



HARVEST OF HOPE



BUSINESS PLAN



1.0 Executive Summary

Harvest of Hope (HoH) is an organic vegetable box scheme filled with vegetables grown by grassroots farmers from the townships of Cape Town. Boxes of picked and packed that day vegetables are delivered weekly to schools, institutions and businesses in the greater Cape Town area, where they are collected by the clients from a distribution point within each organization. The vegetables are bought from local farmers who have been contracted to grow for HOH. The scheme has been up and running since February 2009 with an average sales of 86 boxes a week.

HOH supplies two different box sizes, a large box with a retail price of R95.00 and R65.00 for a small box. The large box contains between 9 and 12 different vegetables depending on the costs of production. Standard vegetables in the box are potatoes, onions, carrots, a salad pack, and sprouts. Other vegetables also included are tomatoes, green peppers, butternut, baby marrows, sweet potatoes, beans, peas, pumpkins, spinach, swiss chard, and beetroot. Boxes also usually contain a special and expensive variable such as mushroom, cherry tomatoes, and red or yellow peppers. When the scheme started, weekly sales averaged 70-90 boxes. Sales currently are at 120 boxes a week. Proceeds from the project are shared equally with 50% of the gross income going directly to the farmer's pocket. HOH can effectively be divided into two separate businesses - the pack shed of which the farmer receives 50% profit and the individual farmer business.

All vegetables are cleaned, graded, sorted, and packed in a pack shed. The pack shed, is located centrally to the urban agriculture area and to prospective clients. This was funded by Ackermans Pick and Pay Foundation (a supermarket chain) and is already in use. Estimated start up costs were around R 216 000.00. The support from MDP-RUAF has allowed the project to enhance farmer involvement in the value chain understanding as well as upscale the project.

Break even is at sales of 380 boxes, forecast for May 2010 with an estimated farmer income of R 73 610.00 divided amongst 130 farmers farming on 3 hectares. By 2012 HOH expects to reach sales of 600 boxes or equivalent. Present sales of 120 boxes a week mean a gross income of R 460 764 per month. Sales to restaurants and processing companies contribute around R 650.00/month. Four staff are employed on a full time basis with a further four staff employed part time. The part time staff will be employed as full time once production and sales reach the optimum target.

At present HoH contracted farmers are producing 75% of the box content. The remaining 25% is being produced by farmers that do not have signed contracts with the project. The project aims to increase production to 90% from contracted farmers with 10% coming from uncontracted farmers to ensure variety.

HOH aims to continue to ensure the production of high quality vegetables delivered on time to a loyal and increasing client base.

2.0 The Business Idea

The Most Promising Option for Harvest of Hope is the box of vegetables available in two sizes one for a family (big box) and one for a couple (small box). These vegetables are grown to the highest organic standards by the poor farmers in the townships of Cape Town. They are sold fresh to the upmarket suburbs of the city to people that want to consume healthy and clean vegetables.

The vegetables are grown by mainly contracted farmers that harvest them early in the morning of the delivery date. The project vehicle then goes round the different growing sites collecting the vegetables to the central pack shed. At the pack shed the vegetables are cleaned, graded, sorted, and packed in boxes. The boxes are presold to clients. The boxes are then delivered as per client requirements to the outlets that comprise schools, tertiary institutions, and a retail outlet.

2.1 Problem Definition

Small farmers close to urban nodes in South Africa have historically struggled to sell their produce into burgeoning urban markets. Many producers grow top quality produce but only sell locally “over the fence”. There is a sophisticated and growing market demand for organically grown, fresh produce. Being able to access these markets will act as an engine of growth impacting the lives, incomes and economic sustainability of small farmers and their families and become an instrument of poverty alleviation. In Cape Town there are about 3000 small farmers who produce their crops on small pockets of land supported by Abalimi Bezekhaya. Most of them need an easily accessible supply chain to pull them incrementally into viable commercial production.

2.1.1 The Development Chain

Abalimi supports approximately 3000 micro-farmers (home gardeners and community allotment gardeners) each year. Most micro-farmers are at survival level (new farmers) and at subsistence level (more experienced farmers). These survival and subsistence farmers are the driving force behind the urban farming movement in Cape Town. 2500 of these micro-farmers run home-based gardens, while 500 run community allotment gardens.

Harvest of Hope is the instrument launched by Abalimi in Feb 2008 to “pull” survival and subsistence farmers along the Development Chain, into Livelihood level. Livelihood level is the ‘semi-commercial’ level ie: 50% cash crops and 50% of their produce for own home and local community consumption. Livelihood level is the level at which Abalimi and Harvest of Hope aim to establish most of the 500 allotment gardeners they support each year. Abalimi also supports the farmers,

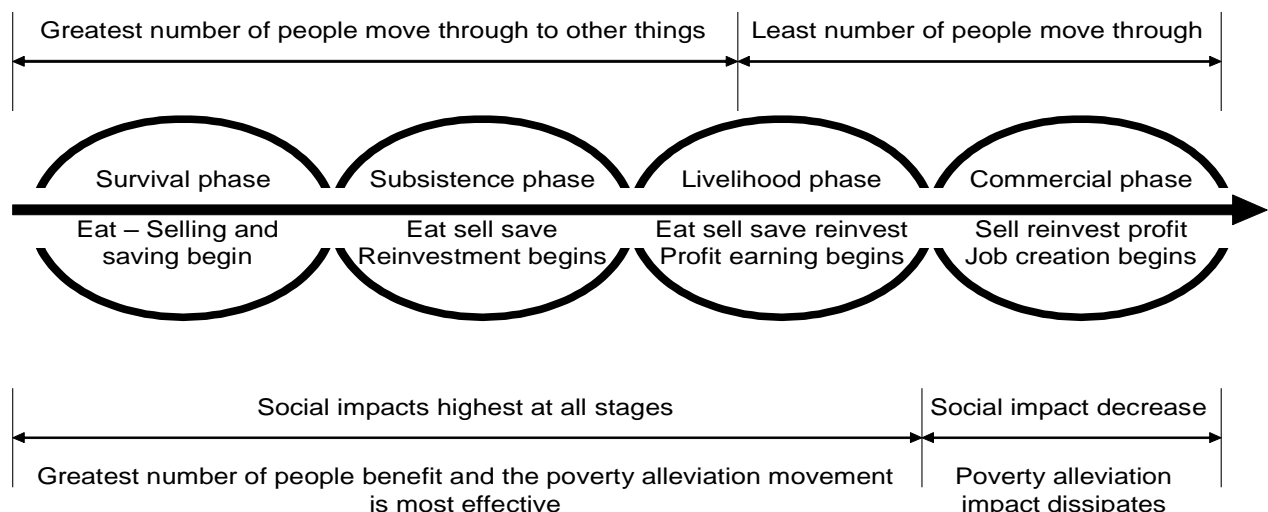
through its ongoing training, bulk supply and extension support programme. Livelihood level retains all the health and social benefits of small community-level farming systems while also allowing for self-help job creation, where farmers can earn up to R1500/month per farmer off 500m² per farmer.

Harvest of Hope also has the potential in future to assist some Livelihood level farmers to transit into Commercial level, where farmers can sell 100% of their crops for cash. The downside of 'pure commercial' is that social and even direct health benefits (from consumption of own fresh produce) tend to go out the window in the scramble for personal profit and do not normally re-appear as a factor in the development chain until people have become wealthy.

“The Development Chain (continuum)”

Abalimi believes in the following development chain in order to sustainably develop farmers without jumping them through a normal development process.

The sustainable development continuum for organic micro farming projects



2.2 Meeting the market needs of the poor farmers

Harvest Farmers are trained in agribusiness systems and sign simple contracts to grow specified crops (that they have chosen) in a designated size plot to pre-planned yields at pre-determined prices, to be harvested at targeted dates. This was started a year ago in 2008. To date the project sells between 90 and 120 boxes of vegetables every week.

Through the RUAF FSTT support, the idea is to upscale the production and marketing in order for the project to double production so that they can sell 380 boxes by May 2010.

3.0 Project Description

130 farmers from 18 community gardens are contracted to grow vegetables for the HOH box scheme. Contracts are awarded as per production plan on the basis of crop rotation and land size. For each 100 boxes produced 8 415m² of land is required. The farmers are supported with skills training, inputs procurement, production planning, extension support, transportation of produce, and marketing.

Farmers produce the planned quantities of vegetables every week and are required to do the quality control, harvest, clean and bunch vegetables on their farms. Produce is collected by a HOH driver and truck, and then delivered to the pack shed where it is weighed and recorded. Selected vegetables such as lettuce, herbs and English spinach are then cleaned, graded, sorted, and packaged in the pack shed by pack shed staff, field staff and casuals.

HOH supplies seedlings and seed to farmers, the full cost of which is offset against vegetable sales. The only input that is not included in the cost build up is manure. This is a key input to any meaningful vegetable production in Cape Town where soils are very sandy. Abalimi will continue to subsidize the cost of manure until the farmers' business can absorb the cost. The cost of the pack shed is also subsidised by Abalimi Bezekhaya and will be until the breakeven level of 380 boxes per week is reached.

The FSTT Harvest of Hope project is therefore the marketing, production, packaging and delivery of a selection of healthy, quality, organically grown vegetables in a box.

Examples of Box content include the following:

Large box contains between 9-12 items depending on cost of produce

Regulars

- Potatoes 1kg
- Onions 1kg
- Carrots 1 bunch
- Salad pack
- Sprouts

Variable

Tomatoes, Peppers, Brinjal, Butternut, Baby marrows, Sweet potatoes, Beans, Peas, Pumpkin, English Spinach, Swiss chard, Beetroot

The small box contains 6-7 items depending on prices and seasons including the following items:

Regulars

- Carrots 1 bunch
- Potatoes 500g
- Onions 500g
- Salad pack

Variable

2-3 other variable items 1 of which is an expensive vegetable such as mushrooms, cherry tomatoes, red or yellow peppers etc

**FARMER PRICE LIST
VEGETABLE PRICELIST PER KG PAID TO FARMER BY HoH**

Type	Quantity	HOH
Baby Cabbage	kg	R 4.50
Baby English Spinach	kg	R 20.00
Baby English Spinach	150g pack	R 3.00
Baby marrows	kg	R 10.00
Beans	kg	R 10.00
Beetroot	kg	R 3.50
Brinjals	kg	R 6.00
Broccoli	kg	R 15.00
Butternut	kg	R 4.00
Cabbage	kg	R 3.50
Carrots	kg	R 7.00
Cauliflower	kg	R 15.00
Celery	kg	R 10.00
Chillies	kg	R 10.00
Cos & little Gem lettuce	unit	R 2.00

Fennel	kg	R 10.00
Garlic	kg	R 30.00
Gem Squash	kg	R 6.00
Hard herbs	kg	R 20.00
Kohl rabi	kg	R 5.00
Kale	kg	R 10.00
Leeks	kg	R 10.00
Lettuce	kg	R 20.00
Lettuce	150g pack	R 3.00
Onions	kg	R 3.20
Pak Choi	kg	R 20.00
Peas	kg	R 10.00
Peppers G	kg	R 7.50
Potato	kg	R 4.80
Radish	bunch	R 2.00
Red pepper	kg	R 20.00
Soft herbs	kg	R 20.00
Spinach	kg	R 10.00
Spring Onion	kg	R 10.00
Sweet potato	kg	R 5.00
Tsat soi	kg	R 20.00
Tah Tsai	150g pack	R 3.00
Tomato	kg	R 6.50
Tomato cherry	kg	R 20.00
Turnips	kg	R 3.50

3.0 Operational Plan

3.1 Seasonal calendar for selected option

Month	Jan	Feb	March	April	May	June	July	Aug	Sep t	Oct	Nov	Dec
1 Order seedlings/ seed	x			x			x			x		
2 Preparing soil	x	x	x	x	x	x	x	x	x	x	x	x
3 Planting & staking	x	x	x	x	x	x	x	x	x	x	x	x
4 Watering	x	x	x	x	x	x	x	x	x	x	x	x

5 Weeding, thinning, pest control, 6 Fertilising	x	x	x	x	x	x	x	x	x	x	x	x
7 identify and select size for harvesting	x	x	x	x	x	x	x	x	x	x	x	x
Periods of low (-) and high market prices (+) for this product?	+	+	+	+	+	+	+	+	+	+	+	+
Periods with labour shortage at the farm (-) and with labour surplus at the farm (+)?	-										-	-
Periods with enough water (+) and with shortage of water (-)	-	-	-	+	+	+	+	+	+	+	+	-
Seasonal variation in variety of veg available	+	+	+	+	+	-	-	-	-	+	+	+

As such a large selection of produce is grown; a single seasonal calendar for each type of vegetable would not be feasible in this report. The above seasonal calendar is an overview of all vegetables produced by each farmer, taking into account that farmers plant every 2 weeks and harvest every week.

Market prices offered by the pack shed remain stable throughout the year. Variety is a problem in the cold winter months and a selection of summer crops are being planted into tunnels in August to extend the season.

3.2 Production

3.2.1 Variety

Open pollinated seed is used throughout. Saved seed is also being used from purple cherry tomatoes, squash and peppers. Most vegetables are grown from seedlings, whereby the source provides the seed suitable for that particular line at a specific time of year. Vegetables grown from seed have been recommended by representatives of seed companies or through trial and error

3.2.2 Input Sources

Seedlings

- Kuikenvlei Nursery
- Landorf Nursery

Seed

- Starke Ayres
- Klein Karoo Coop
- Hygrotech
- Farmer Saved Seed

Compost

- Local Kraals
- Heaven on Erf

Organic fertiliser in the form of bounceback and rapid raiser is donated by Neutrog

3.2.3 Equipment

Tools required in order to supply HOH an example would be Eden project with 5 members and 1068m² of land.

- 5 x Fork , 3 x Rakes, 3 x Hoe, 5 x Spade, 1 x Hosepipe, 2 x Wheelbarrow
- 1 x Weighing Scales, 2 x Scissors, 1 x Sprayer, 1 x String

The Quantity of Equipment varies from Farm to Farm depending on amount of farmers per group and size of land.

Harvest of Hope Farmer Information

Project	Address	Total m ²	HOH m ²	No Members
Khayelitsha		m²	m²	
SCAGA 1	Macassar	5000	722.5	10
Eden	Macassar	3280	1068	5
Sahke	Nomsa Primary School	1574	786.02	2
Bambanane	Sivuyeseni junior school	880	345.5	3
Vukuzenzele	Matthew Goniwe High School	900	623	3
Masikhanye (co-op)	Harare	29200	7300	22
Tsikarong	Bulumko Senior School	882m ²	352.8	3
Agora	Bulumko Senior School	840m ²	336	1
Nyanga				
Bambanane	Sinethenba Senior School, Phillipi	757	443	6

Masithadane	Gugulethu	700	700	3
Fezeka	Gugulethu	6250	1113	9
Masibambane	Siyazaka school, Phillipi, NY	850	304	3
Totals			14093.82	61
New Farmers				
Sikho	Philippi, NY	588	362	12
Esam Esake	Ipendulo school, KH	3008	439.31	8
Nonkululeko	Gugulethu, NY	1389	190.75	14
Sinoxolo	Tembelihle School Macassar, KH	1197	819	4
Delft Farmers Association	Delft, KH	20 hectares	10000	23
Ntinga	Harare, KH	3200	470	
Total				61
Grand Total			12281.06	130

3.2.4 Water/Irrigation

All HOH farmers have either well points or boreholes on their land with the exception of one farm which uses municipal water. Some have irrigation systems and some have a system of hosepipes with sprinklers. Watering during the hot summer month can be time consuming for farmers and often is not done properly

3.3 PRODUCTION PLAN (ATTACHMENT 1)

3.3.1 Production Cycle

Production is continual with seasonal vegetables planted every two weeks. This year has seen tunnels used for the first time to push forward availability of summer crops thus allowing for more variety earlier. Winter crops start to be planted in March (some as early as February) and summer crops start in tunnels in August whilst September sees the planting of summer crops outside. Crops are divided amongst the farmers according to land size and rotation.

3.3.2 Production Methods

HOH farmers have a long history of growing vegetables. They therefore have a certain amount of experience and skill. The Urban Farmers Producer School (UPFS) aims to look at weak areas in the production cycle and train farmers in order to increase production.

3.3.4 Post Harvest Activities

Farmers harvest vegetables and have received training in quality control, weighing, washing and bunching required vegetables. Vegetables are then transported from the farms to the HOH pack shed. The UPFS will address any weak areas in the process. An addition of the FSTT support is the exposure of farmers to cleaning, grading, sorting, and packing at the pack shed. Farmers are now being exposed in groups to the pack shed processing.

3.3.5 Coordination

The Project Manager coordinates all the production plans, ordering of seeds, compost and seedlings. Field staff hand out seedlings and seed and monitor the performance of crops, assisting farmers with any problems that occur. Field staff put together a picking list every week which is telephoned through to the farmer, the farmer then harvests according to the quantity requested. In order to record production accurately all vegetable plots are labelled, field staff coordinate labelling of plots. Delivery and collection is coordinated by HOH staff.

The local team now contribute in some of the coordination of the project in order to bring all farmers to a full understanding of the HoH business. This will help guarantee farmer ownership and overall project sustainability.

3.3.6 Processing

Most vegetables are sold as a unit but some lines are processed. Vegetables that require bunching such as carrots, beetroot, radish, turnips and celery are bunched in the field by the farmers. Lettuce, fresh herbs, English spinach, chilli and kale are packed into biodegradable pillow packs in the pack shed. Other items such as peas, beans and tomatoes are packed into brown paper bags.

Pack shed Equipment acquired

- 15 packing Bays
- 3 Digital Scales
- 3 Manual Scales
- 3 Sinks with hose attachments
- 50 Lug boxes
- 400 HOH crates
- 2000 x 3 sizes of biodegradable pillow packs
- 2 x Heat sealer for sealing pillow packs
- Paper bags
- Fridge
- Delivery Truck
- Trailer

Pack Shed Coordination

At present HOH staff coordinates processing on the pack shed. Farmers are coming to the pack shed every week to receive training in order to understand the process, this will be included as part of the UPFS.

3.4 Marketing

A number of marketing strategies are being used. The marketing is being spearheaded by a volunteer who has experience in market chain development. The following strategies are being used:

Promotional materials

- HOH brochure (see attached)
- Website www.harvestofhope@abalimi.org.za
- Monthly newsletters
- Recipes

Promotional and PR Activities

- Talks and presentations to schools, institutions and businesses
- Magazine and newspaper articles
- Advertising in magazines and newspapers
- Stands at school fairs, fetes etc selling vegetables and promoting HOH
- Word of Mouth
- HOH has spent the last year and half building a relationship with HOH clients. A lot of effort goes into communicating with clients through emails and personally at drop off points. During the next two years we want to continue to build a loyal client base that is part of the HOH family.

Taking Orders

Clients sign and fax through a membership form and proof of payment for the month prior to delivery. The client fax also indicates which drop off point they would like to collect their box from. Only then do they get registered as a secured client that can receive a box. Cancellation of an order can be done under the following conditions. Conditions are that notice of cancellation must be given 1 month before the effective cancellation date. A new drop off point can only be introduced if a group of 10 people have signed and paid up in order to make it worthwhile.

Transport

At present a 1 ton truck is provided by Abalimi and is used for 2.5 days per week by Abalimi and 2.5 days by HOH. An application for funding has been lodged with the National lottery and others in order to purchase a new larger truck.

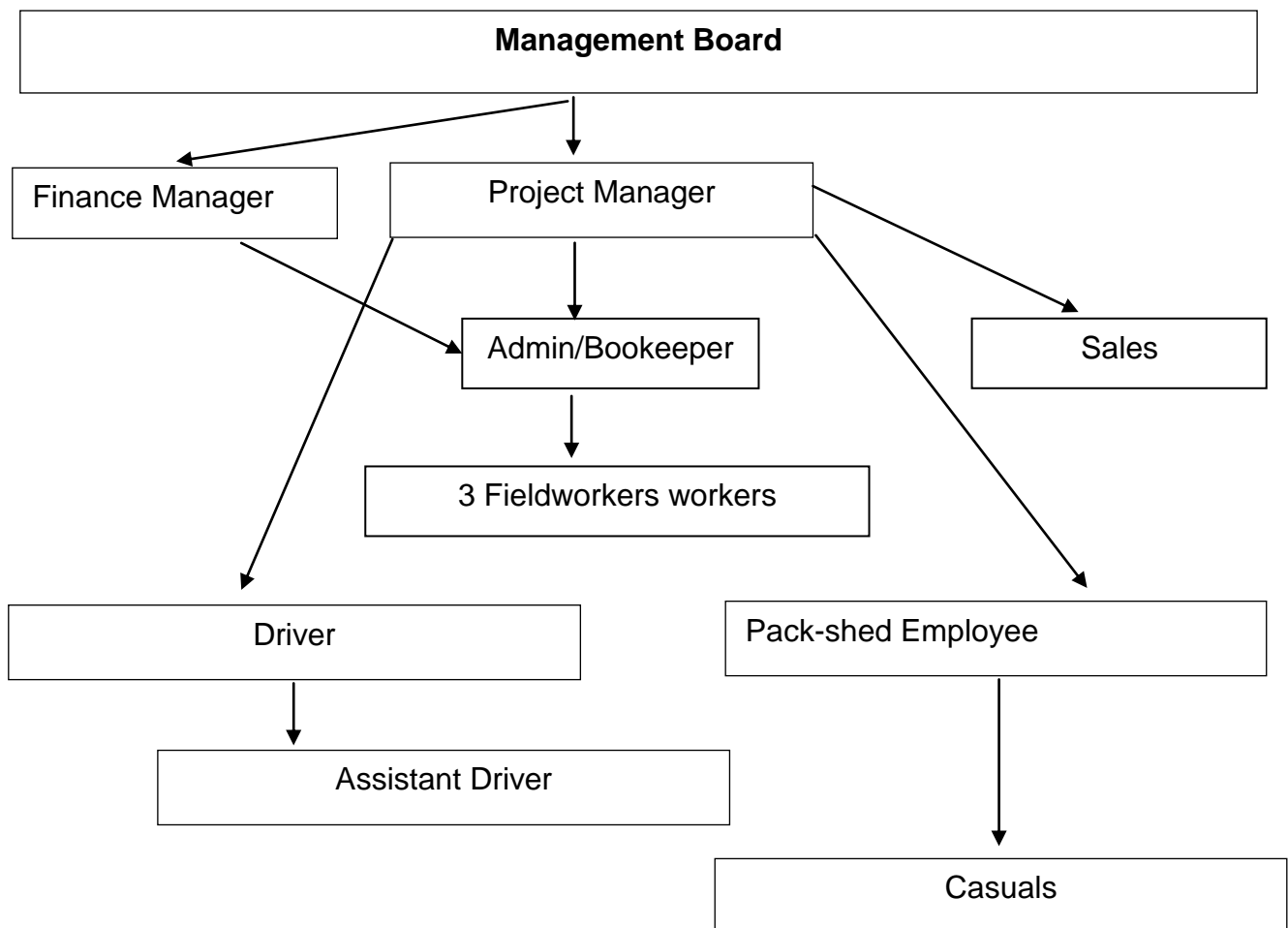
Coordination

The HOH project manager currently coordinates marketing, communication and transport.

Planning of marketing is done by HOH coordinator and the marketing volunteer.

Administration of orders and accounts is carried out by a dedicated bookkeeper and overseen by the HOH project manager and Finance manager.

STAFF STRUCTURE



Finance Management is provided by Abalimi Bezekhaya. HOH staff is responsible for sales, administration, production, invoicing, transport, packing, orders, client liaison and sales

Farmers are not employed in the pack shed but come through as part of the UPFS training, learning how HOH works from harvesting right through to distribution and marketing. Some farmers have enjoyed the process so much they come back to volunteer.

Four casual Staff are employed one morning a week to help with the packing. Through FSTT a local team has been formed made up of: four farmers, HOH project Manager and HOH Fieldworkers along with Abalimi Field team including the Operations Manager. This team serves a steering committee, making decisions before taking them to management.

3.5 Organisational Plan

Project Manager

The Project Manager is the coordinator of all HoH activities. She has overall responsibilities and accountability for the project. The following are her detailed day-to-day duties:

- Production
- Procurement
- Quality
- Recording
- Varieties
- Marketing
- Reports
- Monitoring and Evaluation
- Pack shed coordination
- Client communication
- Research
- Staff Management
- Transport
- logistics
- Health and Safety
- Building relationships with suppliers

Sales Volunteer

There is a person who is responsible for the project marketing. Currently this person works on a voluntary basis and therefore is not paid by the HoH project. The duties of the marketing person are as follows:

- Finding markets
- Talks
- Advertising
- Interviews

Field Workers

There are 3 field officers working on the project. These officers offer direct day-to-day support to farmers. They ensure farmers have all inputs on time and know how to undertake all production processes.

- Organisational and technical support of farmers
- Farmer invoicing
- Field records
- Production
- Quality control
- Marketing at drop off points
- Picking lists
- Health and Safety

Finance Manager

- Management of HOH finances

Driver and Assistant

- Collection of produce from gardens to pack shed
- Delivery of boxes to client collection points
- Delivery of inputs to farmers

Admin/Bookkeeping

- Invoicing Clients
- Payments to Farmers
- Payments to Suppliers
- Debt Collection
- Picking Lists
- Capturing of information for M&E
- Capturing production statistics

Pack shed Staff

- Health and safety
- Quality control
- Recording of produce delivered
- Charity donations
- Packing

Casuals

- Cleaning
- Packing

HOH will keep records of the following: production, sales, financial, minutes of meetings.

Areas HOH needs to target to increase sales are

- Sales

There is need to identify new markets. This will provide for the increase of sales to the targeted 380 boxes. New markets will be secured in more schools and institutions. Shops and supermarkets have also been identified as new markets. Other small outlets in townships have been identified such as local markets and shops. These are in line with Abalimi target of ensuring that the healthy fresh produce also remains in the townships.

- Production

There is need to increase production figures up to meet the new sales targets. This will be achieved by planting on bigger plot sizes as well as improve production per unit area. The use of reliable seedling supplier will also help increase production. The project also aims to improve farmer skills through the conducting of regular Urban Producer Field Schools (UPFS).

4.0 The Marketing Strategy

HOH looked at the range of produce already being grown and recognised the growing market interest in organically grown vegetables, particularly in up-market households. HOH realised that the “Product of Choice” that would be easiest to grow and market and deliver the best return would in fact be a basket of organic vegetables.

In the last year HOH has recognised that a box of vegetables is not necessarily suitable for all customers. Whilst continuing to market the MoPO in order to increase sales it will be necessary to diversify to other markets. These will include the traditional schools but also include shops and supermarkets as well as local informal markets.

Abalimi has also been uncomfortable with the fact that HOH was taking good healthy vegetables out of the townships to rich people in the suburbs, so a policy was introduced to prevent people using all their land for Harvest of Hope. The policy strategy is to encourage farmers to divide 50% of their land for produce that goes to HOH and 50% is for local markets and consumption.

There are many local formal and informal markets that were identified as available in Khayelitsha who are willing to sell vegetables produced in community gardens.

4.1 Current Market

Currently the project supplies 10 different outlets mainly comprising schools, tertiary institutions, and a retail outlet as follows:

- 7 Schools
- 2 University Departments
- 1 Plant Nursery

Seven of the above market outlets are situated in the Schools. Whilst schools are an excellent market, there are limits to the amount of boxes that can be delivered in 1 day as boxes have to be delivered before parents pick up their children at lunchtime. Sales also tend to be reduced during school holidays when the logistics for collecting boxes become complicated.

The project is also currently selling Basil and English spinach to a pesto manufacturing company in small quantities (around 10kg's a week in summer).

4.2 Competition

As part of the market analysis, our competitors were identified. There are 7 existing organic box schemes in the Cape Town area

- Ethical Coop - delivers all over the greater Cape Town area, Stellenbosch and Somerset West
- Wild Organics - delivers all over Cape Town
- Ganics - delivers in Cape Town and Western Cape (personally delivered)
- Organic by Nature – These deliver to Hermanus and Overberg
- Slow Food Box (CSA) – These deliver to Cape Town, Stellenbosch, Somerset West (very small)
- Christina's Whole food- These target the southern suburbs
- Organic Zone – These deliver in Muizenberg and Constantia
- Zetlers Pharmacy –These deliver in Cape Town Central
- Birds Cafe – They also deliver in Cape Town Central

4.3 Our Comparative Advantage

Harvest of Hope however has a comparative advantage over all our competitors. We are a social business. We do not just consider the profit motive but also the health, nutrition, and social being of the community. All vegetables that are considered not good for the market are donated to charities. Our farmers are also poor members of our society resident in the townships. When clients buy from us, they are supporting the poor. There is therefore a moral advantage to clients supporting HoH.

4.4 Target Market

- Parents and teachers at Schools are presently being marketed to expanding to:
- Businesses - especially large businesses with many staff and those likely to be sympathetic to the idea we have already started with Old Mutual and Alan Gray
- Processing companies Pesto, baby food etc
- Other box schemes e.g. Ethical Coop

4.4.1 Marketing Plan to increase sales from 120 to 350 boxes

- Continue delivering fresh, quality vegetables
- Continue marketing to new schools
- Spar in Khayelitsha would be willing to purchase a line of vegetables
- Local Rastafarian vegetable stands in Khayelitsha and Phillipi are interested in purchasing small quantities of vegetables and particularly like the idea of supporting local farmers.
- Targeting local businesses
- Market reminders to existing schools to try and increase numbers at existing drop off points (emails, flyers etc)
- Sales of Basil and English spinach to pesto companies - agree on quantities required and put together a production plan to meet their requirements
- Meet with other organic box schemes and agree to provide certain lines of vegetables agree on quantities required and put together a production plan to meet their requirements
- Regular recipes, newsletters and email contact with clients keeps them connected.
- Update website
- Newspaper advertising- adverts in local newspaper to attract customers

Currently all marketing is being done by a part time marketing volunteer and the project manager. If sales do not increase within the next 3 months we may need to look at getting in extra help.

4.5 Swot Analysis

4.5.1 Strengths

- There is a lot of high quality local organically grown vegetables
- The fact that vegetables are grown locally means low food miles. Our produce is sustainable since it has a low carbon footprint.
- HOH has the advantage of being supported by Abalimi Bezekhaya thereby having access to many of Abalimi resources. The business can be grown slowly without exerting too much pressure on the farmers.
- HOH has already been running for a year and a half so is in a position to review and look at the way forward using experience gained. The entrepreneurial mind in the farmers is already existent.

4.5.2 Opportunities

- HoH is a Community based Agriculture project working with previously disadvantaged farmers. This is a great selling point.
- Vegetables are harvested and picked the same day so that the freshness and often quality way exceeds that of other box schemes
- The project has created a client base who is members and friends of HOH who love the concept and the vegetables. Clients are educated in cooking with seasonal vegetables and kept up to date with newsletters and by staff at drop off points

4.5.3 Weaknesses

- The current market that targets only schools means that box sales drop dramatically during the holidays. When schools close there is no alternative market therefore sales volumes are very low. There is need to identify alternative markets that can complement the current schools market so that sales volumes can be sustained at a sustainable and viable level.
- Many farmers are very old. In some community gardens, the average age of farmers is as high as 60 years. This means that these farmers cannot work as hard as younger people. The levels of production can therefore always remain relatively low. The old age of the farmers also has sustainability implications. The project currently lacks a succession plan and may collapse once the current groups of farmers die or become too old to work.
- Variety of vegetables during the winter month is limited. This reduces the box variety.
- Organic seedling supply is not always reliable in Cape Town.

4.5.4 Threats

- There is a tendency among Farmers to be jealous and suspicious of each other which prevents them from pulling together as a team.
- Economically the recession means some clients can no longer afford to purchase from a box scheme
- Environmental changes have brought about harsher climatic conditions. Summer months being particularly bad with high temperatures and strong winds causing seedling and plant losses
- Farmers tend to see Harvest of Hope as another NGO project not as a business

5.0 Partner strategy

HOH currently works strategically with partners from various different fields and has plans to work with others. This section identifies the partners and their levels of involvement in the project.

1/ Production and Processing

a/ **Extension**

- Dept of Social Services
- Dept of Agriculture
- Dept Labour

The above are all active in the field but little contact is made. HOH has plans to approach all three departments to arrange regular meetings to assess how we can best work together in the field. Efforts are being made to coordinate the above partners in such a manner that farmers get the most out of their expertise and resources.

b/ **Infrastructure**

- Dept Agriculture – supplies fencing, boreholes, well points, containers, tools, irrigation
- De Wets Well Points – Installation and maintenance of boreholes and irrigation

HOH/Abalimi supports its farmers to apply to the Dept Agriculture in order to receive infrastructure.

c/ **Inputs**

- Kuikenvlei - seedlings
- Landorf – seedlings
- Hygrotech – seeds
- Starke Ayres – seeds
- Klein Karoo Coop – seeds
- Heaven on Erf – Compost
- Good for the ground – Biodegradable pillow packs
- Laughton - Brown paper bags
- Neutrog – Organic fertiliser
- Agricol – Tools, shade net and poles
- Fresh in Tyme –Seed potato

The project has account facilities with all the above supply partners. The project operates accounts wherein payments are supposed to be settled in 30 days from the supply dates.

d/ Training

- Dept Labour – Production, processing and marketing
- Dept Agriculture - Production, processing, finance and business
- Dept Social Services - Production, processing, and marketing
- Just Think and SAIE – Production, finance and business training
- Soil for Life – Production training
- Community Connections – Organisational building and conflict resolution

Dept Labour, Agriculture and social services all operate their own training independently of HOH. Just Think, SAIE, Soil for Life and Community Connections work in conjunction with HOH and Abalimi.

Plans as above to connect with the various government departments to

e/ Land and Water

City of Cape Town

They mainly provide access to land. The city owns a lot of land that is being accessed by farmers as community gardens. The city also provides water in some of these gardens. There will be need to continue working with the city so that Abalimi continues to negotiate with or on behalf of farmers.

Dept Agriculture

The department of agriculture can also provide access to land that they own. Abalimi will also keep and nurture the partnership so that farmers can also utilize that avenue. The department can also assist with farmer training and extension support. At the moment there is very little support from them, but more can be done.

School Principals

Some of the gardens are situated at school sites. The land on which these gardens are situated is managed by the school principals. They therefore offer land agreements on school land. They are a useful partner that the project will continue to work with.

6.0 Financial Plan

Two financial scenarios have been developed for the HoH project. One scenario (slow) assumes a worst case scenario whereby things are moving very slowly. The

other scenario is the ideal scenario where everything goes according to plan. These are attached to this Business Plan.