rise of hunger. These are people who struggle to make a living in a changing

(2019 in brief)

climate – and rely on their local ecosystems for their livelihoods.

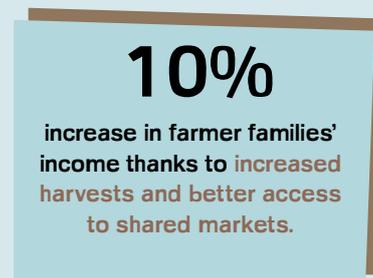
Solutions are available. One example, highlighted by the UN's Panel on Climate Change, refers to cultivation systems like agroforestry, where trees are planted among crops. Agroforestry, which is the cornerstone of Vi Agroforestry's work, offers several social, economic and environmental benefits. Families that use agroforestry on their farms have shown increased productivity and self-sufficiency, better adaptation and resilience to climate change, as well as increased food security. Products such as fruit, vegetables, nuts, honey, eggs and fish are sources of nutritional food. Wood and timber can be sold to boost income. Agroforestry also helps to restore agricultural land, reduce the impacts of climate change and increase biodiversity.

Even so, there are challenges, including lack of access to financial services, unclear land rights and inefficient markets. Vi Agroforestry and our local partner organisations in East Africa recommend that the countries develop a national agroforestry strategy to support Sustainable Agricultural Land Management practices. This would help the agroforestry method to spread and secure access to nutritional food.

Vi Agroforestry's work to support local partner organisations, educate smallholder farmers and put agroforestry on the agenda is an ongoing journey that is producing results. Since our inception in 1983, we have contributed to the planting of over 134 million trees, and in the past 10 years have helped more than 2.4 million people out of poverty. The journey continues.



girls and boys took part in Vi Agroforestry programmes.



It all began with a request in Vi magazine.

From Christmas cards to agriculture policy

Vi Agroforestry's path from amateur tree-lover to modern development cooperation body has not always been a straight one. Since the seed of Vi Agroforestry was sown by Sten Lundgren in the early 1980s, the organisation has changed guise several times. Writer *Karin Alfredsson*, who has been following Vi Agroforestry closely for many years, tells the story with an eye on the future.

My journal entry from 30 September 1992 reads: *“Visited master farmer Fred, where I first realised what agroforestry actually is: trees in the middle of the plantations. Interesting, but as my assignment went on, my later visit to a single mum to fourteen children Mary, was even better.”*

I was a freelance journalist and was asked to join a reporting visit to Vi Agroforestry in Kenya.

My old journal tells me I sold a total of six articles to different publications after that trip. The one about Mary and her 14 children ended up in the Federation of Swedish Farmers magazine *Land*, and in Swedish daily *Expressen* where I explained the difference between ‘male’ and ‘female’ trees. The female ones grow quickly, are planted near the house and provide fuel for cooking (sesbania), while the male ones are sold at a market and become cash in the men’s pockets. Vi Agroforestry only planted ‘female’ trees.

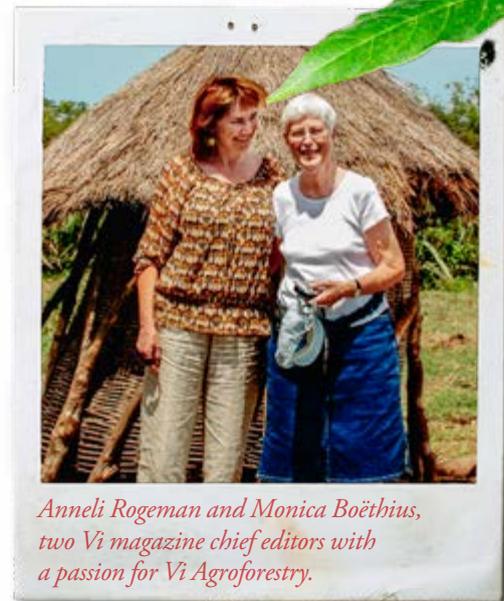
But this was neither the first nor the last time I came into contact with Vi Agroforestry.

A long time ago, when contact with far-flung acquaintances mainly happened through Christmas cards, I bought and sold a lot of Vi Agroforestry cards, which was essentially giving trees as gifts. Before I visited Fred and the other agroforestry farmers, I think I may have even believed that every few pennies did actually become planted trees.

As a marketing strategy it was genius (later copied by organisations that let donors give goats and other simple things), and successfully.

This is how it started:

In 1982, Monica Boëthius became editor in chief of *Vi*, the flagship magazine of cooperative union Kooperativa Förbundet. She wanted the magazine to not only be popular and of high journalistic quality, she was also looking for



Vi reporter Sten Lundgren wrote the first report. Here with Lucia Kama.

Anneli Rogeman and Monica Boëthius, two Vi magazine chief editors with a passion for Vi Agroforestry.

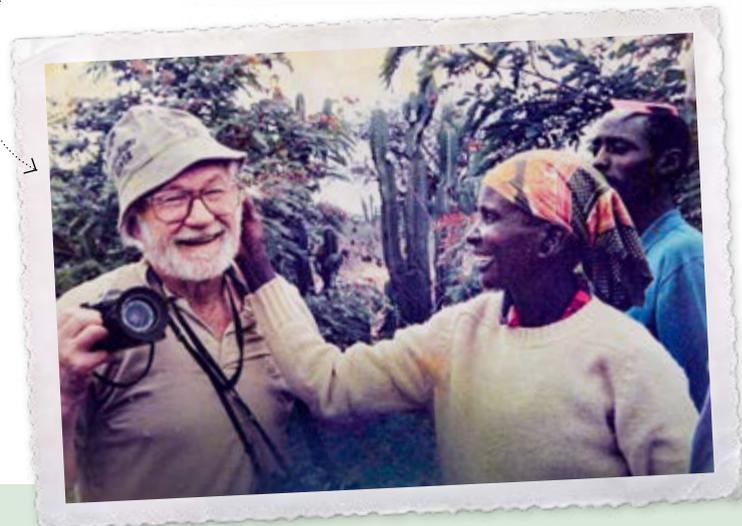


PHOTO STIG-GÖRAN NILSSON, KARIN BJÖRK



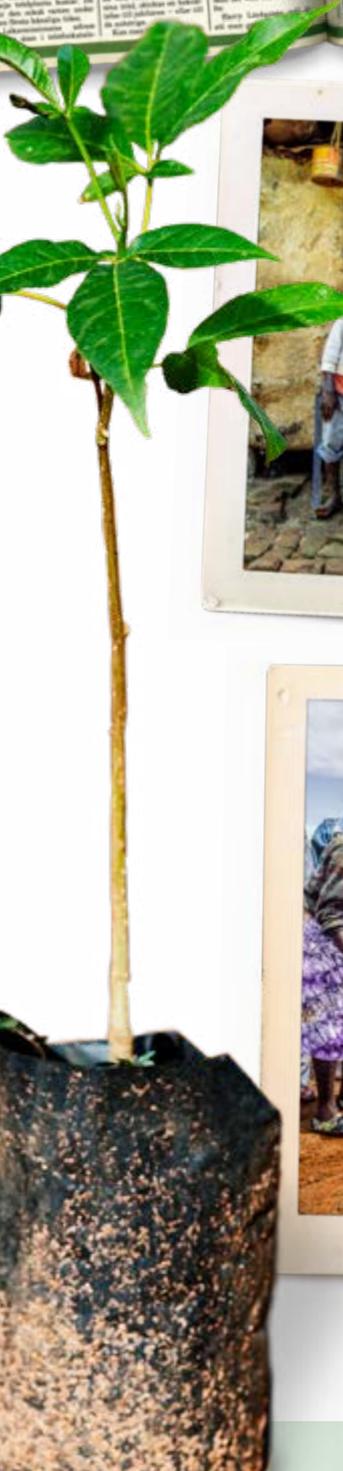
In 1992 Karin Alfredsson went on a reporting mission to Kenya, which included a visit to mother of 14, Mary.

a way to make an impression. The magazine needed to be seen and heard in the general debate, ideally the environmental debate. That would benefit both the magazine and the environment.

“And suddenly there was Sten Lundgren standing in the doorway, Golden Egg in hand,” she said.

Sten Lundgren was a reporter for the magazine, and in issue 32/82 he wrote:

“Don’t shower with flowers, give a forest instead!” The article urged consumers not to send flowers on birthdays, funerals and so on, but to donate some money to the tree-planting project of Christian aid organisation Läkarmissionen in Africa.



Lundgren had been on a reporting mission at Lake Victoria in Eastern Africa. His involvement focused mainly on deforestation and desertification, where Eastern Africa’s soil was literally draining away after endless trees had been chopped down and erosion rocketed.

Readers responded, donating so much money to Läkarmissionen that it couldn’t handle the bombardment. Could *Vi* not start its own tree-planting project?

What a great idea, thought Monica Boëthius. The *Vi* Agroforestry project was initiated, with its own department at the magazine’s office and in its budget. Six months after the launch readers had bought 150,000 trees at SEK 7 each (about SEK 18 in today’s money), and in the first year almost 2 million Swedish kronor was raised.

The funds were sent to West Pokot in Kenya. In collaboration with a Kenyan organisation, nurseries were started and seedlings distributed to local farmers. But the success stopped there. The Kenyan partner organisation had no experience in planting trees, the seedlings died, the farmers were pretty disinterested and the desert carried on expanding. Even so, the project was a success in Sweden.

Some years later, Monica Boëthius wrote:

“Aid work is difficult. It’s a serious matter to interfere in the inner life of another country, however good our intentions or strong our passion is. I know that those of us who started the Vi Agroforestry project had plenty of both. What we didn’t have was knowledge.”

Professional help was called in, and consultant Erland von Hofsten from the Swedish University of Agricultural Sciences went to Kenya. And he didn’t hold back in his criticism:

“Trying to hinder ongoing desertification in a semi-arid landscape solely by planting is, I must say, totally removed from reality [...] It is fundamental that a project is properly established with the local population so that they care and get involved, if the plantation is to be of any benefit to the community in the long term.”

We will come back to this criticism – a subject which today we would call ‘sustainability’ – when we look at the



The Olof Palme Agroforestry Centre in Kitale, Kenya was opened in October 1992 by Lisbeth Palme, amongst others.

history of Vi Agroforestry. How could the good tree-planting ideas be established with the local farmers so that the forest could continue to grow and thrive, even after the Swedish funds stop coming in?

The poor results ended up on Sweden's front pages. In December 1985, the *Östra Småland* newspaper published an article with the headline, "Vi readers conned – no green in their forest".

Newly appointed Vi Agroforestry boss Tor Nyberg had a lot to do. He ended the partnership with the Kenyan organisation and Vi Agroforestry was registered as a new NGO (Non-Governmental Organisation) in Kenya. The operation moved to Kitale, grew and became more professional.

Vi magazine eventually relinquished ownership, and the *Vi planterar träd* (*We Plant Trees*) foundation was founded in 1987. By this time Vi Agroforestry had 100 permanent employees in Kenya and 150 employed field workers. Work took place at large nurseries, where farmers could collect seedlings for their farms. Four people worked at the office in Stockholm.

The crisis was overcome, operations were running smoothly, and private Christmas card buyers and other donors carried on being generous. But Vi Agroforestry had problems with two major organisations: cooperative union Kooperativa Förbundet (KF), and the Swedish International Development Cooperation Agency, Sida.

As owner of Vi, KF had never liked the idea of the magazine starting its own aid project. KF, along with the other major cooperative organisations and companies, ran its own operation for international aid. The SCC (Swedish Cooperative Centre) had been founded back in 1958. KF wanted Vi Agroforestry and SCC to work together more, and received support from the real heavyweight in Swedish international aid work, government agency Sida.

On the one hand Sida found it impractical to have to work with two different cooperative organisations, and – more importantly – it considered Vi Agroforestry's way of conducting aid work to be wrong, outdated and short term.

The aim of all development aid should ultimately be to render itself unnecessary: the Swedish money should be able

“We saw how the desert was being restored by planting trees. We met farmers who told us how the trees had improved their farms’ productivity.”

to eventually disappear, and the aided operation should be self-sufficient. That wasn't how Vi Agroforestry worked. There were a few attempts at partnerships, but they didn't work. Instead more people were employed, the successful nursery in Kitale grew and expanded to become the Olof Palme Agroforestry Centre.

Along with the other journalists in my group, on 3 October 1992 I was invited to the centre's grand opening. My journal reads: "We were a bit late to the opening but we got to see some nice dancing and hear far too many speeches. A few were good, such as Lisbeth Palme's, but most were too long and boring."

Tor Nyberg was the successful manager of it all. He took us to West Pokot, where we saw how the desert was being restored by planting trees. We met farmers who told us how the trees had improved their farms' productivity and boosted their income. The operation was working. My journal again: "Tor Nyberg is amazingly enthusiastic. A real tree geek."

Monica Boëthius, no longer editor at Vi but on the Board of *We Plant Trees*, was on the trip as well, and was proud and engaged. During these years the 'forest' – actually just trees combined with crops on the farmers' land – was growing and becoming established in Kenya's neighbouring countries around Lake Victoria: first Uganda, then Tanzania and finally Rwanda.

Sida began contributing to the operation, on the provision that funds would now go through the Swedish Cooperative Centre, with which Sida had a framework agreement. Not until several years into the 21st century was the collaboration between the two organisations formalised. Vi Agrofor-

1982: Monica Boëthius, editor-in-chief of Vi magazine, starts fundraising to stop desertification around Lake Victoria in Africa.



1983: The magazine reports on the project. In the first week, readers buy 7,000 trees at SEK 7 each. Vi Agroforestry sets up in West Pokot, Kenya.

1984: Vi Agroforestry opens its first nursery in Marich, Kenya.



1991: Vi Agroforestry gets a 90 account.

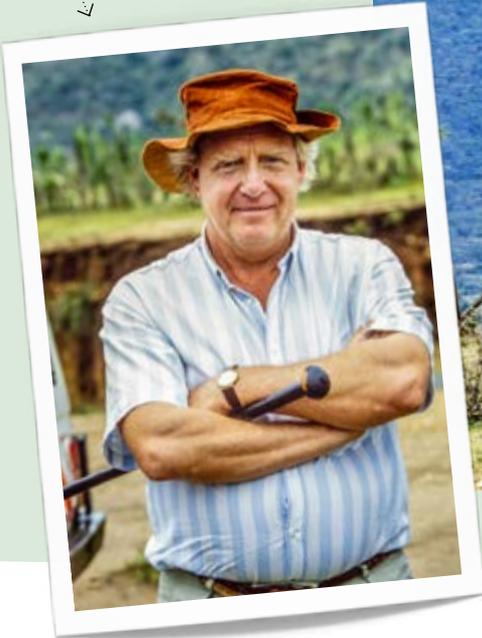
1991: Vi Agroforestry starts working in Uganda.



Tor Nyberg, the 'tree geek' who professionalised Vi Agroforestry.



Kenya was the first country where Vi Agroforestry began working. Here, a view from Kitale.



Agroforestry was afraid it would get swallowed up by the far larger SCC (now We Effect), and there was a great deal of mistrust between the organisations. Sida and the SCC demanded that Vi Agroforestry should be run from a rights perspective and work with advocacy in association with local partner organisation, while Vi Agroforestry found it hard to trust these partner organisations. There was concern that the money would be used less efficiently, or even vanish altogether, and Vi Agroforestry would lose control.

Meanwhile Swedes kept on giving, partly by pressing the 'aid button' on bottle deposit machines in COOP stores. In 2003, SEK 23 million was raised. In 2007, 90,000 Christmas cards were sold.

In 2004, Vi Agroforestry had 800 employees.

The focus on nurseries gradually decreased and was replaced by education of individual farmers, so they could choose and cultivate suitable seedlings themselves. In 1997, the last of the last Vi Agroforestry owned nurseries were closed. Savings and loan groups – where locals could save and lend money to other local people who needed to invest or were in difficulty – became the

new value addition to village communities. The fact that the banks were largely run and controlled by women increased gender equality in the villages. Another successful idea was the fuel-efficient cookers, built simply with a few bricks.

So the new methods were working well in the villages around Lake Victoria. But the operation was still largely managed by employees who were paid with Swedish money. In 2009, Vi Agroforestry still had 472 employees.

Centrally, Vi Agroforestry was becoming interested in a new area: climate compensation. This is a way for companies and individuals to balance out their climate impact by paying to have trees planted; these trees store (or 'sequester') carbon in the ground and counteract negative climate change. In 2009, Vi Agroforestry signed a climate compensation agreement with the World Bank, encompassing tree planting to be carried out by 50,000 farmers. There would be more agreements down the line.

In 2011, Vi Agroforestry began restructuring its operation and finding local partner organisations.

In actual fact the core operation, agroforestry, has been the same since day one. Agroforestry entails farmers combining crops with trees to improve the fertile soil, increase

1992: Lisbeth Palme opens the Olof Palme Agroforestry Centre in Kitale, Kenya.



1993: Vi Agroforestry sets up in Tanzania.



2001: KF decides to offer Medmera cardholders the ability to donate to Vi Agroforestry by rounding up to the nearest whole Swedish krona.

2004: Coop introduces a donate button on bottle and can deposit machines in its stores.



Zainabu Rajabu, 14, is a member of the school's tree club. Her favourite is the avocado tree.



their productivity, and avoid cutting down forest to use as fuel for cooking. The question has never been whether the ideas were good enough – in fact Vi Agroforestry was awarded the Swedish Development Forum's 'Aid Initiative of the Year 1993', and Vi Agroforestry is now an important player in forest research) – instead the debate has focused on how ownership should be transferred to local powers.

In August 2013, in my new role as Regional Director for We Effect in Southern Africa, I got to visit Vi Agroforestry in Kenya. It was an impressive reunion. We visited successful farmers whose small plots of land had become verdant jungles of trees and crops, some trees providing shade, others soil fertility, others with medicinal value, others for cooking fuelwood and others for building material or acting as a fence. Whatever could not be used became compost, and then new soil. The age of burnt-out fields was past.

In my journal I wrote:

“After breakfast in the dining room (which looks just like in 1992!) we went to the Olof Palme Agroforestry Centre for a presentation and tour. The demo garden is impressive, and we talk about how we can start something similar in our region. I reckon Monica looking down and feeling pretty pleased with what she saw.”

The operation is run partly with funds from Sida, which are channelled through We Effect. New donors include The Swedish Postcode Lottery and the Children of the World campaign, and Swedish people remain faithful.

Today Vi Agroforestry has about 80 employees, and although planting takes place on farms in rural areas by smallholder farmer families, it has been important for the organisation to establish itself in the main cities as well. The politicians that the organisation wants to influence are in Dar es Salaam, Nairobi, Kigali and Kampala. There are also embassies and other bodies in those cities that can contribute funds.

“Our aim is that there should be a national agroforestry strategy in each country, to help support Sustainable Agricultural Land Management,” says Lena Martens Kalmelid, Regional Director for Vi Agroforestry stationed in Nairobi, Kenya.

One problem is that planting trees on farmland has fallen between the cracks, so to speak, being neither part

of the Ministry for Agriculture nor the Ministry of Forestry.

“But now things are slowly starting to happen,” says Lena Martens Kalmelid. “Kenya is drafting a strategy and Vi Agroforestry has been invited to be part of that process. Tanzania too is conducting a review of its agriculture policy. The emphasis there is on trees being integrated with crop farming, and the call to government to support local initiatives. We’re working to improve the agricultural policy in association with others, such as the Agroforestry Network research group.”



Wangu Mutua is Deputy Regional Director for Vi Agroforestry and lives in Nairobi. She has worked for Vi Agroforestry for 17 years, and can see a lot has changed.

“In the beginning we worked more on the ground, in direct contact with farmers,” she says. “Now we work with local organisations, providing financial and technical support so they can own the operations. They may plant a few less trees than when we did it all, but it’s better. We can cover larger geographical areas and get local authorities involved. That way it’s more sustainable. Now it’s our partners who are on the driving seat. We have three types of partner organisations: core partners, technical



PHOTO JOY KIVATA



2005: Vi Agroforestry begins operations in Rwanda.

2007: 90,000 Christmas cards are sold, raising SEK 2.4 million.

2009: An agreement is reached with the World Bank on climate compensation in Kenya. It covers 50,000 farmers.

2014: Ajuma Nasenyana, Anders Lundin, Babben Larsson and Helen Sjöholm become Vi Agroforestry ambassadors.





PHOTO NYOKABI KAHURA

partners and strategic partners.”

One area dealt with by Vi Agroforestry directly is the climate compensation projects. Vi Agroforestry must itself perform the careful calculations which show how much carbon is sequestered in the ground. Thanks to this precision, Vi Agroforestry’s climate compensation is of high quality, shown partly by an audit recently conducted by Swedish daily *Dagens Nyheter*. On the other hand, this very precision also means that the work is costly, difficult and time-consuming.

Pia Carlsson Thörnqvist is Chair of the Board of Vi Agroforestry. Her regular job is Head of Branding & Membership at cooperative union Kooperativa Förbundet (KF).

“I’m a branding person and I’m extremely proud of Vi Agroforestry’s strong brand. We need to nurture that.”

She believes that people will be prepared to pay for climate compensation. This goes for individuals as well as companies – “whether they fly or not” – but the model must be made more effective.

Last year Ms Thörnqvist visited the Vi Agroforestry operation in Tanzania. What she remembers most is a visit to a farming couple who had planted a lot of trees – banana, papaya, mango, guava – next to the traditional crops on their small plot of land. Among other things, they also made and sold mango ice cream.

“It was like a jungle, and all around the house there were seedlings in small pots, the kind we buy geraniums in. On the neighbouring farm, two women and two children were harvesting a single crop, cassava. If the cassava fails, they have nothing.”

Magnus Kindbom at The Federation of Swedish Family Forest Owners (LRF Forestry) is also on Vi Agroforestry’s Board:

“I just love trees. The whole world needs more forest, and that’s where Vi Agroforestry is helping. The lofty environmental arguments are of course important, but for the individual farmer it’s about survival. Getting better harvests, food on the table, and the chance to send their children to school. Vi Agroforestry has a good, credible concept.”

The future has many faces, but in Africa they know those faces are young. All the children who grow up on the continent have a great responsibility, but also a lot of opportunities.

I remember Alan and Moses, two teenage boys I met one

afternoon in 2013, in the shade of a corn plantation. I was one of a group of visitors looking at how sustainable agricultural methods had produced better harvests. I asked how they regarded their own future. Well, they both wanted to go to the city, Alan to be a professional footballer and Moses a musician. But not farmers – not a chance!

“That’s our next great challenge,” says Wangu Mutua at Vi Agroforestry. “Getting young people to understand that working on the land is not some kind of punishment. When I was young, everyone told me to study hard so I could get a degree and find a good job in the city. Those jobs don’t exist. Working in agriculture is possible, and enjoyable.”

Fourteen-year-old Zainabu Rajabu from the Nyamugere School in northern Tanzania, agrees. She is a member of the school’s tree club, started by Vi Agroforestry.

“There was a time when the rain never came,” she says. “When there was no food. I don’t know if that was in all of Tanzania or just here.”

When the drought was at its worst, a lot of parents left their children in the village to look for food elsewhere, and the children had to look after themselves. Zainabu Rajabu is now learning how to grow seedlings, tend a kitchen garden and plant trees. Everything grown at the school is used for school meals, but Zainabu Rajabu has also planted several trees at her family home. Trees that provide shade, wood and food. The avocado tree is her favourite, as is the papaya tree with its sweet fruit.

“Now we can eat several times a day, both at school and at home. I dreamed of change, of never having to experience famine. Now I know that trees can help me achieve that.”

Since its inception in 1983, Vi Agroforestry has contributed to the planting of over 134 million trees, and in the past 10 years has improved the lives of more than 2.4 million people.

Story **Karin Alfredsson**

Karin Alfredsson is a journalist and author of thrillers and relationship fiction. She often depicts conditions for women.



PHOTO MALIN VON STRAUSS

50% ♀

2014: A new goal is set to forward half of all aid funds to women.

2015: Vi Agroforestry becomes a beneficiary of the Swedish Postcode Lottery.



2017: Vi Agroforestry signs its first agreement with the EU, a project in Mara Serengeti, partly to educate farmers in agroforestry.

2018: Start of a new programme – ALIVE (Agroforestry for Livelihood Empowerment Programme).

2019: Launch of the Vi Agroforestry climate calculator.

PHOTO AMUNGA ESHUCHI, MARCUS LUNDSTEDT



Seedlings in Kenya.



(Kenya)

al and Rural Inclusive Growth Project (NARIGP), Research Triangle Institute International (RTI), Agriterra and World Education Inc.

Greater focus on children and young people in agroforestry

Following a decision to focus more on children and young people in its agroforestry work, Vi Agroforestry's partner organisations have taken measures to reach out to schoolchildren with information and knowledge on the environment and agroforestry. This helped Vi Agroforestry to exceed its annual target for the number of girls and boys involved in the regional programme by over 100 per cent.

Vi Agroforestry Kenya at the global heart

During the year, Vi Agroforestry representatives from Kenya took part in various international events. At the UN Climate Change Summit in New York in September, agroforestry was highlighted as a contributing factor in improving gender equality and biodiversity. At the annual meeting of the UN Committee on World Food Safety (CFS) in Rome, agroforestry was discussed as a means of helping to achieve the goal of Zero Hunger (SDG no. 2).

Vi Agroforestry also made sure that Margaret Muchanga, a farmer from one of its projects, could take part in the World Congress on Agroforestry in Montpellier. At the congress, Margaret shared experiences from her farm and how agroforestry methods have helped to boost milk volumes, agricultural production and welfare. She also took the opportunity to highlight the need to plant trees among crops. Back in Kenya, Margaret has shared her experiences from the congress with farmers in her village, and they have now started using agroforestry methods which have boosted their incomes too. Margaret has also helped to inspire other women in the community to raise their voices and take their place in the family and in the wider community.

Training in Human Rights Based Approach

During 2019, Vi Agroforestry conducted its workshops using the Human Rights Based Approach. The aim was to build capacity in partner organisations and other bodies in civil society, to educate citizens in rights-based issues.

As a result of the training, Vi Agroforestry's partner organisations and civil society bodies in Bungoma district joined forces so as to raise their voices when the County Integrated Development Plans for 2018–2022 were being drafted. As many as 70 per cent of the suggestions for improving the development plans were approved. For example, strategies were adopted for better planning, budgeting and improved delivery of services for rights holders. It was also possible to start construction of a water spring in Lwandanyi district in order to secure access to clean, safe water.

Vi Agroforestry in Kenya strengthens vulnerable groups in society

More women need their voice heard. Vi Agroforestry has worked hard towards this goal during the year, supporting women to take their place in member organisations and at meetings, for example. Children and young people have also been more in focus, through education about the environment and agroforestry.

During the year, Vi Agroforestry in Kenya focused on strengthening female leadership. 173 women, part of the regional ALIVE programme, were trained in leadership with a focus on strengthening their voices and bolstering self-esteem. The aim is not only women in leadership positions, but also to increase the active and meaningful participation of women. Vi Agroforestry now has two member-based organisations in Kenya with a woman as chairperson.

Stronger local players

Vi Agroforestry supports local partner organisations in building alliances for advocacy and resource mobilisation, especially at the county level. Support was provided during the year through education, information exchange and technical support.

One result is that two partners, in Bungoma and Elgeyo Marakwet districts, have included the interests of agroforestry, value chains and smallholder farmers in their annual development plans.

Increased financial opportunities

Vi Agroforestry supports partner organisations in identifying opportunities for financing. During the year this has resulted in financing from new donors such as the National Government Affirmative Action Fund (NGAAF), the National Agricultur-



The Mutimawurugo cooperative in Rwanda.



Advocacy and business development in focus

Vi Agroforestry's work in Rwanda during the year has concentrated primarily on two areas: advocacy and business development.

Holding duty bearers accountable to the rights holders

During 2019, Vi Agroforestry began working with a local partner organisation in Rwanda to enhance advocacy, openness and commitment in civil society. Boards and management members in Vi Agroforestry's partner organisations were given further training in advocacy work.

The programme was a collaboration between Vi Agroforestry and the Agricultural Non-State Actors Forum in Tanzania, and it contributed to a better understanding of the situation for smallholder farmers. Vi Agroforestry personnel also took part in several meetings with decision-makers, which enabled action

and greater opportunities for rights holders to make their voices heard in different forums. During the year, Vi Agroforestry was also voted in as a member of the National Steering Committee of Rwanda Organic Agriculture Movement.

Farming as a business

In Rwanda, agriculture is still fundamental to economic growth, fighting poverty and a sustainable environment. In order to identify new markets, increase knowledge exchange and help farmers run farms as businesses, farmer groups and individual farmers were trained during the year through field visits both in Rwanda and abroad.

At the end of 2019, the majority of Vi Agroforestry's partner organisations had developed operations for e.g. flour processing, briquette making and handicrafts. This enabled the organisations' members to boost their profit and income, and thereby improve their livelihoods.

Jean Damascene Nzacahinyeretse and Alphonsine Mukamurenzi have been members of Vi Agroforestry partner organisation COPRORIZ since 2000. Supported by Vi Agroforestry and COPRORIZ, they have received enterprise training, become members of a savings and loan group, and have been on study visits. Thanks to these opportunities, they have gone from farming for their own survival to running their farm as a business. "The measures have improved our production and income significantly," says Alphonsine. "Also, thanks to saving, we have been able to buy a machine for milling corn. We are thankful to the cooperative and its partners, especially Vi Agroforestry, for all their support," says Jean.



Gasabo district, Rwanda.



Mwita Igayi.



Agroforestry becomes a priority in the national agricultural policy

In Tanzania, Vi Agroforestry's initiatives in agroforestry at a national level have produced results. The campaign has led to the Ministry of Agriculture including it in its National Agricultural policy.

During 2019, Vi Agroforestry started a campaign to highlight the need for a national agroforestry strategy in Tanzania. The campaign was launched at the Agroforestry Symposium 2019, which attracted over 1,500 participants from different parts of society, including the public and private sectors, government officials, politicians, civil society organisations, scientists and farmers. The heads of the Parliamentary Agriculture, Livestock and Water Committee also took part, as did the Board of Vi Agroforestry from Sweden.

Vi Agroforestry was then invited to present the results in parliament, after which the ministry of Agriculture resolved to include agroforestry as a priority in Tanzania's national agriculture policy.

Women in leading positions

Wegesa Marwa from the village of Karakatonga was a traditional dancer before she joined a savings and loan group, which was mainly comprised of women. The group was formed thanks to a development project from BUFADESO, one of Vi Agroforestry's 12 partner organisations in Tanzania. The purpose of the group is to establish and develop sustainable agriculture for improved livelihoods. During the year, the women were trained in areas including agroforestry, sustainable agriculture and gender equality – and the results have been impressive.

“It hasn't been easy getting to where I am today. I used to dance to entertain tourists, but that was badly paid. All my new knowledge has improved my situation considerably. After training with BUFADESO I was entrusted with the position of group leader for my savings and loan group. That really boosted my self-esteem and I decided to run for chair in the local leadership election in 2019. And I won! Today I lead my community. It used to be impossible for a woman to speak in public due to norms and culture. I feel like a superwoman!” says Wegesa Marwa.

Two nations, one goal: Saving the Serengeti-Mara ecosystem

Serengeti-Mara is one of the world's largest ecosystems, with the greatest variation of grazing mammals.

Vi Agroforestry's SEMA project, which is funded by the European Union, contributes to the conservation of the Serengeti-Mara transboundary ecosystem in Tanzania and Kenya. This is done by giving local communities the potential for sustainable livelihoods, and by supporting ecosystem management and the preservation of wild animals.

The project focuses on farmers who live in the Serengeti-Mara ecosystem, and they have been educated in land management techniques and co-existing with the wild animals, preserving the environment, planting trees and practising climate-smart, sustainable agriculture. The project has demonstrated the importance of biodiversity both in agriculture and ecosystems. One of the project's success factors has been to draft land use plans, whereby people and animals co-exist in the landscape.

Mwita Igayi is one of the farmers involved in the project. He lives with his family on a farm bordering the Serengeti National Park in Tanzania's Tarime district, growing different types of crops. Previously the crops used to be destroyed by the wild animals, especially elephants, which led to severe income losses. During the year, Mwita was trained on how the family can coexist with the wild animals, preserve the environment, plant trees and run their farm in a sustainable, climate-smart way. He also learned which crops keep wild animals away. The result was a harvest so big that it was not only enough for the family, but also left some to sell. The family's financial situation has improved significantly, and they have been able to build a new home. Mwita is now planning to buy a cow and hopes to expand the farm even more. To date Mwita has planted more than 100 different agroforestry trees to adapt to the effects of climate change.

(Uganda)



A passion for passion fruit and coffee boosts the economy

Passion fruit and coffee farmers in Uganda enjoy improved finances thanks to Vi Agroforestry. With training in developing value chains fruit have become juice, coffee has been refined and packed, and everything has been marketed collectively.

In Uganda, passion fruit and coffee are important sources of income for thousands of smallholder farmers. However, because of unsustainable farming methods, climate change and market failings, many farmers suffer from inadequate production and low income.

With support from Vi Agroforestry, female farmers and young people have received help in developing value chains for passion fruit and coffee, and this has helped them to significantly boost both their production and income. With training conducted during the year, the farmers have learnt to process the raw products and to play an active part in collective marketing. This is particularly true for passion fruit plantations through Vi Agroforestry's Masaka District Farmers Association (MADFA), where members have made juice from their fruit.

Great progress has also been made among coffee growers, who have learnt to process, refine and pack their product. During 2019, farmers who grew coffee made average profits equivalent to about SEK 6,000 per family. Moreover, work on Sustainable Agricultural Land Management (SALM) and greater participation in Vi Agroforestry's partner organisations has led to a better more balanced gender equal society. Through the project GREAN, more than 12,000 coffee farmers, 30 per cent of them women and 22 per cent young people, have successfully expanded their capacity during the year. The participation of women and young people is now in clear evidence in Uganda, and male dominance in coffee busi-

ness is reducing. Also during the year, a Fairtrade-certified coffee was launched in the project, and this has led to higher value and profit margins up to 14 per cent higher.

Increased assets for women and young people

Thanks to efforts of the Vi Agroforestry's ALIVE programme, the proportion of farmers with access to financial services increased significantly by 40 per cent during the year. The money borrowed by members of savings and loan groups was used to grow and refine coffee and for the production of briquettes, all of which has led to higher incomes. During 2019, 87 per cent of the members saved money and 74 per cent had access to credit from different financial institutions, including savings and loan groups. With support from the GREAN project, 7,087 (70 per cent) of the 10,125 members in the savings and loan groups are women and young people.

Dream project yields results

Norah Namugenyi is a widow with six children and makes her living as a passion fruit farmer. "It was always my dream project, but I didn't have the knowledge or income to grow high-quality passion fruit. After taking various training courses on passion fruit farming, I went for it and expanded my orchard. I used to harvest eight bags of passion fruit and sell them to local intermediaries. In 2019 I've had 48 bags and have sold them at a far higher price. Despite challenges like drought, pests and sickness, I've managed to increase my income a lot. I can now take care of my children and also other people in the village. Now farmers come to my farm to learn what I do. I feel proud," says Norah.



Coffee beans.

PHOTO EDWARD ECHWALI

(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 Tidsskrifter (Swedish Magazine Publishers Association) and Norra Västerbotten Tidnings AB. Vice Chair of Utgivarna (Swedish Publishers' Association).



Bodil Jönsson Lindgren

Member
Communications Director,
Coop Sweden.

Elected to the Board: 2011

Other significant posts:
No other posts reported.
Previously Marketing Director, Coop Marketing, and Marketing Manager, Coop Stores and Supermarkets.



Magnus Kindbom

Member
Forest Director and
Head of LRF Forestry

Elected to the Board: 2018

Other significant posts: Member of the Royal Swedish Academy of Agriculture and Forestry.



Charlotta Szczepanowski

Member
Head of Sustainability & Quality,
Coop Sweden

Elected to the Board: 2019

Other significant posts: Previous experience of sustainability work at Electrolux and the Swedish Post Office, and head of sustainable development at Riksbyggen. Chair of NMC – The Swedish Association for Sustainable Business and board member of KRAV.



Pia Carlsson Thörnqvist

Chair of the Board
Membership and Branding
Manager, KF

Elected to the Board: 2017

Previously Marketing & Communications Director at Folksam and Marketing Manager at KPA Pension.



Anna Tibblin

Secretary General

Secretary General for Vi Agroforestry and We Effect. Previously International Manager and Regional Manager in Southern Africa and Latin America, has worked in aid assessment in her own consulting company and has also been a journalist for daily and trade newspapers.

(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 better, more secure livelihoods 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 one project office in each of 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 Agroforestry’s vision of development. The operation is based on a rights perspective, with a focus on work in partnership that enables 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’ organisa-

tions 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

We Effect conveys Sida funds to Vi Agroforestry for programmes and projects in Eastern Africa. The collaboration was further strengthened during the year, through a new organisational structure for greater efficiency and cohesion in the development cooperation. The organisations share administration and marketing at the head and regional office, and exchange experiences in several areas.

Significant events during the year

The adverse impacts of climate change remained clear during the year, and are hitting the people of Eastern Africa hard. Drought, flooding and landslides lead to severe food shortages, and people are forced to flee.

Vi Agroforestry works with smallholder farmers in four countries around Lake Victoria in Eastern Africa, and helps to educate them in Sustainable Agricultural Land Management (SALM). This increases the farmers’ resilience to climate change, helps them to adapt to the new climate and also produces bigger harvests, which means more food on the table.

An analysis of the geograph-

ical presence in the region was conducted. Based on the results, the Board decided that Vi Agroforestry will continue operating in all four countries, with a special mission for Rwanda to ensure that the programme is designed in such a way that human rights are strengthened. This will be re-evaluated at the end of 2020.

During the year, Vi Agroforestry has striven to include partner organisations in more and more activities, such as education and training so as to raise the capacity for resource mobilisation. Vi Agroforestry also brought a partner to the African Landscape Forum in Arusha, which garnered a lot of attention.

Vi Agroforestry’s advocacy campaign *Local to global advocacy for agroforestry policies* achieved great success during the year. Also in 2019, Vi Agroforestry arranged and took part in several international events. In July, an event with Agroforestry Network alongside the UNDP was organised in conjunction with the UN High Level Political Forum in New York. We also took part in the UN’s Climate Change Summit, COP 25, the World Agroforestry Congress in Montpellier, the UN Climate Forum in New York, the ICA Congress in Kigali and the Commission on Food Security in Rome.

Targeted activities in the region

- **In Rwanda**, Vi Agroforestry has focused heavily on introducing an advocacy component in the programme. The partner organisation ANSAF of Tanzania was invited to host training for personnel, partner

(Directors' report)

organisations and other players in how advocacy work can be structured based on Vi Agroforestry's core operation.

■ **The Tanzania** office, alongside We Effect, has taken the initiative to bring together Swedish civil society bodies into a network for exchange, and to create a platform for more structured cooperation with the Swedish embassy in the country.

The annual Agroforestry Symposium in November garnered more attention in 2019 than previously, particularly in the media. The Vi Agroforestry Board also participated on one day, and the Board Chair was a valued guest of honour. During the year, Vi Agroforestry was involved in the overhaul of Tanzania's national agriculture policy, agroforestry will now be a stronger feature.

■ **Uganda** had two projects green-lighted during the year: *Green Schools for Better Learning*, financed by Radi ohjälpen, and *Green Livelihoods for Youth*, funded by the European Commission. On the International Day of Forests, some 28,000 trees were planted by Vi Agroforestry's local cooperation partners in 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**, the focus in 2019 was on scrutinising the Mt Elgon project, financed by a French investment fund. At the invitation of the Swedish embassy, the office also took part in field visits and a follow-up seminar regarding the

Agricultural Sector Development Support Programme (ASDSP). We now also have a place on the committee for drafting an agroforestry strategy, and in May Vi Agroforestry took part in Global Soil Week in Nairobi.

The operation in Sweden

In connection with the global events Vi Agroforestry took part in during the year, alongside Agroforestry Network we published reports and policy documents, including on the theme of *Agroforestry for Adaptation and Mitigation to Climate Change and Migration and Agroforestry*. Vi Agroforestry's report entitled *Varmare klimat – iskall nyhet?/A warmer climate – ice-cold news?*, about media coverage of the climate issue, was presented at a packed seminar for the fifth year in a row. In all our media activities during the year, we have endeavoured to put agroforestry on the agenda.

In March 2019 Vi Agroforestry launched a new climate calculator, which enables private individuals to purchase climate compensation. The climate calculator has also made it easier for businesses and individuals to calculate their emissions and compensate for them directly online. Several marketing campaigns were carried out during the year to draw attention to the calculator. Vi Agroforestry also produced short animated films explaining how climate compensation works. Sales of climate compensation increased by 49 per cent in 2019.

During the Almedal Week political event, Vi Agroforestry organised a seminar on cli-

mate compensation, and one of the farmers involved in our climate compensation project, Prisca Mayende, was also in attendance. Vi Agroforestry also took part in various panel discussions during the week, and also hosted a seminar on Sida's *Sverige i världen*, alongside Agroforestry Network, on the theme of migration and agroforestry.

During the year, Vi Agroforestry also took part in several other events such as *Grannyran i Smedjebacken* along with the Swedish Postcode Lottery, the Consumer Association Stockholm themed day at Skansen, Järvaveckan, Mölndal Sustainability Week and the Hemsö international week.

Vi Agroforestry raised a total of SEK 59.8 million in donations. During the year, the organisation endeavoured to reach new monthly donors, and the year finished off with a popular and successful Christmas campaign targeting individuals and businesses, the message being to *Replace one tree with another*. Vi Agroforestry's ambassadors took part in various films on social media channels during the year. The marketing department revamped Vi Agroforestry's websites during the year, i.e. both the Swedish and the international site.

Giva Sverige Code of Quality

Vi Agroforestry is a member of Giva Sverige (the Swedish Fundraising Association), which is a collective body for Swedish fundraising organisations. Giva Sverige has developed a Code of Quality for ethical, professional and transparent governance of organisations, to which

Vi Agroforestry adheres. Since 2013, compliance with the code has been monitored by an external auditor.

Miscellaneous

During the year, a new department for Vi Agroforestry has been created at the head office, a new department manager was appointed and several new recruits were taken on. The allocation of roles and responsibilities between the regions and the head office were analysed and developed.

Future development and events after the balance sheet date

The ongoing COVID-19 pandemic will have far-reaching consequences for the organisation's operations. We can expect altered priorities from cooperation development financiers, and greater competition for funds raised.

The structure of our development cooperation activities will also be affected, although it is difficult to say how exactly.

Financial position and performance

The remaining figure to carry forward for the year, after transfers to earmarked funds, totalled SEK 5.0 million.

Vi Agroforestry is a non-profit organisation. However, the Board considers it important to have equity as a buffer, to ensure the long-term survival of operations. 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)

Operating income	Note	2019	2018
Donations	3	59,817,286	61,868,838
Net sales		4,458,695	1,889,929
Grants	3	29,526,318	32,391,231
Other operating income	4	982,023	2,230,851
Total operating income		94,784,322	98,380,849
Operating costs	5		
Expenses for charitable activities	6	-69,978,733	-69,700,785
Fundraising expenses		-11,700,573	-18,822,410
Cost of goods and services sold		-4,170,540	-2,290,866
Administrative expenses		-3,816,131	-4,187,000
Total operating costs		-89,665,977	-95,001,061
■ Operating result		5,118,345	3,379,788
Earnings from financial investments			
Earnings from securities and receivables accounted for as non-current assets	7	-484,611	2,050,153
Interest income		623,156	200,380
Interest expenses		-581	-14,758
Total earnings from financial investments		137,964	2,235,775
Result after financial items		5,256,309	5,615,563
■ Result for the year		5,256,309	5,615,563
Change in earmarked funds			
Result for the year according to the income statement (see above)		5,256,309	5,615,563
Utilisation of earmarked funds from prior years		1,448,182	2,155,316
Earmarking of funds		-1,674,299	-1,448,182
■ Remaining amount for year/retained equity		5,030,192	6,322,697

Balance sheet

(Amounts in SEK)

	Note	31 Dec 2019	31 Dec 2018
Assets			
Non-current assets			
Intangible assets Capitalised expenditure for software	8	426,468	852,934
Financial assets Securities held as non-current assets	9	44,413,976	43,144,801
Total non-current assets		44,840,444	43,997,735
Current assets			
Inventories etc.			
Products		6,321	122,398
Receivables			
Accounts receivable – trade		1,190,580	1,135,830
Other receivables		14,048,233	3,228,929
Prepaid expenses and accrued income	10	826,664	656,192
		16,065,477	5,020,951
Cash and bank		30,489,194	36,631,053
Total current assets		46,560,992	41,774,402
Total assets		91,401,436	85,772,137
Equity and liabilities			
Equity			
Foundation capital		17,151,242	17,151,242
Retained equity		44,898,082	39,867,891
Earmarked funds		1,674,299	1,448,182
		63,723,623	58,467,315
Provisions			
Provision for pensions and similar obligations	11	693,137	3,571,044
Current liabilities			
Accounts payable – trade		2,135,844	6,715,581
Income tax liabilities		565,080	404,310
Liabilities, grants received not utilised	12	12,143,127	8,880,607
Other liabilities	13	10,127,788	5,172,024
Accrued expenses and deferred income	14	2,012,837	2,561,256
		26,984,676	23,733,778
Total equity and liabilities		91,401,436	85,772,137

Change in equity

(Amounts in SEK)

	Foundation capital	Retained equity	Earmarked funds	Total equity
At the beginning of the year	17,151,242	39,867,891	1,448,182	58,467,315
Earmarked	-	-1,674,299	1,674,299	-
Utilised	-	1,448,182	-1,448,182	-
Result for the year	-	5,256,309	-	5,256,309
■ Equity 31 Dec 2019	17,151,242	44,898,082	1,674,299	63,723,623

Cash flow statement

(Amounts in SEK)

	2019	2018
Operating activities		
Result after financial items	5,256,309	5,615,563
Adjustments for non-cash items		
Depreciation/amortisation and impairment losses	426,466	426,466
Capital result from sale of financial assets	484,611	-2,050,153
Other provisions	-2,877,907	69,700
	3,289,479	4,061,576
Cash flow from operating activities before changes in working capital	3,289,479	4,061,576
Changes in working capital		
Changes in inventories	116,077	39,366
Change in current receivables	-11,044,526	1,745,983
Change in current liabilities	3,250,897	8,496,866
Cash flow from operating activities	-4,388,073	14,343,791
Investing activities		
Disposal of/reduction in financial assets	12,842,013	81,097,734
Investments in financial assets	-14,595,799	-79,259,193
Cash flow from investing activities	-1,753,786	1,838,541
■ Cash flow for the year	-6,141,859	16,182,332
Cash and cash equivalents at the beginning of the year	36,631,053	20,448,721
■ Cash and cash equivalents at the end of the year	30,489,194	36,631,053

(Notes)

Amounts in SEK unless otherwise stated

Note 1 Accounting policies and valuation methods

Notes with accounting policies to the income statement and balance sheet

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 (FRIL) 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 association 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 principles

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 and 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. Impairment occurs if the market value for the whole port-

folio is less than its cost and the decrease in value is deemed to be permanent.

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

Fundraising	2019	2018
Individual donors	28,598,000	35,361,864
Coop donate button on reverse vending machines	6,557,825	6,575,929
Coop shopping bags	2,892,433	3,177,686
Swedish Postcode Lottery	10,800,000	11,000,000
Other donations from companies and organisations	10,969,028	4,425,280
Corporate donations, climate compensation	-	1,328,079
Total funds raised, donations	59,817,286	61,868,838

Other donations from companies and organisations include SEK 337,907 (359,147) 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

Fundraising	2019	2018
Radiohjälpen	211,322	551,021
Livelihoods Mount Elgon, Kenya	3,073,325	5,415,927
Swedish Postcode Lottery, special projects	1,791,557	3,122,067
Nordic Climate Facility	1,544,668	1,283,793
Other grants	1,025,466	1,470,248
Total funds raised, grants	7,646,338	11,843,056
Public grants		
EU, Tanzania and Kenya	2,527,984	1,462,540
Sida Civsam, EU own contribution	631,996	365,635
Sida Civsam, framework grant	18,720,000	18,720,000
Total public funding, grants	21,879,980	20,548,175

Total fundraising comprises the following	2019	2018
Donations recognised in the income statement	59,817,286	61,868,838
Grants recognised in the income statement	7,646,338	11,843,056
Total funds raised	67,463,624	73,711,894

Note 4 Other operating income

	2019	2018
Local income abroad	222,185	442,236
Other income	759,838	1,788,615
Total funds raised, donations	982,023	2,230,851

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

Work location	2019	2018
Women, Stockholm, Sweden	12	10
Men, Stockholm, Sweden	1	2
Women, Kitale, Kenya	22	16
Men, Kitale, Kenya	22	4
Women, Nairobi, Kenya	7	6
Men, Nairobi, Kenya	3	3
Women, Masaka, Uganda	8	8
Men, Masaka, Uganda	12	8
Women, Mwanza, Tanzania	5	4
Men, Mwanza, Tanzania	11	11
Women, Kigali, Rwanda	5	6
Men, Kigali, Rwanda	8	9
Total employees	116	87
Salaries and remuneration	5,570,732	6,364,658

■ Salaries and other remuneration

Service in Sweden	2019	2018
Payroll overheads	2,160,673	3,887,411
Service abroad		
Kenya	10,356,613	9,658,716
Uganda	2,009,360	1,992,134
Tanzania	3,081,218	2,871,902
Rwanda	2,026,914	2,232,265
Total salaries and remuneration	25,205,510	27,007,086
Payroll overheads in Sweden (of which pension costs)	2,160,673	3,887,411
Remuneration less than one half price base amount	-	65,140

Pension commitments for work in Sweden are safeguarded by a pension solution from Folksam. In 2019, volunteers carried out 54 hours of work.

(Notes)

Amounts in SEK unless otherwise stated

The Board and senior executives

Salaries and remuneration to the Secretary General total SEK 215,283 (376,947). 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. No remuneration is paid to Board members.

Of the foundation's pension costs, including statutory taxes, SEK 0 (99,998) relates to the 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	2019	2018
Women	4	3
Men	1	2
Total	5	5
Number of Secretary Generals/administrative directors/CEOs and other senior executives		
Women	1	1
Total	1	1

Note 6 Expenses for charitable activities

	2019	2018
Kitale, Kenya	18,552,376	17,089,924
Kampala, Uganda	11,335,550	10,998,564
Mwanza, Tanzania	12,554,710	11,623,743
Kigali, Rwanda	8,617,161	9,951,790
Regional office, Nairobi, Kenya	12,356,115	9,815,908
Quality assurance and communication in Sweden	6,562,821	10,220,856
Total expenses for charitable activities	69,978,733	69,700,785

Expenses for charitable activities comprise direct project costs as well as personnel costs in the operation. During the year, operations took place as part of 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

	2019	2018
Capital gains from sales	-484,611	2,050,153
Total	-484,611	2,050,153

Note 8 Capitalised expenditure for software

	2019	2018
Opening cost	2,132,332	2,132,332
Closing accumulated cost	2,132,332	2,132,332
Opening amortisation	-1,279,398	-852,932
Amortisation for the year	-426,466	-426,466
Closing accumulated amortisation	-1,705,864	-1,279,398
Carrying amount at end of period	426,468	852,934

Note 9 Securities held as non-current assets

Accrued cost	2019	2018
At the beginning of the year	43,144,801	42,933,189
Investments	14,595,798	79,259,193
Disposals	-13,326,623	-79,047,581
Closing accrued cost	44,413,976	43,144,801
Breakdown of securities holdings	Cost	Market value
Discretionary fund	44,413,976	47,300,961
Total	44,413,976	47,300,961

The holding is viewed as a securities portfolio. The securities portfolio has been measured at the amortised cost on the balance sheet date. The administration is outsourced via a discretionary assignment. 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

	2019	2018
Prepaid expenses and accrued income in Sweden	480,427	309,216
Prepaid expenses abroad	346,237	346,976
Total prepaid expenses and accrued income	826,664	656,192

Note 11 Provisions

	2019	2018
Opening carrying amount	3,571,044	3,501,344
Additional provisions, commitments abroad	-2,877,907	69,700
Total prepaid expenses and accrued income	693,137	3,571,044

Provisions comprise regionally regulated accrued salaries for local personnel and expenditure related to restructuring of the operation. During the year a restructuring reserve of SEK 2,750,000 was used in its entirety.

Note 12 Liabilities, grants received not utilised

	2019	2018
SLU	58,628	-
Radiohjälpen	1,989,037	-
Sida, EU own contribution	1,106,687	1,738,683
Swedish Council for Higher Education	-	8,026
Swedish Postcode Lottery, special projects	7,536,346	5,402,903
Rotary Club, Rwanda	-	94,184
Rotary Club, Tanzania	-	62,014
Danish Family Planning	-	21,555
EU	1,452,429	1,512,730
FAO	-	40,512
	12,143,127	8,880,607

Note 13 Other liabilities

	2019	2018
Plan Vivo climate compensation	2,920,756	2,745,732
KACP climate compensation	6,475,668	2,159,433
Employee taxes, Sweden	146,365	167,150
Other liabilities abroad	584,999	99,709
Total other liabilities	10,127,788	5,172,024

Note 14 Accrued expenses and prepaid income

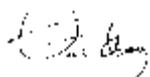
	2019	2018
Personnel-related costs	726,535	556,100
Other accrued expenses	1,286,302	2,005,156
Total accrued expenses and deferred income	2,012,837	2,561,256

Note 15 Significant events after the end of the financial year

The ongoing COVID-19 pandemic will have far-reaching consequences for the organisation's operations. We can expect altered priorities from cooperation development financiers, and greater competition for funds raised.

The structure of our development cooperation activities will also be affected, although it is difficult to say how exactly.

Stockholm, 27 April 2020



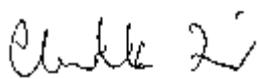
Unn Edberg
Board member



Magnus Kindbom
Board member



Bodil Jönsson Lindgren
Board member



Charlotta Szczepanowski
Board member



Pia Carlsson Thörnqvist
Chair of the Board



Anna Tibblin
Secretary General

(Auditor's report)

To the Board of Directors 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 2019. In our opinion, the annual accounts have been prepared in accordance with the Swedish Annual Accounts Act and present fairly, in all material respects, the financial position of the foundation as of 31 December 2019 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 opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. The auditors' responsibilities under those standards are further described in the *Authorised public accountant's responsibility* and *Elected auditor's responsibility* sections.

We are independent of the foundation in accordance with professional ethics for accountants in Sweden. As an authorised public accountant, I have fulfilled my ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and Secretary General

The Board of Directors and

the Secretary General are responsible for the preparation and fair presentation of these annual accounts in accordance with the Annual Accounts Act. The Board of Directors and the Secretary General are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the Board of Directors and the Secretary General are responsible for the assessment of the foundation's ability to continue as a going concern. They disclose, as applicable, matters related to continuing as a going concern and using the going concern basis of accounting. The going concern basis of accounting is, however, not applied if the Board of Directors intends to liquidate the foundation, to cease operations, or has no realistic alternative but to do so.

Authorised public accountant's responsibility

My task is to conduct the audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. My objective is to obtain reasonable assurance on whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit performed in accordance with ISA and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

As part of an audit in accordance with ISA, I exercise professional judgement and maintain professional scepticism throughout the audit.

I also:

- identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- obtain an understanding of the foundation's internal control relevant to my audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the foundation's internal control.
- evaluate the appropriateness of the accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Secretary General.
- conclusion on the appropriateness of the Board of Directors' and Secretary General's use of the going concern basis

of accounting in preparing the annual accounts. I also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the foundation's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the annual accounts regarding the material uncertainty factor or, if such disclosures are inadequate, to modify my opinion about the annual accounts. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or circumstances may cause the foundation to cease to continue as a going concern.

- evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

I must inform the Board of Directors and Secretary General of, among other matters, the planned scope and timing of the audit. I must also inform of significant audit findings during my audit, including any significant deficiencies in internal control that I identified.

Elected auditor's responsibility

My duty is to conduct an audit in accordance with the Foundations Act and generally accepted auditing standards in Sweden. My objective is to obtain

reasonable assurance as to whether the annual accounts have been prepared in accordance with the Annual Accounts Act and give a fair presentation of the financial performance and position of the foundation.

Opinion

In addition to our audit of the annual accounts, we have also audited the administration by the Board of Directors

Report on other legal and regulatory requirements

of the *Vi planterar träd* fund-raising foundation (Vi Agroforestry) for 2019.

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

We recommend that the members of the Board of

Directors be discharged from liability for the financial year.

Basis for opinion

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are described further in the *Auditor's responsibility* section. We are independent of the foundation in accordance with professional ethics for accountants in Sweden. As an authorised public accountant, I have otherwise fulfilled my ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors

The Board of Directors is responsible for administration under the Foundations Act and the foundation mandate.

Auditors' responsibility

Our objective concerning the audit of the administration, and thereby our opinion, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors, in any material respect, has:

- undertaken any action or been guilty of any omission which can give rise to liability to the foundation or whether there is any cause for dismissal, or
- in any other way acted in contravention of the Foundations Act, the foundation mandate or the Annual Accounts Act.

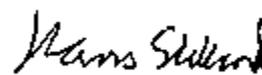
Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the foundation.

As part of an audit in accordance with generally accepted auditing standards in Sweden, the authorised public accountant exercises professional judgement and maintains professional scepticism throughout the audit. The examination of the administration is based primarily on the audit of the accounts. Additional audit procedures performed are based on the authorised public accountant's professional judgement and the judgement of other selected elected auditors with a starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations or violations would have particular importance for the foundation's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion.

Stockholm, 19 May 2020



Erik Albenius
Authorised Public Accountant



Hans Eklund
Elected auditor

Lilian Ochieng
with her daughters
Frida and Eliezel.

PHOTO ELIN LARSSON

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Vi Agroforestry welcomes the opportunity to partner with you in the implementation of our programmes. For any enquiries, please contact us on:
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Address: PO Box 10075, 61, 100 61
Stockholm, Sweden



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