



# Annual Report 2016



Vi Agroforestry

# Our goals are everyone's goals - together we will reach them!

Thanks to gifts from our donors we were able to set new records in 2016, but there is much that needs to be done to achieve the UN's 17 global sustainable development goals by 2030. Agroforestry is a recognised effective method for achieving two of these goals: eradicating poverty and a sustainable environment. Vi-Agroforestry – among the best in the world in the field of agroforestry – will continue to do all we can to contribute to the sustainable development goals. And for that we need your help.

Vi Agroforestry's results in 2016 were better than ever: Over 126,000 farming families received support through Vi Agroforestry during the year. Just over 4.7 million trees were planted in our countries of operation in the Lake Victoria basin in Africa. We saw an all-time high for fundraising in Sweden and substantially increased turnover throughout Vi Agroforestry's operations.

"I am proud and pleased. And unbelievably grateful to all our donors. Their gifts are the basis for everything we do," says chairperson Ines Uusmann. "At the same time, I am worried about developments in the world. A new American president who objects to development cooperation and dismisses the climate threat. Catastrophic famines in north-eastern Africa, severe drought in eastern and southern Africa, and still over one billion people forced to try and get by on less than two dollars a day."

However, there are also rays of hope, both in what is happening in the world and in the desire to bring about change. At the end of 2015, the global community committed to achieving 17 sustainable development goals by 2030: poverty shall be eradicated, climate change combated, and gender equality shall prevail. Vi Agroforestry will focus its efforts on five of the goals.

"We will continue to do what we are best at: combatting poverty in general, and support for farmers with the aid of agroforestry methods in particular," says CEO Anneli Rogeman.

Agroforestry – combining tree planting with sustainable farming – is an effective means of combatting poverty. Vi Agroforestry is world leader in the process of refining the agroforestry technology, and in 2016 initiated the Agroforestry Network, a comprehensive collaboration to further develop and disseminate the technology.



William Libusi planted the first tree for Vi Agroforestry in 1983. Here, just over 30 years and 115 million trees later, he acts as guide to Lilian Ochieng, Stacy Amondi, Anneli Rogeman and Ines Uusmann at the Agroforestry Training Centre in Kitale, Kenya.

Photo: Riccardo Gargale

"Agroforestry Network has already attracted both national and international attention," says Ines. "This shows confidence in this long-term approach to improving the living standard of farming families."

Closer cooperation with the business sector and above all with corporate sustainability managers was also characteristic of Vi Agroforestry's efforts in 2016. For instance, a ten-year agreement has been entered into with French investment fund Livelihoods Funds and east Africa's largest dairy company Brookside Dairy. An investment of SEK 35 million will provide over 30,000 small-scale farmers in western Kenya with training in sustainable agriculture and tree planting.

"This is a good example of the importance of the business sector and civil society working together to achieve the sustainable development goals," says Anneli. "We have 13 years left to eradicate poverty, so we all need to do our bit."

Equality has a central role in Vi Agroforestry's new strategy, which came into force on 1 January 2017.

"Ensuring women have the same rights as men is essential in order to reduce poverty," says Ines. "When we succeed in getting women into study circles and when women then take charge in families and in farmers' organisations – things get done. Children's schooling is prioritised, family finances improve and farming methods are modernised."

"Vi Agroforestry is also working to ensure women have the same rights as men. Today, for example, it is difficult for women in Tanzania to own land," continues Ines.

"Equality will continue to permeate our work. As will climate issues, of course," says Anneli.

"I want to conclude as I started," says Ines, "by thanking our donors. Their gifts are the basis for Vi Agroforestry's work to reduce poverty in the world."

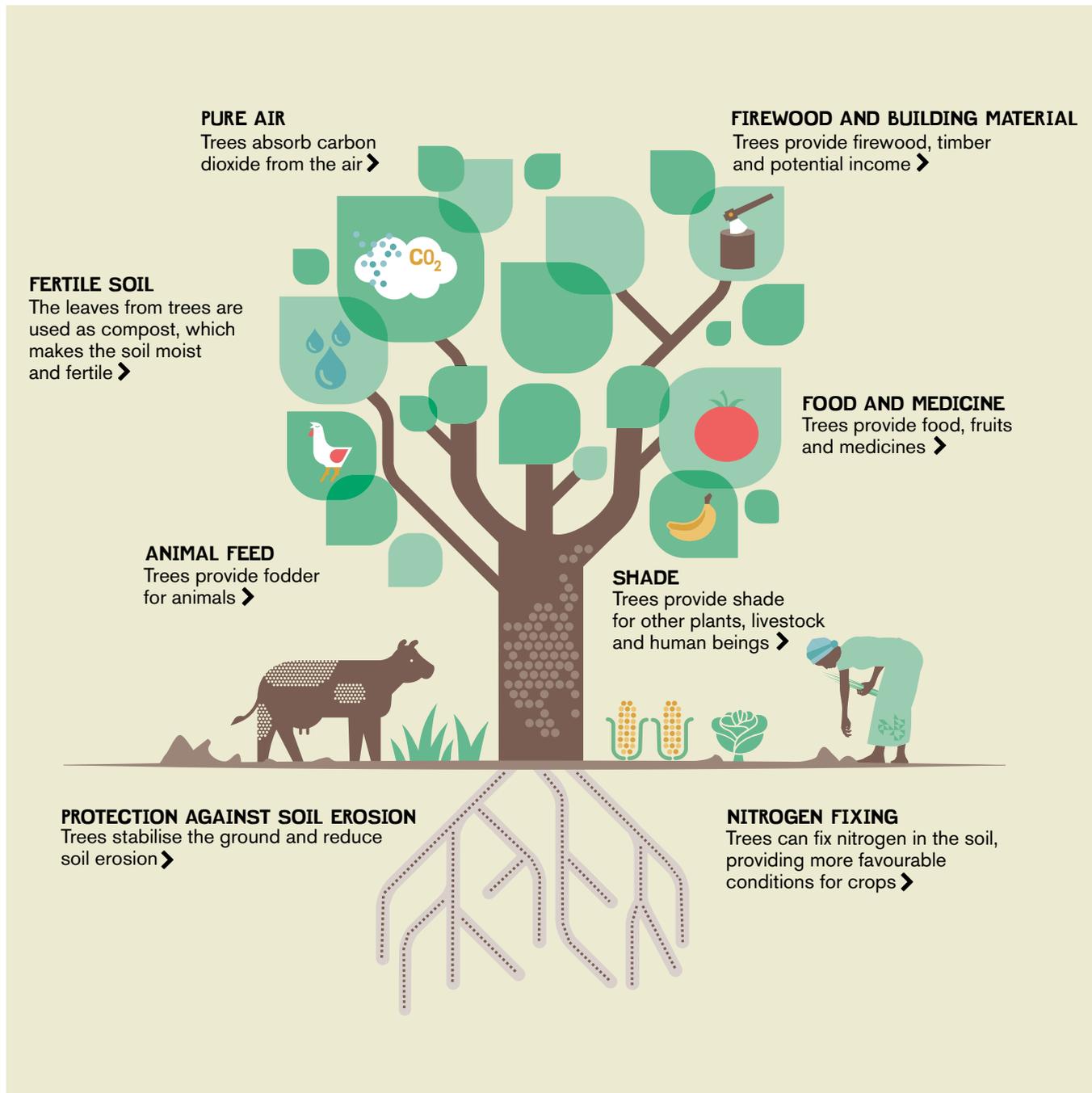


# Our method: agroforestry

Agroforestry. A complex term, but an excellent method for creating a better environment and reducing poverty. The overall concept is based on growing trees among crops and livestock, so that all parties can benefit from each other.

The trees provide shade, feed for the animals, compost material – and, in fact, also moisture to the soil. Actually, an agroforestry tree contributes with more water than it consumes.

Agroforestry helps to recreate a natural ecosystem. It results in bigger harvests, a more comfortable climate and increased resistance to the effects of climate change.

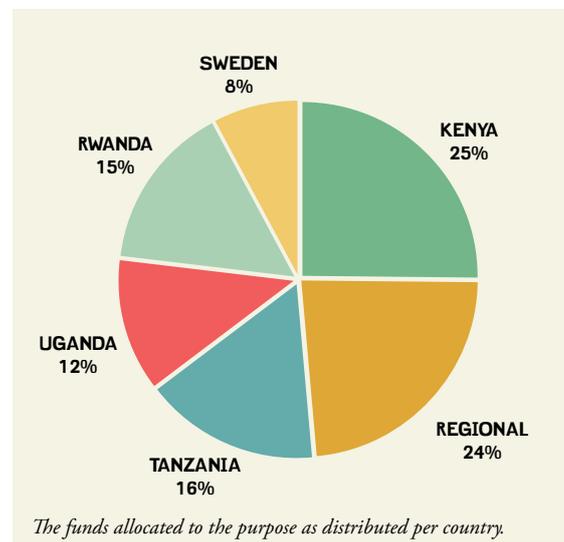


# Vi Agroforestry teaches people to plant trees – to enable them to lift themselves out of poverty

Vi Agroforestry is a Swedish development cooperation organisation that plants trees in Kenya, Rwanda, Uganda and Tanzania - four countries that are severely affected by deforestation and that for many years have endured its devastating effects on both humans and nature



Geographic distribution



## VISION

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

## MISSION

Fighting poverty and climate change – together. Through agroforestry and strengthening of farmers' organisations, to empower smallholder farmer 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, youth and children, who are members or potential members of democratic farmers' organisations, in areas vulnerable to climate change in Sub-Saharan Africa.

Through learning about tree planting and sustainable farming methods, poor families achieve improved access to food, larger incomes and protection against the negative effects of climate change. Since the start in 1983, Vi Agroforestry has contributed to planting over 115 million trees and has helped more than 2.3 million people out of poverty.

In Sweden, Vi Agroforestry focuses primarily on fund-raising, communication and advocacy. Increasing knowledge about the potential of tree planting is an essential prerequisite for engaging people in Sweden in the fight against poverty in the Lake Victoria basin.

### Gender equality



Photo: Elin Williams

"Through Vi Agroforestry we have attended courses in equality. Beforehand, as a man I was seen as head of the family and I was expected to take all responsibility. Now we share responsibility for the farm and I have begun to help in the kitchen. Sharing chores equally in a family makes a big difference."

**William Katende, Uganda**

### Strong farmers' organisations



Photo: Elin Williams

"Having a strong network is important. I am a member of Money Maker Women's Group. We have received training in sustainable agriculture through Vi Agroforestry. Sustainable development requires cooperation, and for success in the future our neighbours need to be on board too."

**Roselyn Juma, Kenya**

### Sustainable agriculture



Photo: Elin Williams

"The rainwater that rushes down from the mountains used to destroy our crops, but with Vi Agroforestry's help we have planted trees that protect the soil from being washed away, constructed terraces and created a sustainable agroforestry farm with terrace cultivation, a kitchen garden and a water-collection tank."

**Nyibona Esperence, Rwanda**

### Economic security

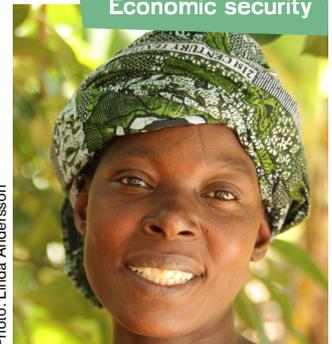


Photo: Linda Andersson

"Vi Agroforestry's training has helped me to make big changes. I began using agroforestry on our small farm. It made my life better: now I use the land more efficiently and both my harvests and my income have increased."

**Moderata Josephia, Tanzania**

# The Board of Vi Agroforestry



**INES UUSMANN**

.....  
**Chairperson of the board**

**Elected to the board:** 2008

**Born:** 1948

**Other significant posts:**

Chairperson of the board of OK ekonomisk förening (OK financial association). Member of the board of We Effect, OKQ8, and Handikappförbunden. Former Minister of Transport and Communications and director general of the Swedish National Board of Housing, Building and Planning (Boverket), among other roles.



**SOFIA WADENSJÖ  
 KARÉN**

.....  
**Vice chairperson**

**Editor-in-chief of Vi magazine and CEO of Vi Media AB**

**Elected to the board:** 2011

**Born:** 1970

**Other significant posts:**

Chairperson of Utgivarna (Swedish Publishers' Association). Member of the board of Stiftelsen Teskedsorden and Sveriges Tidskrifter (Swedish Magazine Publishers Association).



**HENRIK EKMAN**

.....  
**Member of the board**

**Author and programme buyer SVT**

**Elected to the board:** 2012

**Born:** 1951

**Other significant posts:**

Member of the Royal Swedish Academy of Agriculture and Forestry.



**PER HAMID GHATAN**

.....  
**Member of the board**

**Senior physician, dual specialist and medical doctor in cognitive neuroscience**

**Elected to the board:** 2015

**Born:** 1957

**Other significant posts:**

Board member of Mats Theselius AB. Advisor to Stoppa gatuväldet, Fair Play and Svenska hjälminitiativgruppen, among others.



**STINA GÖTBRINK**

.....  
**Member of the board**

**Partner and COO at Milton Labs and owner of Busteruds gård AB**

**Elected to the board:** 2015

**Born:** 1969

**Other significant posts:**

Former deputy MD of Novamedia Svenska PostkodLotteriet. Diplomat.



**EVA QUIST**

.....  
**Member of the board**

**Business owner in the consultancy industry**

**Elected to the board:** 2012 (deputy member 2010-2012)

**Born:** 1952

**Other significant posts:**

Chairperson of the board of Coop Norrbotten. Chairperson of the board of Företagarna Service Norrbotten AB. Chairperson of Invest i Norrbotten AB. Member of the board of Filmpool Nord AB.



**BODIL JÖNSSON  
 LINDGREN**

.....  
**Member of the board**

**Head of Format and Customer Experience, Coop**

**Elected to the board:** 2011

**Born:** 1967

**Other significant posts:** No

other posts reported.



**ANNELI ROGEMAN**

.....  
**Member of the board**

**CEO of Vi Agroforestry**

**Elected to the board:** 2005

**Born:** 1957

**Other significant posts:**

CEO of We Effect since 2011.

## Deputies:

**LOUISE KÖNIG**

.....  
**Sustainability manager at KF and Coop**

**KATARINA LILJESTAM BEYER**

.....  
**Self-employed**

# Viable trees and new collaborations in the Lake Victoria Basin

Our activities in eastern Africa constitute the heart of Vi Agroforestry. This is home to the farmers we are working with to improve their lives, and to our partner organisations that are increasingly taking over responsibility for the farmers' training.

2016 was a year filled with equality work, a new collaboration with record funding, support for our partners and of course: masses of trees and agroforestry.

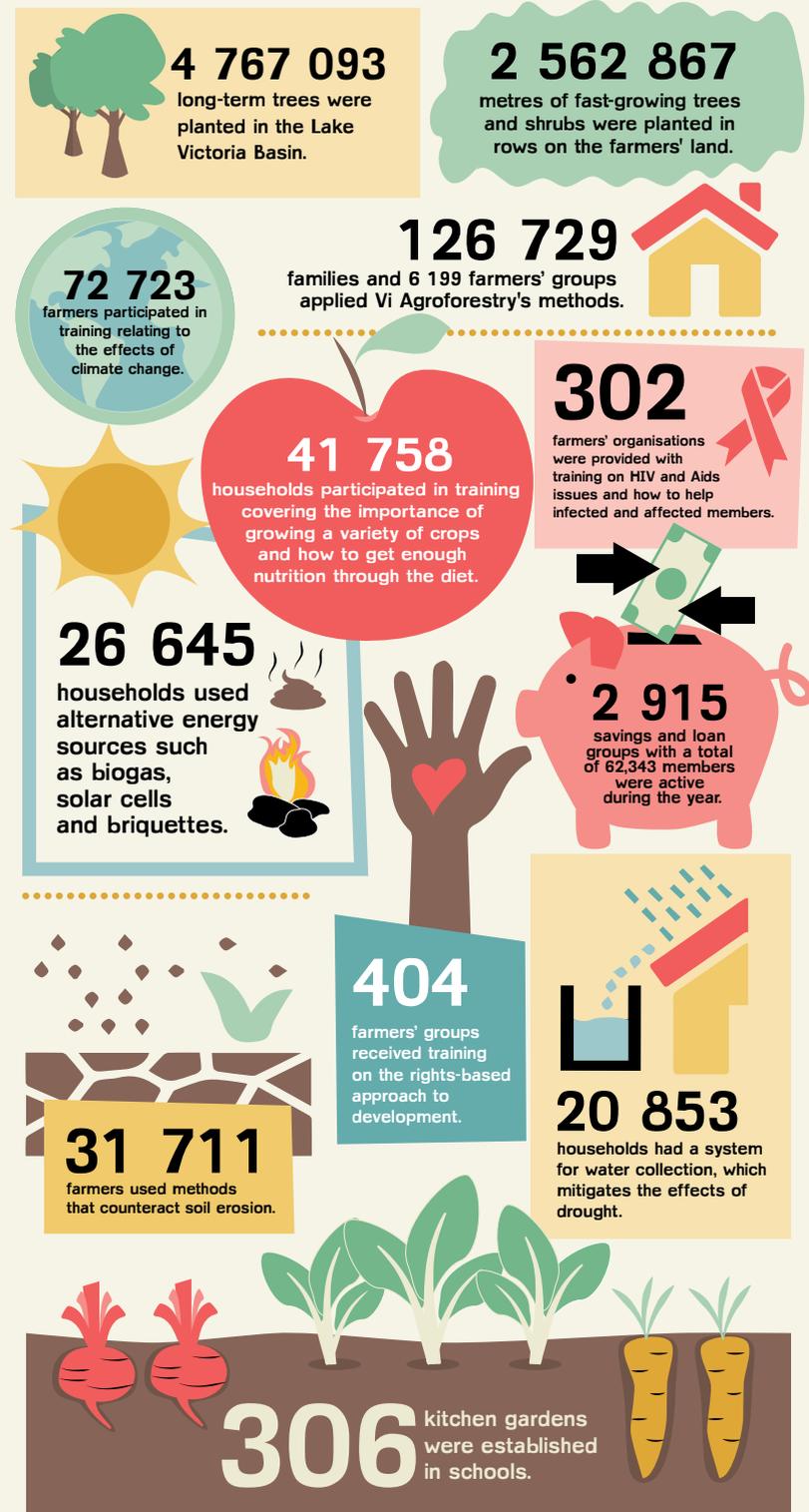
**Partnership – a route to independence and support to self-help initiatives.**

Vi Agroforestry has been working with local farmers' organisations in eastern Africa for several years. This ensures that knowledge remains in the region without being dependent on the presence of Vi Agroforestry. A large part of Vi Agroforestry's work is based on strengthening local farmers' organisations, so that they can best meet their members' needs. We ensure that our partners are equipped to be able to plan, supervise and follow-up on the training of farmers in sustainable agriculture and agroforestry – all in a democratic way. The goal is to link up with even more partners who can pass on our knowledge.

**Continued focus on agroforestry**

Vi Agroforestry's unique combination of poverty alleviation and climate issues in the areas where we work - all based on agroforestry - underlies our new strategy that will run in 2017-2021.

## Results from activities in 2016



## RWANDA



Grevillea Robusta

Photo: Camilla Thulin

### Equality work yields results

In 2016, Vi Agroforestry focused strongly on equality and gender issues, particularly in Rwanda. Improved knowledge of gender issues and the introduction of gender principles among our partners has led to greater involvement of both women and men in decision-making within their respective organisations.

### Long live trees!

Our partners in Rwanda have devoted energy to improving the quality of and access to good nurseries. This has led to increased tree planting and also increased survival of the plants.

### Democratic development

Vi Agroforestry is working with more local partners in Rwanda. We have supported our partners in planning and implementing their annual meetings, with a view to strengthening members' voices and increasing democracy within their organisations.

## UGANDA

### Conference on female leadership

Vi Agroforestry arranged a national equality conference together with our partners in Uganda. The conference was entitled "Building Business Case for Women's Leadership in Member Based Farmer Organisations". The conference attracted participants from our partners, government representatives and other organisations.

### Baton now passed to Uganda

Vi Agroforestry phased out all self-implemented activities in Uganda during the year. All implementation has now been transferred to our partners. This means that Vi Agroforestry is shifting its focus from training farmers itself to strengthening partner organisations so that they in turn can train farmers in agroforestry as effectively as possible. This handover is part of our efforts to build up a level of know-how that in the long term can stand on its own, independent of us. Long-term development cooperation, in other words!



Photo: Joseph Mukawa Lubega

Elizabeth Nsimadala, Uganda Cooperative Alliance

## TANZANIA



Cassava

Photo: Edward Echwelu

### We have moved!

In 2016, our country office in Tanzania moved from Musoma to Mwanza. This move has facilitated communication with our various stakeholders: on the one hand, our partner organisations that we are now closer to geographically, and on the other hand, cities where other stakeholders are located, as there is an airport offering daily departures in Mwanza. This will enable closer contact with embassies in Dar es Salaam, for example – which is important for us both strategically and financially.

### Agroforestry attracts thousand-strong attendance

Vi Agroforestry organised an agroforestry symposium in Tanzania. The conference was intended as an opportunity to increase awareness of us and the work of our consortium partners, to share experiences and to build networks for future collaboration. Farmers, partners, government representatives, research institutes and media were invited. Around one thousand people attended, and media coverage was good.

### Record funding will support 30,000 farmers

In Kenya, Vi Agroforestry signed an agreement with Livelihoods Funds. The agreement is one of the biggest individual funding contributions that Vi Agroforestry has ever received. The project, targeting a total of 30 000 farmers, is a collaboration between Paris-based Livelihoods Funds, Vi Agroforestry and Kenya's largest dairy company Brookside Dairy. The aim is to use agroforestry methods to increase milk production and harvests – and thereby also profitability – on the farmers' farms, to strengthen the farmers' cooperatives and also contribute to increased carbon sequestration in both soil and trees.

## KENYA

Photo: Livelihoods Funds



Margaret Muchanga, Kenya

# Life in the Lake Victoria Basin

“Ultimately, equality work will benefit everyone”



Ariyo Ovia, Uganda

Photo: Elin Williams

“We came into contact with Vi Agroforestry through our farmers’ group and I began attending trainings in equality. I began with myself and my family: How can we divide up the work on the farm equally and who will do what? Now, I go round to households in the district and advise them what families can do to ensure more equal division of work, shared planning and making decisions together. It’s difficult, and many people have a negative attitude when they hear what I have to say. I have realised that it is a long process and it is necessary to be somewhat diplomatic, but ultimately equality work will benefit everyone,” says Ariyo Ovia, Uganda.

The majority of the world's poor are women. Vi Agroforestry's work on gender equality focuses on enabling women in eastern Africa to freely decide on their economic development and participate in the political arena. When women have the same access to education and resources as men, harvests increase. Gender equality benefits the whole family.

“Everything we cultivated died before our eyes.”

“2016 was a tough year of drought. The shortage of water affected everything, and everything we had cultivated died before our eyes. Despite that we managed to increase our income slightly. We began growing coffee, which we were able to harvest and sell during the year. We are now hoping for a better climate next year. I have attended so many trainings with Vi Agroforestry and have so many plans for how I want to improve my farm. My dream is to continue planting trees, and to fill the whole farm with Grevillea,” says Benta Muga, Kenya.

Benta is one of Vi Agroforestry’s tree-planting heroes. By using sustainable agriculture methods she has transformed her farm from unproductive land into fertile fields of trees and crops. The trees planted by Benta with support from Vi Agroforestry make the soil more fertile, which in turn has resulted in her harvests increasing.

**Tip:** Follow Benta and her husband John on Instagram: #FamiljenMuga



Photo: Amunga Eshuchi

Benta Muga, Kenya

## “I can now pay for school and health insurance”



Claire Kabanwa, grandmother Olive Mukakarangwa and daughters Therese Muragijemariya and Angelique Uwimana, Rwanda

Photo: Elin Williams

“Agroforestry has improved my harvests. After support and training from Vi Agroforestry I have constructed ditches and terraces to ensure that my planting will survive all weather conditions. I have set up a compost heap and a kitchen garden and planted over 600 trees. Work here on the farm is hard, especially as I am handling everything myself, but when I see my harvests improving, it makes me really happy. Now I have improved my methods I have begun to make gains and can afford to pay for school fees and health insurance,” explains Claire Kabanwa, Rwanda.

Claire is planting trees on the Kabanwa family’s agroforestry farm in Rwanda to limit the effects of climate change. Leaves and branches from the trees also provide food for the family’s pigs. And they then get manure from the pigs that gives a boost to the garden plots where the family grows vegetables. Animals, crops and trees that give and take from one another – that’s what agroforestry is.

## “The mountains around here used to be covered by forest”



The Masese family, Tanzania

Photo: Linda Anderson

“Our farm was previously just bare ground, but we began planting trees in 2006 and we have now planted over 600. Earlier, we often heard people saying that trees could destroy crops if they were planted together, but now we know that trees are good for our crops. The mountains around here used to be covered by forest, but now it’s gone, it’s bare. People have chopped down the trees for firewood and have begun to farm the land. Now our neighbours say that when it rains, it always

begins falling over the Maseses’ farm, where there are so many trees,” says Maselus Masese, Tanzania.

Maselus and Gaudensia Masese have attended Vi Agroforestry training sessions in entrepreneurship, sustainable agriculture, tree planting and starting Village Savings and Loan Associations. Since then the family’s income has increased, and they have gone from simply growing maize and cassava to pursuing a variety of farming activities.

# Trees, love and record figures!

In Sweden, Vi Agroforestry focuses on increasing awareness through a variety of fundraising and communication activities. Increased knowledge of us will enable us to raise more money. In 2016, Vi Agroforestry once again beat its fundraising record – thanks to companies and private donors!

## TREES AND LOVE – A HOPE-FILLED CLIMATE CAMPAIGN

Children go hungry in our countries of operation, and it is children who are hit hardest when climate change destroys a family's vital harvest. With an empty stomach it is difficult to keep up during school lessons. And all too often children drop out of school as a result. Vi Agroforestry wants to change all that. How? By educating children about tree planting and how to set up kitchen gardens – as part of their school lessons. The harvests provide school lunches, while the knowledge is taken back home to the families. In this way, Vi Agroforestry supports self-help initiatives in both the short and the long term.

Vi Agroforestry conducted its Trees and Love fundraising campaign for the sake of the children. The objective – to be able to set up 500 new tree clubs and educate 10,000 pupils in Rwanda, Kenya, Tanzania and Uganda – was achieved!

**Concert.** The campaign concluded with a concert at Göta Lejon in Stockholm. Performers included Helen Sjöholm, Timo Räisänen, Jennifer Brown and Anders Lundin.

### Helen visits Rwanda.

Vi Agroforestry ambassador Helen Sjöholm visited a tree club at a school in Rwanda. The trip resulted in emotional encounters, marketing material and a great deal of press coverage when Helen arrived home again.

Photos: Marcus Lundstedt



Timo Räisänen was one of the many artists performing in aid of Trees & Love.



Helen Sjöholm visited Jolie Usanzituze and Clarisse Mutuyimana at Kininshya school in Rwanda.

Vi Agroforestry, together with Agroforestry Sverige, SLU Global, Focali and SIANI, launched a new Swedish climate initiative: Agroforestry Network. The network aims to increase politicians' knowledge of agroforestry, which can play an important role in achieving the UN's global sustainable development goals. Vi Agroforestry's intention is also for the network to facilitate exchange of knowledge between various researchers and organisations.

Minister for Rural Affairs Sven-Erik Bucht launched Agroforestry Network on 22 November. A seminar was arranged in connection with the launch, attracting everyone from politicians to researchers and representatives from other organisations.

## MINISTER FOR RURAL AFFAIRS LAUNCHES AGROFORESTRY NETWORK



Minister for Rural Affairs Sven-Erik Bucht believes, as do Agroforestry Network's partners, that agroforestry is essential.

Photo: Marcus Lundstedt

## IMPRINT IN ALMEDALEN, SWEDEN'S LARGEST POLITICAL MEETING PLACE

Photo: Marcus Lundstedt



Minister for the Environment Karolina Skog shakes hands with Vi Agroforestry's deputy CEO Henrik Brundin, after having planted a tree at Almedalen.

**Seminar on climate reporting.** Vi Agroforestry arranged the seminar "Varmare klimat – iskall nyhet" (Warmer climate – ice-cold news). The report with the same name outlined how Swedish newspapers write about climate change. Reporting has increased – but the climate is not something that automatically prompts people to click Like, state participating journalists. The reason: the climate threat is not perceived as an immediate threat, as it is further in the future. The reporting needs to respond to the anxiety and powerlessness felt by many in the face of the climate threat. It is better to focus on hope than on threats, confirm several journalists in the report.

**Popular tree planting.** For the third successive year, Vi Agroforestry hosted a popular tree-planting zone on Sida's plaza "Sverige i världen" (Sweden in the World). Politicians and climate supporters planted trees and helped to spread Vi Agroforestry's message. Vi Agroforestry formed valuable new contacts through tree planting. The general public helped too, planting over 500 trees.

2016-10-26

## "Win-win mellan näringsliv och bistånd – nyckeln till att nå globala hållbarhetsmålen"

DEBATT Det behövs nya sätt att samarbeta på, skriver Henrik Brundin, vice vd för Vi-skogen, och Bernard Giraud, vd för Livelhoods Fund.



Vi Agroforestry and Livelhoods Funds discussed increased collaboration between development cooperation initiatives and the business sector.

Facsimile from AktuellHållbarhet

Photo: PostkodLotteriet



Henrik Brundin receiving SEK 10 million from PostkodLotteriet's Rickard Sjöberg!

## VI AGROFORESTRY SPEAKS OUT FOR THE CLIMATE

Vi Agroforestry received a record level of media attention in 2016. The biggest publicity-generating events were the annual ranking of Donation Button totals, the Trees and Love campaign, the launch of Agroforestry Network, the collaboration with Livelhoods Funds, Vi Agroforestry's annual report "Varmare klimat – iskall nyhet" (Warmer climate – ice-cold news) and the photo contest to find Sweden's best tree picture.

Vi Agroforestry was also active on the debate scene, with publications in a wide range of newspapers and magazines. Climate, trees and agroforestry were central topics for discussion. Opinions were aired on subjects including Valentine's Day roses, how the Swedish media report on the climate, the belief that trees should be part of Sweden's climate policy and Donald Trump's impact on global climate work.

## THANKS FOR THE HELP!

Thanks to committed donors, Vi Agroforestry increased its fundraising levels and beat its fundraising record in 2016. Our donors – both private individuals and companies – have made it possible for Vi Agroforestry to expand its activities. The result is a more sustainable environment and even more people in eastern Africa being able to lift themselves out of poverty. Every krona makes a big difference, and every little bit helps... to create a whole forest! THANK YOU!

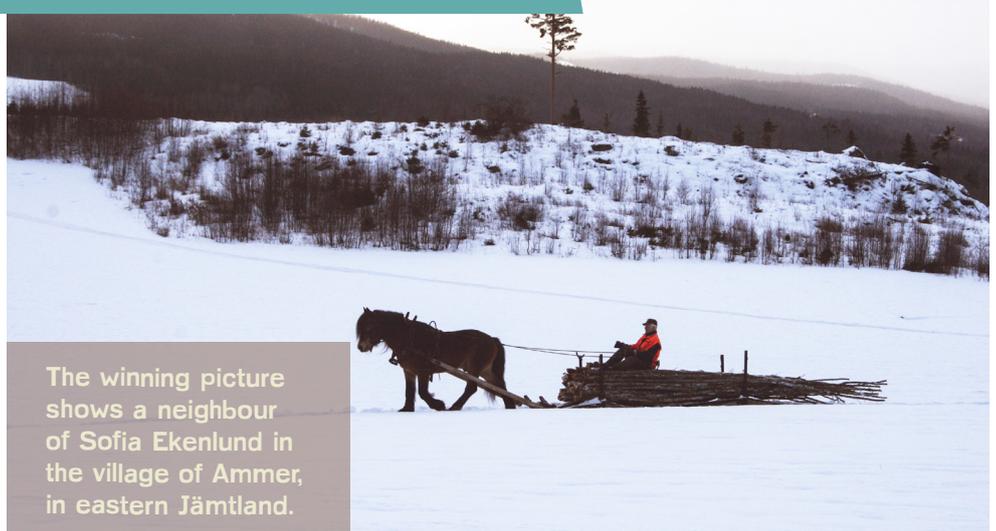
**SEK 10,000,000!** That's how much Vi Agroforestry received from PostkodLotteriet in 2016 – double last year's figure.



Sofia Ekenlund took Sweden's best tree picture in 2016. Amidst competition from almost 600 entries her snowy forest scene took the prize in Vi Agroforestry and Vi magazine's annual photo contest.

"I had the theme of this year's contest, humans and trees, foremost in my mind when I selected my picture. It's wonderful to see people choosing to use a horse and sled in preference to a tractor even today," says Sofia Ekenlund.

## SWEDEN'S BEST TREE PICTURE



The winning picture shows a neighbour of Sofia Ekenlund in the village of Ammer, in eastern Jämtland.

Photo: Sofia Ekenlund

## ENTERPRISES FOR TREES!

Vi Agroforestry's operations are growing through collaboration with companies in Sweden. When Vi Agroforestry becomes part of a company's CSR efforts this creates a positive chain: awareness of Vi Agroforestry increases and the company's brand is strengthened.

The partnership is communicated to customers and employees – while individuals in eastern Africa gain the means to lift themselves out of poverty with the aid of agroforestry. The more corporate cooperation, the more life-giving trees!

### Coop, KF and the consumer cooperatives contributed the biggest corporate donations:

- Pressing the **Donation Button** when you return your bottles to the Coop is an easy way to make a donation to Vi Agroforestry. In 2016, bottle-return donations provided 300,000 new trees!
- **Donations at the till!** Did you know that 3 öre per shopping bag at the Coop is donated to Vi Agroforestry?
- MedMera members can buy trees for Vi Agroforestry from the Coop **Points Shop**.

**New corporate cooperation!** Several new corporate cooperation partnerships were initiated, with Telia Finance and Smart Recycling, among others. A major cooperation agreement was also signed with OKQ8 Bank.

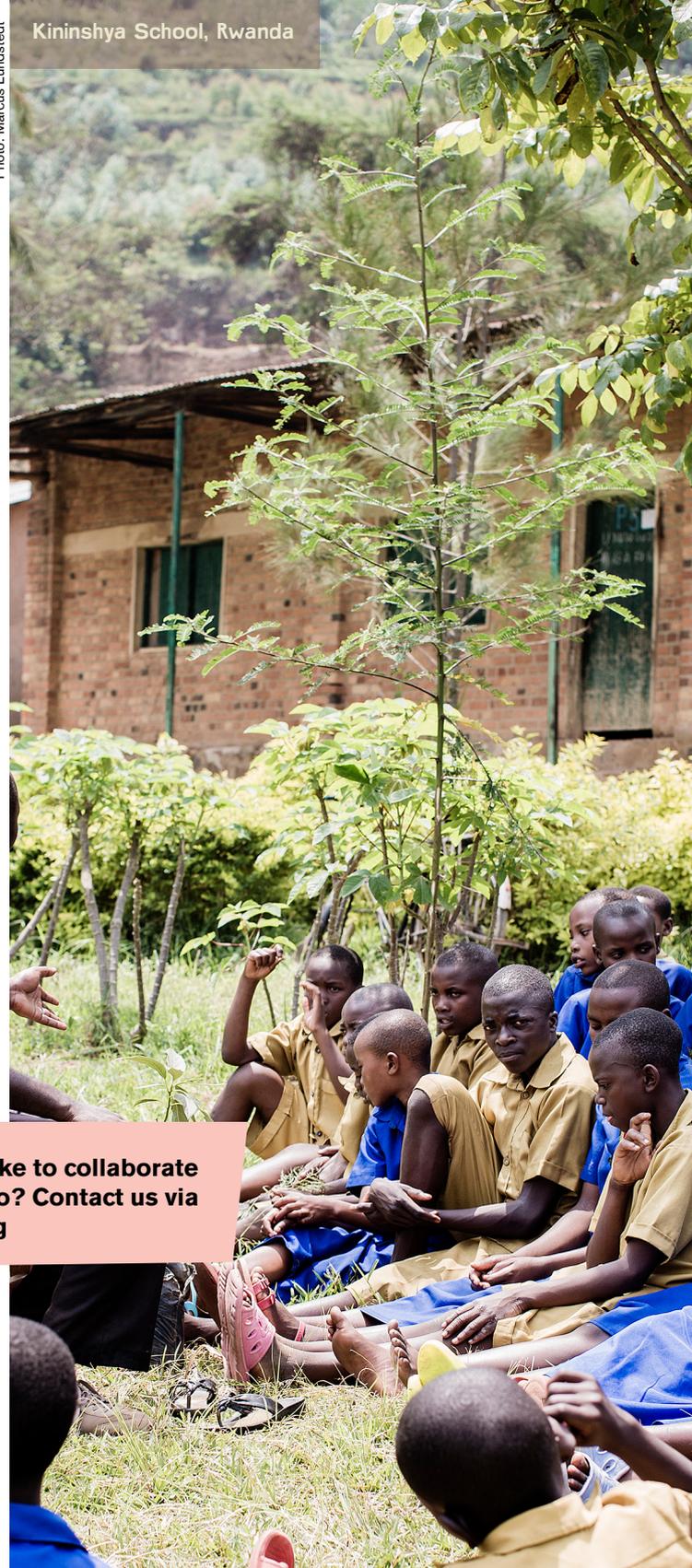
**Climate compensation!** The income from climate compensation is essential for Vi Agroforestry's work and continues to grow. New climate compensation donors include Länsförsäkringar, Berpetum biluthyrning AB and GS, the trade union for the forestry, woodworking and graphic industries.

**Thank you to all companies that gave donations in 2016!**

**Would your company like to collaborate with Vi Agroforestry too? Contact us via [info@viagroforestry.org](mailto:info@viagroforestry.org)**

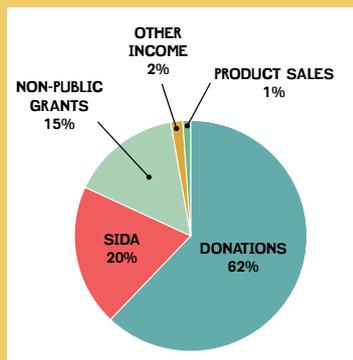
## RADIOHJÄLPEN FUNDS EDUCATED SCHOOLCHILDREN

In 2016, Vi Agroforestry was a proud recipient of support from Radiohjälpen. The money has been used, among other things, to educate schoolchildren in Tanzania about tree planting and growing, and to educate farmers in Rwanda and Uganda about climate-smart agriculture to withstand flooding and drought.



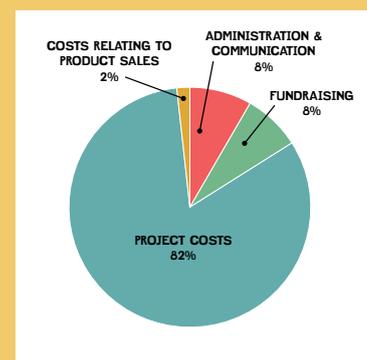
### Income

The activities of Vi Agroforestry are funded by donations and grants from Sida and other NGOs.



### How the money is used

From every hundred kronor raised by Vi Agroforestry, SEK 82 goes towards our project activities, SEK 8 is spent on fundraising, SEK 8 on administration and communication and SEK 2 on product sales.



# Directors' report

## PURPOSE AND VISION

The purpose of the foundation as per its statutes is “to contribute to ecological balance and better, more secure food supply for the poor and worst off in areas threatened by ecological impoverishment through nurseries, tree planting and other associated measures”, 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 lives in four countries around Lake Victoria. The target group consists of smallholder farmer families living in poverty, with a special focus on women, youth and children, who are members or potential members of democratic farmers' organisations, in areas vulnerable to climate change.

Vi Agroforestry is involved in providing advice, education and training, and tree planting through agroforestry systems. 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 organisations since 2011. Consortia have been formed with farmers' organisations in our countries of operation, and Vi Agroforestry contributes to the following by means of agroforestry and support to farmers' organisations: poverty reduction, increased incomes, increased biodiversity and climate adaptation. Support is provided as well as to farmers' own savings and credit associations. Vi Agroforestry also integrates equality issues into all its activities and great emphasis is placed on local ownership and influence, as this yields long-term and economically-sound results.

## OUR ORGANISATION

We have five project offices in our countries of operation – Kenya, Tanzania, Uganda and Rwanda – and a programme office based in Nairobi, Kenya. Since 2012, Vi Agroforestry has also been represented in Malawi. Our head office is located in Stockholm.

## PRIORITY AREAS OF OPERATION

A sustainable environment as a basis for poverty reduction is crucial to Vi Agroforestry's vision of development. Our activities are based on a human-rights

based approach with a focus on working in partnership to provide local ownership. Guidelines for the work are provided by the board's decisions regarding priority areas of operation.

These are:

- Sustainable Agriculture based on Agroforestry – for climate change mitigation and adaptation
- Economic Security – through agricultural value chains and financial services
- Gender Equality & Empowerment – of women, youth and children
- Systems & Governance – for strong farmers' organisations
- Communiation, Fundraising & Resource Mobilisation – securing funds for the thematic working areas
- Lobby & Advocacy – with regards to the working areas

Vi Agroforestry is governed by the following principles:

- Local ownership and implementation of activities in the field
- Focus on human rights and the responsibility of states to realise these
- Focus on small-scale local organisations as tools for social and political influence
- Flexibility and respect when working with the consortia
- Strengthening the influence of individuals through democratic organisations
- Building up long-term capacity among partner organisations
- Accountability, long-term responsibility and transparency

## COLLABORATION WITH WE EFFECT

In 2003, Vi Agroforestry entered into a close collaboration with We Effect (formerly Swedish Cooperative Centre). This collaboration is a natural progression, as both organisations come from the Swedish cooperative movement and focus on the same target groups – poor farming communities. It will benefit both organisations, enabling them to be more effective and reach more people.

## SIGNIFICANT EVENTS DURING THE YEAR

### Targeted activities

Vi Agroforestry has been increasing its support for the farmers' organisations for several years now. The aim is to further increase local ownership and long-term sustainability of results. In 2011, four national consortia were set up together with local organisations. The

“Lake Victoria Farmers' Organisations' Agroforestry Programme” (FOA) is being jointly implemented, with 2016 being the fifth programme year. It has provided, among other things, financial support and advice for over 40 partner organisations.

The activities include organisational development, increased member benefits, improved growing techniques (implementation of agroforestry) and development of entrepreneurship. The activities also encompass support for micro-financing. Women are heavily involved, which results in improved living conditions for farming families.

In **Rwanda**, Vi Agroforestry is working with several local partners and, among many activities, has provided support to annual meetings with a view to strengthening member democracy and their voice. Our partners have improved the quality of, and access to, nurseries. This has led to increased tree planting and also increased lifetime and vitality of the plants. One area that was boosted in 2016, not least in Rwanda, is our work on equality. Improved knowledge of equality among our partners has led to greater involvement of both women and men in decision-making within their organisations.

In **Tanzania**, Vi Agroforestry is working with consortium partners and bilateral partners. In 2016, we moved our country office from Musoma to Mwanza. The aim of this move was partly to site ourselves closer to our partners throughout the country to provide better support, and partly to increase our strategic contacts with embassies in Dar es Salaam. An agroforestry symposium was held in Tanzania to increase awareness of Vi Agroforestry and the work of our consortium partners, to share experiences and to build networks for future collaboration. Farmers, partners, government representatives, research institutes and media were invited to the symposium. Around one thousand people attended, and media coverage was good.

In **Kenya**, a new, very far-reaching, agreement was concluded with Livelihoods Funds. The project is a collaboration between Paris-based Livelihoods Funds, Vi Agroforestry and Kenya's largest dairy company Brookside Dairy. The goal is to reach 30,000 farmers. The aim is to increase milk production, to strengthen the farmers' cooperatives, to increase their harvests and profitability and to contribute to increased carbon sequestration in both soil and trees.



Photo: Marcus Lundstedt

A national conference was held in Uganda together with our FOA partners. The theme was “Building Business Case for Women’s Leadership in Member Based Farmer Organisations”. The conference attracted members from our partner organisations, government representatives and individuals from other organisations. During the year we phased out all self-implemented activities in Uganda and have now handed over the responsibility to our partners.

For a number of years, Vi Agroforestry has been developing a method of carbon dioxide reduction measures in Africa. By using long-term, sustainable cultivation methods, farmers contribute to carbon sequestration in trees and thus a better climate. The farmers receive payment for this and the scheme is certified under Plan Vivo. Farmers in Tanzania have been growing according to the Plan Vivo standard since 2010. This enables companies and organisations to offset their carbon dioxide emissions, while helping to reduce poverty. Incomes increase for the farmers, as does their access to food.

#### **Fundraising and communication**

Vi Agroforestry’s donations, including product sales, totalled SEK 51 million. The biggest increase came from the Swedish Postcode Lottery, which gave Vi Agroforestry SEK 10 million.

Vi Agroforestry’s drive to recruit new monthly donors yielded just over 900 new donors, and gifts from our monthly donors exceeded SEK 10 million for the first time. The income from fundraising letters increased and Vi Agroforestry received a number of bequests.

Coop, KF and the consumer cooperatives contributed the biggest corporate donations. The Donation Button and shopping bags are their biggest fundraising channels. The Coop Points Shop continued to expand. Several new corporate cooperation partnerships were initiated during the year, and Vi Agroforestry entered into major cooperation agreements with OKQ8 Bank, Telia Finance and Smart Recycling.

The income from climate compensation continues to grow.

Investment was made in a new fundraising system, launched at the end of the year.

Vi Agroforestry launched its Trees and Love campaign, with the objective of raising money to set up tree clubs and educate pupils in the region. The tree clubs teach children about the environment and the role of trees in adapting to a warmer climate. One highlight of the campaign was a concert at Göta Lejon in Stockholm, in which Vi Agroforestry’s ambassadors took part.

At Almedalen, Vi Agroforestry arranged the seminar “Varmare klimat – iskall nyhet” (Warmer climate – ice-cold news) in connection with its report of the same name. The report outlined results of how Swedish newspapers report on climate change. Vi Agroforestry also hosted a popular tree-planting zone, where politicians and climate supporters planted trees and helped to spread Vi Agroforestry’s message.

Vi Agroforestry arranged the Tree Picture of the Year contest for the fourth time.

#### **FRII’s 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 governance of organisations, to which Vi Agroforestry adheres. From 2013, compliance with the code is monitored by external auditors.

### **FUNDING OF ACTIVITIES**

Income from activities in 2016 was SEK 83 million.

Donations from organisations, companies and individuals are a very important element of the fundraising and create independent scope for action for the organisation. Funds raised, including product sales, totalled SEK 64 million.

Public grants in 2016 amounted to SEK 17 million, which corresponds to 20 % of total income.

We Effect has the status of a framework organisation to Sida, and so Sida’s contributions are forwarded to Vi Agroforestry by We Effect.

### **OTHER**

Vi Agroforestry’s strategy for the period 2017-2021 was formulated during the year. Employees and partners at all levels have taken part in this work, which concluded with the board adopting the new strategy in autumn 2016.

November 2016 saw the launch of Agroforestry Network, which is based in Sweden with the aim of bringing together experts within various organisations and institutions for international agroforestry work and sustainable agriculture. The network is intended to create collective activities and to work to ensure more resources for climate adaptation and poverty reduction.

Reorganisation of the head office took place during the year in order to strengthen efficiency and working methods.

### **FUTURE DEVELOPMENT AND EVENTS AFTER THE BALANCE SHEET DATE**

In early 2017, Vi Agroforestry intends to conduct an organisational overhaul of its operations in Africa to ensure that the organisation can accomplish the strategic objectives for the coming years.

### **RESULT AND FINANCIAL POSITION**

The result for the year after net financial items and earmarked funds totalled SEK 33,390. Vi Agroforestry is a non-profit organisation. However, the board considers it important to have equity as a buffer, to ensure long-term commitment, among other things. The securities held as non-current assets are recorded at average cost.

Vi Agroforestry will continue with its policy of low risk in financial investments in keeping with the foundation’s policy of consolidation and capital investment.

## INCOME STATEMENT

Amounts in SEK	Note	2016	2015
<b>Operating income</b>			
Donations	2	51,405,671	47,933,285
Grants	2	29,510,604	21,410,210
Net turnover		917,804	838,404
Other operating income	3	1,012,809	1,065,084
		<b>82,846,888</b>	<b>71,246,983</b>
<b>Operating costs</b>			
Project costs	4		
	5	-67,386,401	-56,324,580
Fundraising costs	6	-6,298,749	-6,709,356
Cost of goods sold		-1,416,777	-1,016,208
Administration costs	7	-6,807,537	-7,313,830
		<b>-81,909,464</b>	<b>-71,363,974</b>
<b>Operating result</b>		<b>937,424</b>	<b>-116,991</b>
<b>Profit/loss from financial investments</b>			
Profit/loss from securities and receivables that are fixed assets	8	498,331	5,687,092
Interest expenses		-132,105	-6,158
Interest income		25,433	46,201
		<b>391,659</b>	<b>5,727,135</b>
<b>Profit/loss for the year</b>		<b>1,329,083</b>	<b>5,610,144</b>
<b>Change in earmarked funds</b>			
Profit/loss for the year as per income statement (see above)		1,329,083	5,610,144
Utilisation of earmarked funds from previous years		-	-
Earmarking of funds		-1,295,693	-708,294
<b>Remaining amount for the year/ retained capital</b>		<b>33,390</b>	<b>4,901,850</b>

### FUNDRAISING AND ADMINISTRATION COSTS/TURNOVER



### FUNDRAISING COSTS/FUNDS RAISED



### EQUITY/PROJECT VOLUME



The diagram shows equity in relation to project volume. Project volume is the costs for project activities.

The foundation's consolidation target is for non-restricted equity to be at least 50 % and at most equal to the total project volume. Non-restricted equity means that earmarked funds within equity are not included. This leaves a sufficient level of reserves in place for it to be possible to wind down activities in a dignified manner, should there be a considerable change in income from fundraising and grants.

## Balance sheet

Amounts in SEK	Note	31 Dec 2016	31 Dec 2015
<b>ASSETS</b>			
<b>Fixed assets</b>			
<b>Intangible assets</b>			
Capitalised expenditure for software	9	1,705,866	608,813
<b>Tangible assets</b>			
Buildings	10	–	6,667
Equipment	11	–	2,379
		–	9,046
<b>Financial assets</b>			
Securities held as fixed assets	12	42,020,759	41,522,428
<b>Total fixed assets</b>		<b>43,726,625</b>	<b>42,140,287</b>
<b>Current assets</b>			
<b>Inventories, etc.</b>			
Products		370,386	107,224
<b>Current receivables</b>			
Accounts receivable		20,768	60,697
Other receivables		6,975,076	4,083,054
Prepaid expenses and accrued income	13	946,899	679,689
		<b>7,942,743</b>	<b>4,823,440</b>
Cash and bank balances		17,431,370	20,027,190
<b>Total current assets</b>		<b>25,744,499</b>	<b>24,957,854</b>
<b>TOTAL ASSETS</b>		<b>69,471,124</b>	<b>67,098,141</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Foundation capital		17,151,242	17,151,242
Retained capital		31,455,335	31,421,946
Earmarked funds		2,003,987	708,294
		<b>50,610,564</b>	<b>49,281,482</b>
<b>Provisions</b>			
Provision for pensions and similar obligations	14	3,408,906	3,478,906
<b>Current liabilities</b>			
Accounts payable		1,789,493	998,794
Tax liabilities		197,832	368,451
Liability received, unused grants	15	10,520,060	10,391,437
Other liabilities	16	128,689	107,564
Accrued expenses and deferred income	17	2,815,580	2,471,507
		<b>15,451,654</b>	<b>14,337,753</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>69,471,124</b>	<b>67,098,141</b>

CHANGE IN EQUITY	Foundation capital	Retained capital	Earmarked funds	Total equity
<b>Opening balance</b>	<b>17,151,242</b>	<b>31,421,946</b>	<b>708,294</b>	<b>49,281,482</b>
Earmarked funds	–	–1,295,693	1,295,693	–
Utilisation	–	708,294	–708,294	–
Result for the year	–	1,329,083	–	1,329,083
<b>Equity as of 31 Dec 2016</b>	<b>17,151,242</b>	<b>32,163,630</b>	<b>1,295,693</b>	<b>50,610,565</b>

## Cash flow statement

Amounts in SEK	Note	2016	2015
<b>Operating activities</b>			
Profit/loss after financial items		1,329,083	5,610,145
Adjustment for items not included in the cash flow		–280,457	–12,245,827
<b>Cash flow from operating activities before changes to working capital</b>		<b>1,048,626</b>	<b>–6,635,683</b>
<b>Changes to working capital</b>			
Change in inventories		–263,162	–46,768
Change in current receivables		–3,119,304	751,142
Change in current liabilities		1,113,902	9,431,213
<b>Cash flow from operating activities</b>		<b>–1,219,939</b>	<b>3,499,905</b>
<b>Investing activities</b>			
Disposal/reduction of financial assets		4,304,992	40,806,572
Acquisition of intangible assets		–1,097,053	–608,813
Investment in financial assets		–4,583,820	–40,615,888
<b>Cash flow from investing activities</b>		<b>–1,375,881</b>	<b>–418,129</b>
Cash flow for the year		–2,595,820	3,081,776
Cash and cash equivalents at beginning of year		20,027,190	16,945,414
<b>Cash and cash equivalents at end of year</b>		<b>17,431,370</b>	<b>20,027,190</b>

## Supplementary disclosures for cash flow statement

Amounts in SEK	Note	2016	2015
<b>Adjustment for items not included in the cash flow</b>			
Depreciation/amortisation and impairment		9,046	4,224
Capital gain from sales of financial assets		–219,503	–5,552,759
Capital gain from sales of tangible assets		–	8,673
Other provisions		–70,000	–5,971,094
Reclassification of earmarked funds		–	–734,872
		<b>–280,457</b>	<b>–12,245,827</b>

# Notes

## NOTE 1

### ACCOUNTING AND VALUATION PRINCIPLES

Notes with accounting principles for income statement and balance sheet.

*Amounts in SEK unless otherwise indicated.*

#### General accounting principles

This annual report has been prepared in accordance with the Annual Accounts Act, BFNAR 2012:1 (K3) and the Swedish Fundraising Council's (FRII) governing guidelines for annual reports. The accounting and valuation principles are unchanged compared with the previous year.

#### Reporting of income

A transaction in which Vi Agroforestry has received an asset or a service that has a value without giving back an equivalent value in exchange is a donation or a received grant. If the asset or service is received because the organisation has fulfilled or will fulfil certain conditions and if the organisation has an obligation to repay the other party if the conditions are not fulfilled, it is a received grant. If it is not a grant, it is a donation.

Donations are generally recorded as income when received. Donations such as shares, property and art are recognised as income at the time of the donation. A donation recorded as income is either recorded as an asset or an expense depending on whether the donation is used immediately or not.

Donations that Vi Agroforestry intends to continuously use in activities are recorded as fixed assets. Other donations are recorded as current assets. Donations are generally valued at actual value.

Grants are recorded as income when the conditions for receiving the grant have been fulfilled. Grants received are recorded as a liability until the conditions for receiving the grant have been fulfilled. Grants received to cover certain costs (e.g. for administration) are reported in the same financial year as the cost the grant is intended to cover.

#### Reporting of costs

Operating costs mainly consist of project, fundraising and administration costs. Additional operating costs that cannot be allocated to the principal functions are costs for goods sold, which includes acquisition, administration and sales costs.

Project costs consist of costs relating to Vi Agroforestry's mission as per its statutes, which includes approved costs for project activities and costs for reporting, follow-up and auditing. Fundraising costs consist of costs arising from work to collect donations and grants from donors. Administration costs include central functions such as IT and finance functions, personnel, administrative systems, other shared costs for the organisation and audit costs.

#### Post-employment benefits

Post-employment benefit plans are classified as defined and the simplification rules specified in BFNAR 2012:1 are applied. Pension obligations have been safeguarded through a transfer of funds to a pension fund. If the fund's wealth exceeds the obligation, no asset is reported, and if the balance is less than the obligation a provision is reported.

#### Valuation principles

Assets, provisions and liabilities have been valued at cost unless otherwise indicated below. Leasing contracts are reported as operating leases, i.e. no contracts have been carried forward.

#### Receivables and liabilities

Receivables are individually valued and then entered at the amount expected to be received. Receivables and liabilities in foreign currency have been converted into Swedish kronor at the closing day exchange rate.

#### Stocks of products

The stock is valued at the lower of cost or market, i.e. the lowest of either acquisition value or actual value. Average acquisition value per product is used and actual value equates to each product's net sales value.

#### Valuation and depreciation methods for fixed assets

Linear depreciation over plan is implemented, which is based on original acquisition values and estimated economic life. Impairment is only recorded for permanent depreciation that can be calculated reliably.

Tangible assets exceeding one price base amount are reported as assets in the balance sheet when it is probable on the basis of available information that the future economic benefit associated with the holding accrues to the foundation and that the acquisition value of the asset can be calculated reliably.

When purchases are judged to be grant-funded, the grants reduce the tangible assets' acquisition value.

Buildings constitute buildings in Africa utilised for operations, but owned and reported by the foundation in Sweden. Real estate holdings promote long-term operations in the relevant country and are financially beneficial. Buildings cannot be moved along with activities and potential proceeds from any sale are uncertain. Due to these circumstances, the depreciation period for properties has been established as 10 years.

The following depreciation periods are applied: Buildings outside Sweden 10 years, equipment 5 years, computers 3 years. Long-term interest-bearing assets are valued at amortised cost, less any impairment. All assets held for diversification of risk are considered part of a securities portfolio and are regarded as an item for valuation at the lower of cost or market or for impairment test.

#### 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 FUNDRAISING

Donations that have been reported in the income statement	2016	2015
<i>Fundraising, donations</i>		
Individual donors	22,587,580	24,115,183
Coop Donation Button on bottle return machines	6,331,020	6,598,571
Coop shopping bags	3,279,656	3,750,128
KF organisation grant	1,300,000	2,036,699
Swedish Postcode Lottery	10,000,000	5,000,000
Other donations from companies and organisations	5,523,972	4,374,390
Corporate donations, climate compensation	2,383,443	2,058,314
<b>Total fundraising, donations</b>	<b>51,405,671</b>	<b>47,933,285</b>

Other donations from companies and organisations includes SEK 292,913 (456,847) from Robur Humanfonden.

Donations are made up of donations received from the public, companies, organisations and others. Donations also include bequests from wills, lottery income and the sale value of donated assets.

Grants that have been reported as income	2016	2015
<i>Fundraising, grants</i>		
Radiohjälpen	3,475,060	1,040,632
Livelihoods Mount Elgon, Kenya	2,862,940	–
Swedish Postcode Lottery, Special Projects	1,736,482	109,851
World Bank	1,500,000	–
Nordic Climate Facility	1,069,658	1,564,061
Other grants	2,050,219	2,055,666
<b>Total fundraising, grants</b>	<b>12,694,359</b>	<b>4,770,210</b>

<i>Public funds, grants</i>		
The Swedish Council for Higher Education (UHR), internship programme	372,305	–
Forwarded via We Effect:		
Sida Civsam, framework grant	16,443,940	16,640,000
<b>Total public funds, grants</b>	<b>16,816,245</b>	<b>16,640,000</b>
<b>Total grants</b>	<b>29,510,604</b>	<b>21,410,210</b>

Total fundraising consist of the following	2016	2015
Donations that have been reported in the income statement	51,405,671	47,933,285
Grants that have been reported in the income statement	12,694,359	4,770,210
<b>Total fundraising</b>	<b>64,100,030</b>	<b>52,703,495</b>

## NOTE 3 OTHER OPERATING INCOME

	2016	2015
Local income outside Sweden	36,304	62,227
Other income	976,504	1,002,857
	<b>1,012,808</b>	<b>1,065,084</b>

Local income refers to interest income and agreements for small-scale directly-financed projects in each country. Other income consists of sales of seeds and products from demonstration plantations, sales of scrapped fixed assets, and moderate rental income. This income has been used in projects, reducing the need for funds from Sweden.

## NOTE 4 PERSONNEL AND AUDIT COSTS

Average number of employees	2016	of whom women	2015	of whom women
<i>Work location</i>				
Stockholm, Sweden	9	94 %	9	89 %
Kitale, Kenya	59	46 %	83	48 %
Nairobi, Kenya	7	57 %	6	67 %
Masaka, Uganda	19	42 %	27	37 %
Musoma, Tanzania	29	45 %	52	37 %
Kigali, Rwanda	13	31 %	19	21 %
<b>Total employees</b>	<b>136</b>	<b>46 %</b>	<b>196</b>	<b>43 %</b>

Salaries and other remuneration:	2016	2015
<i>Work in Sweden</i>		
Salaries and remuneration	4,485,517	4,265,024
<i>of which remuneration less than one half price base amount</i>	742	110
Social security expenses	2,229,702	2,216,345
<i>of which pension costs</i>	648,118	597,580
<i>Work outside Sweden</i>		
Kenya	10,900,157	10,767,337
Uganda	1,940,204	1,981,223
Tanzania	3,069,080	4,250,180
Rwanda	1,965,684	2,099,053
<b>Total salaries and remuneration</b>	<b>24,590,344</b>	<b>25,579,162</b>

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

In 2016, 365 hours, corresponding to 46 days, were worked by hourly-paid employees and 56 hours by volunteers.

### Board members and senior employees

Salaries and remuneration include remuneration for the CEO of SEK 465,867 (462,878). No remuneration is payable to members of the board over and above this. The CEO's terms and conditions: Mutual notice period of 6 months; in the event of termination by the employer, severance pay equivalent to 12 months' salary is payable.

Of the foundation's pension costs, including statutory tax, SEK 239,994 (220,745) relates to the CEO. The foundation's outstanding pension obligations to the board total SEK 0 (0).

There have been no transactions with board members, senior employees or key figures during the year.

Number of board members as of balance sheet date	2016	of whom women	2015	of whom women
Board members	7	71 %	8	75 %
CEO	1	100 %	1	100 %

Fees and reimbursement to auditors	2016	2015
The foundation's fees and reimbursement to auditors are distributed as follows:		
<i>The foundation's selected auditors in Sweden</i>		
Audit assignments KPMG	–	188,000
Audit assignments PwC	188,144	120,000
Other assignments	28,500	33,375
<i>The foundation's selected auditors abroad</i>		
Audit assignments PwC	1,181,537	987,048
Other assignments	10,835	13,573
<b>Total fees and reimbursement to auditors</b>	<b>1,409,016</b>	<b>1,341,996</b>

Audit assignment refers to an examination of the Annual Report and bookkeeping, together with the administration by the foundation and CEO, other tasks incumbent upon the foundation's auditors, as well as advice or other assistance deemed necessary as a result of observations during such examination or implementation of other such tasks.

## NOTE 5 PROJECT COSTS

	2016	2015
Kitale, Kenya	16,953,872	15,124,096
Kisumu, Kenya	–	1,106,412
Masaka, Uganda	8,252,905	6,467,770
Musoma, Tanzania	10,822,945	10,515,010
Bukoba, Tanzania	–	2,924
Bukoba, Tanzania, Plan Vivo-certified activities	–	–107,595
Kigali, Rwanda	10,322,804	8,324,872
Programme office in Nairobi, Kenya	15,790,032	12,440,414
Internship programme	347,948	–
Quality assurance and communication in Sweden	4,895,895	2,450,677
<b>Total project costs</b>	<b>67,386,401</b>	<b>56,324,580</b>

Project costs consist of direct project costs and personnel costs for activities. Certain activities have been conducted during the year as part of Plan Vivo-certified projects in Kagera in Tanzania. The activities are certified for carbon sequestration. The purpose of the foundation as per Vi Agroforestry's statutes is to contribute to ecological balance and better, more secure sources of livelihood for the poor and worst off in areas threatened by ecological impoverishment through nurseries, tree planting and other associated measures.

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

## NOTE 6 FUNDRAISING COSTS

	2016	2015
Fundraising costs attributable to systems and personnel	3,583,737	3,095,021
Campaigns targeting individual donors, including direct debit recruitment	2,399,327	3,127,898
Christmas cards, e.g. campaigns, cards, envelopes and extra personnel	291,370	252,463
Climate compensation, Plan Vivo-certified activities	16,798	193,017
Other fundraising costs	7,517	40,956
<b>Total fundraising costs</b>	<b>6,298,749</b>	<b>6,709,355</b>

## NOTE 7 ADMINISTRATION COSTS

Administration costs include salary-related costs and a share of office expenses and administration in Stockholm as well as the management team's expenses. They also include travel, audits, membership fees, depreciation and similar in Sweden. Costs for communication work with a direct fundraising focus are reported as administration costs within the foundation.

## NOTE 8 PROFIT/LOSS FROM SECURITIES AND RECEIVABLES THAT ARE FIXED ASSETS

	2016	2015
Unit trust dividends	278,828	134,333
Capital gain from sales	219,503	5,552,759
<b>Total</b>	<b>498,331</b>	<b>5,687,092</b>

## NOTE 9 CAPITALISED EXPENDITURE FOR SOFTWARE

	2016	2015
Acquisition values, brought forward	608,813	–
Capitalised expenditure for the year	1,523,519	608,813
<b>Accumulated acquisition values, carried forward</b>	<b>2,132,332</b>	<b>608,813</b>
Depreciation for the year	–426,466	–
<b>Accumulated depreciation, carried forward</b>	<b>–426,466</b>	<b>–</b>
<b>Carrying amount at end of period</b>	<b>1,705,866</b>	<b>608,813</b>

## NOTE 10 BUILDINGS

	2016	2015
Acquisition values, brought forward	8,102,415	8,102,415
<b>Accumulated acquisition values, carried forward</b>	<b>8,102,415</b>	<b>8,102,415</b>
Depreciation, brought forward	–1,828,328	–1,828,328
Depreciation for the year	–6,667	–
<b>Accumulated depreciation, carried forward</b>	<b>–1,834,995</b>	<b>–1,828,328</b>
Impairment, brought forward	–6,267,420	–6,267,420
<b>Accumulated impairment, carried forward</b>	<b>–6,267,420</b>	<b>–6,267,420</b>
<b>Residual value according to plan, carried forward</b>	<b>–</b>	<b>6,667</b>

Depreciation is included in project costs at a sum of SEK 6,667 (0). Buildings are in Kenya and Uganda.

## NOTE 11 EQUIPMENT

	2016	2015
Acquisition values, brought forward	25,667	121,336
Sales and disposals	–	–95,669
<b>Accumulated acquisition values, carried forward</b>	<b>25,667</b>	<b>25,667</b>
Depreciation, brought forward	–23,288	–106,060
Sales and disposals	–	86,996
Depreciation for the year	–2,379	–4,224
<b>Accumulated depreciation, carried forward</b>	<b>–25,667</b>	<b>–23,288</b>
<b>Residual value according to plan 0, carried forward</b>	<b>–</b>	<b>2,379</b>

Depreciation is included in administration costs at a sum of SEK 2,379 (4,224).

## NOTE 12

## SECURITIES HELD AS FIXED ASSETS

	2016	2015
<b>Accrued acquisition values</b>		
Opening balance	41,522,428	36,160,353
Investments	4,583,820	40,615,888
Disposals	-4,085,489	-35,253,813
<b>Accrued acquisition values, carried forward</b>	<b>42,020,759</b>	<b>41,522,428</b>
<b>Breakdown of securities holdings</b>		
Unit trusts	14,414,997	9,831,177
Fixed income funds	27,605,762	31,691,251
<b>Total</b>	<b>42,020,759</b>	<b>41,522,428</b>

Holdings in funds are regarded as a securities portfolio. The securities portfolio has been valued at the accrued acquisition value on the balance sheet date. The figures above also show the breakdown of the holdings into unit trusts and fixed income funds. An allocation service is available and re-allocation takes place within specified parameters. The foundation's "Policy for consolidation and capital investments" regulates investments.

## NOTE 13

## PREPAID EXPENSES AND ACCRUED INCOME

	2016	2015
Prepaid expenses in Sweden	442,770	461,057
Prepaid expenses outside Sweden	504,129	218,632
<b>Total prepaid expenses and accrued income</b>	<b>946,899</b>	<b>679,689</b>

## NOTE 14

## PROVISIONS

	2016	2015
Carrying amount, brought forward	3,478,906	9,450,000
Additional provisions, overseas commitments	-70,000	-5,971,094
<b>Carrying amount, carried forward</b>	<b>3,408,906</b>	<b>3,478,906</b>

Provisions consist of estimated regional statutory future expenses when terminating locally-employed personnel and expenses connected with restructuring operations.

## NOTE 15

## LIABILITY RECEIVED, UNUSED GRANTS

	2016	2015
Liability to financier	10,520,060	10,391,437
<b>Total liability received, unused grants</b>	<b>10,520,060</b>	<b>10,391,437</b>

## NOTE 16

## OTHER LIABILITIES

	2016	2015
Employee taxes, Sweden	-128,689	-107,564
<b>Total other liabilities</b>	<b>-128,689</b>	<b>-107,564</b>

## NOTE 17

## ACCRUED EXPENSES AND DEFERRED INCOME

	2016	2015
Personnel-related expenses	583,987	513,270
Other accrued expenses	2,231,593	1,253,685
Accrued expenses and deferred income outside Sweden	-	704,552
<b>Total accrued expenses and deferred income</b>	<b>2,815,580</b>	<b>2,471,507</b>

Stockholm, 3 May 2017




**Ines Uusmann**  
Chairperson

**Sofia Wadensjö Karén**  
Vice chairperson




**Stina Götbrink**  
Member of the board

**Eva Quist**  
Member of the board




**Henrik Ekman**  
Member of the board

**Bodil Jönsson Lindgren**  
Member of the board




**Per Hamid Ghatan**  
Member of the board

**Anneli Rogeman**  
CEO/Member of the board

# 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 2016.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the foundation as of 31 December 2016 and its financial performance and cash flow for the year in accordance with the Annual Accounts Act.

### 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 the *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 the CEO

The board of directors and the CEO are responsible for the preparation and fair presentation of these annual accounts in accordance with the Annual Accounts Act. The board of directors and CEO 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 CEO 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 conducted 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 judgment 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 accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors and the CEO.
- conclude on the appropriateness of the board of directors' and CEO'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 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 conditions 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 CEO 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.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

### Opinion

In addition to our audit of the annual accounts, we have also audited the administration by the board of directors of the Vi planterar träd fundraising foundation (Vi Agroforestry) for 2016.

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

### Basis for opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the *Auditors' 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 omission which can give rise to liability for damages 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 judgment 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 judgment and the judgment of other elected auditors with 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 and 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, 10 May 2017

Öhrlings PricewaterhouseCoopers AB



**Lars Wennberg**  
Authorised public  
accountant



**Carl-Olof Bengtsson**  
Elected auditor

# WE NEED YOUR HELP TO COMBAT POVERTY AND CLIMATE CHANGE!

Every newly-planted tree provides more food on the table, larger incomes and protection against the negative effects of climate change. Every single tree makes a difference.



Photo: Edward Eshwalu



## GIVE A DONATION

Deposit your donation in our Swedish plusgiro account:

<b>BANK NAME:</b>	Swedbank
<b>SWIFT ADDRESS:</b>	SWEDSESS
<b>ACCOUNT NUMBER:</b>	8901 1 904 372 911-1
<b>IBAN NUMBER:</b>	SE7180000890119043729111
<b>ACCOUNT HOLDER:</b>	Insamlingsstiftelsen Vi platerar träd
<b>ADDRESS:</b>	105 33 Stockholm, Sweden

**FOLLOW US** on social media and influence others by spreading our message:



VIAGROFORESTRY



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# EVERY CONTRIBUTION MAKES A DIFFERENCE!

## DONATE 88 USD

to establish a kitchen garden at a school. Kitchen gardens provide children with lunch to give them energy to study and knowledge for the future.

A kitchen garden provides knowledge and nourishment.



Photo: Marcus Lundstedt

Moringa tree

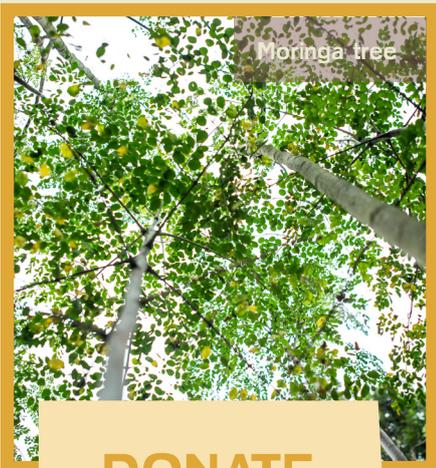


Photo: Edward Echwalu

## DONATE 10 USD

to plant four trees to prevent soil erosion in the Lake Victoria Basin.

Beatrice Nelima has constructed a wood saving stove with support from Vi Agroforestry, Kenya.



Photo: Elin Williams

## DONATE 17,5 USD

- enough to teach farming families how to construct wood saving stoves, which reduce deforestation and yield better health.

Saidat Nakayinga, Uganda

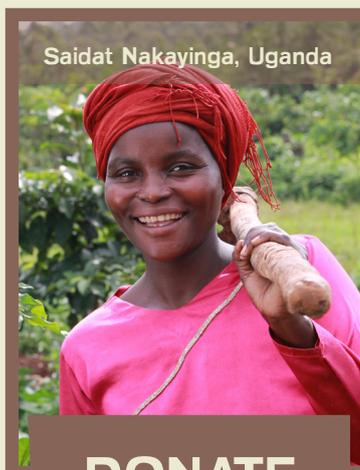


Photo: Linda Andersson

## DONATE 15 USD

to teach a family about sustainable agriculture, to lift them out of poverty.

## PARTNER WITH US

Vi Agroforestry welcomes the opportunity to partner with you in the implementation of our programmes. For any enquiries, please contact us on [info@viagroforestry.org](mailto:info@viagroforestry.org) or telephone +254 (0) 20 418 4480/1383.



**Vi Agroforestry**

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