

Sustainable Villages Foundation - Stiftung nachhaltige Dorfentwicklung

Activity Report 2022

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0. Foreword

The "Sustainable Villages Foundation - Stiftung nachhaltige Dorfentwicklung" - hereinafter referred to as "the Foundation", has been recognised by the Foundation Supervisory Authority of the State of Brandenburg as a foundation with legal capacity under civil law with its registered office in Potsdam since 11 November 2020. The non-profit status was officially confirmed by the responsible tax office on 3 December 2020. The founder Joachim Hauschopp is the sole chairman of the foundation.

Parallel to the foundation process, the pilot villages Bisagara and Rugarama with a total of 2,600 inhabitants were selected together with the mayor of the district "Bugesera" in Rwanda. The villages are neither connected to the national electricity grid nor to the water network. The Foundation's work in the period 2020 to 2022 has focused on these two villages.

The year 2022 was marked by the professionalisation of the Foundation and its anchoring in Rwanda. In spring 2022, we signed an agreement with the Rwandan Ministry of Local Government (MINALOC) and achieved recognition as an international NGO by the Rwanda Governance Board (RGB). We are particularly happy about the constitution of the seven-member Board of Trustees under the leadership of the Rwandan solar entrepreneur Francine Munyaneza. This puts the Foundation in an optimal position for intensive project work on the ground.

In the meantime, 250 small solar systems have been installed in the households with our support. The electrification rate in the pilot villages of Bisagara and Rugarama has thus reached 100%.

A particularly nice project is the successful electrification of the primary school. There are now lights and sockets everywhere. A Smart Classroom with 31 laptops, a projector and a multifunction printer was set up. The Schmitz Foundations from Düsseldorf contributed 10,000 EUR. IT training for teachers has begun. In addition, at the request of the local community, we are building a small kindergarten, the financing of which is supported by the Rotary Club.



In December 2022, the ten-month training of 50 smallholder farmers in cultivation techniques and irrigation began. The goals are higher yields, improved nutrition and greater resilience to drought. The project also includes the construction of six small-scale pilot systems with drip irrigation.

In October 2022, about 60 participants of the Offgrid Solar Forum in Kigali visited the two pilot villages. We are talking to some of them about possible funding for our work. A Berlin-based solar company will support the foundation over a longer period of time.

Unfortunately, some things did not work out so far. The drinking water project could not be carried out as planned, as we were unable to find ground water which is reliable there in two hydrological studies.



We are currently investigating the possibility of supplying drinking water via rainwater. There were also painful setbacks in fundraising: we applied for funds from two professional donors, but failed in the last round in each case.

Nevertheless, the kindergarten could be opened in the meantime. The expansion by two classrooms is planned for 2023/2024. The agricultural project is proving to be a great success. We have applied for funding from the EU to expand the project to 1000 farmers in 2023-2027. In the meantime, we also offer English training for primary school teachers. In July 2023, the primary school "Cyirabo", which is located in a neighbouring village, will be electrified by means of solar energy and also get a "Smart Classroom". The construction of a house for a homeless family is in preparation.

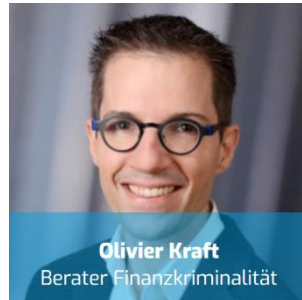
This activity report covers the year 2022 and provides some outlooks for the year 2023. It is addressed to the Foundation Supervisory Authority of the State of Brandenburg, to the tax office in charge and to all interested parties.

The annual financial statement for the year 2022 with a statement of assets and liabilities, income statement and the evaluation of expenses for projects and administration were prepared by tax consultant Dipl.-Kffr. Karola Pilz, who specialises in non-profit organisations, in close cooperation with the foundation's Executive Board.

1. The Board of Trustees

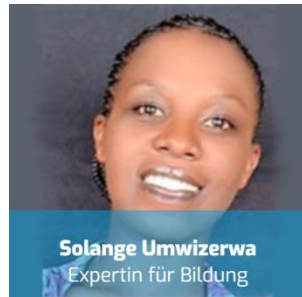
On 4 April 2022, the first Board of Trustees, appointed by the founder, held its constituent meeting. We succeeded in recruiting experts from all fields relevant to us: Water, Energy, Agriculture & Food, Education & Training, Entrepreneurship, Finance and Fundraising.

On 25 May this year, the Board of Trustees elected **Francine Munyanza** as Chairperson and **Olivier Kraft** as her Deputy. Francine is the founder and CEO of MUNYAX ECO - a company specialised in



solar energy - and of "La Maison Verte", a green/ecological construction project. She is among the 10 finalists of the 2023 Africa's Business Heroe competition. Olivier is an independent consultant specialising in curbing financial crime. He works with public and private stakeholders on how to effectively combat illicit financial flows. Both live in Kigali

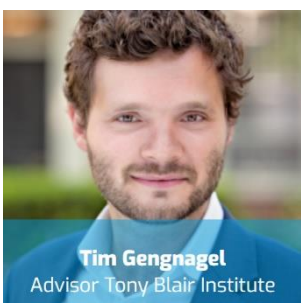
Perpetue Kamuyumbu is a proven water expert and has driven major water supply projects in Rwanda as Country Director of the NGO Water for People. **Solange Umwizerwa** has worked as a



primary school teacher and headmaster, as well as in USAID and Save the Children projects. Today, she works as an education consultant

for the World Bank. **Noel Ujeneza** has worked in the agro sector for decades, including at Caritas as head of the development department. He also knows a lot about developing agriculture on very small plots of land. All three live in Kigali.

Tim Gengnagel lived in Kigali for many years and worked there as Head of Department for the Rwanda Development Board. Today he is a Senior Investment Advisor at the Tony Blair Institute for Global Change, advising governments across Africa on strategic investment projects and public-private partnerships. Tim lives in Potsdam.



Thomas Duvéau worked for a long time for the company Mobisol, which installed tens of thousands of solar home systems in Rwanda, among other countries. Today Thomas works for the Access to Energy Institute. Thomas has led many successful fundraising projects. Thomas lives in Berlin.

2. Projects in the two pilot villages

Lights are on in 100% of households!

In the villages of Rugarama and Bisgara, 250 small solar systems were installed with three lamps, a USB port for charging mobile phones and with a radio. Now 100% of the households have solar power.

The foundation gives a subsidy for the purchase of the solar system depending on the income classification. The households pay the remaining amount in instalments. The down payment and the 24 monthly instalments are handled by local savings groups.



Two households in the pilot villages are destitute and could not pay anything. In this case, the Foundation donated two solar systems to the Village Committee, which gave the systems to the needy families.

The primary school now has solar power!

In cooperation with a Rwandan solar company, the "Ecole Primaire de Juru" with almost 900 pupils and 20 classrooms was electrified.



The Juru primary school had no connection to the electricity grid until now. Two existing small solar systems could only supply power to a laptop and a few lamps.

The new plant consists of twelve photovoltaic modules, six of which face east and six west. The output is 4.74 kWp, and the average daily electricity production is assumed to be just under 19 kWh. The three lithium batteries have a total net capacity of just under 9.5 kWh.



The inverter turns the solar power into alternating current with a voltage of 220V. The system has remote monitoring. The internet connection is via a 4G internet router with a sim card.

"Smart Classroom" set up!



Sustainable Villages Foundation, together with the "Ecole Primaire de Juru" and with financial support from the Schmitz Foundations' Small Projects Fund, has set up a Smart Classroom with 31 Windows laptops.

After successful solar electrification of the primary school, the laptops, a projector and a combination device for printing and copying were installed. The school built the furniture, renovated the classroom and massively improved the security against burglaries.

The internet connection is via a 4G router. In 2023, the internet connection will be taken over by the Rwanda Basic Education Board and improved at the same time. The computer training of the 18 teachers started on 21 October 2022.



Construction of a small kindergarten

Sustainable Villages Foundation and Bugesera District have signed a Memorandum of Understanding to build the kindergarten for pre-school children. Early childhood development is an important component of the national education strategy.



After a short delay, the construction of the kindergarten started in autumn 2022. In the first construction phase, it consists of a classroom, an office, a kitchen and sanitary facilities.

Electricity is provided by a "solar home system". Water is supplied by collecting rainwater in a large tank with a filter system.

Commissioning is planned for April 2023 (and has now taken place, see also chapter 6 "Outlook 2023"). Two more classrooms are to be added in 2023/2024.

Agricultural training

During the needs assessment last year, we kept hearing requests for agricultural training. After several discussions with groups of smallholder farmers, we worked with the local community to identify 50 farmers who own land up to 2,500sqm. They were selected to participate in a training in



cultivation techniques and irrigation. Theoretical training has started in December 2022. As part of the practical training, "kitchen gardens" are planted. Imparting knowledge on improved nutrition is an important part of the training. As part of the project, the construction of six small pilot systems with drip irrigation is also planned (and has been done in the meantime, see also chapter 6 "Outlook 2023"). This creates resilience against drought. All 50 training participants receive a goat or a sheep.

3. International visit to the pilot villages!

As part of the Offgrid Solar Forum in Kigali, 60 participants from all over the world visited the two pilot villages.



The Offgrid Solar Forum is a biennial international conference and exhibition for solar systems that operate independently from electricity grids. The organiser is, GOGLA, an industry association for solar companies. Co-organisers this year were Lighting Global, a World Bank initiative to electrify off-grid villages and towns, and the Ministry of Infrastructure in Rwanda.



The participants of the excursion came from industry, universities, governmental and non-governmental organisations. The World Bank and some donors of development cooperation were also present.

The main focus of the excursion was the visit of the projects and the discussion with teachers, pupils and a hairdresser in his salon.



The participants were then able to talk in small groups in private houses with their residents about electrification, optimised cooking appliances and other things of daily life. The members of the Board of Trustees translated. On the way back, there was a stop at a water kiosk in a suburb of Kigali.



We received very positive feedback from the participants afterwards. We are now talking to some of them about possible funding for the work of the Sustainable Villages Foundation.

4. Administration

In 2022, the total general/admin costs amounted to EUR 4,646.33. The largest item included there is the fees for external accounting and preparation of annual accounts amounting to EUR 3,238.23, of which EUR 2,762.23 is for services relating to 2020 and 2021 and EUR 476.00 represents advance payments for 2022. The remaining EUR 1,408.10 was spent on the running costs of the website and data room, membership fees, Rwanda Governance Board fees and bank fees.

5. Balance Sheet and Statement of Income and Expenditure 2022

The receipts and other financial documents were carefully prepared by the Foundation and handed over to the tax consultant Dipl.-Kffr. Karola Pilz, who specialises in non-profit organisations. She prepared the 2022 annual financial statement consisting of a statement of assets and liabilities and a statement of income and expenditure.

The endowment capital paid in at the time of the foundation's establishment in 2020 amounted to EUR 100,000.00, of which EUR 50,000.00 is fixed endowment capital to be maintained and EUR 50,000.00 is consumption capital.

In July/August 2021, a sum slightly in excess of the fixed endowment capital to be maintained was invested as follows after detailed consultation with the Bank für Sozialwirtschaft, which is the Foundation's principal bank:

- Habona Nahversorgungsfonds Deutschland (WKN: A2H9B0). Investment amount: EUR 17,937.50
- Swiss Life Living & Working (WKN: A2ATC3). Investment amount: EUR 17,937.50
- Amundi Ethics Fund (WKN: AOERM). Investment amount: EUR 15,375.01
- EWS Elektrizitätswerke Schönau eG. Cooperative shares: EUR 1,000.00

The total amount invested is EUR 52,250.01.

The income from donations in 2022 amounted to EUR 53,659.28. Added to this is a grant from the Schmitz Foundations of EUR 10,000.00 for the Smart Classroom at the Juru Primary School as well as profit from asset management of EUR 525.87 and other income of EUR 40.44. The total income was thus EUR 64,225.59.

The expenses amounted to 62,833.76 EUR. An overview of the expenses broken down by projects can be found in Figure 1, see above. The annual result was 1,391.83 EUR. However, since 5,450.00 EUR were transferred to the free reserve, the result carried forward was -4,058.17 EUR.

Evaluation Costs: General/Admin and Projects								
	General/Admin	General Project Costs	Household Electrification	Water	Juru Primary School Electrification	Juru Primary School Smart Classroom	Kindergarten / ECD (Share in 2022)	Agricultural Training (Share in 2022)
Expenditure 2022	4.646,33 €	1.048,81 €	8.129,25 €	836,14 €	25.052,14 €	15.070,32 €	5.735,62 €	2.124,75 €

Figure 1: Evaluation costs

As at 31.12.2022, assets/liabilities amounted to EUR 106,541.43.

The official document "Annual Statement of Accounts as at 31 December 2022" prepared by the tax advisor is attached.

6. Outlook 2023

The topic of fundraising is high on the agenda in 2023. At the beginning of 2023, we have received a commitment from the Schmitz Foundation in the amount of 25,000 EUR for a second school project. The "Cyirabo" primary school is also to be electrified by means of solar energy in the middle of 2023 and get a "Smart Classroom".

As a further training module for primary school teachers, we have been offering English training since April 2023. All teachers at Juru Primary School participate.

At the moment, funding applications with a total amount of more than 700,000 EUR are in the process of being decided. We have applied for 500,000 EUR from the EU alone to expand the agricultural training project to 1000 farmers. The existing agricultural training with 50 farmers is progressing well.



The kindergarten has now been opened in a ceremony with speeches by the education director of Bugesera District and the local leaders. 52 children are taught by two teachers and receive a full lunch. We have applied for funds to extend the school by two classrooms.



The construction of a model house for a homeless family made of adobe bricks is planned for summer 2023. In addition, other neighbouring villages are to be included in the household electrification project. Provided we get the funds together, all projects are to be extended to the entire "Juru cell" with about 7,000 inhabitants.

We continue to look for ways to remedy or mitigate the deficits in drinking water supply based on rainwater harvesting, but have not yet been able to achieve a breakthrough here.

Attachments:

- Annual Accounts as of 31.12.2022 with statement of assets and liabilities and income statement

Berlin, 16 June 2023



Joachim Hauschopp

Executive Chairman