

Addendum to Heifer Nederland's Strategic Plan 2017-2020

Halfway the implementation of its strategic plan, Heifer Nederland (HNL)¹ has reviewed the plan made in 2016. Taking into account trends and new developments, and evaluating progress of HNL's current activities, we propose a number of adjustments. This addendum explains those changes.

Trends and developments

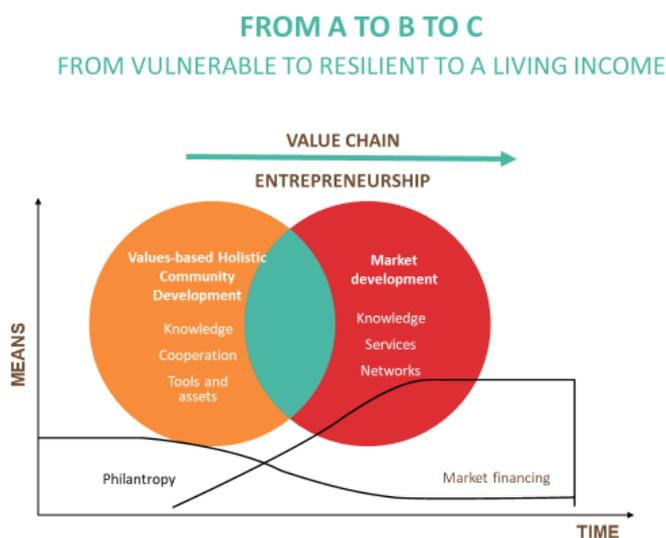
The context analysis made for the last strategic plan may not have changed significantly in the last two years, but some developments have become more prominent. These changes include the following:

Externally

- Institutional funders such as the EU invest in scale: there are less calls for proposals, but calls require more complex programs and have higher budgets,
- In institutional funding there is a notable shift of budgets towards the private sector,
- Public trust in the development sector continues to fall, and the integrity issues some development organizations have faced recently strengthen that development,
- Traditional media – notably tv – are losing exposure. Online and social media continue to grow and give a stage to new 'influencers'.

Internally

- Heifer's approach has developed quickly over the last few years. The new Accelerate strategy supplements Heifer's Values Based Holistic Community Development work with a market system approach, to enable farmers to increase resilience and realise living incomes. Innovation is key for this; HPI has introduced the Lean Start-up approach to test and upscale innovations.



¹ In the document **HNL** refers to Heifer Nederland, **HPI** refers to Heifer Project International, and **Heifer** refers to the international network of Heifer organizations.

- To support business development, Heifer is increasingly looking for commercial capital to finance market activities. For this purpose Heifer itself is setting up an impact investment fund.
- Increasingly, and as a part of the market systems approach strategy, HPI works with large companies that seek to make their sourcing more sustainable. HPI's aim in these partnerships is to make value chains more inclusive and diversify livelihoods, in order to realise living incomes. The value chains HPI is working on are no longer only livestock related, but include products such as cocoa, coffee, cashew.

Progress HNL

Over the last few years HNL's projects have increased in scale, and strong partnerships with complementary organizations have formed. HNL has introduced several innovations, such as soil testing and 3R water management in Heifer projects. Public fundraising has become increasingly sophisticated, with better integration of all channels, and development of an attractive donor journey. Structural giving has increased radically, reducing the number of one-off donations.

HNL has further developed its expertise in EU fundraising, but institutional income was below expectation in the first 2 years of the planning period. Delays and changes in the EU planning of calls were a major cause this setback. Private sector fundraising also stayed below target, mostly as a result of limited brand awareness.

What will we do differently?

Over the last few years HNL has implemented several projects around technical innovations that have potential for small-scale farmers. Over the coming years we will use Lean start-up approaches to test and upscale such innovations. In our **projects**, our thematic priorities (climate resilience, youth and value chains) will increasingly be integrated in a more holistic approach. Our PME framework will be adjusted to better include these themes. This will enable us to learn, to adjust and to share our approaches externally. To increase our visibility we will be more strategic, rigorous and target-oriented in the publication of articles and blogs, with the strongest focus on climate resilience.

HNL aims to build **partnerships** that clearly contribute to our program goal 'to unlock the potential of smallholder farmers to improve food security and incomes, and contribute to vibrant and sustainable rural economies, and to involve the Dutch public in that effort.' We focus on building and maintaining partnerships that contribute to our strategic priority areas: increased farmers' resilience against climate change, inclusive and sustainable value chains, and improved employment opportunities for rural youth. Our existing partnership strategy will be finetuned to better reflect with whom, and how we can create synergy.

To strengthen visibility and make our communication more effective we will further develop our positioning and related **communication** (work now in progress). Our objective will read: 'a wider Dutch public is aware of the crucial role African smallholder farmers can play in realizing food security and sustainable rural economies, and of Heifer's effectiveness in unlocking farming families' potential.' We will tailor our positioning towards different stakeholders, including the private sector. A stronger presence on social media requires new online ambassadors, or influencers.

Our total **fundraising** target for the period is adjusted from € 13.2 to € 10.6 million. This is the consequence of the fact that targets for the first two years were not met. Total targets for the next two years have not been changed: we expect no significant changes in marketing income, and although we foresee a lower number of approved institutional proposals, we expect that approved

projects will have larger budgets. Private sector relations will be designed for clear win-win. In fundraising, this entails a stronger focus on cause related marketing actions that benefit both company and Heifer. In programs win-win cooperation is focussed on sustainable sourcing or market development. For this we will work more closely with HPI's Global Partnerships and Alliances team. Technological developments in fundraising are developing fast. We will closely follow these developments and use external expertise to make optimal use of relevant new techniques. Improved use of the new donor data base should allow us to further improve the donor life cycle, and continue the shift from single to structural giving.

Flexibility is key in the **organization**. Over the last 2 years we have seen far less institutional calls for proposals than expected. Based on the current frequency of capacity needed, we will not hire a new institutional fundraiser, but work with a flexible group of external fundraisers. More flexibility is also required within the team: in order to make best use of each individual strengths, we will organize flexible teams around key stakeholders and activities.

Innovation in programs, fundraising and organization is important to grow effectiveness and efficiency. To stimulate innovation and learning, every member of the team will develop and maintain a learning document.

Integrity policies should be living documents. While Heifer codes of conduct will be part of contracts with new staff, we must ensure that we discuss our values and conduct on a regular basis.

Heifer's Accelerate strategy involves the development of an investment fund, and HNL will be closely involved in this. Targets for this work will be developed in a later phase.

With HNL's growing involvement in Heifer International's PME development, private sector relations, strategy development and investment activities, next to our fundraising in the Netherlands and the EU, HNL's role in the international Heifer network is broadening. This development is consistent with HNL's aim to contribute to a strong global network and brand.