

Annual report 2023



The
Development
Fund

Fighting hunger and injustice together

A turbulent year for the world and The Development Fund

2023 has been a challenging year for both the world and The Development Fund. The latest report from the Intergovernmental Panel on Climate Change (IPCC) shows that we are setting new records for greenhouse gas emissions, rising temperatures, and sea levels.

These climate changes are having significant impacts on many already vulnerable communities, particularly in the global south, where lives and livelihoods are directly affected.

Global food security is closely tied to these challenges. The latest "State of Food Security and Nutrition in the World" report highlights significant setbacks, with rising hunger and food insecurity. The world is far from achieving SDG 2, which aims to eradicate hunger. The causes are complex, but the link between conflict and climate change—extreme weather, migration, and economic instability—combined with expensive food and increasing inequality, plays a major role.

Although the global situation appears grim, there are some positive signs of encouragement. More world

leaders are now recognising the need for a more holistic approach to these challenges. At COP28, we saw a small but important shift in the conversation, with more focus on food systems and food security. The IPCC also put forward concrete proposals to reduce climate-related risks, such as more scalable adaptation measures and an intensification of a green development transition.

It is also encouraging to note that, in response to global trends and in an effort to formulate a coherent and comprehensive "aid position" on food security, agriculture, and nutrition, the Norwegian government launched its food security strategy in late 2022. The strategy makes food security and the fight against hunger a key priority in Norwegian development assistance. The focus will include sustainable

agricultural production for smallholder farmers and strengthening their access to markets.

The Development Fund's work continues to align directly and effectively with the new Norwegian strategy. We have maintained a strong focus on helping local communities build more resilient and climate-adapted agricultural systems. We are improving nutrition and livelihoods in our programme countries and empowering farmers to access markets and financing.

In Ethiopia and Somalia, where I have worked as Country Director for The Development Fund, our interventions and support have been tailored to meet the needs arising from protracted conflicts and droughts. This has meant that The Development Fund and our partners have worked to combine long-term development efforts with addressing immediate needs, such as access to farm tools, adapted seeds, water harvesting, and irrigation systems.

Last but not least, 2023 has been a challenging year for The Development Fund, with a critical focus on strengthening internal routines and processes for financial management and partner follow-up. The organisation has undergone a fundamental reform process that has begun to yield positive results, particularly regarding internal control and financial management. This critical work will continue in 2024

with the ultimate and clear objective of making The Development Fund robust and fit for purpose, as a Norwegian frontier organisation in the global fight against hunger for years to come. We stand together with our partners and donors to ensure this objective is realised.



Ulf Flink,
Secretary-General



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Photo
Front page: Small scale farmer Batasiya Dangaura in Nepal.
Photo: The Development Fund
Page 4 & 5: Mustafa Saeed, Somalia, Financed by British Government through Darwin Initiative.
Page 10: FAO & ITPGRFA.
All other photo: The Development Fund.

Success story and lessons learned

The importance of the critical external perspective

Like all other development actors, we at The Development Fund and our partners sometimes get things right and other times wrong. We constantly strive to take a critical look at our work and learn from both what works and what doesn't. However, our attempts at internal self-reflection may not always identify why we succeed or fail, or where we have taken the right or wrong steps. In such cases, a critical external perspective can be valuable.



External evaluations are important to ensure that our work, for instance with seed banks like this one in Somalia, is as effective as possible for the programme participants, to strengthen their agriculture and livelihoods.



This critical perspective can come from various sources. In this year's successes and lessons learned, we want to highlight external reviews or evaluations of our programmes and projects, showcasing areas where they believe we have succeeded, as well as where we have failed or still have a long way to go.

Conducting external evaluations is often time-consuming and demanding for us, our partners, and especially the programme participants. They are also costly and can sometimes be tiresome or uncomfortable—particularly when they question results or connections that we believe are true and obvious. To some extent, external evaluations are still seen as an obligation we must fulfil towards our donors, as they can confirm (or refute) that our reporting is accurate. In other words, they serve an essential function in documenting results and identifying weaknesses.

At the same time, external evaluations provide a foundation for learning processes and strengthening programmes. We actively use the reports and recommendations in meetings and gatherings with partners to identify immediate measures to improve weaknesses, as well as changes we should implement in the long term when developing new projects or strategies. This includes everything from concrete activities on the ground to our systems for monitoring and follow-up. In line with our own routines, we aim to have at least one external evaluation or review of all our projects during the grant period. Additionally, we conduct thematic evaluations when relevant for learning and documentation. We publish these

reports on our website, so our followers can also gain better insight into our work.

In this year's successes and lessons learned, we wish to highlight some areas where we have succeeded and some weaknesses from our largest programme funded by Norad. This programme encompasses all our countries and represents our most comprehensive effort to strengthen resilience in rural communities. We have chosen to use the evaluation of this programme as the basis for these stories because we are proud of what we have achieved, humble about where we have not succeeded, and because we wish to demonstrate the value of external evaluations and the critical external perspective.

As this year's success story shows, The Development Fund's holistic approach is a crucial key to achieving important and positive changes for the small-scale farmers and communities we work with. Unfortunately, we do not always succeed in reaching all our target groups across all programmes, particularly youth and people with disabilities. This year's lessons learned show that we have already started implementing measures to strengthen our work, including building on experiences where we have succeeded.

Elin Cecilie Ranum,
Head of Programme Department



This year's success story

A case for holistic efforts

This year's success is not a single story. It is made up of many stories from various countries, carried forward by grassroots people – people with small plots of land and no money in the bank – who confirm that the approach advocated by The Development Fund contributes to change.



Programme participants in Nepal report that they through the programme have introduced more varied types of vegetables in their diets, and eggs from their own chickens.

Poverty, hunger, and malnutrition have many fundamental causes, and there's no point in pretending otherwise. This reality influences how we work with people in our target groups, who are often vulnerable, oppressed, and overlooked. We must address multiple issues simultaneously. People need knowledge about what actions to take, but they also need the opportunity to change their practices. It doesn't help much to know which vegetables provide which vitamins if they have no access to grow these vegetables or the money to buy them. Conversely, it is not guaranteed that children will have a better diet just because the family has more money to spend. People need to change both attitudes and practices. The mid-term review of our cooperation agreement with Norad shows that, through The Development Fund's projects, this change is happening. The support provides people with both a better income and a more varied harvest while helping them make wise choices for themselves and their families, such as who should eat what and how income should be used.

The report gathered numerous testimonies about how The Development Fund has contributed to improved nutrition and childcare in rural areas. In every country, participants reported gaining new knowledge about nutrition and how to meet the specific needs of infants, children, the sick, and pregnant women through their participation in program activities. This has led to concrete changes in diet and hygiene practices. Several reported that they have started eating vegetables, providing children with more nutritious food, practicing better hand hygiene while cooking, and following advice on breastfeeding and infant nutrition.

Many have probably heard about the importance of "the first thousand days" in relation to nutrition. During this period, which spans from conception to when a child is about two years old, the foundation for a person's physical and mental health is laid for the rest of their life. The significance of the fact that this is increasingly being achieved as a result of our efforts cannot be overstated. In the long term, this means that more people can grow up and realise their full

potential as individuals and as members of society in these areas. It is encouraging that people in the report also mentioned immediate improvements resulting from changes made in their families. For example, they reported that children are gaining weight better and are less frequently ill. This gives hope that they will continue these practices moving forward and that the changes will be lasting. In Ethiopia, participants pointed out that the distribution of seeds (vegetables and potatoes) has led to a more varied diet, and that the training they received has resulted in improved breastfeeding, introducing solid food for young children, better hygiene routines, and the use of health services.

The mid-term review highlights the programme's strong synergies between various components. People gain better knowledge about nutrition through education, often in collaboration with local health centres, but also about how to prepare more nutritious meals with ingredients they are not accustomed to. The programme also supports activities that enable them to grow more varied and nutritious vegetables, start livestock farming, or initiate other income-generating activities that allow them to buy what they need. For the first time, many have gained access to small loans through the programme, allowing them to invest in their own production and sell the surplus. The combination of agricultural improvements, training related to income generation, access to new seeds and plant varieties, and support for local structures has enabled many farmers to commercialise the surplus of their production and start other income-generating activities, such as opening a shop or processing products.

In Nepal, participants reported that they previously only ate rice and lentils, but now have a diet that includes many different vegetables from their own gardens year-round and eggs from their own chickens. They also mentioned that increased income from selling their own produce has allowed them to buy what they do not produce themselves, such as meat.

Siv Helén Strømland
Senior Advisor MEAL



Lessons learned

Inclusion: challenges and lessons learned

The Development Fund aims to ensure that no one is left behind. We work with vulnerable and marginalised groups in all the countries where we operate, whether it's Indigenous peoples fighting for their rights in Guatemala, Dalits who are excluded from society in Nepal, or women who do not have control over their own lives in Somalia.



The inclusion of youth in Guatemala and Nepal is a challenge, mainly due to migration and a lack of interest among the youth to follow in their parents footsteps into the increasingly challenging work as a farmer.

All the people we work with are vulnerable in different ways. They have vital needs that are not being met, such as food and medicine, and they lack access to basic public services. However, some groups are particularly vulnerable.

In recent years, The Development Fund has placed special emphasis on reaching women, youth, and people with disabilities. We have been very successful in reaching women. The mid-term review shows that our programme has achieved a stronger presence of women in local organisations—including in leadership positions, high participation of women in income-generating activities, and overall improvements in women's living standards, autonomy, social status, and self-confidence.

But weren't we supposed to talk about this year's lesson learned? Indeed, we were, and it's about those whom we haven't yet managed to include as effectively: youth and people with disabilities.

Including people with disabilities has been a challenge in all our countries. There are many reasons for this. For one, our partners have had limited knowledge about methods for identifying people with disabilities in the programme areas, while some individuals do not want to be categorised in this way due to the social stigma that often accompanies it. Moreover, it's also about the interest and opportunities people with disabilities have to participate in some of the activities offered by the programme. Providing the necessary accommodations is often a challenge, especially in places with limited access to transportation. Given the challenges outlined above, we may already be including more people with disabilities than we have been able to report so far. This is something we are discussing with partners and target groups, but it doesn't mean there isn't much more we can and should do to include many more.

When it comes to youth, it has been particularly challenging to engage them in Guatemala and Nepal. The reasons are many, but the impact of migration cannot be ignored. In both Guatemala and Nepal, there is a steady flow of young people leaving rural

areas for larger cities and countries like the USA, Qatar, and India to work. In many of the communities where we work, there are hardly any young people left, and those who remain are often still in school and have little time or interest in working in agriculture. This is also the case in the African countries where we operate. Rural youth in these countries often don't want to follow in their parents' footsteps. They frequently see that, despite hard work, agriculture does not provide enough income, and they often have limited access to their own land.

We never thought inclusion would happen on its own, and we have actively worked on this issue for a long time, but we also realise that we need to do more to achieve good results. The challenges of including youth and people with disabilities are high on our agenda. We have already implemented several measures to increase knowledge and capacity in these areas, both within our organisation and among our partners. We also have good experiences in certain areas that we can learn from across partners and countries. For example, in Ethiopia, we have successfully included many young people in activities related to livestock farming, and in Somalia, people with disabilities have been included to a greater extent in all types of activities.

Finally, we believe it's important to highlight that the mid-term review also points out that The Development Fund and its partners have achieved some solid results in including specific groups in the individual countries and areas where we work. These include, for example, Indigenous peoples in Guatemala, people living with HIV/AIDS in Malawi, and Dalit groups (caste-discriminated) in Nepal. The report emphasises that these groups are among the most underprivileged among small-scale farmers, who themselves are among the poorest groups in society. By including these particularly vulnerable groups in capacity-building and income-generating activities, The Development Fund addresses the complex and intertwined causes behind the enormous inequality these groups experience. We will carry this experience forward to make a success of the lessons learned.

Siv Helén Strømmand
Senior Advisor MEAL



The Development Fund Expands in Central America

In 2023, The Development Fund strengthened its work on climate adaptation and food security in Guatemala and Central America through a new programme supported by The Darwin Initiative. The Darwin programme is a UK government grant scheme that contributes to the conservation of biodiversity and the improvement of local livelihoods.



The Darwin programme in Guatemala, Honduras, Nicaragua, and Costa Rica aims to strengthen biodiversity by, among other things, preserving and developing various types of maize.

The three-year programme aims to strengthen local food production systems through participatory plant breeding, networks of seed banks, and the collection of wild seed varieties. In addition to our partner Asocuch in Guatemala, farmers' organisations and research institutions from Costa Rica, Nicaragua, and Honduras are also involved.

Central America is one of the most biodiverse regions in the world in terms of agro-biodiversity. It is the origin of beans (*Phaseolus vulgaris*) and maize (*Zea mays*), boasting a rich variety of strains. At the same time, Central America is particularly vulnerable to the effects of climate change. Increasing droughts, higher temperatures, and erratic rainfall in short bursts lead to crop failures. Changes in land use, deforestation, and increasing human activity are also altering the natural habitats of species and causing a loss of agro-biodiversity.

To enhance food security, the programme will strengthen agro-biological diversity by developing varieties through participatory plant breeding, with a particular focus on beans and maize. The main objectives include:

- At least 3,000 rural families will gain access to new, improved varieties developed through participatory plant breeding across 100 communities.
- At least 5,000 families will benefit from 36 seed banks.
- At least 20 communities will contribute to preserving local seed varieties crucial for food and nutritional security.
- Women will gain increased influence through access to plant varieties that meet their preferences.

One of the programme's goals is to ensure these plant varieties are adapted to climate change, with farmers receiving training in participatory plant breeding and quality seed production. The programme will collect local bean varieties and make them available for breeding at a regional level. Beans are a vital protein source for millions of Central Americans every day. Another objective is to strengthen collaboration between local seed banks and national gene banks in the region.

This initiative of participatory plant breeding is not entirely new. The Darwin project builds on The Development Fund's long-standing commitment to Central America. Our involvement began in Costa Rica in the 1980s, gradually expanding northwards—first to Nicaragua, then Honduras, and Guatemala as programme countries. Participatory plant breeding in Mesoamerica was one of The Development Fund's "flagship" programmes in the 2000s, alongside similar initiatives in Southeast Asia and Africa, with a focus

on promoting biodiversity in agriculture. At its core were the conservation and use of local plant genetic diversity, participatory plant breeding, establishment of seed banks, strengthening farmers' rights to seeds, and capacity-building for farmers' organisations and other involved stakeholders. The programme, which ran from 2000 to 2016, included research institutions, governments, civil society organisations, and farmers' organisations from Costa Rica, Nicaragua, Honduras, El Salvador, Guatemala, Mexico, and Cuba. The programme reached nearly 50,000 farmers, established 33 local seed banks, and supported four gene banks. Additionally, numerous new varieties, including beans and maize, were developed, preserving and improving dozens of varieties on the brink of disappearing or losing their qualities.

In 2023, this network was revived. The launch took place in Antigua, Guatemala, with The Development Fund present alongside several participants from the first phase, such as Fipah from Honduras and Fecodesa from Nicaragua.

One person who has followed the regional plant breeding work since 2009 is the head of The Development Fund's Programme Department, Elin Ranum.

What are your thoughts on the network being reactivated?

"It is very encouraging that the network has been re-established, as regional cooperation is crucial to ensuring access to a broad diversity of plant genetic resources for developing new varieties. Climate change does not respect borders, and neither should agricultural adaptation. To achieve swift and effective adaptation, we must use the plant genetic resources we have, collaborate across borders, and promote joint initiatives between countries in the region", says Elin Ranum.

What expectations do you have for what the network can achieve in the long term?

"By resuming this collaboration, we are building on past successes that have been significant for small-scale farmers in the region. To tackle climate change, we must both preserve existing plant varieties and develop new ones while making agriculture less vulnerable and more resilient to climate shocks. This is vital to halt the loss of agro-biodiversity and ensure that agriculture can meet future challenges", concludes Ranum.

Audun Husby,
Senior coordinator Guatemala



Policy

A breakthrough for farmers' rights

In recent years, there has been significant international progress in strengthening farmers' rights. The Development Fund and its partners have actively contributed to advocacy processes, including the development of a document with key measures to realise farmers' rights. This document was published by the International Treaty on Plant Genetic Resources for Food and Agriculture (ITPGRFA) in 2023.



The Development Fund has contributed to the work with the document 'Options for encouraging, guiding and promoting the realization of Farmers' rights'.

This achievement represents a breakthrough after many years of effort. Both The Development Fund and our partners regard the document as an important first step towards a more comprehensive and holistic guide on how national authorities and other actors can contribute to realising farmers' rights in legislation, strategies, and on the ground.

Although farmers' rights are an important aspect of the International Treaty on Plant Genetic Resources for Food and Agriculture, progress in this area has been relatively limited until recently. Negotiations have often been marked by differences between countries in the Global South and the Global North. The Global South, among other things, has sought better guidance on how to implement farmers' rights, as well as greater willingness from the Global North to ensure a fair distribution of benefits derived from the use of plant genetic resources. Both civil society organisations and farmers' organisations have supported these demands. Some countries from the Global North, such as Norway, have also supported these efforts and played a central role in the document's development.

The document is important for several reasons, especially because many countries in the Global South still lack knowledge and guidance on how to protect and promote farmers' rights in national plans and laws. It is also crucial for the implementation of the treaty itself, where farmers' rights are a central part of the effort to ensure the conservation and sustainable use of plant genetic diversity, as well as fair access to and distribution of benefits from its use. Realising farmers' rights is essential for The Development Fund's target group, as it strengthens their efforts to maintain control over their seeds and continue their important role in conserving and developing biodiversity.

The work on the document began during the treaty meeting in 2017, when a technical working group was established to develop the document based on best practices from member states, civil society, farmers'

organisations, and other stakeholders. Two of The Development Fund's partner organisations played an active role in this working group: a representative from ASOCUCH in Guatemala was appointed to represent farmers' organisations in Latin America, while a representative from Li-BIRD was appointed first as a civil society representative and later as a representative for Nepal as one of five countries in the working group. Norway served as co-chair of the working group along with India and played a crucial role in ensuring progress in the work.

The Development Fund and our partners contributed several examples of best practices, which were included in a register that formed the basis of the document. We also participated as an observer in the working group's meetings and collaborated closely with Norway's representative and civil society organisations.

A draft of the document was adopted at the treaty meeting in 2022 and published in 2023. In the same year, it was also decided that the working group would continue its work on how to implement the document.

During the 2023 treaty meeting, it was decided to reactivate the working group on farmers' rights, with both of our partners remaining as members. In addition, another working group on the conservation and sustainable use of plant genetic resources will continue its work, starting in 2024. This group will develop voluntary guidelines to address bottlenecks related to the conservation and sustainable use of plant genetic resources. The Development Fund will represent civil society in this working group. For The Development Fund, this is an important recognition of our expertise and that of our partners and underscores our role as a significant actor in this field.

Through these efforts, The Development Fund has strengthened its position as a central actor with expertise in international policy on farmers' rights and sustainable resource management.

Elin Cecilie Ranum,
Head of programme department



Fundraising and Communication

Visibility and engagement for small-scale farmers

Over the past year, the Fundraising and Communications Department has worked on recruiting more development investors and regular donors, collaborated closely with the Norwegian coffee industry to focus on a more sustainable value chain, led a political advocacy campaign, and hosted a visit for a farmer from Guatemala.



The Development Fund organised a trip with several representatives from the coffee industry to Ethiopia. They gained insight into the EU's sustainability directive to prevent deforestation and visited UNESCO-protected wild coffee forests.

Strong focus on social media

The increase in war and conflict worldwide, combined with rising living costs, has made recruiting new donors more challenging. Therefore, we have strengthened our focus on transparency in our main fundraising product: the development investor concept. This approach attracts new donors, especially through social media, where we highlight our core work and raise awareness of our projects among existing and new audiences.

After four years with the development investor concept, we are gaining valuable insights that show we continue to appeal equally to both men and women. The average monthly donation is higher than comparable regular donor concepts in the market, and coffee and seed-related themes are the most effective in recruiting donors through social media.

Thank you to sporadic donors, regular donors, and development investors

Sporadic donations have remained stable despite tougher financial times for most people, and we are very grateful. We have focused on sharing stories from the field that create insight among our donors, providing transparency about our work. Also in line with our aim for transparency, we present quarterly project reports to all development investors, with photos and text available on our website. We strive for continuous improvement and will be reaching out to some of our supporters next year to thank them and to gather suggestions for how we can improve further!

Farmer visit from Guatemala

In September, we had a farmer visit from Guatemala as part of our public awareness efforts. Coffee farmer Candelaria came to Norway and participated in various events organised by the Farmers' Union, Rural Women's Association, and Rural Youth Association. We achieved multiple media mentions in local outlets, including Stavanger Aftenblad, NRK Radio Sørlandet, and NRK Radio Rogaland.

Candelaria also visited several secondary schools. School education is an essential component of our public awareness efforts, and a total of 68 lessons were delivered with materials from the project by The Development Fund, in collaboration with our youth organisation Spire.

The Coffee Report, EU's new sustainability directive, and the coffee campaign

In the spring, we were contacted by the Norwegian Embassy in Ethiopia, which wanted to arrange a seminar where representatives from the Ethiopian coffee industry, Ethiopian authorities, and the EU in Brussels could discuss the effects of the EU's new sustainability directive aimed at preventing deforestation, forest degradation, and child labour

in Ethiopian coffee exports. Several representatives from the Norwegian coffee industry attended this two-day seminar in Addis Ababa, which was followed by an introduction to the Yayu UNESCO Coffee Forest Biosphere Reserve, where local small-scale coffee farmers and cooperatives harvest wild coffee and participate in conservation projects initiated by The Development Fund.

As a continuation of this initiative, The Development Fund launched a coffee report in the autumn, primarily focusing on what the coffee industry and consumers can do to ensure a more sustainable value chain. Together with the Norwegian Coffee Association (NKI), we conducted our own coffee campaign, which we hope will become an annual fundraiser for small-scale farmers in Guatemala, providing them with access to green credits.

Successful petition for climate justice

Our communications work as part of a public awareness agreement with Norad gained further momentum in 2023, as we launched the second part of our petition campaign for climate justice for the world's small-scale farmers. We delivered 7,500 signatures to State Secretary Bjørg Sandkjær at the end of the year. A new country was added to www.dinklimaframtid.no, and photos and interviews with farmers in Nepal were used to strengthen the petition.

Strong support from existing and new major donors

Each year, The Development Fund receives significant contributions from companies and organisations that want to make a difference. We are proud that more partners wish to collaborate with The Development Fund, both through financial and professional cooperation. We extend our sincere thanks to our main partners, Grotmol Solutions and the Centre Party. A big thank you also goes to our close partners in organisations such as the Norwegian Farmers' Union, Norwegian Rural Women's Association, Norwegian Farmers and Smallholders Association, Norwegian Rural Youth Association, and Norwegian Coffee Association. Smaller companies and organisations also support us, and we hope to announce more new partners in 2024. Together, we invest in sustainable solutions for the future.

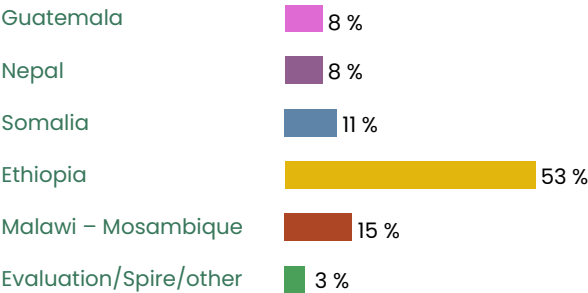
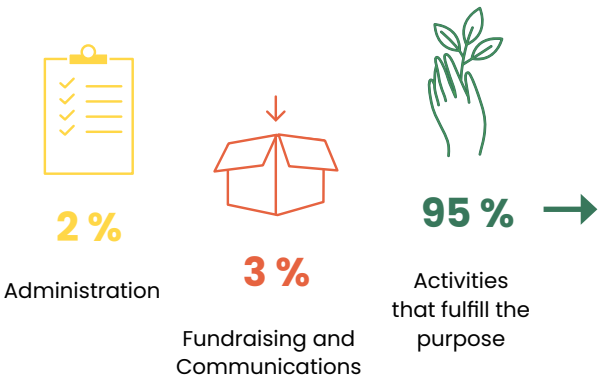
The Development Fund is expanding!

In the coming year, the Fundraising and Communications Department will engage even more people in the work of climate adaptation and food security, so that more people can lift themselves out of poverty and reach their full potential. To create more engagement around our causes, we depend on visibility 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



Statement of financial activities

Available funds

	31.12.2023	(foundation) 1.9–31.12.2022	(association) 31.08.2022
Grants			
i) Government grants	123 701 853	64 405 892	79 811 677
ii) Other grants in Norway	1 521 597	1 476 336	0
iii) International donors	6 611 604	1 991 017	9 593 972
Collected funds, gifts, etc	6 608 348	4 334 034	3 767 648
Financial and investment revenue	452 145	664 199	14 610
Other incomes	88 602	0	46 336
Total income	138 984 149	72 871 478	93 234 243

Use of funds

Costs for acquisition of funds:

Cost of fundraising	2 547 556	953 644	1 962 804
Other expenditure for the acquisition of funds	1 680 100	478 284	754 265
Total costs for the procurement of funds	4 227 656	1 431 928	2 717 069

Cost of programmes:

Malawi – Mozambique Country Programme	19 858 828	15 786 075	21 116 152
Ethiopia Country Programme	70 455 954	38 680 866	36 374 906
Somalia Country Programme	15 398 042	5 170 554	17 112 484
Nepal Country Programme	10 569 051	3 933 898	6 552 350
Guatemala Country Programme	11 065 916	2 737 855	6 935 752
Evaluation & risk reduction	347 127	256 251	61 789
Information	2 906 430	1 554 530	2 242 163
One Organisation Week	-	802 642	882
Spire, youth organisation of DF	50 000	0	0

Total cost of activities towards the purpose	130 651 347	68 922 671	90 396 478
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Administration expenses	3 287 514	1 600 330	3 267 623
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Total costs	138 166 517	71 954 929	96 381 170
Profit/loss of the year	817 633	916 549	-3 146 927

To/from equity with external restrictions			0
To/from equity with self-imposed restrictions			1 048 880
Profit for the year, to/from other equity	-817 633	-916 549	2 098 047
Total transfers	-817 633	-916 549	3 146 927

Greetings from the chairman of the board

The results are what matter the most

I joined the board of The Development Fund in the autumn of 2023 and was elected chair in December. The Development Fund wasn't new to me; I was already familiar with the organisation through my work in Malawi.

With a background in evaluation, I first reviewed the reports on the organisation's activities, conducted by independent evaluators. I was surprised. In most of the many evaluation reports I've read in my career, I've seen a mix of positive and less positive outcomes. It's rare for projects to be entirely successful or entirely unsuccessful.

It's unusual to come across evaluation reports as positive as those of The Development Fund, such as the Fridtjof Nansen Institute's assessment of the smallholder programme in Malawi before the pandemic. The thorough documentation showed that harvest yields had increased significantly, in some cases more than doubling. Growing a variety of food crops had led to improved nutrition, and access to markets had grown. The local soil had gained organic content, fertility, and water retention capacity. Women experienced a notable reduction in workload. An external evaluation in 2024, following the pandemic and major floods, largely confirmed these findings. This doesn't mean there were no mistakes in a programme that reaches 25,000 smallholders.

External evaluation reports of the programme in Somaliland and our value chain programme in Ethiopia have shown similar results, with measurable improvements in food and nutritional security. Another recurring theme in several evaluations is that the programmes are cost-effective, delivering strong results for the resources used.

However, not everything has been done strictly by the book. An external review of The Development Fund's work in Malawi and at headquarters identified several administrative weaknesses. These largely related to inadequate documentation and the

lack of formalised practices. The report led to the development of an action plan, in collaboration with Norad, to strengthen The Development Fund's administration, which has now been implemented.

If I were to tell the story of The Development Fund, it would be one of an organisation with dedicated professionals who focus on the needs of impoverished small-scale farmers, particularly women, and who achieve strong, measurable results in most programmes. The emphasis has been on making an impact in the villages rather than meticulously documenting every step along the way or strictly adhering to protocols. This has now been addressed, and we have an excellent dialogue with Norad.

For The Development Fund, results are what truly count. This focus on outcomes is especially important now, as many countries face perhaps the greatest challenges since they gained independence. As we all know, it is the poorest who are hardest hit by the climate crisis. These are low-income countries, and they include rural communities with the least resources.

Food is fundamental. Without improved productivity and increased agricultural output, many countries will struggle to feed their populations. By supporting the organisation of small-scale farmers, particularly women, The Development Fund plays a crucial role in increasing and diversifying food production while also enhancing nutrition and health, raising incomes, and promoting more sustainable agriculture.

The determination and efforts of smallholders to improve their lives are something we in Norway must support. More than most, we have contributed to the climate crisis that affects so many today. The Development Fund, as the only Norwegian organisation with food security as its primary goal, is now better equipped than ever to contribute to this vital effort.

Asbjørn Eidhammer,
The Development Fund board chairman





The Development Fund

Fighting hunger and injustice together

