

**Scottish Government International Development Programme
End-Year Report**

Notes for Completion:

- Please note, with the exception of the cover page, this report will be published.
- To ensure compliance with GDPR, refrain from using any personal or identifying information unless you have obtained consent from the data subject and are content for this to be made public.
- Answer all questions in the template provided, noting the word limits.
- Include all relevant information in the reporting template – hyperlinks and annexes will not be accepted as part of the report.
- Ensure answers are clear, concise and in plain English. Explain acronyms and avoid using jargon.
- Please ensure this end-year report covers the full reporting period (12 months).

<p>Supporting Documentation</p> <p><i>Check box to confirm key documents have been submitted with this report</i></p>	<p>Logical Framework, which reflects any changes in this reporting period.</p> <p>Budget</p> <p>Case study</p> <p>Risk register</p>	<p align="center"><input checked="" type="checkbox"/></p> <p align="center"><input checked="" type="checkbox"/></p> <p align="center"><input checked="" type="checkbox"/></p> <p align="center"><input checked="" type="checkbox"/></p>
<p>As the project manager responsible for the completion of this report, I hereby confirm the information included is accurate and complies with the notes for completion.</p>		
<p>Scotland-based Project Manager:</p> <p>[REDACTED]</p>	<p>Signature:</p> <p>[REDACTED]</p>	

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1. General project information		
1.1	Project reference Number	RWA7
1.2	Name of organisation	Challenges Rwanda
1.3	Lead partner(s) organisation	Challenges Worldwide
1.4	Project title	Coffee Market Building for People and Prosperity
1.5	Reporting period	From: 01/04/2019 To: 31/03/2020
1.6	Reporting year	Year 3
1.7	Project start date	01/10/2017
1.8	Project end date	30/03/2022
1.9	Total project budget*	£1,283,668
1.10	Total funding from Scottish Government*	£1,282,668+£21,500+£26370 additional (yr: 19/20 = £1,331,538
1.11	Provide a brief description of the project's aims, highlighting which of the Sustainable Development Goals (SDGs) your project is working towards? (200 words)	<p>The project continues to contribute toward the SDGs in all aspects of its delivery.</p> <p>First, delivery of business training to coffee cooperative management contributes toward SDG1, SDG8 and SDG10. It does this by providing education on skills that improve the capacity of agribusiness leadership to increase the income for the business and farmer-members, which in turn improves the livelihoods of the farmers through increased incomes. In Rwanda, the disparity between rural and urban poverty is increasing, improving rural income generation seeks to reduce that gap.</p> <p>Secondly, Twin Rwanda (prior to closure) assisted the cooperatives by facilitating access to international markets, as well as training on quality and certification requirements. Again, contributing to SDG8 and SDG1, as well as SDG12 through promotion of responsible, traceable production and sale of coffee. These activities will continue as planned with a new project partner when confirmed,</p> <p>Thirdly, work with the communities focuses on long term sustainable development, focusing on SDG5, SDG 8, and SDG1 by working to provide fair opportunities for employment through gender empowerment and a focus on other systemic barriers to growth.</p>

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2. Project progress and results

Please use this section to give an update on the progress the project has made during this reporting period.

2.1 Provide an update on the progress your project has made over the past 12 months. Use this space to update us on what has gone well and any challenges you have experienced, detailing how you have overcome these. (Max 500 words)

The past 12 months has seen the project making significant progress across nearly all sites and outcomes.

Output 1:

We delivered four successful rounds of training to 195 trainees, of which 36% were women, a slight increase on last year. The modules delivered including risk management, leadership, stakeholder development, and cooperative financial management. Advanced coop-specific training was also delivered on some previous-run modules following requests from the coops.

We are equally pleased with cross-learning visits. Challenges staff facilitated three visits at Sholi, Kopakaki, Koakaka for cooperative leadership teams. The sessions facilitated shared learnings of good practice across different cooperatives (e.g. Koakaka sharing on best farming practices).

Output 2:

One significant challenge has been Twin Trading, our project partner, closing its entire operation in October. This impacted the delivery of marketing activities and working with buyers to negotiate contracts. However, we mitigated this by continuing to work with Twin's Commercial Manager, [REDACTED], throughout this period. We are pleased that 545.1 tonnes of green coffee were exported with total value of \$2.57m for the five cooperatives. Unfortunately, Buhanga, Kigembe and Gisuma were unable to access international markets this year due to delayed finance and international market concerns. However, all were still able to sell to local markets. Additionally, 88% of 49 samples sent to buyers were at premium coffee and specialty coffee standard.

Challenges provided additional training and support to coops on marketing via cooperative websites, including content creation.

Due to subsequent delays in partnership negotiations and covid-19 impacts, some key marketing and training activities could not be delivered under output 2. However, Challenges, the SFTF, and Matthew Algie delivered strong UK communication and marketing activities which helped minimise some impacts to Twins closure. This included:

- showcasing coffee at the Scottish Coffee Festival
- Hosting and attending key events across Scotland (see. 3.3).
- all speciality coffee roasters and cafes in Scotland being reached with project and cooperative information

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- produced and launched a project film and an external facing mid-project report.

Output 3:

129 youth across two cooperatives (Cocagi and Gisuma) were given rural entrepreneurship training. Following this, 4 new businesses have been supported with access to finance and the Kigembe businesses established last year are all now revenue generating.

We developed a partnership with the Rwandan Interfaith Council on Health to deliver GBV training to community leaders in all coop communities, engaging 209 people in total.

Finally, 212 people were engaged as part of the solar training. This saw 115 households receive solar household systems, and 70% of those surveyed stated this improved the ability to work and study in the evening.

Due to shifting demand for coffee and the low international market prices, several cooperatives saw production drops. Consequently, we recorded a decline of 4% in workers across the coops. We will be continuing to deliver our entrepreneurship training to support further economic opportunities, which continues to align with our work with ENACTUS to develop training support materials for the youth networks.

Wastewater treatment facilities at Cocagi and Gisuma have been completed, but due to logistic and covid-19 constraints we have not been able to access cooperatives to continue construction and improvements at other sites.

2.2

Has the focus or plans for delivery changed significantly during the last year? Please highlight what issues or challenges prompted this change and how you anticipate any changes in focus will impact on the previously agreed outcomes (Max 500 words)

There has been no change in focus over the last year. However, the plans for delivery were significantly altered by the closure of Twin Trading in October 2019. Twin Trading had been responsible through their trading team in the UK and technical team in Rwanda for the majority of outcome 2 activities. These activities were partnered with and aligned to the communication strategy delivered by SFTF, Challenges UK and Matthew Algie in the UK. Additionally, across 2019 the global coffee market saw lowered coffee prices as South American coffee flooded the market, impacting the specialty coffee market.

The timing of Twins closure was at a critical time, during the period when the bulk of contract signing, and coffee export is conducted. However, Challenges and ex-Twin staff, in particular **[REDACTED]** (Commercial Manager - Twin Rwanda) were

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instrumental in responding quickly and mitigating this impact. We are happy to report that despite this significant challenge, the majority of the cooperative coffee has been sold.

Nevertheless, the impact this has on delivery contributed to a reduced increase in coffee exported, fewer quality trainings delivered than expected, and a reduced number of marketing activities. However, Challenges UK, Matthew Algie and SFTF responded quickly in October onwards to deliver a number of key outputs to support the response to Twins closure. This included aligning production of a project film to the improvements in coffee quality and market linkages, an external-facing mid-project report, and showcasing the project and cooperative coffee samples at a number of regional and national events, including cupping events, the Scottish Coffee Festival and speaking at the African Enterprise and Development Conference (see 3.3).

We would like to recognise the contributions of other programme stakeholders in Rwanda, such as Rwanda National Agricultural Export Board, and Solidarité Internationale pour le Développement et l'Investissement (SIDI) who have shown great engagement and ongoing support to the project.

The last six months have prioritised the security and support to the cooperatives throughout the commercial season, and we are confident that the process we have undergone since October 2019 places us in a position to not only consolidate but improve the impact on delivery. We are picking up negotiations with several organisations (SIDI, Sustainable Harvest, Farm Africa) to renew activities and, following analysis of the value of all activities, improve on or diversify activities. However, the onset of covid-19 has temporarily delayed discussions as all our organisations respond to the immediate covid-19 risks. Despite this, we have maintained dialogues on coordinated covid-19 responses to the cooperatives. At the time of writing we are currently undergoing detailed risk and resilience assessments for all cooperatives against covid-19. We believe in doing this our response to the effects of Covid-19 on the cooperatives can be adapted to Y4 activities. Additionally, TWINs original outputs can be well aligned to a covid-19 adapted response and remain in line with the original programme objectives.

2.3 Taking into consideration what you have achieved during the last 12 months, along with any challenges you have experienced, please highlight to us what lessons you have learned, and how these will be applied in the project in the future. (Max 500 words)

(A) Peer-to-Peer learning

One of the most significant and positive developments over the past 12 months for the programme has been the progression of increased peer-to-peer learning activities among all beneficiaries. This was accompanied by robust training which uses practical-based exercises to directly foster interaction and facilitate knowledge sharing amongst those receiving training.

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This model has been evident in a number of example trainings over the year, in particular it has proved invaluable to our cross-learning visits between coffee management, and the youth entrepreneurship workshop in Rusizi.

We intend to continue to use and develop these practices to improve our impact in training delivery across the programme in Y4. Notably, we have already started applying this practically in March during the 5-day workshop with all project coop accountants, Challenges staff, and a consultant (who had previously worked for Twin Trading) on coffee finance. The week-long training was a big success due to the knowledge of the trainers, but also the lessons augmented by the activities fostered with the accountants in being able to share the experience with their peers, whom they only infrequently engage with. The workshop material was built from the real experiences of the cooperatives.

(B) Engagement of Youth

A principle challenge facing the coffee sector (and project) is the structural issue of youth engagement within the coffee sector.

The lack of young people who currently work within the sector raises concerns over the sustainability of the training and impacts delivered through the project. Many of the cooperative training beneficiaries, including leadership and management teams are 40 or older, and there are decreasing numbers of young people seeking to enter the sector.

Over the last year this has increasingly been viewed as an issue the project must consider. We plan to engage with this in Y4 by working with Enactus, the cooperatives, our youth networks and the Rwandan Youth in Agriculture Forum (RYAF) to encourage more youth participation. Some cooperatives already run initiatives to incorporate youth into their work, such as providing small plots of land. We intend to work with cooperatives both with pre-existing approaches, and none, to identify good workable (and sharable) initiatives.

(C) Working with partners

Over the last 12 months we have found our improved collaboration with partners has increased impact, reach and sustainability for the project. In Rwanda, our work with the Rwandan Interfaith Council on Health (RICH) through SG IDF partners Oxfam Rwanda, has increased our reach and support to existing and new beneficiaries. In Scotland, our engagement with members of the wider Scottish coffee sector, such as Rafiki Coffee (who sell cooperative coffee) and Strathclyde university (who purchase cooperative coffee), has helped embed the project into the local market infrastructure.

By joining with relevant in-country partners in Rwanda and Scotland we are able to access existing and new project beneficiaries in a new way, as well as wider audiences. We intend to build upon these achievements by seeking further

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partnerships in Scotland and Rwanda, for example with RYAF, with Rwanda Aid, and other organisations to further deliver our project objectives, and ensure lasting sustainability of our achievements.

3. Partnerships and collaboration

This section allows you to discuss how partnership working is progressing on the project, as well as wider collaboration and sharing of learning.

3.1

Provide an update on how partnership working has gone in the past 12 months. Let us know about any highlights, challenges or changes to roles and responsibilities. (Max 350 words)

The project handover of UK project management from [REDACTED] to [REDACTED] has gone smoothly.

The principle challenge through this period was responding to the project partner, Twin Trading, who went into administration in October 2019, consequently closing its global and local operations. As a principle project partner, Twin were responsible for many of Outcome 2 activities: including access to market, quality trading and marketing activities. This was a substantial and unforeseen risk to the project.

Challenges teams in Scotland and Rwanda have been working hard to mitigate the impact of this. Principally, working with ex-Twin staff to continue delivery of Rwanda activities, particularly around the sale of green coffee both locally and to export, which ensured that cooperative coffee was sold as planned, albeit causing some changes in process and buyers. In Scotland, Challenges, SFTF and Matthew Algie were able to align key communication activities which raised the profile of Rwandan coffee and the cooperatives, leading to improved profiles, and connecting potential buyers with samples.

Challenges Rwanda also liaised with SIDI an ethical financing firm that has been working with the project to provide financial products for struggling cooperatives, to mitigate disruption. This has served to increase the relationship between Challenges and SIDI for the benefit of the project.

In Scotland, our engagement activities with members of the Scottish coffee sector have led to higher profile and interest in Rwandan coffee and the cooperatives. It has enabled the promotion of the coffee project. A key illustration of this has been our collaboration with Rafiki Coffee (a social enterprise who sells cooperative coffee) who promote the learning of the project as it mutually aligns with their activities to support the cooperatives.

Finally, Challenges have been working to identify options for the project activities conducted by Twin to be taken over by a consultant or organisation. We are in conversations with several organisations (e.g. SIDI, Sustainable

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Harvest, Farm Africa) to renew activities and, following analysis of the value of all activities, improve on or diversify activities. At the time of writing we are also assessing the impact of Covid-19 on all cooperatives, and so we are building in responses with potential project partners that will align to the needs of the cooperatives in light of covid-19, but which are still in line with original project objectives.

3.2	<p>Have any Scotland-based staff visited the project in the past 12 months? Give details including key activities and outputs of these visits.</p>
	<p>The UK project manager, visited Rwanda twice this year:</p> <p>The first visit was in October 2019 largely to respond the sudden closure of Twin Trading and Twin Rwanda. The visit was spent working with the Challenges Rwanda team on contingency planning for the continuation of key activities, including support through the commercial season. This included holding meetings with a number of ex-Twin staff. The trip was entirely based in Kigali, as there was not time to visit cooperatives.</p> <p>The second trip was in February 2020 which focused on site visits, annual planning for Y4, and building relationships with the cooperative leadership and management, as well as meeting project stakeholders. He visited Kopakaki washing stations and plantations and met with the cooperative leadership. He also met with all other cooperative managers during a planned event in Kigali for Fairtrade Fortnight where he was able to hear about the positive stories coming out of the project. He spent the remainder of the time working with the Challenges Rwanda team on Y4 annual planning.</p>

Date of visit	Key achievements / outputs of visit	Follow-up actions
27 October – 2 nd November 2019	<p>Contingency planning in response to Twins closure.</p> <p>Held meetings alongside Challenges Rwanda team and ex-Twin staff to plan potential continuation options.</p>	<p>Supported work with the Rwanda teams to plan for continuation of key project activities and assess impacts to cooperatives.</p> <p>Held meetings with ex-Twin staff in London and Rwanda.</p> <p>We aligned UK comms strategy and activities to help mitigate some of the impacts from Twin’s closure.</p>

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<p>27 February – 4th March 2020</p>	<p>Site visits to meet cooperative leadership teams</p> <p>Attend key launch events of the project film and report for Fairtrade Fortnight</p> <p>Hold meetings with project stakeholders.</p> <p>Hold annual planning meetings for Y4 activity.</p>	<p>Finalised outline of Y4 activities.</p>
<p>3.3</p>	<p>Please tell us about any dissemination and learning throughout this reporting period. How have you promoted effective learning across the project? Please explain what processes you have used both internally and externally to share learning from the project so far, and how this learning is being used. (Max 500 words)</p>	
	<p>Over this past year the project dissemination activities increased significantly.</p> <p>(1) Project Film: Following the success of the 2018 project film which was shown in Holyrood to Scottish Parliament and across sites, Project partners collaborated with MediaCoop (Glasgow) and AfriLive TV (Kigali) and Sholi cooperative in Rwanda to create another film. This film walked through the project improvements, the process of cupping and exporting coffee in Rwanda, to the relationships and market linkages of cooperative coffee in Scotland. The film was shown at simultaneous events held in Scotland and Rwanda for Fairtrade Fortnight to a variety of stakeholders. The film will continue to be used as publicity and as educational materials to demonstrate the approach we have taken throughout the project.</p> <p>(2) Mid-Year Report: Challenges staff in Scotland and Rwanda worked together to produce a mid-year report detailing the activities and achievements of the coffee project. The report is in print and digital format and has been published on our website, shared amongst stakeholders and relevant bodies in both countries, and will be used as material going forward.</p> <p>Our partnership with SFTF has led to the report and film reaching over 700 organisations.</p> <p>(3) Online articles: Challenges staff continue to produce articles covering the work in Rwanda as well as the collaboration in Scotland and elsewhere. Articles are published on Medium and the Challenges website and shared across all of Challenges sites in the UK and Africa. Articles supporting the</p>	

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	<p>project have also been shared by local media outlets. Topics have included a project overview, evaluating the project, and working with women. Topics planned for the future include the value of peer-to-peer learning in rural settings, micro-finance challenges with rural youth, and good practice in supporting young people in cooperative communities.</p> <p>(4) Event Attendance: Building from last reporting year's success, key examples of events this year include:</p> <ul style="list-style-type: none"> - [REDACTED] spoke at the Africa Enterprise and Development conference about the project learnings at University of West Scotland in August. - The project was showcased at the Scottish Coffee Festival in Edinburgh in October and the Scottish Fairtrade Events in December and February. We had a stall sharing key project materials and showcasing cooperative coffee. - Challenges and SFTF gave a seminar at the festival on supporting ethical coffee value chains. <p>(5) Resource and learning dissemination: info. packs were sent to every Scottish speciality coffee roaster and café in Scotland, as well as over fifty related charities, with a focus on engaging the sector to share ongoing learning. We hosted a number of educational project tasting sessions to share learning and showcase project films including with Edinburgh Christmas Fair Trade Market, Napier Coffee Society, Edinburgh Global Partnerships, and Montgomery Street Lane Collective. Our partnership with SFTF also led to the report and film reaching over 700 organisations, and 100 suppliers engaged with the project at the February 2020 "Meet your FairTrade Supplier" event in Glasgow.</p> <p>(6) In Rwanda, the coffee project was presented on CNBC Africa by Country Manager, exploring Rwandan coffee sector challenges and opportunities.</p>
3.4	<p>Has the project completed a mid-term project evaluation in the past 12 months (or is one planned for the next 12 months)? Please provide detail of the outcome of the evaluation. (Max 500 words)</p>
	<p>Yes, a mid-term review of the project took place this year, and a copy of the report is available online and in PDF. The report demonstrated how the project is on track or exceeding all key project indicators. Key learnings from the review have informed planned activities for Y4, these include:</p>

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	<ul style="list-style-type: none"> - a focus on promoting sustainability through developing local partnerships - Promotion of more youth entrepreneurship opportunities - Cross-learning opportunities between Scottish private sector and Rwandan cooperatives - Promotion of direct-trade relationships between cooperatives and buyers
3.5	<p>With reference to Q39a & 39b in your original application form, please highlight how you are maintaining an awareness of others working in this region, giving details of collaboration, joint working, or partnerships with others. (Max 500 words)</p>
	<p>Prior to Twins closure, Twin had worked with the 8 cooperatives for 5 years, and as part of those relationships had signed partnership agreements with each cooperative, outlining the POs strategic objectives, specific challenges or issues and priority areas for support. By nature of this project support, Challenges was intimately involved with Twin and shared these processes. As part of the PO partnership agreements it outlines any other support that the POs are implementing and receiving from other programmes.</p> <p>As part of the ongoing training and support given by Challenges to these POs, the strategic objectives and priority areas for their continued development are frequently reviewed as part of the programme M&E and due diligence.</p> <p>With Twins closure in October 2019 Challenges undertook a rapid assessment of effects Twins closure had on the cooperatives, which included understanding who else may have been delivering (or was in the process of developing) services to coops in Rwanda. As a result of this exercise we identified no current similar activities being delivered to the cooperatives, and we are currently engaged in conversations with the main service providers in Rwanda on potential partnerships to recommence TWINS original programme activities in the 8 cooperatives.</p> <p>Where synergies between other programme activities involving the community and youth initiatives exist between other local initiatives, we actively seek to partner and collaborate for greater impact. For example, we did this with the Rwandan Interfaith Council on Health (RICH) who work on the Oxfam SG funded programme, to deliver GBV training.</p> <p>Challenges have now been working with the cooperatives for 3 years and have built up strong working relationships with all the cooperatives as well as other key stakeholders supporting the cooperatives, such as SIDI and NAEB. We have a robust due diligence processes in place to continue to monitor and maintain effective programming relationships, and based on the relationships we have built, will be able to maintain frequent insights to the broader activities surrounding the cooperatives going forward.</p>

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	<p>Fostering collaboration and partnerships is a key objective for the remaining two years of the project. Partnerships will be a key route to lasting sustainability for the project outcomes and so where possible we will seek to collaborate and harmonise with local partners to ensure the greatest impact and lasting success is reached for the project communities.</p>
<p>4. Safeguarding and fraud</p> <p><i>Please ensure you complete questions 4.1 and 4.2 even if you have no incidents to report.</i></p>	
4.1	<p>Have there been any safeguarding incidents, either relating to staff/volunteers or beneficiaries of the Grant or the Project, in the last 12 months?</p> <p>There have been no safeguarding incidents in the last 12 months.</p>
4.2	<p>Have these incidents reported at 4.1 been reported to relevant authorities, and if so, to whom?</p> <p>/</p>
4.3	<p>Describe what action has been taken, and highlight any lessons learned.</p> <p>/</p>
4.4	<p>Have there been any incidents in the last 12 months of financial mismanagement, theft, fraud etc, either relating to the Grant or the Project or which affects the organisation?</p> <p>Yes, in April 2019 it was brought to our attention of possible financial mismanagement within the Kopakama cooperative. However, it is worth highlighting that this activity was identified under a separate Twin programme by a Twin staff member working within the coop, and not as part of this coffee project. A full report and internal investigation were undertaken by Challenges.</p>
4.5	<p>Have these incidents reported at 4.1 been reported to relevant authorities, and if so, to whom?</p> <p>Yes, in Rwanda, the case was referred to the Rwandan Cooperative Agency (RCA) and local government officials and a full investigation was undertaken.</p> <p>A report was also submitted to the Scottish Government.</p>
4.6	<p>Describe what action has been taken, and highlight any lessons learned.</p>

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The case was referred to the RCA by the cooperative control committee, which undertook its own investigation and audit between April-June 2019. Challenges ceased working with Kopakama during this period.

The review confirmed the case, and identified secondary issues pertaining to the cooperative voting system that was not transparent enough and staff were not employed under the correct procedures. The cooperative leadership worked with the RCA towards compliancy.

Following the RCA review, a number of board members were removed, and new members voted in. The RCA-produced report has been used by the cooperative to bring charges against several staff including the previous chief executive – Kopakama has also hired a lawyer to assist with the case.

The CEO and senior accountant are now in prison, and court cases continue for the former president and remaining financial team. Five people were removed from the cooperative in total.

Kopakama reached out to Challenges later in programme year to re-establish support, and we delivered a 'recovery plan' to catch up on missed support. We are continuing to work with Kopakama to address key shortcomings and learnings in our training support to the cooperatives.

In February, the Challenges Rwanda team met with the new Kopakama leadership team to undertake our own internal review. The outcomes and next steps are:

1. to work closely with the cooperative to ensure their recovery plan is realised fully by the entirety of the cooperative and not just dominated by certain individuals.
2. Closer ties will be maintained with other stakeholders to create more secure framework around financing and capacity building for Kopakama
3. Liaise with RCA to ensure what steps can be taken with other cooperatives to protect from this happening in other locations
4. Lessons and training have and will continue to be taken forward in our support to the remaining cooperatives.

5. Risk assessment

5.1 Have any issues materialised during this reporting period? If so, how were they addressed?

Please refer to risk assessment provided at application stage.

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Assumption	Risk	Action taken	Was this included in the Risk Assessment Table in your application?
Twin Trading closing via administration	High	<ul style="list-style-type: none"> - Upon TWIN closure a rapid assessment of TWIN closure was performed to understand impacts - short- and long-term contingency planning was developed, and UK PM visited Kigali for meetings and planning. - Priority was taken on supporting cooperatives through commercial season. - Longer term strategies were being developed through discussions with ex-Twin staff and Sustainable Harvest, among others. - Coronavirus partially delayed these conversations and now contingency planning for cooperative impacts from covid-19 are being assessed. The outcomes of the assessment will be aligned to strategies to best support cooperatives in new partnerships going forward. 	No.
Coronavirus Pandemic leads to lockdown in Rwanda, restricting the capacity of delivery team to conduct activities to beneficiaries	High	Harvest season is April to June/July so only few direct project beneficiary activities take place. We undertook contingency planning for lockdown measures to develop certain project activities, this includes process improvements, M&E	Economic downturn risks, yes. Impacts from Covid-19 additional.

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<p>and risks financial difficulties due to funding and/or economic downturn.</p>		<p>and covid-19 risk assessments of cooperatives, development of training resources, and development of Y4 activity plan. Risk and resilience assessment of all cooperatives is being undertaken to help plan for support and recovery activities to cooperatives in light of covid-19 and recession. This will inform partnership objectives with the delivery of TWINs remaining activities and support to potential covid-19 priority areas.</p>	

6. Inclusion & accountability

With reference to question 38 in section E of your original application and thinking specifically about the past 12 months, please use this section to tell us how you are mainstreaming through your project, ensuring that you are aware of and actively working to reach vulnerable and marginalised groups.

6.1 Is the project still relevant for the beneficiaries you are working with? Please highlight how you ensure accountability on the project, ensuring beneficiaries have the opportunity to feedback on the project and influence its development? (max 350 words)

Challenges conduct regular feedback sessions through a robust monitoring and evaluation framework that is based on creating a participatory, safe, and robust feedback mechanism. Following each training, Challenges trainers conduct Knowledge, Attitude and Practice (KAP) tests that also allow for written feedback. In addition, there are opportunities for verbal as well as anonymous feedback, and we encourage open discussion in all of our delivery activities.

This feedback is used to inform our trainings by conducting retrospective analysis and subsequently incorporating feedback into our approach going forward. By using assessment criterion in the KAP surveys, such as 'feasibility', 'capacity to deliver', and 'relevance', we ensure that the feedback we choose to incorporate is appropriate, as well as building a narrative that can be fed back to beneficiaries.

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	<p>A recent example of this mechanism in operation is through our business training activities in Output 1. Key feedback from previous training was to provide more practical examples and materials on topics such as risk management. Following the risk management workshops to all cooperatives, cooperative management further responded by asking for additional resources to help them introduce this new knowledge into their existing operational activities. In conjunction with annual planning, trainers have responded by developing a range of materials including 'risk matrix', risk registers and focused walkthroughs on contingency plans to support cooperative development.</p> <p>The feedback mechanisms in place also help us identify new and relevant stakeholders and issues to respond to within the programme structure. For example, working in partnership with local leaders, government officials, cooperative managers and community figures, Challenges were able to identify a significant impediment in Rwandan communities is gender-based violence toward women. In response, Challenges were able to launch a campaign with Oxfam partners the Rwandan Interfaith Council on Health (RICH) working with the same leaders to educate and deliver tools on combatting GBV.</p>
6.2	<p>Do you have an awareness of particularly vulnerable or marginalised groups within the community in which your project is working? Please give details on how you are disaggregating data to recognise these groups across the project. (Max 350 words)</p>
	<p>Challenges have worked to try and identify people with disabilities (PwDs) within cooperative communities and best support them. Although outreach has been attempted, particularly through work under Outcome 3 within our youth networks, we have struggled to find consistent information and consequently struggled to coherently connect with this marginalised demographic. We hope to continue to engage disability support networks within Rwanda to build capacity of our youth networks and further provide support mechanisms to PwDs where this is relevant across all areas of the programme.</p> <p>One demographic we have been successful in reaching are young women in these communities. We continue to reach more young women every year through our community projects and youth networks and support the key challenges they experience. One example of this was training delivered in Kibuye district, Western Province combining 4 cooperative leadership teams from Koakaka, Kopakaki, Sholi, and Cocagi. Of the 25 attendees, 10 were females and 15 males. Based on experience, this is above average for women in cooperative leadership. Other activities have included creating economic opportunities through entrepreneurship, as well as addressing social challenges through delivering community GBV training. GBV has been identified as a key challenge facing young women in Rwanda. In fact, 22% of women (15-49) have experienced gender-based violence (NSIR 2016), and one-in-three women continue to experience violence at the hands of a relative (One UN Rwanda). We are proud to contribute efforts to help reduce the risk of GBV in the communities we support.</p>

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	<p>During this project we have been focused on increasing the participation of women in both the management of the coffee cooperatives and economic development projects in communities. A key function in our M&E framework is to monitor how many women attend trainings across every aspect of the project.</p>
<p>6.3</p>	<p>How is your project working to actively meet the needs of these vulnerable and marginalised groups, ensuring they are benefiting from the project? Please outline any mechanisms you are using. (Max 350 words)</p>
	<p>Challenges has instituted several approaches to meet the needs of marginalised groups in the project, with a particular focus on youth and women.</p> <p>For the latter, the approach has taken several strands:</p> <p>(1) Promotion of women in management positions During delivery of activities for output 1.1, Challenges staff understood that whilst women were in positions managing coffee cooperatives – principally as accountants, cashiers, or secretary – no cooperative had a female manager, nor did they have diverse positions, such as production manager or similar. Challenges staff, who are both female trainers, began to focus on ensuring female participation in the training was not just attendance, but engagement. Activities such as group exercises and peer presentations have been designed to promote women trainees engagement and participate fully. This has overcome challenges such as male attendees dominating training sessions.</p> <p>(2) Promotion of women in economic activities (entrepreneurship, etc.) Two activities undertaken as part of Outcome 3 promote the participation of women in particular, as well as youth (another economically vulnerable demographic in Rwanda). The first activity is in youth network engagement, a youth mobilisation exercise that had an equal number of women and men in leadership roles during the process. The second activity is entrepreneurship training for youth (18-30), where over 50% of participants across the three sites completed thus far have been women.</p> <p>(3) GBV and Teenage Pregnancy training Challenges engaged the Rwandan Interfaith Council on Health, a leading organisation working on these issues in Rwanda, and a partner of Oxfam with their Scottish Government project, to deliver a series of trainings over several months to a range of stakeholders in the project communities. The participants included</p> <ul style="list-style-type: none"> • 7 members of cooperative committee • 1 member from National youth council at sector level • 1 active member from National Women Council at sector level • 1 active member of IZU (Inshuti z'Umuryango) • 2 people from National Women and youth Councils at cell level • 2 religious' leaders at sector level • 1 social affairs officer at sector level <p>The above list subsequently delivered trainings and follow-ups on GBV and teenage pregnancy in their communities. We know that by engaging leaders in</p>

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	<p>the community, trusted and respected individuals, we can increase the impact of the trainings within the communities.</p>
<p>6.4</p>	<p>Taking into consideration some of the challenges of mainstreaming, please describe any challenges you have faced in reaching vulnerable and marginalised groups, how you have overcome these or plans you have developed to support inclusion on the project. (Max 350 words)</p>
	<p>As noted above we have struggled to reach and include people with disabilities through the project. There are several reasons for this, among them social stigma attached to people with learning impediments or other mental health disabilities and the poor existing data capturing PwD demographics.</p> <p>This has been a concern for Challenges, and during the previous reporting year attempts have been made to reach out to Rwanda Aid, a charity which has a programme in the South East of the country working with such disadvantaged groups in entrepreneurship. We believe that a partnership with Rwanda Aid would be as fruitful as the one with RICH/Oxfam in helping all organisations increase the impact and number of beneficiaries supported. Unfortunately, we have yet been able to form such a partnership with this NGO or any other on this aspect, but it remains a focus of the project and Challenges to do so.</p>
<p>7. Financial information</p> <p><i>This section will be reviewed alongside your budget report, which should be included alongside your narrative and logframe. Please ensure this spreadsheet is completed with both a detailed breakdown of expenditure for this financial year, along with your projected spend for the next financial year.</i></p> <p><i>Please note carry-over of funds to the next financial year should have been agreed with the Scottish Government by January 31st of the current financial year.</i></p>	
<p>7.1</p>	<p>With reference to your budget spreadsheet, please give a detailed explanation of any variances between planned and actual expenditure, including reasons for the variances and whether these are as a result of timing issues, price achieved, quantity etc. If these are temporary variances, please outline plans for expenditure. (Max 500 words)</p>
	<p>In country running costs</p> <p>Rent: there is £1401 underspend on rent. This is because of TWINs closure.</p> <p>Other Items/Utilities: Slight underspend of £329 as total utilities costs were slightly lower on price anticipated.</p> <p>Travel and Subsistence</p> <p>UK programme manager flight: £9 underspend due to price achieved.</p>

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Rwanda Country Manager Flight: slight overspend of £200 on flight due to higher than expected flight costs for that period.

In-country travel (car): £18 underspend due to it not being needed. Activities delivered within budget.

In-country travel (other): £40 underspend due to it not being needed. Activities delivered within budget.

International staff subsistence: £453 underspend because not all of travel utilised due to TWIN closure.

National Staff subsistence: £74 overspend due to higher than expected subsistence costs of activities in second half of the year.

Implementation:

Output 1:

Cooperative business training: £78 underspend due to savings in training costs.

Marketplace diagnosis: £104 underspend due to small savings achieved in how activities were delivered overall.

Cross learning visits: £3306 delayed spend as not all activities were completed, but costs will be used to support more Solar PV initiatives next year when we can return to communities.

Output 2: (Due to TWINS closure and subsequent delays to partner negotiations and covid-19, this has left the project with a higher than anticipated true underspend)

Trade links coordination: £5306 underspend due to TWINS closure, and not all activities could be delivered.

Compiling buyer feedback: £1086 underspend due to TWINS closure, and not all activities could be delivered.

Infrastructure for quality processing: £119 underspend due to TWINS closure, and not all activities could be delivered.

Quality standards & cupping: £4936 underspend due to TWINS closure, and not all activities could be delivered.

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Buyer visits: £6972 underspend due to TWINS closure, and not all activities could be delivered.

Marketing strategies & Pos on JMI: £6300 underspend due to TWINS closure, and not all activities could be delivered.

Access to working capital + Linking access: £9785 underspend due to TWINS closure, and not all activities could be delivered.

Output 3:

Peer youth network: £2006 delayed spend. Not all activities were completed due to covid-19 but are planned for Y4.

Community projects & mapping: £94 underspend due to general cost savings.

Solar PV: £364 delayed spend. Not all activities were completed due to delays but are planned for Y4.

Inclusion focus: £119 underspend due to general cost savings.

MEL:

TWIN M&E: £6 underspend as not all utilised during the years activities.

Field surveys: £800 delayed spend due to original planned activities interrupted by Covid-19, but still planned for post-covid.

£2000 requested for reprofiling from True Underspend to M&E to support extra anticipated Covid-19 response planning, and offset extra costs of normal M&E activities.

Dissemination costs:

Overall project dissemination: £14 underspend due prices achieved.

Workshops & promotional videos: £43 overspend due to slightly higher prices achieved.

Annual coffee fairs: £143 underspend due to overall lower cost of activities.

SFTF Scottish promotion: £25 underspend due to general savings.

Capital costs:

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Office furniture: £161 underspend as not all needed.

Wastewater facilities grant: £37773 delayed spend as activities must carry forward in to Y4.

7.2 Please give details of any capital expenditure in this reporting period. (Max 350 words)

£689 on office furniture was purchased to cover general repairs and IT refurbishment.

A total budget of £10097 was spent building two water treatment facilities at two washing stations: Cocagi and Gisuma.

Office furniture costs - £689

7.3 Please explain how you have worked to ensure cost effectiveness on the project in the past 12 months, whilst maintaining the quality of delivery. (Max 350 words)

For capital costs for water treatment facilities, multiple quotes were considered including negotiations on original prices, and varied quotes of concrete vs. plastic water tanks, without compromising quality.

For other costs, considerations such as cost efficiency, productivity, expediency etc. were considered. For example, training can be delivered in groups by geography which lower costs, and foster peer-to-peer learning. In addition, the knowledge and skills of trainers means external costs are also kept down. When external support is required, multiple bids are considered and documented.

Travel and accommodation are considered for practicality and cost-effectiveness, and whilst these costs are relatively predictable, multiple quotes are made to accommodate as needed, such as flight providers and hotel options.

8. Any other information

Use this section to tell us any other relevant information regarding your project. (Max 500 words)

Twins closure and new partnerships:

With TWINS closure of all global operations in October 2019, our immediate priorities have been to ensure the continuity of programme activities and mitigate disruptions to the cooperatives as much as possible, specifically the commercial risks posed from last season.

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TWIN's closure was timed during the main commercial season for all cooperatives and so immediate activities were focused on supporting the cooperatives through this period. We did this by undertaking rapid project risk analysis for coops and maintaining mutual collaboration with TWIN ex-staff and Sustainable Harvest (who took over Twin in early 2020). We are pleased to report that through this collaboration that 545.1 tonnes of green coffee were exported with total value of \$2.57m for the five cooperatives. Unfortunately, Buhanga, Kigembe and Gisuma were unable to access international markets this year due to delayed finance and international market concerns. However, all cooperatives were still able to sell to local markets.

After the immediate commercial risks to the cooperatives were mitigated, we have since been exploring potential partnerships for continuation of TWINs project activities with a number of organisations. However, since early-March covid-19 has become the key priority for all organisations and subsequent attention has been refocused on assessing immediate risk and resilience support to the cooperatives. We are currently undertaking immediate commercial risk and resilience assessments for all cooperatives, and support activities and strategies will be considered in the coming weeks. It is our expectation that these assessments will help identify key commercial activities that will promote the resilience of the cooperatives to respond to covid-19 and can be aligned with TWINs original programme objectives. Once the assessments are completed, the proposed activities will be aligned to the original objectives of TWINs project activities and agreement with whoever we partner with to deliver these activities. We will keep the Scottish Government fully informed of these risk assessments and hold conversations with partners. We will present detailed proposals for consideration of outlined activities in the coming weeks.

Unallocated true underspend:

Unfortunately, despite the success of coffee sales, delays from partner negotiations and Covid-19 have left some key marketing and training activities earmarked under Output 2 Twin activities undelivered. This has left an unallocated true underspend of £34868, which is different from anticipated underspend reported in January.

It is the shared opinion all project partners that a portion of this underspend will be needed for additional commercial activity support (or catch up support) to help the cooperatives in Y4, particularly in light of impacts and risks of covid-19. At a time like this the investment to the sustainability of the cooperatives, and project impacts achieved today is vital. The activities would not differ from the original objectives of Output 2, as this remains a focus on commercial strengthening of the cooperatives. These activities would fall in-line with the original programme activities under Output 2 but would target key additional support needs of the cooperatives to respond to commercial risks presented by covid-19. We will first fully assess the impacts of covid-19 on the cooperatives and hold meetings with other project stakeholders before coordinated proposed activities are presented for reprofiling any underspend.