



STRATEGY 2020-2023

HEIFER NEDERLAND

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Abbreviations

CSA	Climate Smart Agriculture
DG DEVCO	Directorate-General for International Cooperation and Development (of the European Commission)
EU	European Union
FAO	Food and Agriculture Organization
GI	Global Indicator
HNL	Heifer Nederland
IFAD	International Fund for Agricultural Development
MAHFP	Months of Adequate Household Food Provisioning
NRM	Natural Resource Management
PME	Planning Monitoring and Evaluation
PoG	Passing on the Gift
SDG	Sustainable Development Goal
SSA	Sub Saharan Africa
UN	United Nations
VBHCD	Values-Based Holistic Community Development

1. EXECUTIVE SUMMARY

Heifer International has formulated the ambitious goal to lift 10 million households out of hunger and poverty by 2030, in support of the concerted effort to reach zero hunger in 2030 (SDG 2). The goal for Heifer Nederland (HNL) is not only to lift 16.500 households (on an annual basis) out of hunger and poverty, but also aims to improve their income and be able to cope with climate change. In total 49.500 households will be reached in the 2020-2023 strategy period.

In order to reach this goal HNL has identified 5 strategic priorities.

Raise financial resources

- We will raise funds from the Dutch government, the Dutch mass market, individual donors, foundations and the private sector
- We will lead and facilitate European fundraising efforts with the European Commission and European foundations;
- We will strengthen the capacity of Heifer International (HI) Project Offices on EU institutional fundraising.
- We have the ambition to become a structural beneficiary of the National Postcode Lottery (NPL) in the next 3 years.
- In order to be successful in the fundraising efforts it is crucial that HNL raises its profile, has more visibility both online as through other channels.

Deliver quality support for effective and innovative projects

- We will focus on 3 thematic areas; living income, youth employment and climate change resilience. Especially on these thematic areas we will co-design, support and monitor the implementation of high-quality projects that have significant impact on the lives of farming households.

Build strategic partnerships

- We will work on linking the Dutch private sector to Heifer's work and ambitions.
- We will explore and initiate partnerships with other Dutch NGO's with regards to funding opportunities with institutional donors.

Spark the Dutch public interest in HNL's work

- We will inform a wider public about the challenges that farmers are facing and the key role they play in the reduction of hunger and poverty.
- We will increase using social media while continuing to use newsletters, as well as radio and television commercials, to reach out to our donors and the general public.

Develop as a professional organization and a strong international network

- We will build a strong team and contribute to the global strategy of Heifer International which is key for our success.

This strategic plan is a living document. It will be revisited on a regular basis to see how we are progressing. Given the fast pace of developments, both externally and internally, we anticipate that certain additional strategic decisions need to be made in the next three years.

2. CONTEXT

Over the last few years, the number of food insecure people has increased, showing a trend break. Worldwide almost 821 million people are currently still undernourished¹. As a result of the Covid-19 pandemic these figures can increase significantly and surpass 1 billion before the end of 2020². Especially in African countries hunger is on the rise with more than 20% prevalence of undernourishment³. In Sub Saharan Africa (SSA) almost 1 in every 4 people (23%) is food insecure. Most likely these figures will go up as a result of the Covid-19 pandemic and the economic downturn resulting from the lockdown measures. Paradoxically, the majority of these people depend on farming for their livelihood.

The agricultural sector is vital in realizing broad based inclusive growth and food security. Working with smallholder farmers is essential because the large majority of the land is used by families having less than 2 hectares. Yet their situation is dire: pressure on land is rising due to a sharp population increase, leading to further loss of soil fertility. In combination with poor access to quality inputs and weak marketing infrastructure, farmer families are unable to take much risks and their yields are low. These challenges are aggravated by the increasing effects of climate change: higher temperatures, prolonged droughts, unpredictable rains and flooding. As a result their land is affected by erosion and leaching. These farmers are hit hardest while they have contributed the least to climate change. About 28% of the 924.7 million people in SSA live in areas that have experienced land degradation since the 1980s. 40% of grasslands, 26% of forestland and 12% of cropland experienced degradation⁴. Access to markets is, in many rural areas, still problematic. Because of these adverse conditions young people lose interest in agriculture and large numbers of youth are migrating to cities, but according to a OECD/FAO report approximately 50% of these youth will find paid jobs in the urban sectors⁵.

At the same time, fast population and income growth lead to a growing demand for food. The demand for high quality proteins especially is increasing fast. In many African countries local production is not yet meeting this demand: most countries import substantial quantities of wheat, milk powder and rice. Moreover, the government policies are quite often not conducive on protecting and stimulating agricultural production in rural areas. Furthermore the Covid-19 pandemic and especially the accompanying lockdown measures have resulted in major disruptions of the food system. Food insecurity and the risk of famines are threatening tens of millions in the second half of 2020 as a result. Investing in the agricultural sector is key to eradicating poverty, hunger and malnutrition, particularly in rural areas where most of the world's poorest live, and more effective than investing in non-agricultural sectors⁶. Additionally it contributes to achieving the Sustainable Development Goals (SDG's) by 2030.

¹ FAO, The State of Food Insecurity and Nutrition in the World, 2019, <http://www.fao.org/state-of-food-security-nutrition/en>.

² United Nations, As famines of 'biblical proportion' loom, Security Council urged to 'act fast', <https://news.un.org/en/story/2020/04/1062272>

³ FAO, The State of Food Insecurity and Nutrition in the World, 2019, <http://www.fao.org/state-of-food-security-nutrition/en>.

⁴ UNITED NATIONS, DEPARTMENT OF ECONOMIC AND SOCIAL AFFAIRS, WORLD URBANIZATION PROSPECTS: THE 2014 REVISION, 2014.

⁵ OECD-FAO, agricultural outlook 2016 – 2025 p. 65.

⁶ FAO, Ending hunger and poverty by investing in agriculture and rural areas, 2017.

3. VISION, MISSION, VALUES AND GOAL

3.1 Vision and Mission

Heifer International's vision is a world of communities living together in peace and equitably sharing the resources of a healthy planet.

Our mission is to end hunger and poverty in partnership with the communities we serve while caring for the earth. Our programs support smallholder farmers around the world, creating lasting change from the ground up. It begins with a seed investment of livestock or agriculture, followed by mentorship to help project participants build a business, and ultimately to gain access to supply chains and markets. These families will be able to earn a living income and continuously lift up their communities as they train the next generation of leaders. By supporting the world's smallholder farmers, and female agri-related business owners, we're investing in a new breed of success.

3.2 Values

Heifer International has formulated a set of 12 core values known as the Cornerstones for just and sustainable development that guide Heifer's work: accountability, passing on the gift, sharing and caring, sustainability and self-reliance, improved animal and resource management, nutrition and income, gender and family focus, genuine need and justice, improving the environment, full participation, training, education and communication, and spirituality. Furthermore HNL will be guided by values designed by the team, knowing: result-oriented, passionate, cooperation, structural change, trustworthy and can-do-mentality.

3.3 Goal

Smallholder farmers – both men and women – are not only hit hardest by the challenges mentioned in the context but are also key actors in addressing them. With more knowledge, more assets, better cooperation and better access to markets, smallholder farmers can unleash their potential to significantly increase production, resilience and incomes, and manage natural resources more sustainably. This group of producers is crucial for food security at household and community level and beyond, as they are the primary actors to build vibrant and sustainable food systems and end hunger and poverty in a green and inclusive way. This requires investments to simultaneously:

- 1) increase smallholder farmers' productivity and income;
- 2) diversify farmers' income through integrated crop-livestock farming, mixed cropping and agro-forestry systems;
- 3) create more and better jobs for the rural poor⁷.

Heifer International has formulated the ambitious goal to lift 10 million households out of hunger and poverty by 2030, in support of the concerted effort to reach zero hunger in 2030 (SDG 2). Heifer Nederland (HNL) not only aims to lift 16.500 households out of hunger and poverty, but also aims to improve their income and be able to cope with climate change. In total 49,500 households will be reached in the 2020-2023 strategy period, contributing to the overall goal of Heifer International.

⁷ FAO, Ending hunger and poverty by investing in agriculture and rural areas, 2017.

This strategy is closely linked to the SDGs. Relevant are 1, 2, 5, 8, 13. Figure 1 explains the way they are linked to HNL's work.

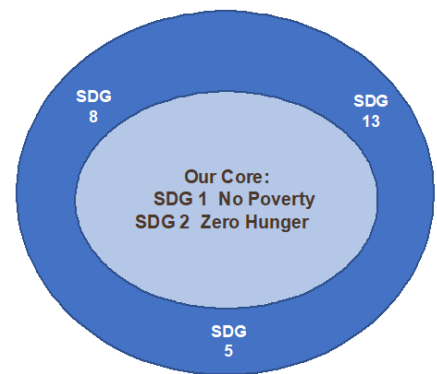


Figure 1: HNL's linkage to SDGs

4. THE HEIFER WAY OF WORKING

3 levels, 7 interventions

Heifer Internationals' change model is constructed by interventions at household, community and systemic level in 7 areas of work.

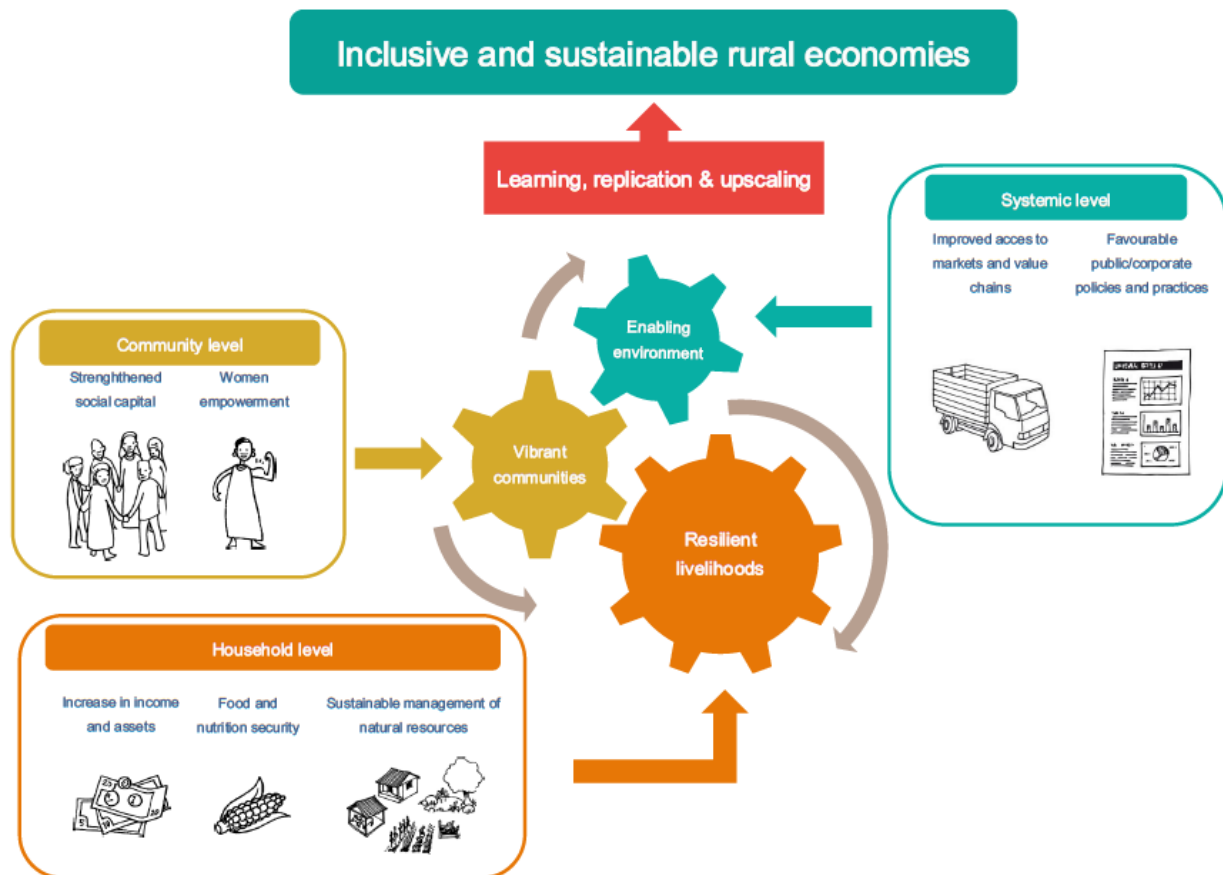


Figure 2: Heifer Internationals' change model

At household level 3 interventions lead to resilient livelihoods:

1. Crop-livestock integration is a key element to increase production and as a result improve **food and nutrition security**. We support households to strengthen their productive base, build their assets (seeds, livestock, tools, equipment, etc.) and capacities (knowledge in the field of farming, hygiene, healthy diet and safe nutrition) and contribute to inclusive food systems.
2. By helping farmers to diversify sources of income, increase production, develop entrepreneurial capacities, participate in strong producer organizations, and gain access to markets we support them to **increase their incomes and assets**.
3. Long term impact requires **sustainable management of natural resources (NRM)**. We promote NRM through a combination of awareness raising and providing trainings on sustainable farming methods, agroforestry, soil and water management, and by facilitating access to sustainable energy and water solutions for households and communities.

At community level there are two interventions leading to vibrant communities:

4. **Women empowerment and investing in youth** is key to fight hunger and poverty. In Heifer projects gender equity in the division of labor and influence over family and community decisions is actively discussed. Participation of women, female leadership, women's control and access to assets and creating a balance in the sharing of project benefits are actively promoted in all activities. The same counts for involving youth in project design and implementation.
5. Increasing evidence shows that social cohesion is critical for communities to prosper economically and for development to be sustainable. **Social capital is strengthened** by supporting community and producer organizations and networks and promoting inclusiveness and assertiveness. A key element of this approach is the Passing on the Gift® (PoG): project participants pass on knowledge obtained in training and offspring of received animals to others in their communities. Another key element in this approach are Heifer's 12 Cornerstones to promote and achieve Value Based Holistic Community Development⁸.

Two interventions at the systemic level create an enabling environment:

6. Heifer plays an active role to link farmers to suppliers of inputs and services as well as to traders and processors, and to improve access to credit and other financial products. By improving **access to markets** Heifer contributes to **inclusive value chains**. Heifer also contributes to improving the necessary infrastructure for production and marketing ('hardware' for storage, irrigation and transport etc.).
7. Policies and practices, both by the public and the corporate sector, can seriously undermine small farmer agricultural development. Heifer strengthens the capacity of farmers and their organizations in order for them to participate in multi-stakeholder platforms, to engage in joint action and to lobby and advocate for **favorable public/corporate policies and practices** that enable inclusive and sustainable market systems and rural economies.

⁸ Values-Based Holistic Community Development (VBHCD) training program. VBHCD involves a series of workshops and trainings based on a set of values and principles (named 'cornerstones') and that guides communities to be self-reliant, develops local capacity, contributes to the local economy, and builds key community networks. A core component of VBHCD is the practice of requiring families who have received resources and training from Heifer to Pass on the Gift.

5. FOCUS HNL

5.1 Thematic areas

The goal for HNL is not only to lift 16.500 households (on an annual basis) out of hunger, but also aims to improve their income and be able to cope with climate change. In total 49.500 households will be reached in the 2020-2023 strategy period. Building on what we have done in the previous years (2017 – 2020) HNL will specifically focus on 3 thematic areas. We focus on **living income** as this is a tangible way to track the development of an household and ensures we stay aligned with Heifer International's change model. We also focus on **youth employment** because we have a strong track record on working with young farmers and because creating jobs is an important step towards resilience and sustainable development. Lastly we will focus on **climate change resilience** given that climate change is the biggest challenge the world is facing and is affecting the smallholder farmers we work with disproportionately.

1. Living income

Heifer International invests in farmers and business owners around the world and supports them to earn a sustainable living income. A living income means thriving, not just surviving. Living income is the amount of money every person in a household needs per day to live a dignified life – a life with adequate nutritious food, access to resources, education, healthcare and money saved for emergencies while experiencing positive social and environmental outcomes. Reaching this level of resilience is also necessary to withstand unforeseen economic shocks.

HNL will continue to try to include the living income model in the project design of our proposals as much as possible while also focusing on improving the food security/livelihood situation of smallholder farmers. This will also ensure that proposals meet the requirements of the various institutional donors. A good example of working on living income are the agri-hubs: vibrant centers where farmers, service providers, input suppliers and customers meet. By strengthening producer organizations and improving their access to services, the agri-hub approach links vulnerable and smallholder farmers with markets that were previously not accessible.

2. Youth employment (including agricultural education)

The agricultural sector still provides the best employment opportunities for most rural youth. Agriculture offers a wide range of jobs, from production to processing, distribution and trading. Also, agricultural services offer job opportunities such as extension, tractor services, control of pests and diseases, financial services, ICT, transport, etc. Innovations, changing policy, economic and social environment are needed to inform youth that agriculture as a business gives a good chance to realize living incomes. HNL aims to strengthen social capital amongst youth and build their capacity to access services, markets and policy makers.

3. Climate change resilience

Climate change is the biggest challenge we are facing and is affecting the smallholder farmers we work with disproportionately. As a result there is a huge need for techniques, technologies, services and quality inputs that reduce the vulnerability of farmers against disasters from erratic weather patterns including droughts, flooding and higher temperatures. Heifer has expertise and experience in this respect focusing on climate smart agriculture and livestock. Smallholder farmers learn to use their land

in a sustainable way (i.e. regenerating the soil and the use of agroforestry) and put new knowledge about livestock farming into practice. This gives, in combination with quality livestock, sufficient healthy food, a stable income and valuable manure for a good harvest. Use of manure leads to healthy soils with high organic matter content that are more productive and less sensitive to water shortage or surplus. We will apply clever tools for climate resilient project design and implementation, or team up with other organizations that have this expertise. Besides that, we assist farming households with financial risk mitigation to deal with the negative effects of climate change.

5.2 Geographic focus

In the last couple of years HNL has concentrated its project development activities in a number of African countries (e.g. Kenia, Malawi, Tanzania, Uganda, Zimbabwe). We have built up strong relationships with our colleagues based there and gained knowledge and insight into the situation of smallholder farmers in these countries. We intend to continue working in Africa. Next, we are also looking into adding value to Heifer Internationals' work in other continents, taking into account the following criteria: countries that express a demand for HNL support, countries where other Dutch organizations (NGO, companies, universities) can provide useful services, and countries where funding opportunities exist with our institutional and foundation donors (notably the Dutch government, the European Union (EU) and European Foundations).

5.3 Strategic priorities

HNL has defined the following 5 strategic priorities that are crucial for achieving its goal:

1. Raise financial resources

HNL aims to have a diversified income stream, a healthy combination of funding from institutional donors, corporates, foundations and through public fundraising.

With institutional donors our focus will be at identifying funding opportunities with the Dutch government and the EU (in particular the European Commission's DG DEVCO). Both donors have a strong interest in working on food security and alleviating poverty. HNL will coordinate Heifer Internationals' fundraising with the EU either in a leading or facilitating role. Moreover HNL will be coordinating funding opportunities with other European institutional donors starting with GIZ and BMZ (in Germany) and potentially also including institutional donors in the Scandinavian countries. HNL is building its institutional fundraising and business development (BD) capacity to play that role and will invest in institutional capacity strengthening of Heifer International Project Offices in a number of countries and play an active role in the management of the BD pipeline and pro-active development of networks for effective partnerships.

Corporates, and their foundations (both Dutch and European) are more and more moving from pure philanthropic to shared value partnerships focusing on co-creation and having a transformational goal. Furthermore, engaging employees in creating impact and making a real difference is important. In response to these trends HNL will focus on facilitating promising partnerships (including for projects that require public private partnerships) with Dutch and potentially European corporates/(corporate) foundations to support Heifer's work and ambitions. Furthermore, HNL will work on partnerships for marketing and public relations that will create greater visibility and

brand awareness for HNL in the Netherlands and where opportunities present themselves, possibly also other European countries.

HNL will continue to invest in raising funds from Dutch foundations and expand its efforts to engage and raise funding from European foundations. In this we will work closely together with Heifer International.

The Dutch charity market is challenging, but HNL will continue to invest in public fundraising through e-mail marketing and online (social media) campaigns, to obtain sources of unrestricted funding and moral support from a committed Dutch constituency. Fundraising campaigns will focus on individual donors (promote structural giving with current and new donors), foundations, major donors, equity funds, churches and legacies. In our communication we will focus on youth employment and education, on climate, resilience and sustainability.

HNL also has the ambition to become a structural beneficiary of the National Postcode Lottery (NPL) in the next 3 years and to partner with current beneficiaries from the NPL to apply for funding that is available on an annual basis from the additional draw of the lottery.

In order to be successful in these fundraising efforts and especially our ambition with the NPL it is crucial that HNL raises its profile, has more visibility both online as through other channels. Therefore, HNL will develop a visibility strategy which will also include the aforementioned marketing and public relations partnerships.

2. Deliver quality support for effective and innovative projects

As HNL has no field offices implementation of projects is done by Heifer International Project Offices and possibly other project partners. Our role is to help design, support and monitor the implementation of high-quality projects that have significant impact on the lives of farming households. We can also function as lead-applicant being responsible and accountable for project management in all its aspects towards the funding agency.

3. Build strategic partnerships

Heifer cannot achieve impact without working with others: governments, private sector, knowledge institutes and other civil society organizations that have complementary assets and capacities. This is true in the fields of both fundraising and program implementation.

HNL intends to contribute to the establishment and fruition of partnerships Heifer International building on our expertise and experience in the Netherlands. Private sector partnerships are key to improve farmers' access to new technologies, services or markets and to stimulate innovation and entrepreneurship. The Netherlands has a strong and highly innovative agri-sector. HNL meets these companies in our networks (such as AgriProFocus and its successor the Netherlands Food Partnership) and can facilitate linking them with Heifer International. Equally, the presence of strong universities and colleges, with specializations in (agricultural) development and international cooperation, in the Netherlands provides opportunities for partnerships in learning and knowledge development.

HNL can play a facilitating role in establishing potential partnerships on behalf of Heifer International. Partnerships with other Dutch NGOs, based on complementarity of expertise, will be explored and initiated with regards to funding opportunities with institutional donors (i.e. working in consortia).

4. Spark the Dutch public interest in HNL's work

Awareness raising and involving the Dutch public is an important goal of HNL. It is important to inform a wider public about the challenges that farmers in developing countries are facing, the key role these farmers play in the reduction of hunger and poverty while safeguarding global food security and about the importance of integrated farming in creating new opportunities to improve food security and incomes.

We plan to reach 6 million people per year through radio and television commercials. We use our (e-) newsletter, website and social media to reach a smaller group of more interested people. Since online education and information-sharing (as well as fundraising) is the future, new ICT opportunities and communication channels need to be explored.

By taking part in public debates, we advocate for supporting small scale farming as a way to reduce poverty and increase food security.

5. Develop as a professional organization and a strong international network

As a small and flat organization, we need highly professional, independent and committed team members. HNL will continue to invest in training and personal development of its staff to achieve and maintain the required level of success which is closely intertwined with the success of Heifer International: its approach, its organization and knowledge management. We firmly believe that Heifer International has the potential to profile itself as a significant and successful player in the fight against hunger, poverty and climate change. HNL will actively contribute to realizing this potential. To do that, we will expand our Dutch and European networks and knowledge of developments in this part of the world. Furthermore HNL will also facilitate and organize specific trainings (business development, project design and management etc.) to Heifer International Project Offices in a number of countries on working with institutional donors (mainly the EU and the Dutch government).

5.4 Monitoring and evaluation

HNL carefully monitors progress on all aspects of the organizational strategy for 2020-2023. Our Planning, Monitoring and Evaluation (PME) system is based on the indicators in the strategic plan's log frame (see annex 1). Progress at organizational level is monitored internally on a three-monthly basis, through a progress report that is presented by HNL's management to the Supervisory Board of HNL and Heifer International.

At project level we conduct a baseline study that provides us with the necessary information for the indicators for all areas of work. Every half year progress on result indicators is measured, and every year progress on impact is assessed. A mid-term evaluation and an external end-of-term evaluation provide insight in the impact, relevance, effectiveness and efficiency of the project.

At program level we aggregate results and outcomes of the different projects, to monitor progress towards our goal – 16.500 households out of poverty – on an annual basis. We will document lessons learned in this field and share those lessons with relevant networks. We regularly review the PME system to keep it up to date. Moreover, we will work on linking the HNL's system with HI's system which will contribute to consistency, data aggregation and improved data analysis.

5.5 Budget

Implementing the organizational strategy, HNL intends to realize the following budget:

In Euro	FY 2020/2021	FY 2021/2022	FY 2022/2023
Income	Estimate	Budget	Budget
Own fundraising income (marketing)	525.000	675.000	850.000
Institutional Grants	600.000	950.000	1.200.000
HI co financing through HNL			
HI investment in HNL	360.000	310.000	260.000
NPL			500.000
Total revenue	1.485.000	1.935.000	2.810.000
Expenditure			
<i>Programmatic support</i>			
Direct project support	750.000	950.000	1.700.000
technical assistance & PME	174.090	181.668	194.419
<i>Total project support</i>	<i>924.090</i>	<i>1.131.668</i>	<i>1.894.419</i>
<i>Education</i>	<i>321.054</i>	<i>342.935</i>	<i>377.196</i>
<i>Public fundraising</i>	<i>136.600</i>	<i>145.934</i>	<i>160.544</i>
<i>Institutional fundraising</i>	<i>184.090</i>	<i>191.668</i>	<i>204.419</i>
<i>Management and administration</i>	<i>90.527</i>	<i>94.467</i>	<i>101.098</i>
Total expenditure	1.656.361	1.906.672	2.737.676
Surplus / Deficit	-171.361	28.328	72.324

The following ratios are expected:

Expenditure ratios	FY 2020/2021	FY 2021/2022	FY 2022/2023
Expenditure on goal/total income	83,8%	76,2%	80,8%
Costs own FR/Income own FR	26,0%	21,6%	18,9%
Costs admin / total expenditure	5,5%	5,0%	3,7%

5.6 Risk analysis

HNL has developed an extensive risk analysis that is updated every year. It contains risk factors in 4 categories:

- External risks factors in the Netherlands and Europe, such as economic decline, negative publicity in the development sector, changes in official development policies, fierce competition by likeminded organizations, and pandemics.
- External risk factors in project countries, such as political instability, climate change, failing infrastructure, increasing prices for animals and transport, animal diseases, and pandemics.
- Internal risks, including negative publicity for Heifer International affecting HNL, and quality issues in implementation.
- Internal risks in HNL, such as the high dependence on individuals in a small organization, loss in income, and safety issues during field trips.

For all identified risks consequences have been mapped, and mitigation strategies have been defined (see annex 3).

5.7 Organization Chart

Blue – revenue stream departments
Yellow – non-revenue departments

