

QUARTERLY REPORT: MARCH 2022

This report will focus on the outcome of the literature study instituted in April 2020 for the current implementation of the Water Resources Harmonisation Project in Honde Valley. It reflects on project development with emphasis on administrative matters: what has transpired, what's happening, and what's expected to happen.

TECHNOLOGY TRANSFER AND FUTURE PLANS

Fortune DC's thrust is to bring together technology, people and processes in order to produce the results for sustainable community development. This requires innovation to transform knowledge and intellectual product into commercialization. Market and customer needs can be difficult to discern especially with a new or disrupted market due to the Covid-19 pandemic.

Projects need balance as well as the short-, medium- and long-term innovation bets. Placing many bets can lead to one or two that move forward. Projects require resources, strategic importance, and qualified innovation project managers. No one can ever know what the project will end up looking like, but it's advisable to go "with one's gut and experience" and always reaching out to professional groups like EWB-SWE—in Fortune DC's case.

In very real sense, every project undertaken is undertaken for the first time. For example, a project team may not be the first to build a water tower, but they are the first to build *that* water tower at the Katiro Memorial Centre—which must be built using *this* team, in *that* location, with *those* suppliers, *this* design, and *those* constraints. Project management is all about breaking new ground—doing things that have never been done before. *This places innovation right at the heart of what project managers do.* In fact, innovation has become a core competency, essential to success in a rapidly shifting strategic planning environment.

There are three projects being implemented, and running the activities requires innovation. By placing elements of Fortune DC's projects' goals into three areas, we can clearly see how the project management pieces fit together. Each area has certain components of our future plans. The three areas are:

- i) **Where are we now?** What is happening internally and externally to determine how a given project needs to shift and change?
- ii) **Where are we going?** The elements of this question, help Fortune DC answer other questions, such as, where is the project headed? What will the structure of the project look like in the future? What is the future we want to create for the community through project implementation?
- iii) **How will we get there?** The answer states the broad direction; goals then *operationalize that direction.* In other words, what are the key activities that we need to perform in order to achieve our vision? What areas do we need to focus on over the next 1-5 years to accomplish our vision or goals for the projects?

Thus:

- Water Resources Harmonisation has reached a position where we need to know how much this project will take to complete implementation.
- Cybernet Hauna Start-up is now being implemented with the planting of Community Networks (CNs) at secondary schools in progress. A building to house WISP has been constructed at the Katiro Memorial Centre (KMC).
- Eco-Tourism Hospitality Facility is also developing into a museum. Besides taking in some tertiary visitors, teachers and students are clamouring for strong Internet services. The KMC, with its Dombo Gallery, is now being linked to Spirits in Stone, Zimbabwe Shona Sculpture. And a replica of the Conical Tower, Great Zimbabwe has been erected in the premises to attract more tourists.

Cybernet Hauna

As the options for connectivity increased and speeds moved away from slower dial-up connections, the Internet economy was born. Providers developed more advanced technology, allowing customers high-speed access via broadband technology through cable and digital subscriber line (DSL) modems. These large ISP companies favour big cities and towns because of the large number of customers. Villages and communal lands remain very much isolated from ICT developments.

Fortune DC's thrust is to develop a system involving WISPs as powerful allies in:

1. closing the digital divide,
2. serving the hardest to reach,
3. reaching the unserved rural areas,
4. bringing affordable alternatives to underserved urban customers.

MEASURABLE PROJECTS BEING IMPLEMENTED	ROIC (2020)	ROIC (2021)
Cybernet Hauna	3,8	3,82
Eco-Tourism	5,5	4,03

Generally speaking, a project is considered to be a value creator if its ROIC is at least two percent more than the cost of capital invested; a value destroyer is typically defined as any project whose ROIC is two percent less than its cost of capital. There are some projects that run at zero returns, whose return percentage on the value of capital lies within the set estimation error, which in this case is 2%.

Eco-Tourism

Given that it demands expertise and increases costs, practical involvement of visitors in co-creating of some artifact is not simple and cheap, but *it represents one of the best ways in the creation of strong emotional bonds between visitors and destination*. In order to become an attractive destination, the destination's infrastructure and the tourism facilities need to be improved and transformed.

The replica of the Conical Tower, Great Zimbabwe at the KMC should be viewed as an effort to re-create the historical Great Zimbabwe for tourists who come to Honde Valley to

get a chance to learn of the history of the Zimbabwean relic. Cultural and natural heritages are considered invaluable resources, creating a unique tourist attraction for each country.

This cultural and natural heritage requirement has led Fortune DC to ask EWB-SWE to collaborate in the construction of scenic water towers—replicas of the Swedish Water Towers. The introduction of this design of water towers is of great significance both as tourist attractions and for boosting communal agricultural development through the envisaged irrigation scheme; and the creation of jobs.

CURRENT COLLABORATION

The current collaboration between EWB-SWE and Fortune DC has evolved since February 2018. This was based on the June 2017 KTH-UPC thesis. With this InnoEnergy funded research, Fortune DC approached EWB-SWE with the aim of developing one of the recommended projects. It's interesting to note that the popcorn effect produced proposals to implement several other projects embracing sustainable and clean energy access; obviously, this involves environmental issues. There was the Eco-Tourism project proposal; the Agricultural Cooperative, which Fortune DC decided to rename as an Agro-Consortium.

1st Stage of Development

The agricultural project was the most favourable out of that popcorn effect. This is because there was a dovetailing with what Fortune DC and ZINWA had discovered in their research since the Water Resources Harmonisation Project was started in 2015—when Fortune DC re-located in the area with the establishment of a *Community Leadership Training Program*.

2nd Stage of Development

This project then, is not only about water for consumption and irrigation purposes, but *the whole spectra of environmental issues*. Thus, in October 2019, a Partnership Agreement was signed which led to the full disclosure process of who Fortune DC are as an organisation: our origins and fundraising activities at Stockholm's Immanuel International Fellowship. There was documentation of banking accounts; the projects Fortune DC is already implementing taken out of the bag of the projects recommended by the KTH-UPC scientists.

3rd Stage of Development

It's clearly understood that these events are an on-going process with a *vital* virtual meeting with the Partnership Assessment Team that led to the October 2020 signing of the Partnership Agreement between the two parties. This then has now led into a literature study that began in April 2020 with scientists from the Åbo Akademi University taking a leading role.

RESEARCH DOCUMENT

In that scenario, the literature study came up with a document titled "*Proposal of a Long-term Water Supply Network to Honde Valley, Ward 10*" by Jeremias Eriksson, an MSc student at the afore-mentioned Åbo Akademi University. This, in turn, has led to the production of Ward 10 Village Borders (12.5.2021). There is detail on the rivers and streams flowing from the identified range of mountains and the river flow measurements conducted by Fortune DC at the instigation of EWB-SWE.

A Globe-shaped water tower replica has now been produced and was passed on for scrutiny by all parties involved in the Water Resources Harmonisation Project. These *Swedish Water Towers* popularly originate from the 1970s with the one in Malmö having been built in 1975 at a cost of 2.6 million Swedish Crowns (20 million SEK today). Furthermore, Fortune DC and ZINWA have come up with average consumption and irrigation capacity requirements for Ward 10 according to each of the established four (4) development Clusters as contained in the Åbo literature study. Data has been provided on irrigation cycles and river flow measurements in seven (7) rivers/streams across the whole Ward 10.

PROJECT LINKAGE

It has now been decided to link these *cultural heritage* Swedish Water Towers to the project on Eco-tourism. A replica of the Conical Tower, Great Zimbabwe has already been erected at the KMC. Cultural tourism is one of the fastest-growing segments of the tourism industry, accounting for an estimated **40%** of all tourism worldwide. This is why this envisioned linkage prompted Fortune DC to ask EWB-SWE to collaborate in the construction of a scenic glob-shaped replica of the Swedish Water Towers. The introduction of such a design is of *great significance both as a tourist attraction and for the ICT project being implemented with emphasis on the creation of “hotspots” (CNs) for e-learning*. There is already a standing proposal to put WISP on the water tower for greater Internet accessibility in Honde Valley as a whole. Fortune DC has already constructed a WISP at the KMC (\$349,50) to make a total of **US\$15 020:50** that has already been invested in the Cybernet Hauna Start-Up project that was begun in 2019.

There is then the environmental adaptation that needs to be implemented alongside the water tower construction: *This strategy is informed by the analysis of the demographics of the community to transfer economic growth and conservation of the environment.*

INDICATORS FOR THE REQUIRED INVESTMENT FUNDING

With this literature study, EWB-SWE and Fortune DC project management teams should now be able to present sufficient evidence to justify project funding with recognition and updating of the following elements:

1. Design of the proposed glob-shaped water tower and new pipelines based on the design criteria stipulated by ZINWA engineers and shared with both EWB-SWE and Åbo scientists.
2. Also at hand, are estimates required for investment funding approximated at US\$250 657 as contained in the “*Proposal of a Long-term Water Supply Network to Honde Valley, Ward 10*” thesis.

It has been emphasised throughout the study that designs and figures are not ‘cast in stone’ and can be reviewed during the project implementation process.

The success of any project depends on certain key performance indicators being met. The most critical is making sure that the project deliverables are completed on time and *within the budget*:

- *how much funding* the Water Resource Harmonisation project requires and who to go to;

- determine how and where funding should be spent during this project implementation. The involvement of EWB-SWE in both is pivotal just as in any other strategy. This also fulfills one of the *required conditions for partnership* in the nature of *transparency, accountability and corporate governance issues*. It's recognised that EWB calls the tune, not Fortune DC!

Therefore, the immediate focus—as project managers in both organisations—should now be to re-evaluate estimate costs for investment funding that should be resourced for the Water Resources Harmonisation Project requirements. At this stage, Fortune DC has been advised that the research material contained in *both versions* of the Åbo Akademi University thesis' *endeavour* can freely be used.

PROJECT INCUBATION

Projects originate from the motivations that are to satisfy the social needs. Thus, project incubation is the phase prior to the procedure of feasibility study and approval, which involves putting forward the tentative idea of a project, conducting pre-study and prototype tests for the project vision and technology, and conceiving the project. In this context, EWB-SWE introduced Fortune DC to its Incubation Coordinator in 2018. This became the most important cog in the wheel that accelerates and systematizes the process of creating successful enterprises with above average job and wealth creation potential. This knowledge enabled Fortune DC to create it's Cybernet Hauna Start-Up that specialises in information and communications technology (ICT).

To try and give an overview of this experience gained from EWB-SWE over the couple of years (skills development as in one of Fortune DC's basic objectives), the following elements have been taken advantage of:

- i) *Communication* is key to building trust with partners and other organisations with whom Fortune DC does its community-based projects and any other business undertaking. (a) Discussing problems—of course the number one reason why communication, the lifeblood of a project, is that it helps with discussing the current and potential problems. (b) Sending and receiving information on whatever project is being worked on; a systematic mechanism of sending and receiving information needs to be set in place. (c) Transparency and accountability. The process and event where Fortune DC are to ask for financial help is one of the most difficult tasks as an organisation looking for “huge” investment funds. However, it is also one of the most absolutely necessary tasks to complete—since it's intended to build water towers and lay new pipelines. Therefore, it's prudent to sit down and estimate the cost to see if there's money to complete the project.
- ii) *Project Scheduling* by EWB-SWE—as in the document supplied to Fortune DC—gives a detailed extrapolation and expertise on how the Water Resources Harmonisation Project is now being implemented with introduction of: the (*professional engineer*) leader of the EWB-SWE working group on the Water Resources Harmonization, an EWB *Project Manager responsible for progress*; an EWB *International Project Committee*. (More details still to be provided by the next Project Management Team.)

- iii) Most importantly, Fortune DC has learnt that *capital investment projects take long to materialise*—there is too much at stake in this huge Swedish civil engineering project. The primary goal of project financing is to figure out how to maximise the value of a project by making good decisions about investment financing and dividends; considering how and where to allocate resources in order to minimise expenses and maximise revenues. Devising and implementing a short- and long-term financial plan. However, to have gone through the critical EWB partnership assessment process—that *evaluated the water management project as a viable investment project*—and that the Eco-Tourism and CNs projects are also viable and measurable projects being implemented by Fortune DC (see ROIC above), is great for boosting moral and keeping managers, engineers and technicians, and volunteers engaged. It encourages the incumbents and those coming into project management to go the full length in project implementation programs in Ward 10.

Efficient infrastructure is a prerequisite of, and critical to, development. It's not unusual that some projects generate a positive rate of return, but not all of them generate positive non-economic impacts and yet contribute to social gains. Therefore, when we do the monitoring and evaluation of the project, we need to take into consideration the difference between the two:

- Monitoring being typically focussed on the *project implementation activities*, which take place in the short- to medium-term. Once the project execution begins, project monitoring also commences, i.e., monitoring of the progress of implementation against pre-set targets and objectives. It aims to answer the question “Are we delivering?”
- On the other hand, project evaluation refers to the systematic investigation of a project's worth or merit. This evaluation is typically focussed *on the 'bigger picture' level*. This aims to answer the question “What has happened as a result?”

This project dynamics is given in a clear picture provided to Fortune DC by EWB-SWE's direction of this project implementation process. The provided diagram depicts the project's “Idea Stage right up to the Monitoring & Evaluation stage.”

PURPOSE OF PROJECT DEVELOPMENT

Since 2018, there has been full-blown project development. Therefore, Fortune DC is of the opinion that the Åbo Akademi University literature study was a success because *the purpose of project development is to identify and demonstrate a concept of the social impact of infrastructure projects*. The principal methods used—or rather being used—are a review of existing socio-economic conditions and surveys (data/information gathering) based on community mobilisation and campaign messages and interviews, on-site inspection and documentation (photos and videos), *communicating* with devoted stakeholders of infrastructure projects, and their involvement at different stages of the project. The main idea is that one should be able to apply solutions that give rapid measurable success.

EWB and Fortune DC's chosen methodology that is being successfully implemented reflect the following beneficial elements:

- To make sure that costs and schedules are under control during every stage of the implementation phases;
- That infrastructure development is meeting Sustainable Development Goals.

For many communities, access to infrastructure is a key to breaking the cycle of poverty. Prior to starting any engineering project, there's a need to map the area's layout and dimensions to inform the design of the water and sanitation system. But the restrictions on travel meant EWB-SWE had no way of going to site as had been planned and budgeted for in April 2020. With the help of the Åbo Akademi scientists, all data needed had to be mapped using Google Earth, and they relied on information provided by Fortune DC to create the hydraulic models, site lay-out and basic pipeline and water tank designs.

LITERATURE STUDY OUTCOME

The assessment or study revealed the dire state of water resources management, sanitation and water facilities (see Figures 20 to 22, page 43 in "*Proposal of a Long-term Water Supply Network to Honde Valley, Ward 10*"). This is what EWB-SWE says on their website: "Through humanitarian engineering, we engage, inspire and unite people to build a sustainable future.... We think that everyone has a right to improve their standard of living and we want to provide the means and infrastructure for people to do so, no matter where they live or where they come from. We are inclusive and curious, *encouraging local initiatives* (own italics) and are always eager to learn from others. We realise that we cannot just teach engineering, but must also learn about *cultures* (own italics) to improve our own way of life. Together we will build an equal and sustainable world and we need everybody to take part!" High-sounding visions and ambitions!

Achieving this vision is really no mean feat. As partners, we're faced with several challenges along the way, with the repercussions of the Covid-19 pandemic being by far the greatest challenge. The experiences, hardships and requirements of the pandemic continue to prompt alternative asset management firms around the globe to review and adjust their priorities, operations and goals to build prosperity in the face of rapid, ongoing change. As the world reads the frightening headlines about resurgence of new variants of Covid and its havoc, the destructive war being fought on European soil, we are primed to rise above the challenges as long as leaders and project managers collaborate in leading the way with inspiration and innovation to design, explore, experiment and adapt.

The global economic downturn has resulted in a substantial increase in demand for community services contributing to resourcing pressures for the non-profit sector. At the same time, many NGOs face budget constraints from lower returns on investment funds, tightening corporate budgets and less funding from philanthropic trusts and foundations, major donors and community giving. However, multi-year partnerships appear to be stable and mostly rolled over, whereas one-off funding support in response to *ad hoc requests* or in areas such as sponsorship of arts or sports, appear to be most at risk.

The economic fallout caused by the COVID-19 pandemic is forcing governments around the world to come up with policies for stimulating the global economy. Many are considering a tried-and-true method to boost economies in the short-term and provide wide

societal benefits in the long-term: infrastructure investment. Countries around the globe are set to launch the biggest round of infrastructure investment since the post-2008 financial crisis stimulus measures. It is easy to see why: the demand is enormous. The world is on-trend to face a \$15 trillion gap between the infrastructure investment needed and the amount provided by 2040. On the supply side, when 1% of GDP is invested in infrastructure, economic output increases by about 0.4% in the same year and by 1.5% four years later.ⁱ

Technologically advanced, sustainable and resilient infrastructure can pave the way for an inclusive post-COVID economic recovery. Favourable project publicity, and increased awareness of community needs for socio-economic development and environment needs result in an overall increase in donor financial support.

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ⁱ World Economic Forum