

# Annual Report 2022



The  
Development  
Fund

Fighting hunger and injustice together

# A fast-changing world

For over 45 years, The Development Fund has worked to empower small-scale farmers and communities in the Global South to improve food production and withstand climate change. While some measures yield quick results, such as increased variety in food production, creating lasting changes takes a long time.

Cooperatives, improved soil quality, irrigation systems, fruit trees, livestock breeding, and savings can take 10–15 years to develop sustainably, according to agricultural experts. Therefore, The Development Fund has always worked long-term with local partners, yielding positive results for many households.

This approach is now challenged by a rapidly changing world, particularly due to climate change. During my visit to Guatemala in April, I saw small-scale farmers who had started growing coffee in mountain areas that were previously too cold. They could now grow coffee at altitudes up to 2000 meters above sea level, up from 1800 meters ten years ago. Growing coffee at higher altitudes was more challenging due to less water, harsher weather, steeper terrain, and poorer roads, but with

support from The Development Fund’s partners, they managed to adapt their production. Meanwhile, it had become too warm to grow coffee below 1000 meters above sea level.

The significant climate change of 200 meters in altitude over ten years clearly illustrates the speed of climate change. Such positive results are an exception. With current climate changes, 80% of coffee-growing areas in Latin America will be unsuitable by 2050.

The year 2022 was marked by increased climate-related droughts, storms, floods, and fires worldwide, but mainly in poorer, warmer, and more vulnerable countries. Particularly striking were the prolonged drought in the Horn of Africa and the heatwaves and

floods in several Asian countries, affecting tens of millions of people. The UN’s scientific climate panel IPCC’s synthesis report published in February showed that today’s adaptation measures become more difficult, costly, and less effective the higher the global temperature rises. This means that we need to cut greenhouse gas emissions even faster, but also that all of us working on climate adaptation, including local communities, researchers, businesses, governments, and civil society, must collaborate more closely to develop new solutions. We can no longer work in silos to find new solutions.

Another area with significant and rapid changes requiring us to adapt is the increasing extent of armed conflicts worldwide. Conflicts accounted for 69% of the increase in global hunger in 2022. This was evident during the war in Ethiopia, a country where The Development Fund is the largest Norwegian aid organisation. Many acts of war were aimed at destroying agriculture and using hunger as a weapon. This forced us to put much of our project activities on hold.

The peace agreement in November 2022 improved conditions in the Tigray province, allowing our partners to implement more urgent measures, such as distributing seeds, livestock, and basic equipment to restart food production. This has increased The Development Fund’s experience with emergency aid, and we see that, together with other actors, we must develop methods to quickly switch between

long-term development measures, prevention, and emergency aid.

Russia’s attack on Ukraine in 2022 also highlighted the vulnerability of global food supplies. It has made local food production and The Development Fund’s approach even more important. The rapid changes in climate and increased conflicts demand new thinking. Our experience with climate adaptation and local agriculture has provided us with a strong foundation to find new, more effective solutions. We must address both short-term and long-term challenges simultaneously. This work is well underway. Together with our supporters and partners, we can achieve this.



Jan Thomas Odegard, Secretary-General



|                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                        |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>The Development Fund<br/>December 2023</p> <p>The Development Fund<br/>Mariboegate 8<br/>0183 Oslo, Norway</p> <p>Tel.: +47 23 10 96 00<br/>E-mail: <a href="mailto:post@developmentfund.no">post@developmentfund.no</a><br/>Org.nr.: 928 624 471</p> | <p>Publisher:<br/>Jan Thomas Odegard<br/><a href="mailto:jan.thomas@utviklingsfondet.no">jan.thomas@utviklingsfondet.no</a></p> <p>Editor-in-chief: Hailey Hammer<br/><a href="mailto:hailey@developmentfund.no">hailey@developmentfund.no</a></p> <p>Design: Elin Iversen</p> | <p><b>Photo</b><br/>Front page: Small-scale farmer<br/>Asnakech Zeleke with her son in Ethiopia.<br/>Photo: Addis Aemero<br/>Page 2, 4, 6, 7, 12 and back (Ethiopia):<br/>Addis Aemero;<br/>Page 8, 9 (Somalia): Kristoffer Nyborg;<br/>Page 13 (Malawi): Kaia Means.</p> <p>All other photo: The Development Fund</p> |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

Success story and lessons learned

# How can we make the greatest difference?

One of the most important goals for The Development Fund is to make a difference for those we work for and with. Every day, we strive to create lasting positive changes in people's lives and to empower them with the capacity needed to contribute to and influence social change in line with their rights, needs, and knowledge.



The Development Fund works every day to strengthen the capacity of programme participants to contribute to and influence social change in line with their rights, needs, and knowledge.

In this work, we use methods and approaches that we know from experience are effective. These are methods and approaches that we have developed and implemented in collaboration with our local partners, and which we see yield good results. However, there is no guarantee that initiatives that have proven successful in one area or country will yield the same results in other areas or countries. Although the challenges and needs are often similar, the conditions differ, and solutions vary accordingly.

Therefore, we prioritise understanding the needs and challenges in the areas where we work before initiating projects. Together with our local partners, we conduct needs assessments and involve the target groups, tailoring our work to the local context. At the same time, we seek to experiment with new methods and approaches and involve new stakeholders to further develop and strengthen our work.

It is not always the case that the established methods we have used for many years continue to be effective, as illustrated by this year's lesson learned. Perhaps there was nothing wrong with the method itself, but our preliminary assessments were not thorough enough. In that case, we attempted to implement a method that had yielded good results in similar contexts before but, in this specific instance, did not add any value as the need was already addressed by other approaches initiated by other actors.

This year's success story shows how crucial it is to be able to adapt plans in crisis situations. When the war broke out in Tigray, the northern region of Ethiopia, the country faced one of its worst crises in decades. The interventions and methods we had implemented in

the region, as well as in other parts of Ethiopia, were suddenly no longer the answers to our target group's most urgent needs, and the projects we had started could not be carried out as planned. At the same time, our experience and knowledge from many years of work in the conflict-affected areas, along with established and well-functioning partnerships with both current and former partners, were crucial for us to pivot and initiate actions that addressed some of the most pressing needs of our target groups.

Together with our partners, we identified the most critical measures to meet the needs in the short and medium term while maintaining a holistic approach to ensure sustainability and contribute to long-term development and change in the conflict-affected areas.

While this year's lesson serves as a reminder that well-known and successful approaches and methods do not always produce the desired results, this year's success story demonstrates that important outcomes can be achieved by evolving and adapting methods when acute crises arise. We still believe that it is important, and right, to scale up methods and initiatives that have proven effective so that they can be implemented in new areas. However, thorough preliminary assessments and adaptation to the local context and the needs of the target groups are essential for success.

Elin Cecilie Ranum,  
Head of Programme Department



This year's success story

# Food security and livelihoods: The Development Fund’s preparedness in Ethiopia

The outbreak of armed conflict in November 2020 in Northern Ethiopia has had a devastating impact on people's lives and livelihoods. The conflict has resulted in loss of life, depletion of livelihoods, displacement, food insecurity, macroeconomic instability, and limited access to critical imports, which particularly affects already vulnerable rural communities.



In response to the war in Northern Ethiopia, The Development Fund and the Norwegian Embassy rolled out a programme to address immediate needs, including the provision of seeds, tools, livestock, and poultry.

The situation has been further exacerbated by climate-related shocks and stresses, including both drought and flooding, which especially affect rural communities in the northern and eastern parts of the country.

Over two years of conflict have severely restricted access to the Tigray region, negatively impacting The Development Fund’s programmes in the area. Traditionally, The Development Fund and partner interventions in Tigray, as well as in the northern Amhara and Afar regions of Ethiopia, have been long-term, aimed at strengthening rural development capacity in agriculture, natural resource management, business skill development, gender equality, and local governance systems over time.

Unfortunately, and despite our best efforts, many of these interventions were not possible in 2022 due to insecurity and limited access to inputs, capital, and other services, which contributed to the erosion of rural livelihoods and created negative coping mechanisms in the community.

In response to the situation in Northern Ethiopia, The Development Fund initiated a dialogue with the Norwegian Embassy in 2021, seeking support to roll out a resilience-oriented (nexus) programme addressing the immediate needs of rural communities in the agricultural sector. This included the direct provision of seeds, tools, livestock, and poultry, as well as support for irrigation systems.

The ambition was to implement the programme in advance of the critical rainy season starting in July 2021 (the Meher rains), on which small-scale farmers in Northern Ethiopia rely. Additionally, the programme was designed as a crucial supplement to direct life-saving humanitarian aid, aiming to provide conflict-affected rural communities with tools to resume agriculture and related livelihoods, essential for protecting against further suffering and displacement.

Thanks to both timely and flexible funding from the Norwegian Embassy, The Development Fund and partners were able to launch preparatory interventions in 2021, sourcing inputs and tools from

local markets. In the Tigray region, the programme introduced kitchen gardens where rural households were supported in planting fruit tree seedlings and vegetables in their gardens.

This approach not only contributed to long-term food security and livelihoods but also promoted best practices for soil health management. Additionally, the kitchen gardens enhanced physical safety, as farmers could stay at home, away from direct armed conflict.

By the end of 2022, The Development Fund had supported over 100,000 households in Northern Ethiopia with resilience interventions. The kitchen garden approach in the Tigray region has been elevated to a regional best-practice model, encouraged and supported by regional authorities for scaling up to small-scale farmers across the region.

In late 2022, in response to the drought in Eastern Ethiopia, The Development Fund and partners introduced a similar resilience programme in the Somali region of Ethiopia, supporting agropastoralists with direct climate-adapted agricultural production, irrigation, and livestock production.

Overall, and as documented by the end of 2022, The Development Fund’s nexus programme in Northern and Eastern Ethiopia has contributed to strengthening community resilience in the face of conflict and climate-induced challenges.

Although the conflict in Northern Ethiopia has gradually de-escalated following the signing of the cessation of hostilities agreement in November 2022, community needs remain high. The Development Fund aims to continue its critical work into 2023 and beyond, ensuring food security, livelihoods, and resilience for the most vulnerable communities.

Ulf Flink,  
Country Director Ethiopia and Somalia



This year's lessons learned

Needs assessments and community demands:

# Self-Help Groups in Somalia

The establishment of self-help groups is one of The Development Fund's approaches to supporting women, youth, and marginalised people in increasing income and gaining recognition within households and communities.



In self-help groups, women can learn about their rights and receive information on gender-based violence, as well as gain training in financial management, income-generating activities, and nutrition.



In 2021, The Development Fund initiated a partnership with a local organisation in Somalia called NAFIS, which specialises in implementing self-help groups. These groups serve as platforms where women can learn about their rights, receive information on gender-based violence, and access training in financial management, income-generating activities, and nutrition. Additionally, they gain access to credit to initiate their own income-generating activities. The establishment of self-help groups adopts a bottom-up approach that strengthens the existing abilities and capacities of participants, thereby fostering self-confidence.

Originally, in collaboration with NAFIS, The Development Fund initiated the establishment of self-help groups in the Somali village of Tayse. However, it soon became evident that the community showed limited interest in these groups. This lack of engagement was due to the presence of other organisations in the village that were already offering an alternative revolving fund method. In this method, the initial capital was provided by the organisations and not by the participants. When revolving funds are solely based on external funding, we believe that local ownership and the sustainability of the intervention are weakened.

The Development Fund emphasises the use of self-help groups because the participating women contribute their own funds, thereby promoting a stronger sense of ownership and responsibility among participants. It is also worth noting that self-help groups serve broader purposes beyond credit accessibility, including training opportunities

and experience sharing. For The Development Fund, this reaffirmed that our holistic approach to self-help groups, where participants are responsible for providing start-up capital, promotes increased local ownership and is more likely to be sustainable.

To address this issue, the initiative was moved to the village of Carro Malko in 2022, where there has been significant interest in participating in self-help groups. However, it is important to recognise that empowering women and improving income levels require long-term effort, and tangible results cannot be expected overnight. As a result, and due to implementation delays, concrete outcomes for these self-help groups have not yet been observed. However, this situation is expected to change in the coming year.

Conducting needs assessments is an integral part of The Development Fund's Programme Cycle Management. It underscores our commitment to thoroughly evaluate community needs before implementing our programmes. This case serves as a reminder to both The Development Fund and our partners of the critical importance of these assessments, as well as the necessity of being aware of the presence and activities of other organisations.

Erlend Olafsrud,  
Programme Advisor



# Keeping a low profile in Guatemala

It is not only climate change that poses challenges to small-scale farmers’ food production in Guatemala. The right to cultivate land is under pressure as powerful financial interests move in.

In the mountain town of Totonicapán, The Development Fund’s partner, Utz Che, has its office. However, finding this environmental organisation that advocates for Indigenous land rights is no easy task. There are no signs at their entrance, as they have deliberately chosen to remain anonymous.

“We operate in a minefield where our own safety is at risk,” says lawyer Marco Chavez.



The struggle over natural resources has been ongoing for a very long time in Guatemala. Every year, several environmental activists and Indigenous leaders are killed.

The struggle over natural resources in Guatemala dates back centuries, beginning with the arrival of the Spanish who discovered the country’s rich resources. In modern times, the nation was plunged into a brutal civil war, fuelled by a lack of land rights and oppressive dictatorships. The war lasted 36 years, during which Indigenous communities faced numerous massacres. Although peace was declared in 1996, with agreements designed to secure broad rights for Indigenous people, conflicts over natural resources persist to this day.

At the heart of this conflict is the government’s prioritisation of industrial agriculture, which promotes large plantations of sugar cane, palm oil, and bananas. Massive dams and power plants also require space, displacing Indigenous communities’ traditional land rights. Resource extraction, such as mining, is protected by law, as Guatemala’s constitution declares that all minerals and underground resources belong to the state.

“If an Indigenous group lives on such land, expropriation and forced relocation can occur,” explains Chavez.

Yovani Alvarado is the director of the Association for Collective Forest Management in Guatemala, Utz Che, which has been The Development Fund’s partner since 2016. Utz Che (meaning “good tree” in the Mayan language, Quiché) is a network of Indigenous communities, local organisations, and farmer associations advocating for sustainable natural resource management and Indigenous land rights.

Utz Che acts as a watchdog, with many young employees holding the government accountable for human rights violations and environmental damage. One significant issue is the right to clean water. Both mining and large-scale monoculture plantations require enormous water resources, leading to situations where Indigenous communities find their water sources either depleted or polluted.

Being a critical voice against the government’s economic policies comes at a price. “We are often labelled as ‘left-wing’, ‘pro-guerrilla’, or even ‘criminals’ in attempts to discredit us,” Yovani explains. Another strategy is to wear down organisations with complex bureaucratic laws, such as the new NGO law in 2022 and the intricate tax law (IVE), ostensibly designed to combat money laundering and terrorism financing.

These bureaucratic requirements can provide the government with pretexts to revoke an organisation’s legal licence, silencing critical voices. Utz Che watches with concern as similar tactics have been used in Nicaragua, where many civil society organisations were recently shut down.

“We could also be criminalised,” Yovani states. “In 2018, some of our members protested against the enormous water consumption and pollution caused



Marco Chavez and Yovani Alvarado in Guatemala.

by sugar cane plantations. This led to four local Indigenous leaders being prosecuted. Only in 2022 were they finally exonerated after enduring a five-year nightmare. One of the leaders suffered a stroke due to the immense stress. Such legal battles drain us.”

Sometimes the consequences are even more severe. Every year, several environmental activists and Indigenous leaders are murdered in Guatemala. Yovani vividly remembers the killing of Benoit Pierre Amedee Maria, known to all as “Benito,” in 2020.

“Benito represented Agronomists and Veterinarians Without Borders and had lived and worked for Indigenous rights in Guatemala for over twenty years. He was a quiet, kind man, loved by everyone,” recalls Yovani. “He was murdered in cold blood just for defending Indigenous rights. It was a shock to all of us. A local leader recently told me to be more careful: ‘We need you alive,’ he said,” Yovani reflects solemnly.

To safeguard their safety, Utz Che frequently discusses security measures. As a precaution, they keep a low profile: no signs at their office entrance and vehicles without logos.

Politicians in Guatemala are primarily focused on power, alliances, and personal gain, paying little attention to small-scale farmers’ demands for land rights. Corruption is rampant, with close ties between government officials and investor interests.

“Many communities in Totonicapán contact us when new economic projects are planned on their land without prior consultation,” explains Marco Chavez. “Unfortunately, we receive far more requests than we can handle, which is frustrating.”



Audun Husby,  
Senior Coordinator Guatemala

# Fundraising and communication in 2022

## New brand identity and website

At the start of the year, we launched a new website and brand identity as a natural extension of our updated communication and fundraising strategies. After the unusual year of 2021 marked by the pandemic and lockdowns, we were finally able to resume travel and organise physical events again.

## Increased presence on social media

The war in Ukraine, rising energy costs, and increasing living expenses brought about a new term in the fundraising industry: "permacrisis," where donors seek to control what they can.

Our transparent communication about our core initiative, Development Investor, continued to attract new supporters, especially on social media. We highlighted our core work, increasing awareness of our projects among donors and new audiences.

With three years of data, we now better understand the Development Investor concept. Our insights show that we still attract an equal number of male and female donors. The average monthly donation remains higher than for similar regular giving concepts in the market. Campaigns focusing on coffee and seeds resonate best on social media.



Asnakech Zeleke, using a fuel-efficient stove, was photographed by the Ethiopian female freelance photographer Addis Aemero.

## Campaigns produced internally with support from field offices

We were able to travel with a small team to Malawi to gather materials for a Christmas campaign focused on empowering women in agriculture who invest in their futures. The main message was to recruit Development Investors.

## Appreciation for donors and development investors

Despite tighter financial times, sporadic donations have remained stable, for which we are deeply grateful. We are committed to sharing stories from the field, providing our donors with valuable insights into our work. We've made transparency even more appealing by presenting quarterly project reports to all Development Investors with images and text modules on our new website.

## "The Food Effect" campaign with Norad

In spring, Norad invited us to participate in a major campaign, "The Food Effect," to highlight Norad's work towards the Sustainable Development Goals. We were paired with a well-known influencer, Kristoffer Tvilde ("krisslovesfood" on Instagram and TikTok), who frequently linked to our new website as part of the campaign.

## Successful petition for climate justice

Our advocacy work, supported by Norad's information agreement, gained momentum in 2022 as we launched a petition for climate justice for the world's small-scale farmers in Q1. The campaign nearly reached its annual target in the first semester, collecting 4,500 signatures, which were presented to Development Minister Anne Beathe Tvinneim. A new country profile for Guatemala was launched on [www.dinklimaframtid.no](http://www.dinklimaframtid.no) at a major event in June, focusing on direct trade coffee with panel discussions and tastings from Fuglen, one of Oslo's coffee roasters.

## Farmer visit from Malawi

Later in the year, as part of our advocacy work, small-scale farmer Patricia Mkandawire from Malawi visited Norway. She participated in several events organised by the Norwegian Farmers' Union, the Norwegian Rural Women's Association, and the Rural Youth Association. This visit garnered national and local media coverage, including a feature on NRK and a front-page story in Klassekampen.



Ann Askim and Patricia Mkandawire in Malawi.

## Sustainable freelance collaborations across continents

We continued our work to establish competent freelance content creators in the countries where we operate. In 2022, we established a relationship with a skilled female photographer/content creator in Ethiopia. This allows us to reduce our carbon footprint by flying less, support local economies, and empower local storytellers to share narratives from their own countries and cultures.

## Strong support from existing and new major donors

Every year, The Development Fund receives significant contributions from companies and organisations that want to make a difference. We are proud that more partners are joining us, both through financial support and knowledge-sharing collaborations. Special thanks to our main partners, Fred. Olsen Social Engagement Group (on behalf of Bonheur ASA) and Grotmol Solutions. We also extend our gratitude to our close partners: the Norwegian Farmers' Union, the Norwegian Rural Women's Association, the Norwegian Farmers and Smallholders Union, and the Norwegian Rural Youth Association.

## The Development Fund is growing!

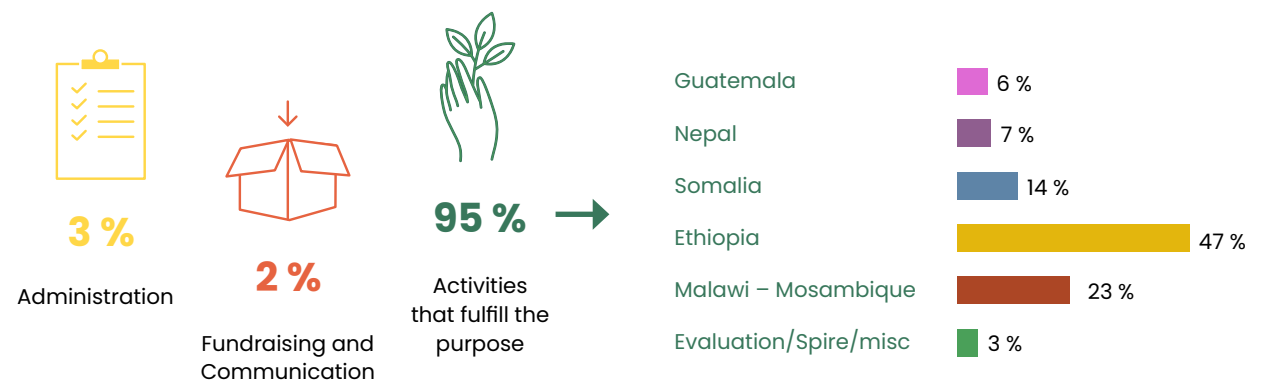
In the coming year, the Fundraising and Communications Department aims to engage even more people in our work on climate adaptation and food security, empowering communities to lift themselves out of poverty and reach their full potential.

To create more awareness about our causes, we need visibility and active participation in public debates. Like and share our message on social media! Together, we make a difference, fight hunger, and change lives!

Ann Askim,  
Head of Fundraising  
and Communication



Where the money goes



# From the chairman of the board

THE SMALL-SCALE FARMER, a poem by Rolf Jacobsen (translated from Norwegian)

It is the small-scale farmer who loses the most in the world.

It is the small-scale farmer who has fallen in all the wars,

the small-scale farmer, wherever he lives in the world, from whom they took the land and burned his farm

on their way to their wars. From whom they took his sons and dressed them in carnival clothes and let them die

for ideas he did not know, nor cared about, nor wanted to know.

It is the small-scale farmer who must leave his valley for the assembly lines and factory halls.

...

But his door is still slightly ajar, the small-scale farmer's.

He hears when the grass grows and when the earth is ready to give birth again.

He who has lost. Until now. But whom we might soon have to ask

for the way. Back to where we came from.

Where things grow.

It is the small-scale farmer and her children who die of hunger, even though they are the ones producing the food. But it is also the small-scale farmer who can ensure that poor countries become self-sufficient in food. Many have begun to listen. Now this has gained traction among leading researchers and some politicians: It is the small-scale farmer who holds the key to food security in poor countries.

The Development Fund has been listening to the small-scale farmer for over 45 years and, together with farmers and local partner organisations, has developed a range of initiatives such as agrobiodiversity, local seed banks, climate-resilient communities, lead farmers, savings and loan groups, cooperatives that reach the market, and the empowerment of women and youth. A way of producing food that respects the limits of nature... perhaps it is time for our Western agriculture to learn something here?

I believe no other aid organisation in Norway has so faithfully and professionally learned from its collaboration with the small-scale farmer. This is our raison d'être.

Dag Hareide,  
Chairman of the Board,  
The Development Fund





# The Development Fund

Fighting hunger and injustice together

