

# Annual Report 2019







# Introduction

## Who We Are

ERIKS Development Partner (ERIKS) is a Swedish NGO and foundation, promoting the rights of the child. ERIKS' work and commitment to the fulfilment of the rights of the child is guided by our identity and values: the spirit of Erik Nilsson (the founder of ERIKS), Christian values and the UN Convention on the Rights of the Child. ERIKS currently supports projects in 16 countries in Africa, Asia, Eastern Europe, as well as in Sweden. Partnership with local civil society actors is the entry point in all our work. Local partners have the advantage of knowing the culture and context where they work, which promotes sustainability and efficiency. To support our partners, ERIKS has established regional offices in South East Asia, East Africa, West Africa and Eastern Europe.

## Vision

A better world where children's dreams come true.

## Mission

To combat poverty and vulnerability by promoting children's rights.

## The Sustainable Development Goals

Guided by its vision and mission, ERIKS contributes to the Sustainable Development Goals (SDGs). Examples of the SDGs that we identify as particularly important in relation to our work:

- Goal 1 – End poverty in all its forms everywhere
- Goal 2 – Zero hunger
- Goal 3 – Good health and well-being
- Goal 4 – Quality education for all
- Goal 5 – Gender equality
- Goal 16 – Peace, justice and strong institutions

## Our Thematic Priorities

### Education

Education is key to combatting poverty, both at individual and structural level. ERIKS' work includes promoting access to, and quality of, education through awareness raising, improvement of

learning environments, support to families to send their children to school, capacity development of teachers and advocacy towards duty-bearers.

### Health

Health is more than the absence of disease, involving physical, mental and social well-being. ERIKS promotes children's rights to health through preventive measures, such as access to safe water, hygiene, nutritious food and awareness on sexual and reproductive health and rights (SRHR), as well as through facilitating access to health care.

### Protection

Abuse and exploitation of children takes place in every country and society and across all social groups. ERIKS strives to protect children from all kinds of violence and abuse, through sensitization on the rights of the child, capacity development, advocacy and networking between different institutions, authorities and organisations involved in child protection.

### Humanitarian Assistance and Disaster Risk Reduction

ERIKS responds to crises together with local partners. The objective is to save life, alleviate human suffering and support people's right to a life in dignity. The humanitarian interventions focus on children's rights to protection and assistance. ERIKS also supports partners to work with resilience and disaster risk reduction (DRR) to contribute to people's and communities' ability to deal with change, mostly due to climate change.

## Our History

ERIKS Development Partner was founded by Erik Nilsson. Erik suffered from haemophilia, but instead of feeling sorry for himself he started to send greetings and small gifts to encourage other sick children. In 1946, when Erik was 17, his work to support other children was established and known in Sweden. Erik died in 1966, but the work he initiated continues and today thousands of children around the world are given an opportunity to see their dreams come true thanks to the work of ERIKS and our partner organisations.

# ERIKS International Programmes



For more information on the results achieved by ERIKS Development Partner in 2019, see [Global Programme Report 2019](#).

## Strategy

ERIKS' strength has always been a combination of micro and macro, local and global.

Each and every child is important and deserves the best conditions to develop her or his unique talents and abilities. We see time after time that children have a great ability to grow under the right circumstances. All over the world, we support many child clubs where, together, children themselves make courageous decisions that influence their own situation.

As we and our partners focus on the individual child, we also advocate for structural changes. We meet with decision-makers, from village chiefs to national ministers. In many cases, countries have ratified the Convention on the Rights of the Child (UNCRC) and our mission is to remind them of their responsibilities. Sometimes the process is simple, sometimes it demands hard work to change laws and systems to prevent abuse and the exploitation of children.



For several years, ERIKS has been working according to a new objectives and performance framework more clearly grounded in the above described theory of change. For each thematic area: education, health, and protection, ERIKS has defined desirable results at three levels. The first level is children's own ability to promote the realization of their rights. The second is duty bearers with legal obligations and their capacity to deliver upon their responsibilities. The third involves the role of families, associations, and other moral duty bearers.

The new results framework for our global objectives has been the basis for our updated country strategies that guide the work in ERIKS' programme countries. For each country, there is a context-specific results framework based on the general global objectives.

# International Programmes

In 2019, ERIKS has continued to strengthen the capacity of its Programme Department both at head office and at regional office level in preparation for future growth. This includes transferring operational responsibility to the regional offices while giving the head office a more supportive role.

In line with the strategic decision to focus on fewer countries, a number of project and partnerships have been phased out. In 2019, ERIKS was engaged in long-term development projects together with 60 local partner organisations in 16 countries.

ERIKS' strategies and methods are continuously under improvement. During 2019 the organisation has developed strategies to involve traditional and religious leaders in the work, which is important to be able to change attitudes and behaviours. Another important strategy is to strengthen children's ability to become change agents. We can see numerous examples of how children are contributing to a better world.

## Programmes in Sweden

In 2019, ERIKS was able to establish its first local ERIKS Future Factory for the benefit of children in an underprivileged neighbourhood in Helsingborg. This is a result from a decision taken by the two boards of ERIKS Development Partner and ERIKS Second Hand that the second hand-shops should be used as platforms for local partnerships and implement activities contributing to integration. In close collaboration with children and families, several areas of needs were identified and activities to strengthen the children and their families have been initiated. ERIKS Future Factory is using experiences and methods from ERIKS' other projects in Sweden to develop its work. One of those projects is Football for All Global which is using football as a tool to foster integration and contribute to personal development among its participants who are mostly adolescents living in vulnerable situations. The goal is to establish several ERIKS Future Factories in the coming year and also facilitate exchange of experiences and meeting places for young people.

## Communication

The aim of ERIKS' communication is to contribute to a better world where children's dreams come true.

During 2019, ERIKS has been reaching out to people through social media, our quarterly magazine, newsletters and via ERIKS Second Hand shops. ERIKS carried out successful campaigns to raise funds and attract new individual donors. We continued to recruit new sponsors at our events and concerts. ERIKS has been communicating about the rights of the child and ERIKS' activities in collaboration with artists, influencers, speakers, churches and other actors. Several events were also organised to reach out to young people. A podcast was launched by the platform Ungagerad to create engagement among the youth, but also to raise and discuss important topics.

The Christmas campaign focused on promoting and selling gift certificates to individuals and companies.



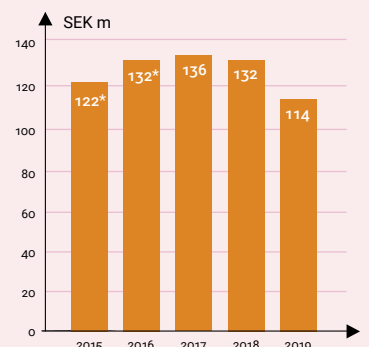
### Income in 2019

(in millions of Swedish kronor, SEK)

Regular donations	25,4
Bequests	14,9
Donations in Honour or in Memory of Others	0,5
Other Donations	7,0
ERIKS Second Hand	17,9
SMC	36,3
Postcode Lottery core support	14,4
Children of the World Campaign	4,6
Radiohjälpen	3,7
Other Income (Postcode Lottery, special projects)	5,5
Other Income	5,8
<b>Total</b>	<b>136,0</b>

### Project investments

ERIKS invested SEK 114 million in projects in 2019



ERIKS' magazine is published four times a year and consists of two parts. One part focuses on the rights of the child in our projects in Sweden and internationally while the other centres around ERIKS Second Hand and inspiration for sustainable living. Both parts of the magazine are guided by the concepts of hope and sustainability. The magazine is printed in 40 000 copies and is distributed to individual donors as well as customers in the second hand-shops. The purpose of the magazine is to raise awareness about the rights of the child, to be a source of inspiration and to inform about how the donated funds and gifts are used.

Rafiki, a school-programme in collaboration with IM Sweden, continued to be a successful concept and has published four magazines during 2019.

## Results and financial position

ERIKS' work is financed primarily through donations from individual donors, companies, surplus from ERIKS Second Hand and institutional funding from Sida through the Swedish Mission Council. Other important contributors are Radiohjälpen, the Children of the World Campaign and the Swedish Postcode Lottery. The diversity of sources of funding helps ERIKS attain financial stability and provides flexibility in planning and prioritizing interventions. It also reduces the dependency of one single donor.

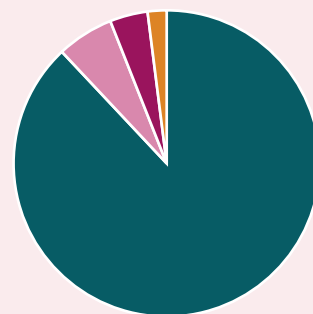
ERIKS' total revenue for the fiscal year 2019 was 136 million SEK. Individuals are the largest and most important donor group. Regular contributions by this group, through different forms of sponsorship and monthly donations, are on the same level as the previous year. ERIKS has sold stocks and bonds with a profit of 1,2 million SEK.

The foundation records a surplus of 6,6 million SEK. The budgeted loss for 2019 was 2.5 million SEK. The positive difference is due to increasing revenues from bequests that were received in the end of the year. The operations for 2019 were planned and implemented according to the incomes that had been budgeted for the year. 84 percent of the revenues (including bequests) have been used for projects.

ERIKS' Board has established guidelines for the foundation's asset management and investment ethics. The foundation shall manage its funds in such a way that the requirements of good returns and satisfactory security are met. Funds will be managed in an ethically responsible manner in accordance with the Foundation's core values. ERIKS selects investments in listed companies and equity funds working credibly with the environment and climate, human rights, fair labour conditions and business ethics. ERIKS do not make investments in activities that violate international standards and that are linked to weapons, armaments, alcohol, tobacco, gambling, pornography, and fossil fuels. An investment committee oversees day-to-day management and is responsible for a strategic and ethical orientation. For ongoing management, ERIK hires several external managers.

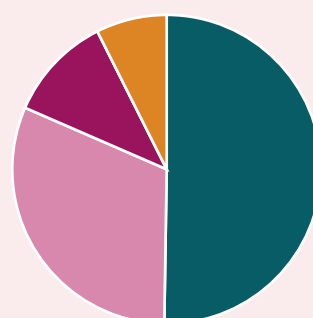
ERIKS' financial position remains strong. The board has decided, over time, to establish balanced equity equivalent to five to seven months of turnover. This provides sufficient reserves to phase-out projects in a dignified manner if the situation regarding fundraising and grants change significantly. As of the closing date, ERIKS has balanced equity equal to approximately six months' turnover. ERIKS' overhead costs remain low. In 2019, the administrative costs constituted 5.5 percent of the total revenue, and the fundraising costs 5.4 percent.

For detailed information, see [Financial Report 2019](#).



**Distribution of activities in 2019**

Development projects	88%
Children in Sweden	6%
Information	4%
Humanitarian assistance	2%



**Regional distribution of longterm interventions in 2019**

Africa	50%
Asia	31%
Eastern Europe	11%
Sweden	7%





## Quality Assurance

ERIKS is a member of GIVA Sverige (the Swedish Fundraising Association) which is the professional membership body for fundraising organisations in Sweden and we adhere to its Quality Code. The code aims to strengthen members' efforts to improve internal control and management and thereby contribute to strong, long-term confidence of donors in Sweden which, in turn, generates resources for achieving the goals of the organisations. Among other requirements, each member must prepare an annual impact report according to GIVA Sverige's template. The impact report aims to show donors, the public and other stakeholders how the NGO benefits others. An external public

accountant reviews and certifies, for example, that the organization complies with agreed-upon ethical standards for fundraising.

For each project, a special agreement is signed between ERIKS and its partner organisation. This agreement regulates how the money should be used and how reporting and auditing should be conducted. ERIKS regularly monitors project work to ensure that money goes where it should and is used properly. Each year, certified auditors review ERIKS' accounts, financial statements, and annual financial report, as well as the board's management and internal control.

## Sustainability statement

### Environment and climate

ERIKS works according to our core values to contribute to a sustainable development and a responsible stewardship of the earth where our children will grow up. There is a strong connection between negative effects on the environment and sustained poverty. ERIKS therefore works continuously to reduce our effects on the environment and the climate in Sweden, but also in our projects around the world, where children live in vulnerable situations.

ERIKS Second Hand operations also contribute to a sustainable society and creates better conditions for future generations.

### Diversity

The organisation has continued to work according to the Policy on Diversity, Equal Treatment and Gender Equality that has been approved by the board. A group of staff members from most departments in the organisation have been assigned

by the management to coordinate the activities. The work on diversity has continued to be divided into five categories: ERIKS as a) an employer and a working place b) Human Resources c) ERIKS as a child rights' actor d) ERIKS as a collaborative partner and e) communication and fundraising. During the year, a salary survey has been carried out, showing that no unjustified salary differences based on gender exist. Diversity in terms of having staff members of different nationalities in the office is however still a development area.

## **Work environment and Health**

ERIKS has continued to work towards the goals to promote health, prevent illness, and improve rehabilitation. During the year, ERIKS personnel have had the possibility to take advantage of a fund to promote physical activity. A survey was conducted to collect information to strengthen and systematise collaboration with the safety focal persons. Sick leave within the organisation has decreased to 2.6 percent compared to 4 percent in 2018. The sick leave among women continue to be slightly higher compared to one among the men.

## **Competence development**

During 2019, ERIKS has continued to run a programme to develop the competence among all its

employees through different staff events. The work aims to develop the organisation as well as the different departments. The introductory programme for new employees has been revised and implemented to ensure a welcoming and qualitative start at ERIKS. Staff appraisals including individual plans for capacity development have been conducted during the autumn.

In 2019 the communication and fundraising departments were merged into one with a new manager. The new department was located at the office in Huskvarna which affected employees who had previously been working mainly in Holsbybrunn. At the international department, the staff members were informed that they will have to apply for new roles in the beginning of 2020 as a result of a re-organisation. ERIKS has seen an increased mobility among the staff during 2019 including some people leaving the organisation, leaves of absence and new recruitments.

The leadership programme has been an important meeting place for managers and leaders within ERIKS Development Partner and ERIKS Second Hand to create a common culture and develop the leadership. The work with capacity development and the core values (TEKUNG) have been followed-up by a short survey. ERIKS' strengths continue to be credibility, dedication and community.



# Significant events

In January the communication department and the fundraising department were merged into one to coordinate and streamline the resources. The internal name of the department is KOMIN. The department has a newly recruited manager.

The International Programme Department continued to plan for its re-organisation aiming to make the regions more independent. A main focus is to ensure that the quality assurance of our international programmes remain strong.

The Swedish Programme Department opened its first ERIKS Future Factory in Helsingborg and the implementation began as soon as a pre-study had been conducted. Using the Second Hand shop as a platform, ERIKS has become an important social actor in the neighbourhood. Several cities and shops are waiting to begin working from the same concept.

During 2019 a decision was taken to move the main part of the operations to the office in Huskvarna. In Holsbybrunn, a few workspaces remain for distance work and certain functions within the financial department. The premises are being lea-

sed to our sister organisation Human Bridge which is expanding and continue to work in the spirit of ERIKS in the local area.

A milestone during the year was that the UN Convention of the Rights of the Child became Swedish law. In Jönköping, ERIKS was in the centre for several activities connected to this event. Two seminars were organized together with Jönköping University, Jönköping County Administrative Board and the Ombudsman for Children. And ERIKS also arranged a meeting at the office where the County Governor of Jönköping held the key speech.

During 2018 and 2019 several changes have been made in the management team. The managers for the communication department and for the fundraising department have resigned and a new manager for the merged department KOMIN has been recruited. Since a new executive manager for ERIKS Second Hand started during the autumn, a larger management team including both ERIKS Development Partner and ERIKS Second Hand has been formed.

# Future Development

ERIKS wants to see a world where all children can realize their dreams and all our work should convey both hope and sustainability. To achieve this in an ever-changing world requires a continuous development of the organisation.

During 2020 the International Programme Department will finalize its re-organisation. Our regional offices will have a greater mandate and responsibility. For the international department in Huskvarna the focus will be on quality assurance and donor relations.

ERIKS is working in a world where conflicts and climate change is contributing to larger and more frequent humanitarian crises. To face these challenges ERIKS contribute to strengthening people's and community's resilience. This includes finding new and innovative livelihoods, to be prepared for droughts or flooding and to have structures for collaboration in times of hardship. ERIKS' local partners have a unique position to support people in strengthening resilience due to their strong local connection.

During 2019 and for the coming years the Swedish Programme Department have planned for new Future Factories. In this work the second hand shops and their partners take a significant social role in

the local community and the work is characterized by joy and a spirit of entrepreneurship.

ERIKS Second Hand will celebrate 30 years 2020.

This will be particularly celebrated in Vetlanda where the first shop opened in 1990.

The Scandinavian Doctors (SLB) are also celebrating 30 years. SLB supports a number of health facilities in Africa and Asia every year thanks to funding from ERIKS. The operations are run by a separate organisation and board.

During 2020 a new CRM-system will be introduced. With increasing requirements and possibilities, we need to strengthen our ability to adapt our fundraising, campaigns and activities to new needs and media. We want to continue developing our analysis and improving our competence in order to reach new donors and customers.

ERIKS will continue developing its advocacy work by focusing on a limited number of topics and by a systemized function through which we can respond to media requests.

We want to make ERIKS an even stronger organisation and a popular movement for the rights of the child. Our vision is more urgent than ever before – A better world where children's dreams come true.



## Significant events after the fiscal year

After the fiscal year 2019 the Corona pandemic has severely impacted the world. ERIKS has been affected and will continue to be affected by the pandemic in different parts of our work which implies that there is a risk for a negative financial effect. The development is monitored carefully, and

several measures have been planned to mitigate the impacts on the organisation. ERIKS is stable with a large equity and an organisation that is well equipped to take implement these measures if necessary.





# **A better world where children's dreams come true**

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