ADP embraces the United Nations Sustainable Development Goals

2018 | ANNUAL REPORT
VISION

We envision flourishing rural communities across East Africa where women’s creativity, innovation and hard work contribute to prosperity and economic independence.

MISSION

Africa Development Promise drives the collective action of rural entrepreneurial women to advance sustainable business and economic independence in East African communities.

VALUES

Partnership: We welcome local citizen and stakeholder participation and build on local knowledge.

Equality and Inclusion: We address and promote gender, ethnic, and other forms of equality and inclusion.

Sustainability: We measure our impact according to long-term economic gains.

Integrity: We interact with each other, our donors, and the communities we serve in an honest, ethical, and fair manner, and maintain accountability for our actions.

AFRICA DEVELOPMENT PROMISE
1031 33rd St., Suite 174
Denver, CO 80205
www.africadevelopmentpromise.org
Letter from Board Chair and Executive Director

Dear Friends,

Welcome to Africa Development Promise's 5th Annual Report. This year’s report reviews our ongoing contribution to the UN Sustainable Development Goals (SDGs) with an emphasis on SDG 1: No Poverty and SDG 5: Gender Equality. It includes stories of hope, resilience, change, and lessons learned.

This is an exciting time to be working in Rwanda and Uganda because the two countries are among the 10 fastest-growing economies in Africa. Overall, the African continent is increasingly moving into the global limelight as a promising investment destination. A significant amount of the economic growth is linked to the steady rebound in commodity prices, and other social, economic and political reforms. As a result, Africa's middle class is growing fast, and it is in this climate that Africa Development Promise is working to ensure that the rural population, especially women, are not left behind.

To meet the SDGs, human potential must be developed – that includes Africa Development Promise’s potential. In 2018, our in-country offices in Rwanda and Uganda grew. We know this is an opportunity for each program to help the other flourish, so we are developing an intentional learning environment and turning our learning into action. Africa Development Promise has long invested in staff development: since 2015, we have actively partnered with Regis University’s Development Practice program. Three of our staff have a Certificate of Development Practice, and two are currently working on their Masters, all thanks to partial scholarships through Institute of Electrical and Electronics Engineers (IEEE) Smart Village. It is this learning, that has laid the foundation for our program approach that builds on the potential of cooperatives to control their future through enterprises that they own and operate.

In 2018, Africa Development Promise provided eight rural cooperatives – made up of nearly 300 members – in Rwanda and Uganda with inputs, training, credit, and access to markets requisite for social and economic independence. We also provided much-needed infrastructure support such as greenhouses, irrigation systems, and tools to improve efficiency, and productivity.

Africa Development Promise is proud of the progress we have made last year, and we want to share that pride with you; none of this would be possible without your support. Thank you for your dedication and continued loyalty to the organization. We hope you will enjoy learning more about how your giving significantly impacts our programs in Rwanda and Uganda.

Bjorn von Euler
Board Chair

Monica LaBiche Brown
Executive Director

This is the final annual report letter that I will be writing as this report marks the end of my service as Africa Development Promise’s Board Chair. For the past 4 years, I have enjoyed working alongside other great board members and staff as we have strategized to advance the mission of the organization. I am proud of what we have accomplished in a short period and look forward to continuing the work as I resume my duties as a contributing board member. I am pleased to pass on the role of Board Chair to Jean Nicholson, who has served on ADPs board for the 3 years and as Vice Chair the last two. — Bjorn von Euler
Using the SDGs as a Compass

The United Nations launched the Sustainable Development Goals (SDGs) in 2015 as part of the wider 2030 Agenda for Sustainable Development. The Agenda provides a long-term, shared blueprint for peace and prosperity for both people and the planet. There are 17 goals that support the Agenda, and they are an urgent call for action by all countries in a global partnership. The 17 SDGs recognize that ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth – all while tackling climate change and working to preserve our oceans and forests.

The United Nations designed the SDGs in a way that encourages participation from governments, private enterprise, non-profits, universities, and individuals. Each goal is broken down into targets and indicators to provide specific quantitative direction and milestones. There are 169 targets broken out among the 17 goals. The goals are integrated and indivisible as they balance the three dimensions of sustainable development: economic, social, and environmental.

Through the work we do, Africa Development Promise is poised to touch most of the 17 SDGs, but we believe our potential to make the greatest impact lies within SDG 1: No Poverty and SDG 5: Gender Equality.
We focus on economic empowerment in rural Eastern Africa with the intention of eradicating poverty in those communities. By providing resources such as greenhouses, livestock, and training to individuals in rural communities, ADP helps build self-sufficiency, resiliency, and economic viability. We run projects that connect individuals with basic services they could not access before, such as water and electricity. We support rural women in securing ownership of land through the creation of cooperatives. Having legal recognition of land ownership provides long-term security, and future opportunities for community members to use that land to gain income.

At Africa Development Promise, we specifically focus on building capacity among women in the communities that we serve. In most rural communities in Eastern Africa, women are responsible for a large number of tasks and working hours, but still do not receive the same socioeconomic status as their male peers. By providing educational opportunities and business support, we are empowering an underserved group and promoting economic independence for women. With a means of providing their own income and owning land, women then will be able to participate more fully in community leadership and decision-making in public life. We also engage women in water and energy resource development in their communities to ensure their unique needs are met and that they have ownership over the projects.

NO POVERTY + GENDER EQUALITY
Peninnah Nalule is one of the youngest members of Epaphroditus Women’s Cooperative in Kifumbiro, Nangabo Sub-County in Uganda. At the young age of 18, Penninah understands the benefits that come with being a member of a cooperative and in December of 2018, she decided to join. Penninah also understands the value of education, and while some of her friends have never been to school and others have dropped out, she has made a decision that she will finish secondary school because she hopes to earn a scholarship to attend university. As with most rural families in Uganda, the problem she encountered is that her parents could not afford to pay for the school fees, uniforms, books and other related expenses. Working with Epaphroditus Women’s Cooperative after school and during the holidays gives Penninah the opportunity to earn an income, pay her school fees and contribute to her household.

Over the past four years Epaphroditus Women’s Cooperative has seen steady growth. In 2018, this mushroom growing cooperative recruited an additional seven members, making 30 total members. By joining a cooperative, the members gain a certain level of security because they pool their assets and resources together and the in turn the cooperative can offer diverse quality of products/services and meaningful employment.

With the profits that the cooperative made selling oyster mushrooms, the group decided to venture into pig rearing. Not only is piggery a lucrative business for the cooperative but also an integrated farm system. After cooperative members harvest the mushrooms, the substrate from the mushroom spawn bags are fed to the pigs, saving money on feed. In addition, the pigs provide manure, which facilitates growth and yield of the other food crops on the farm.
Uganda's economy is growing, but the growth and subsequent improved quality of life is at risk because of a lack of energy. Uganda has some of the lowest electricity access rates in Africa — 14 percent at the national level and about seven percent in rural areas. As a result, households and small businesses rely on generators, kerosene, batteries, candles, firewood and other dangerous and inefficient sources of energy. Given the inefficiencies of these sources, solar is proving to be hugely popular in rural places where electricity has not been available.

With the launch of Africa Development Promise’s solar kiosks, we offer a range of affordable home lighting solutions that can be used to generate income and cut down on the inefficient energy costs. Until recently customers like Shamim Nkanyanzi, a street vendor, used kerosene lamps, which provided inadequate lighting and emitted harmful smoke. Wanting to take advantage of evening foot traffic, Shamim purchased a solar lamp for her street business and the return on her investment was well worth it. She now works evening hours when people are coming from work and more likely to purchase her tomatoes and vegetables — sales have increased significantly! However, while she is at work, at home her family continues to use the kerosene lamps. Shamim’s goal is to save and purchase another lamp for home use.

Although customers like Shamim see the value in solar lighting, the adoption of home lighting products in the communities where Africa Development Promise works has been slow. We are learning that although the pay-as-go system is attractive, the initial down payment is a burden to families who make their spending decisions daily. In addition, the community members lack confidence in the quality of the products because cheaper quality products have flooded the rural market and agents are nowhere to be found when products break or are defective.

Despite the initial obstacles to product adoption there is significant potential for market growth especially since the kiosks have a presence in the community which boosts customer confidence. However, there is much work to be done such as raising awareness of the benefits of solar energy, developing flexible financing options, and training solar agents on how to close the deal.
AGRICULTURE IS THE BACKBONE OF AFRICAN ECONOMIES

Challenges

Women work longer hours compared to men due to hours spent preparing food, collecting fuelwood and water. This leaves less time for education and other productive endeavors. Development policies, agricultural extension services, and financial services, all assume that farmers are men. As a result, women are restricted to subsistence farming with low potential to generate income.

Rural Africa

70% of people rely on subsistence farming for their livelihood

Rwanda & Uganda

90% of economically active women work in the agricultural sector

Major constraints for women

• Lack of land ownership
• Lack of access to affordable financing (no collateral)
• Lack of access to improved seed, fertilizer, water, & energy
• Lack of access to markets
• Climate change threats

Solutions

Africa Development Promise (ADP) believes that rural entrepreneurial women can be economically self-sufficient, and flourish given the right tools.

ADP believes in the cooperative model of enterprise because studies show that they are more likely to succeed when members pool their resources and share in the risks and rewards. Single owned enterprises tend to fail because an individual cannot afford to take risks in fragile, rural economies.

Empowerment Through Collective Action

ADP’s four-part strategy establishes a firm foundation for the development of sustainable businesses that move women farmers beyond subsistence farming to market-oriented agriculture.

Management Training

Training is the foundation of effective cooperative governance. ADP provides training on: Strategic and business planning, financial management, record keeping, etc.

Technical Assistance

To ensure high quality, increased yield, ADP provides hands-on technical training on: soil and water resource management, weed and pest management, etc.

Network Building

ADP works alongside cooperatives in partnership with local government, businesses and other NGOs to build their networks. This allows them to share market information, demand and distribution channels, storage facilities and links them to financial institutions.

Infrastructure Solutions

ADP identifies locally appropriate smart farming tools and equipment from greenhouses, machinery, irrigation systems to improved seed and fertilizer – all to help cooperatives increase production.
Results

Immediate results for members
- Approximately **60% increase in income** in the 1st year of support
- Increased savings
- Improved Living Standards
  - Improved food security
  - Ability to **pay children’s school fees**
  - Ability to **pay for health insurance**
  - Ability to **start other income generating activities**

Uganda | Rwanda
---|---
3 agricultural cooperatives | 2 solar cooperatives | 3 agricultural cooperatives

Combined

256 total members | 40 contract farmers | 1,550 indirect beneficiaries, family members, buyers, suppliers, etc.

Immediate results for cooperatives
- Increased farm assets, i.e. machinery and livestock
- Approximately **65% increase in crop yield**
- Approximately **65% — 85% increase in profits from sales**
- Enhanced capacity to be credit worthy
- Improved governance, business development and operations

**2020 GOAL**

12 REGISTERED COOPERATIVES
In 2018, the World Economic Forum ranked Rwanda among the top 5 countries in the world for gender equality based on women’s level of involvement in the economy, politics, health, and education. Politically, Rwandan women hold an impressive 64 percent of seats in the national government, the largest number of any country. Though Rwanda has made significant strides, the gender equality landscape is still complicated and fraught with cultural implications, especially in the rural setting where we work.

Cooperatives play an important role in overcoming some of the obstacles to gender equality because they are democratically controlled organizations. Each member can express his or her view and actively participate in decision making. Africa Development Promise typically supports women-only cooperatives where they can build their skills and confidence in a safe and respectful environment. However, when we work with mix gender cooperatives, it is important to identify women with leadership potential and support them with training, mentoring, and coaching. This is especially true in situations where there is an education gap between the men and women of a cooperative.

Turwanye Inzara Mu Ngo Zacu (Fighting Hunger in the Household), is a mixed gender cooperative that Africa Development Promise supports in the Bugesera District of Rwanda. The cooperative is made of 42 women and 22 men. Interestingly enough, the cooperative leadership is all women with the exception of the treasurer. Women-run cooperatives were once unheard of before the genocide and are certainly not the norm, but it is exciting to watch women in the rural areas emerging as leaders in the agricultural sector.
2018 Year in Review

Rise Conference: The Nexus of Water, Energy and Food Security

In March 2018, Africa Development Promise hosted our second annual Rise Conference with the theme: The Nexus of Water, Energy and Food Production. The conference was held at the Marasa Umubano Hotel, Kigali, Rwanda. The keynote speaker was Mrs. Coletha Ruhamya, Director of Rwanda Environment Management Authority. The conference attracted participants from government, academia, as well as international and local nongovernmental organization (NGOs) and members of Africa Development Promise-supported cooperatives from both Uganda and Rwanda. The discussions covered a range of topics such as How can the interaction of water, energy and land provide women with enhanced livelihood opportunities? And How can agricultural cooperatives support in progressing towards a low energy future and what are the challenges to achieving this? The conference was well received and one of the main takeaways from the conference was the need to develop open channels of communications for stakeholders to share information to address the challenges of the WEF Nexus.

Leaders Overcoming Obstacles to Peace Award Banquet Sponsored by Our Secure Future

Africa Development Promise teamed up with A New Dimension of Hope (NDHope) to host 2011 Nobel Peace Prize Laureate and Author, Ms. Leymah Gbowee at the Leaders Overcoming Obstacles to Peace Award (LOOP Award) Banquet. The NDHope LOOP Award honors the life work of a courageous leader who has persevered against overwhelming odds to positively benefit humanity.

It was a pleasure to honor Ms. Gbowee who exemplifies the ideals of this award. She is best known for organizing women to start the Women of Liberia Mass Action for Peace Movement. Their protest helped bring an end to the second Liberian Civil War in 2003 and led to the resignation of a warlord, Charles Taylor. Gbowee’s work also paved the way for Ellen Johnson Sirleaf’s election as Africa’s first female head of state. Gbowee continues to work in peace and conflict resolution but with a stronger focus on mobilizing women to achieve the Sustainable Development Goals of ending extreme poverty and inequality and combating climate change by 2030.
Board of Directors
Africa Development Promise
Denver, CO

We have audited the accompanying financial statements of Africa Development Promise, which comprise the statement of financial position as of December 31, 2018, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management’s Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the organization's preparation and fair presentation of the financial statements 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 organization's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Africa Development Promise as of December 31, 2018, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

ICL, LLC
Chicago, IL
April 29, 2019
## FINANCIALS
### STATEMENT OF FINANCIAL POSITION
Year Ended December 31, 2018

<table>
<thead>
<tr>
<th>ASSETS</th>
<th></th>
<th></th>
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<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$ 57,213</td>
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<tr>
<td>Prepaid expenses</td>
<td>$ 6,286</td>
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<tr>
<td>Property equipment, net</td>
<td>$ 60,196</td>
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<tr>
<td><strong>Total assets</strong></td>
<td><strong>$ 123,695</strong></td>
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<table>
<thead>
<tr>
<th>LIABILITIES AND NET ASSETS</th>
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<tbody>
<tr>
<td>Accounts payable</td>
<td>$ 6,903</td>
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<td>Corporate credit card</td>
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<tr>
<td>Accrued expenses</td>
<td>$ 2,525</td>
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<tr>
<td><strong>Total liabilities</strong></td>
<td><strong>$ 12,611</strong></td>
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</table>

Net Assets

| Net assets without donor restrictions | $ 60,084  |     |       |
| Net assets with donor restrictions  | $ 51,000  |     |       |
| **Total net assets**                | **$ 111,084**  |     |       |

**Total net assets and liabilities** | **$ 123,695**  |

### STATEMENT OF FINANCIAL ACTIVITIES
Year Ended December 31, 2018

<table>
<thead>
<tr>
<th>Revenue and Support</th>
<th>Unrestricted</th>
<th>Temporarily restricted</th>
<th>2018 Total</th>
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<tbody>
<tr>
<td>Foundation and corporate grants,</td>
<td>$ 28,129</td>
<td>$ 181,000</td>
<td>$ 209,129</td>
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<tr>
<td>Individual contributions</td>
<td>$ 39,535</td>
<td>-</td>
<td>$ 39,535</td>
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<tr>
<td>Project income and other</td>
<td>$ 5,680</td>
<td>-</td>
<td>$ 5,680</td>
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<tr>
<td>Special events</td>
<td>$ 63,392</td>
<td>-</td>
<td>$ 63,392</td>
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<tr>
<td>In-kind contribution</td>
<td>$ 5,450</td>
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<td>$ 5,450</td>
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<tr>
<td>Net assets released from restriction</td>
<td>$ 149,189</td>
<td>($ 149,189)</td>
<td>-</td>
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<tr>
<td><strong>Total Revenue and Support</strong></td>
<td><strong>$ 291,375</strong></td>
<td><strong>$ 31,811</strong></td>
<td><strong>$ 323,186</strong></td>
</tr>
</tbody>
</table>

| Expenses:                                  |       |       |       |
| Program Services                           | $ 174,677 |     |       |

**Support Services:**

| Management and general                     | $ 47,775  | -     |       |
| Fundraising                                | $ 69,165  | -     |       |
| **Total Expenses**                         | **$ 291,617** | -     | **$ 291,617** |

| Change in Net Assets                       | $ (242.00) | $ 31,811 | $ 31,569 |
| Net Assets, Beginning of Year             | $ 60,326   | $ 19,189 | $ 79,515 |
| Net Assets, End of Year                   | **$ 60,084** | **$ 51,000** | **$ 111,084** |
DONOR RECOGNITION

We are grateful for the generosity of our donors, who enable us to empower rural women in Rwanda and Uganda. Your commitment is vital to the success of our programs.

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FACEBOOK BIRTHDAY FUNDRAISERS
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Cherrelyn Napue
Jessica Kelly
Tiffany Boyd

IN-KIND DONATION
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GOOD HEALTH AND WELL-BEING
QUALITY EDUCATION GENDER EQUALITY
CLEAN WATER AND SANITATION AFFORDABLE AND CLEAN ENERGY DECENT WORK AND ECONOMIC GROWTH INDUSTRY, INNOVATION AND INFRASTRUCTURE REDUCED INEQUALITIES SUSTAINABLE CITIES AND COMMUNITIES RESPONSIBLE CONSUMPTION AND PRODUCTION CLIMATE ACTION LIFE BELOW WATER LIFE ON LAND PEACE, JUSTICE AND STRONG INSTITUTIONS PARTNERSHIPS FOR THE GOALS

AMBITIOUS?

The journey of a thousand miles begins with a single step. — Lao Tzu
africadevelopmentpromise.org