

Management Plan 2023-2024

Stichting GROWN Farm Incubator Foundation



Message from the Board

We are excited to present to you the the first Management Plan (Beleidsplan) of the Stichting Grown Farm Incubator Foundation, which was first registered on 08-10-2021 and is operationally active since 1st of January 2023 as a non-profit organization under Dutch law and has its registered address at Molengraaffsingel 12-14, 2629JD Delft, The Netherlands.

Having worked in the context of irrigation for more than 8 years, the Grown Farm Incubator Foundation was established by its board members in order to improve the livelihoods of smallholder farmers in a economically and environmentally sustainable manner because they witnessed 5 core problem areas that farmers around the world are facing.

This foundation seeks to enable smallholder farmers to sustain themselves and their families by farming alone by enabling, access to markets, high quality farming inputs, training and advisory, renewable energy irrigation as well as financing of farming cycles.

When creating this plan, the board accounted for the regulatory requirements that are required for a non-profit organization in The Netherlands that serves a good purpose and no financial incentives (Algemeen Nut Beogende Instelling - ANBI).

Accordingly this plan provides an insight into:

- The Purpose and Goal of this foundation
- The activities of this foundation
- The way in which this foundation raises funds
- How the Foundation manages its funds
- The way this foundation deploys its funds to projects for good causes
- The Governance of this foundation

We hope for your support as it will make the difference in achieving our goals and are open for any comments, question or suggestions.

Pratap Thapa

President of the Board

About this Document

In this document, the board of the Stichting Grown Farm Incubator Foundation sets out its management of the foundation for the year 2023-2024 as per the board meeting of 28-10-2022.

The plan is made for 2 years but might be adjusted more frequently if necessary. The GROWN Farm Incubator was established in 2021 but has not been active until now due to preparation work on its bank account and ANBI status. The foundation will be operationally active from 1st of January 2023.

Thus, this first management plan outlines the start-up of the GROWN Farm Incubator Foundation and sketches its first steps and activities for the years to come. The board has already identified 3 workibeleing areas, one each in Malawi, India and Nepal and is looking to support the first farming cluster within the period of this plan. As such, the foundation has challenging but exciting times ahead to raise its first donations and implement projects.

Furthermore, this plan also aims to show the overall development potential of the foundation and where the organization could move next within the coming years.

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1. The Purpose of the GROWN Farm Incubator Foundation

Global food production needs to double to feed the growing global population, while agricultural land is reducing due to desertification, pollution, and urbanization. In many places agricultural soils are largely depleted and urgently require restoration.

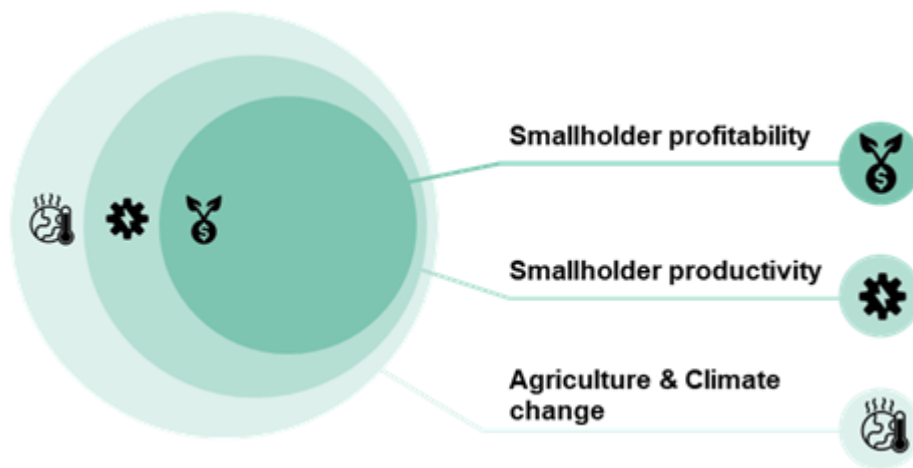
Smallholder farmers supply only 30% of current global food production because less than 7% of these 500 million farmers are commercially active and many remain critically poor. These farmers also lack the resources and knowledge to increase their agricultural productivity and income. Smallholder farmers are the most vulnerable to climate change, with changing rainfall patterns, rising temperatures, extreme climate events such as drought and floods and agricultural value chains that do not cover.

At the same time, conventional agriculture is one of the leading causes of climate change, contributing to 30% of the global greenhouse gas emissions and being responsible for 75% of global deforestation. Therefore, it is necessary to find a way for smallholder farmers to increase their agricultural productivity and profitability in the context of changing climate, without harming the environment further. The climate risk and responsibility, however, cannot be left to the farmer alone - other actors in the value chain must share the risk and contribute to finding a common solution.

The Stichting GROWN Farm Incubator Foundation was founded with the mission to join hands with smallholder farmers in Africa and Asia in their struggle to thrive, to help them start a business that prospers, in a sustainable manner from an economic, social and environmental perspective.

2. The Goal of the GROWN Farm Incubator Foundation

The goal of the Stichting GROWN Farm Incubator Foundation is to make a positive impact in the world on the livelihoods of smallholder farmers, their agricultural productivity and with it food security as well as on the future of agricultural practices in the areas that the foundation is active in.



Within the next 10 years, our foundation aims to support 100,000 farmers and their families in order to achieve this goal.

3. Impact Strategy

3.1 Guiding principles

The Stichting GROWN Farm Incubator Foundation works according to two general principles in order to achieve impact:

1. The farmer comes first: The founding of our organization revolves around the farmer. Having a positive impact on the livelihoods of smallholder farmers comes therefore first while striving for positive environmental and economic impact.
2. Catalytic funding: The foundation aims to integrate private market mechanisms in its projects in order catalyze its deployed funding and to obtain a social and environmental return on its funding deployed that is proportionally higher than the funds deployed.

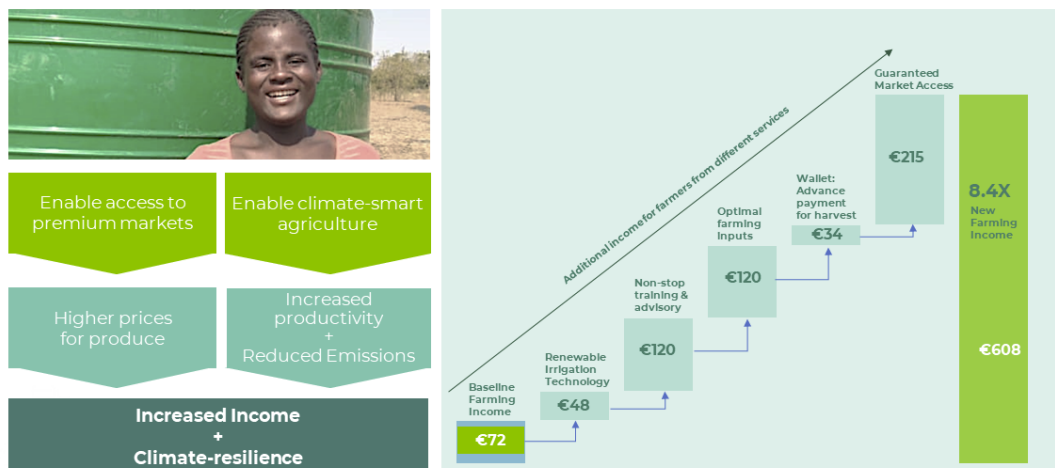
3.2 Theory of Change

The goal of the foundation is to support smallholder farmers in order to enable them to support themselves and their families with farming alone. To reach this goal, the foundation has identified 5 critical problem areas that smallholder farmers need support in.

- **Farming Inputs:** Smallholder farmers often do not have access to high quality farming inputs such as seeds or fertilizer
- **Market Access:** Smallholder farmers often lack access to a market to sell their crop
- **Training & Advisory:** Smallholder farmers often lack the knowledge on how to maximize their yields in a sustainable manner
- **Renewable Energy Irrigation:** Irrigation can increase agricultural yields 2-5 times. Yet, most smallholder farmers do not have access to irrigation.
- **Financing:** In order to manage their day-to-day life smallholder farmers require financing to be able to wait for the harvest to come. Loans to smallholder farmers are often too affordable as they are in the range of 8% interest per month.

Having identified the above problem areas, the GROWN Farm Incubator Foundation follows the below theory of change.

GROWN increases the farming income of Rebecca by 8 times



4. Activities of the Foundation

The Stichting GROWN Farm Incubator foundation was first registered on 08-10-2021 and has not been operationally active until now. The foundation will commence its operation from 1st of January 2023. This section lines out what is the current status of knowledge and what activities will be carried out

4.1 Our Current situation

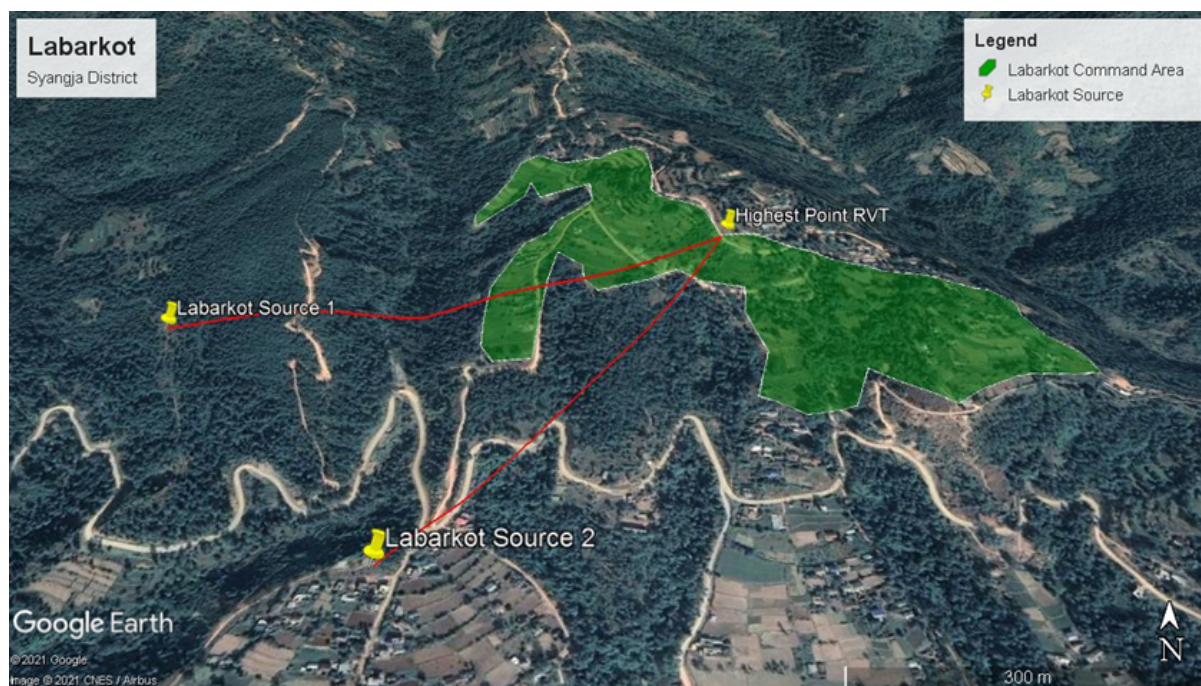
As of 28-10-2022 the foundation has been formally incorporated, obtained a bank account. Also, the board has made a strategy document defining the vision and mission of the foundation.

With respect to the start of the operational activities from 2023, the board has identified the first communities where the support of smallholder farmers in becoming profitable with renewable energy and sustainable agriculture would have a high impact.

4.1.1 Nepal prospective project location

Labarkot, Nepal

Country	Nepal
Province	Gandaki
District	Syangja
Local Level	Galyang Municipality
Ward No.	Tulsibhanjyang 11
Elevation Range (From Sea Level)	583 Meter to 663 Meter
GPS Coordinate	27°55'59.81"N, 83°42'13.49"E
Population	175
No. of Household	30
Prospective Crops	Cereals and Vegetables



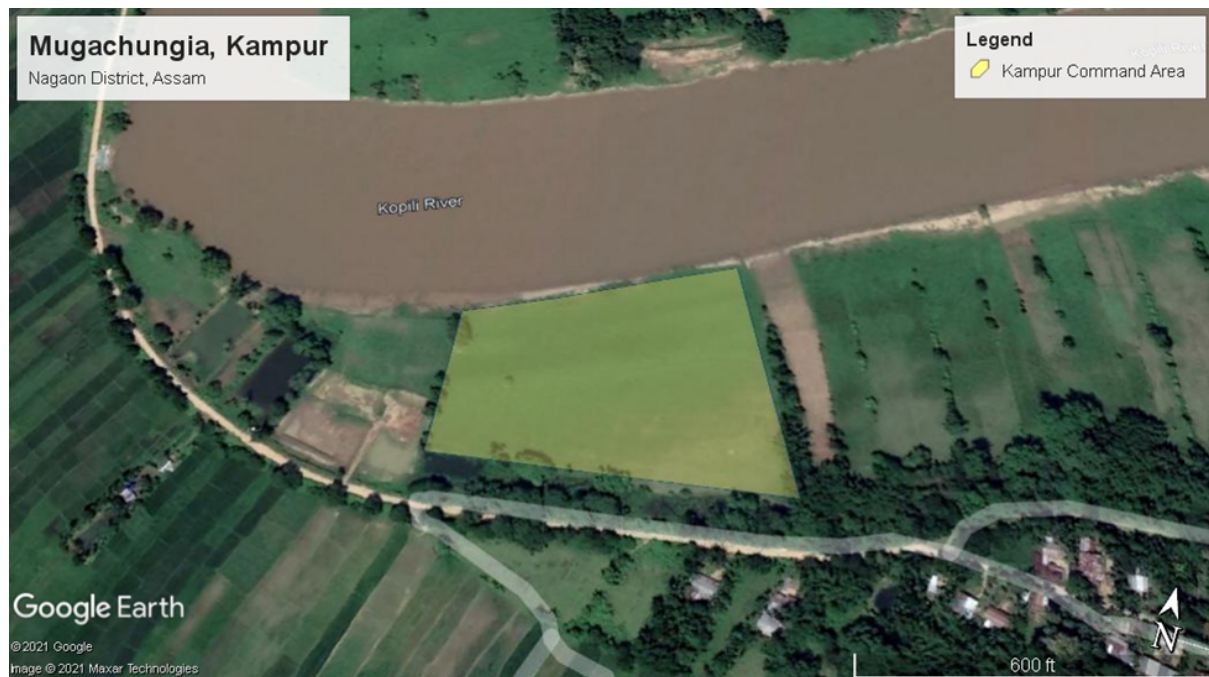


4.1.2 India prospective project location

Mugachungia, Assam, India

Country	India
State	Assam
District	Nagaon
Local Level	Mugachungia Village, Kampur
GPS Coordinate	26.1724958, 92.6041514
Population	250
No. of Household	40
Prospective Crops	Garlic, Turmeric, Ginger, Assam Lemon

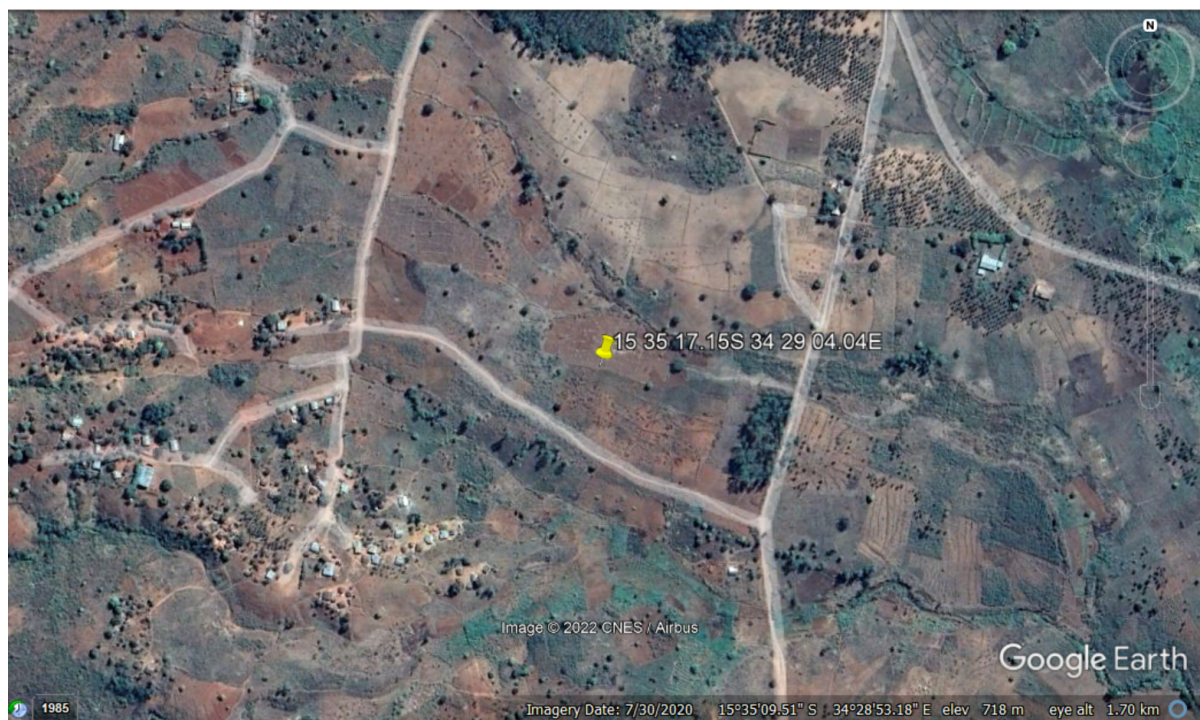




4.1.3 Malawi prospective project location

Country	Malawi
District	Mwanza
GPS Coordinate	15 35 17.15S 34 29 04.04E
Population	300
No. of Household	70
Prospective Crops	Ginger, Watermelon, Potatoes





4.2 Activity Plan 2023-2024

In the years of 2023 and 2024, the foundation is looking to carry out the following activities.

1. **Validation of Pilot farming clusters:** The above indicated clusters in Nepal, Malawi and India need to be further validated as suitable project locations. For this purpose, the board will evaluate aspects such as the aspiration of farmers, suitability of farming land for small-scale commercial farming, accessibility and availability of project partners. In case the prospective project locations do not seem to be suitable, alternative project locations will be identified.
2. **Detailing of Fundraising strategy:**
 - a. **Detailed Cost for each projects**

The costs needed to carryout the project in each of the identified communities, including costs for irrigation and farming equipment, costs for farming inputs like seeds and fertilizers, and costs for training of farmers are calculated with a detailed feasibility study of the locations. The funding need per community is then calculated.
 - b. **Grown Foundation Introduction Document for CSR Funds**

Based on the information of the communities and required costs, an introduction document which explains the purpose and plans of the Grown Farm Incubator Foundation is prepared and shared with different foundations and organizations who have a Corporate Social Responsibility Fund available for such projects.
 - c. **Application to call for proposals from organizations**

The Grown Farm Incubator Foundation will also apply to public 'call for proposals' from different organizations looking to support such projects supporting smallholder farmers.
 - d. **Memberships /repeated funding**

The Grown Farm Incubator Foundation will also explore the possibilities of working with crowd-funding platforms to raise the required funds as a on-time donation or repeated donations from individuals.
 - e. **Social Media Campaigns**

Awareness campaigns about the communities and our support will be shared through different social media platforms to reach out to more potential individual and organizational supporters.

- f. Building out of website and creation of fundraiser: For each cluster a fundraiser will be set up. In order to do so, the board will reach out to their private network, incorporate a functionality in the website of the foundation to raise funds and approach crowd funding platforms. It is estimated that per cluster around €10,000 - €50,000 will be raised throughout 2023 and 2024, depending on the availability of funds, farmland and the size of the community. The board expects that initial fundraisers might be closed at lower amounts but it would be possible to expand the farming clusters over time by creating repeated fundraising campaigns.

4.3 Future Outlook

We aim to support 6,000 farmers in the coming 4 years in the selected countries - Nepal, India and Malawi. We will identify new communities which requires the support and has the motivation to grow to become profitable and sustainable farmers.

By communicating the impact of our first projects, we hope to raise more support and funds in the future to be able to support more farmers.

5. Fundraising Strategy

The Stichting Grown Farm Incubator Foundation receives its income by means of donations.

The Stichting Grown Farm Incubator Foundation raises donations from organizations and individuals, through proposals to CSR funds, online donations and crowdfunding platforms. 90% of the donations goes directly to the farmers and Grown Farm Incubator Foundation does not use any of the donations to cover overhead costs.

6. Governance

6.1 Members of the Board

The Stichting Grown Farm Incubator Foundation has a board that is responsible for the management of its funds.

As of now, the board of the foundation consists of three persons:

- President of the board (Voorzitter): Mr. Pratap Thapa
- Treasurer (Peningmeester): Mr. Fred Henny
- Secretary (Secretaris): Mr. Lennart Budelmann

Within the year of 2023, the board will be expanded by 1-2 more members.

The foundation does not expect to work with further volunteers yet in the years of 2022 and 2023.

6.2 Activities of the board

6.2.1 Assemblies

The board meets at least two times a year for a board meeting.
The meeting will be documented by minutes of the meeting.

6.2.2 Treasury Management

The board is responsible for an appropriate financial management of its funds.
Therefore, the following activities are carried out:

- In January of each year an annual budget is created and a cash flow planning is made.
- During the semi-annual board meeting the cash flow is revised and the budget is adjusted
- The foundation only seeks to accumulate so many assets as is required for its operation and carrying out of planned activities.
- Annual accounts are published and audited by an external party
- Projects will be structured as fundraisers and approved only upon accumulation of sufficient funds to support the full project.
- Overhead costs will be reduced to a minimum in order to maximize the funds dedicated to the foundations goal

6.2.3 Compensation Policy

All members of the board work on a voluntary basis and do not seek financial benefits from their position. They do not receive any compensation for working hours. There is an attendance compensation for meetings which is determined by the board, highlighted in the management plan and within the permissible fiscal limits (artikel 1a, eerste lid, onderdeel e, van de UR AWR 1994).

6.2.4 Management of liquidation balance

In case of a winding down of the foundation, the board commits to donate all of the remaining funds for a good purpose aimed at the support of smallholder farmers

6.2.4 Annual Statements

Upon the closure of its first financial year, the foundation will publish its financial statements on the website www.grownfarmfoundation.org

7. Spending of Funds

All Funds accumulated by the Stichting Grown Farm Incubator Foundation will be dedicated to serve the purpose of the foundation.

To do so, the board of the foundation will aim to dedicate the funds according to the following proportion.

1. up to 5% of the annual budget will be used to compensate the expenses of the foundation. As of now, these budget items are limited to
 - a. Cost of website server
 - b. Print material
 - c. External administration office for preparation of annual accounts
2. up to 5% of the annual budget will be used to acquire funds. These cost might involve:
 - a. Fees for crowdfunding platforms
 - b. Preparation of small merchandise
 - c. Reimbursement of travel cost for physical meetings of the board with donors
 - d. financial reserves to assure operational continuity of the foundation
3. at least 90% of the funds are dedicated to projects in the focus countries of the foundation to directly benefit smallholder farmers

In the set-up phase of the foundation the above proportions might diverge initially in order to build up sufficient funds for operational continuity. The board aims to assure the above cost structure from the second half of 2023.