

**Sustainable Villages Foundation – Stiftung nachhaltige Dorfentwicklung**

# **Activity report 2023**

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## **0. Foreword**

The foundation's third year has brought great momentum. Fundraising successes with pledges totalling over EUR 180,000 for the period 2023/2024 have made it possible to successfully implement a large number of projects and also move into new areas. The impact of the projects from the two previous years is now clearly visible. The local population is working very closely with the foundation and is delighted with the progress made. Co-operation with local and national authorities is also going well.

We have trained 50 smallholder farmers in agro-ecological farming techniques and built six pilot drip irrigation systems to increase yields, improve nutrition and create more resilience to drought.

The big highlight in spring was the opening of the kindergarten we built with numerous guests. Up to 100 children are professionally cared for, taught and provided with a nutritious lunch during the day. As the building is already bursting at the seams, we are building two more classrooms and a playground in 2024 (meanwhile completed).

Another highlight was the construction and very emotional handover of a house built with clay bricks to a homeless family of seven. The Catholic Church provided a plot of land for this purpose.

We are particularly pleased that we were able to equip two more primary schools, each with around 1,000 pupils, with a powerful AC solar system and a smart classroom. Our training courses in IT and English for teachers are extremely popular, with everyone taking part. The pupils are also enthusiastic about laptops and IT lessons. At the suggestion of our sponsors, we also organise training courses on child protection in schools and the kindergarten.

The inadequate water supply remains a major challenge. Improving this is one of our major topics for the coming year 2024.

## **1. Meeting of the Board of Trustees**

The composition of the Board of Trustees remains unchanged. The annual meeting of the Board of Trustees took place via video conference on 10 July 2023 under the chairmanship of Francine Munyaneza. All seven members of the Board of Trustees and the founder attended the meeting.

The Board of Trustees unanimously approved the activity report and the annual accounts for 2022 and granted discharge to the Executive Board, also unanimously.

As it was not yet clear at the time of the meeting which of the funding applications submitted would be successful, the Board of Trustees decided on two versions of the budget: one with revenue/expenditure of EUR 100,000 and one with revenue/expenditure of EUR 200,000. In the event of successful funding applications to the EU and EDP, the higher budget would apply. The budget variants were adopted unanimously.

## 2. Projects in the pilot area

### Agricultural training

During the needs assessment in 2021, we heard repeated requests for agricultural training. In several discussions with the local community, 50 farmers, each owning a maximum of 2,500 square metres of land, were finally selected to take part in a ten-month training course in cultivation techniques and irrigation.



Our agricultural trainer began theoretical training in agro-ecological cultivation techniques in December 2022. As part of the subsequent practical training, in which the participants worked together in groups of eight under the guidance of the trainer, "kitchen gardens" were planted on the participants' plots. Learning about healthy and balanced nutrition was an important part of the training.



The following activities were carried out in practice:

- All 50 participants have planted a kitchen garden
- Production of compost. The compost can be spread on the fields after around six weeks.
- Production of liquid fertiliser
- Production of liquids to combat insects and fungal infestation
- Plant arrangements that keep insects away
- Create mandala beds that can also be watered with kitchen waste water
- Measures to improve the quality of the soil. Protecting the soil from drying out



- Construction and operation of six drip irrigation systems with 5000-litre tanks
- All 50 training participants received a goat or a sheep
- Construction of simple facilities for hand washing
- In addition, water reservoirs lined with plastic sheeting were covered with wood and foil to improve the hygiene of the water and prevent accidents involving children



### Construction of a kindergarten

The foundation and the Bugesera district had already signed a memorandum of understanding on the construction of a kindergarten in 2022. Early childhood development is an important part of the national education strategy.

The kindergarten was built by a local construction company between autumn 2022 and spring 2023. In the first construction phase, it consists of a classroom, an office, a kitchen and toilets.



Power is supplied via a "solar home system". Rainwater is collected in a large tank with a filter system for the water supply. The project was supported with funds from the Rotary Club Munich Lehel.

The kindergarten was opened in April 2023 in a ceremony with speeches by the district education director and the local mayor and handed over to the Bugesera district, which now owns the building. A total of around 100 adult guests and numerous children attended the opening ceremony.



Due to the high demand for childcare, up to 100 children aged between two and five are enrolled in the kindergarten.

The children are taught by two teachers who were hired by the Bugesera district specifically for this purpose. The aim is also to provide the children with a nutritious lunch. The food is paid for by the Bugesera district.



The kindergarten is organised by the nearby Juru Primary School, which also has a pre-school class with five-year-olds in the school building. The Sustainable Villages Foundation has been working with Juru Primary School for two years.



The foundation hired a kindergarten specialist who conducted a five-day training course in May and June 2023 for the people involved in running the kindergarten. The teachers, the cook, parent representatives, the deputy head teacher and the village mayor took part. Not only were the most important aspects of early childhood education and the importance of good nutrition explained, but the establishment of the kindergarten committee was also initiated.



The foundation has received a significant funding commitment from the "Access to Energy" (A2E) programme of the Portuguese energy supplier "Energias de Portugal" (EDP). Part of the funding is earmarked for the expansion of the kindergarten to include two classrooms and a partially covered outdoor area with a playground.

### Juru Primary School

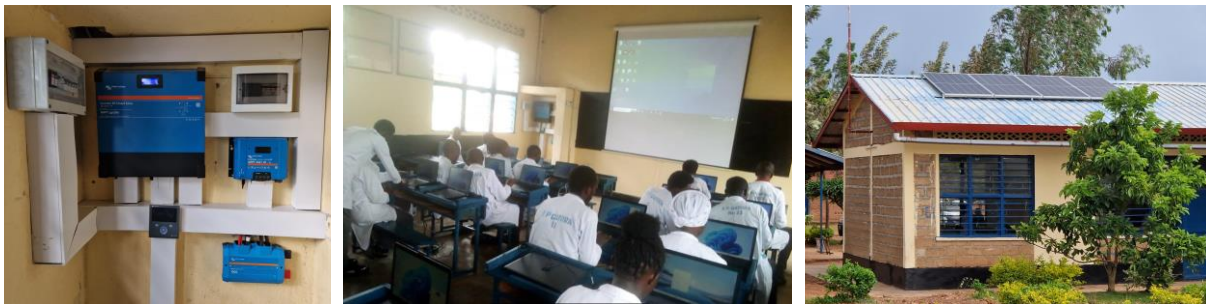
In April 2023, our English trainer started English lessons for teachers with four lessons every Saturday. All teachers at Juru Primary School take part. The aim is to improve reading, writing and speaking skills. There are also practical conversation exercises, as can be seen in the photo below right.



Lessons take place in the Smart Classroom we set up in 2022. Exercises are projected onto the screen via the projector and small films can also be shown. An essential part of the lessons is access to learning material that is available online. The Smart Classroom is also available to teachers outside of lessons so that they can use the internet to further their own education.

### Solar electrification, installation of smart classrooms and IT training for teachers

In 2023, the foundation was able to electrify Cyirabo Primary School and Gatora Primary School, each with around 1,000 pupils. Solar systems were built, lithium iron phosphate batteries were installed and all rooms were fitted with lights and sockets so that standard electrical appliances can be supplied with alternating current. Both schools have also received a smart classroom with over 30 laptops each, a projector and a device for printing and copying. The internet runs via a 4g mobile router, but is expected to be converted to fibre optic or high-speed wireless connection in the course of 2024. IT training for the teachers began immediately after completion.



For the measures at Cyirabo Primary School, we were able to obtain a 75% grant from the Schmitz Foundation's small project fund. The measures at Gatora Primary School are 100% funded by the "Genialsozial" programme of the Saxon Youth Foundation.

### Scholarships for attending a vocational school

Secondary schools and vocational schools charge school fees that many families cannot afford. In addition, vocational schools are often located far away from the student's place of residence, meaning that boarding school accommodation is necessary, which entails additional costs.



For the first time, the foundation has provided scholarships for two young women and two young men to attend a one-year vocational school with boarding facilities. One young woman will be trained as a dressmaker, the other as a hairdresser. The two young men will become car mechanics.

### Household electrification

The first project financed by EDP funding was the electrification of 120 households with small "solar home systems". These each consist of a photovoltaic module, a battery, three lamps, a USB port for charging mobile phones and a radio. Over the course of 2024, all households in the Juru cell that do not yet have electricity are to be electrified and the electrification of households in the neighbouring "Mugorore cell" is to begin.



### Building a house for a homeless family

In just a few months, the foundation had a house made of clay bricks built for a homeless family by a local construction company according to our architect's plans. The land was provided by the Catholic Church. The house was transferred to them with the obligation to use it permanently for the accommodation of homeless families.



The house consists of a living room and four small bedrooms. The outbuilding houses a kitchen with storage room and a composting toilet. Electricity is provided by a small DC solar system with battery. Rainwater is collected in a large water tank for the water supply. As the family did not have any furniture, we also purchased beds, a table with benches and chairs. An optimised stainless steel wood-burning stove is available for cooking, which uses 80% less wood compared to traditional fireplaces.



The ceremonial handover of the keys by the architect took place on 11 November 2023, the foundation's third birthday. In addition to the homeless family with five children and the neighbours, representatives of the Catholic Church and Caritas as well as the local administration also attended. It was a very moving moment for the family and all the other participants.

### **3. Administration**

In 2023, the total general/admin costs including asset management costs amounted to EUR 7,231.15. Of this amount, EUR 5,378.24 are general/admin costs as such and EUR 1,852.91 are asset management costs, which were mainly incurred due to a necessary devaluation of the Amundi Ethik Fund in the amount of EUR 1,580.47. However, at EUR 50,669.54, the foundation capital to be maintained is still above the required threshold of EUR 50,000.

The largest item included in the general/admin costs is the fee for external bookkeeping and the preparation of annual accounts totalling EUR 2,705.11. The remaining general/admin costs were spent on e.g. the running costs of the website and the data room, membership fees, bank charges and fees for the Rwanda Governance Board and the Joint Action Development Forum of the Bugesera District. The latter two are fees that we are obliged to pay.

### **4. Balance sheet and income statement 2023**

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 2023 annual accounts, consisting of a statement of assets and liabilities and a statement of income and expenditure.

#### Foundation capital:

The foundation capital paid in when the foundation was established in 2020 totalled EUR 100,000.00, of which EUR 50,000.00 is fixed foundation capital to be retained and EUR 50,000.00 is consumable capital. A total of EUR 4,293.35 was withdrawn from the expendable capital in 2020, so that it has since totalled EUR 95,706.65.

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 Local Supply Fund Germany (WKN: A2H9B0). Investment amount: EUR 17,937.50
- Swiss Life Living & Working (WKN: A2ATC3). Investment amount: EUR 17,937.50
- Amundi Ethik Fund (WKN: A0ERM3). Investment amount: EUR 15,375.01
- EWS Elektrizitätswerke Schönau eG. Cooperative shares: EUR 1,000.00

The total amount originally invested was EUR 52,250.01. Due to the necessary devaluation of the Amundi Ethik Fund in the amount of EUR 1,580.47, the invested amount now totals EUR 50,669.54.

#### Revenue:

Income from donations in 2023 totalled EUR 33,869.31. This includes a donation of EUR 4,000.00 from the Rotary Club Munich Lehel for the first construction phase of the kindergarten.

In addition, subsidies totalling EUR 106,227.27 were received. The subsidies are broken down as follows:

- EUR 25,000.00 from the Schmitz Foundations for solar electrification and the installation of a smart classroom at Cyirabo Primary School
- EUR 36,500.00 from the Saxon Youth Foundation for solar electrification and the construction of a large smart classroom at Gatora Primary School. Teachers will also receive training in IT and English as well as a literacy programme for adults. This very pleasing funding was not yet foreseeable at the time of the annual meeting of the Board of Trustees.
- EUR 44,000.00 from the A2E programme of the Portuguese energy utility Energias de Portugal (EDP) for solar household electrification, the extension of a kindergarten supplied with solar power and the construction of an agricultural aggregation centre with a solar-powered cold store. Some of the projects will be realised in 2024.
- EUR 727.27 Farmer's contribution to the installation of water tanks / drip irrigation systems.
- Our funding application to the European Union made it to the final round, but was not successful in the end.

Income from asset management totalled EUR 650.71

As a result, income totalling EUR 140,747.29 was generated in 2023. This is higher than the budget of EUR 100,000, as we received funding from EDP, most of which will only be recognised in 2024, and the initially unexpected funding from the Saxon Youth Foundation.

#### Expenditure:

Expenditure totalled EUR 127,504.19. Of this expenditure, EUR 120,273.04 was used for the realisation of projects and EUR 7,231.15 for general/admin costs. These costs also include the necessary devaluation of the Amundi Ethik Fund.

An overview of expenditure broken down by project can be found in Figure 1 below.

<b>Evaluation of project costs</b>	
Household electrification	8.807,27 €
Nursery school first construction phase (share in 2023)	10.526,04 €
Juru Primary School, IT and English training for teachers	5.514,69 €
Cyirabo Primary School, solar electrification, smart classroom, IT training for teachers	33.463,35 €
Gatora Grundschule, solar electrification, smart classroom, IT training for teachers (share in 2023)	35.928,21 €
"Child Protection" training in the three primary schools und in the nursery school	2.430,35 €
Model house for a family without shelter	8.943,57 €
Scholarship for two young women and two young men for the attendance at a vocational school (share in 2023)	976,31 €
Agricultural training	12.609,02 €
Project related overhead	1.074,23 €
<b>Total</b>	<b>120.273,04 €</b>

Figure 1: Evaluation of project costs

#### Annual result:

The annual result for the year totalled EUR 13,243.10, the result carried forward from previous years EUR 2,634.78. EUR 15,877.88 was transferred to the committed reserve. The result carried forward is therefore EUR 0.00.

#### Balance sheet:

As at 31 December 2023, the assets/liabilities amounted to EUR 119,784.53.

The official document "Annual Accounts as of 31 December 2023" prepared by the tax advisor is attached.

## 5. Outlook 2024

The funding from the Portuguese Access to Energy programme enables three projects, all of which use solar energy:

- Electrification of a total of 430 households with small solar systems
- Construction of an agricultural "aggregation centre" with a solar-powered cold store as a contact point for buyers of vegetables, fruit and grain.
- Extension of the kindergarten we built

Our architect Daniel Schmidt has developed a sophisticated design for the kindergarten extension using mainly local building materials. Construction is scheduled to start at the beginning of 2024.



The following projects are being planned in the education sector:

- Reading and writing training for adults: around a third of adults are illiterate
- Expansion of English training for teachers to all schools that we support
- Supporting a local vocational school in setting up a training programme in the IT sector
- Expansion of the scholarship programme for attending a vocational school



**Drinking water:** Together with a German foundation in the financial sector, a local cooperative bank and local savings groups, we are preparing a microfinance product in combination with a subsidy that will enable many households in the village to afford the purchase of rainwater storage tanks. We are also investigating the construction of centralised storage capacities in every village in our project area. This will serve as a bridge solution until the national water supplier installs a pipeline for drinking water in the project area. As tap water for irrigation is too expensive, the water reservoirs can be used permanently to irrigate the fields.

### Expansion of the project area

While we focused on the "Juru Cell" with its six villages, two schools and a total of around 7,000 inhabitants in the first two years, a project in the neighbouring "Mugorore Cell" was added for the first time at the end of 2023 with the Gatora Primary School. The expansion of our projects with schools and vocational schools planned for 2024 will mean that we will cover the entire Juru sector with around 34,000 inhabitants in the education sector. In the other areas, we will continue to focus on the Juru Cell and Mugorore Cell in order to expand our geographical reach in all areas at a later date.


### Further professionalisation

So far, the foundation has worked with freelancers and volunteers. In 2024, we will begin to build up a small team of employees, starting with a project manager in the area of agriculture. In terms of fundraising, we will increasingly be able to apply for larger amounts of funding. At the same time, we would like to professionalise the acquisition of private and corporate donations, among other things in order to be able to raise the personal contribution required for many grants. We are also aiming to cooperate with a large German foundation that is active in development cooperation.

Attachments:

- Annual Accounts as of 31 December 2023 with balance sheet and income statement

Berlin, 10 June 2024



Joachim Hauschopp

Executive Chairman